To investigate the Factors Affecting Service Delivery to Farmers at KTDA Nyamache Tea Factory in Kisii County

BY

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A research study submitted in partial fulfillment of the requirements for the award of Master of Business Administration (MBA), (Human Resource Management) Degree of Kenyatta University

October 2012
DECLARATION

This research study is my original work and has not been submitted for examination in any other University for academic fulfillment.

Sign: __________________________ Date: 11/10/2012

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Approval by Supervisor

This is to satisfy that this research study has been submitted with my approval as the university supervisor.

Sign: __________________________ Date: 11/10/2012

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Approval by Chairman

Sign: __________________________ Date: 11/10/2012

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Chairman
Department of Business Administration
DEDICATION
This work is dedicated to my dear mother, wife and children. My mother who always
encouraged me to take schooling seriously and who always paid my fees while in
secondary school. My wife Lydia and my four children Emma, Sidi, Linda and Stella for
their understanding and sacrifice during my stay away from home to study for MBA
Degree.
ACKNOWLEDGMENTS
Indeed many people contributed towards the completion of this research study and MBA course in general. I have special thanks to my kind and supportive supervisor, Mr Nzulwa Robert for the professional guidance and advice for this research proposal. Thanks too to my other lecturers for their contribution in making the whole course a success. Thanks too, to my classmates Evans Ayao and Ndege Nicholas for their good and cordial relationship and support. May I also make special mention of the following for their material and financial support that enabled me complete this course: Francis Machuki and Tom Nyangoto of Minnesota USA. Special thanks too to Ms Linda Golden for her regular advice and encouragement. Glory to our Almighty God for restoring my health to enable me complete the course, You were with me God and heard my prayers when I was ill. Amen
ABSTRACT

This study intended to investigate the factors affecting service delivery to farmers at KTDA Nyamache Tea Factory of Kisii County. Service delivery is an important issue for organizational survival as customers' satisfaction has been linked to business performance and profitability (Nelson, 2003). The study focused on small-scale tea sub-sector because of the critical role it plays in the socio-economic development of Kenya which is an agricultural oriented economy. It was equally important to focus on the tea sector's service delivery owing to the fact that many people depend on small-scale tea farming for survival. The research problem was that, despite the enormous contribution of the sector to the economy, the service delivery to farmers have remained poor even after the 1999 tea sector reforms outlined in Sessional Paper No. 2. of 1999. The farmers' dissatisfaction and discontent is evident in the emergency of a parallel system where small-scale tea farmers in Nyamache area sold tea leaves to brokers of multinational companies from Kericho and Bomet Counties. Some have neglected their tea farms and others threaten to uproot tea bushes in favour of other cash crops. It was therefore critical to address the factors affecting service delivery to farmers in the area. The study consisted of dependent variable which represents service delivery to farmers and independent variables which represent the factors affecting service delivery in the sector. The research study was carried out using descriptive research design. In order to meet the study objectives, both primary and secondary data were collected. To obtain information from respondents a questionnaire was used. The population for the study was the 210 employees of Nyamache Tea Factory. The sample was selected by simple random sampling method. Data collected was coded and analysed using statistical package for social sciences (SPSS). Descriptive statistics was used to analyse the data in terms of frequency tables, histograms, graphs, pie charts and percentages. The data analysis generated findings which established that training in core areas of responsibility, use of ICT, work tools and equipments and compliance to service delivery guidelines were casual factors for service delivery to farmers in the area.
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<tr>
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<tr>
<td>COTEPA</td>
<td>Coffee and Tea Growers Parliamentary Association</td>
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<td>GOK</td>
<td>Government of Kenya</td>
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<td>HR</td>
<td>Human Resource</td>
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<td>HRM</td>
<td>Human Resources management</td>
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<td>ICT</td>
<td>Information Communication Technology</td>
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<td>IDA</td>
<td>International Development Agency</td>
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<td>KANU</td>
<td>Kenya African National Union</td>
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<td>Kenya Small-scale Tea Growers Association</td>
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<td>KUSSTO</td>
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<td>MDGs</td>
<td>Millennium Development Goals</td>
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<td>NARC</td>
<td>National Alliance Rainbow Coalition</td>
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<td>PAS</td>
<td>Performance Appraisal System</td>
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<td>PC</td>
<td>Performance Contract</td>
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<td>RBM</td>
<td>Result Based Management</td>
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<td>Rapid Results Initiative</td>
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<td>SCDA</td>
<td>Special Crop Development Authority</td>
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<td>Statistical Package of Social Sciences</td>
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<td>TNA</td>
<td>Training Needs Assessment</td>
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DEFINITION OF CENTRAL TERMS

**Competence:** Ability to perform the activities within an occupational area to the level of performance expected in employment.

**Development:** A process whereby, overtime the individual becomes complex and differentiated through the interaction of internal and external factors. It also entails learning, training, career progression and advancement.

**ICT:** Information communications technology is defined as “electronic means of capturing, processing, storing and disseminating information with the aim of improving organizational and human resource planning and decision making.

**Performance:** Performance means both behaviour and results. Behaviour emanates from the performer and transforms performance from abstraction to action. Not just the instruments for the results behaviors are also outcomes in their own right – the product of mental and physical effort applied to tasks – and can be judged apart from results.

**Service delivery:** Delivering services as effectively as possible to the expectation, satisfaction and delight of the customer

**Targets:** These are the quantifiable results to be attained which are measurable in terms of returns on capital employed, output sales, level of service delivery, cost reduction and reduction of rejects rates.

**Training:** A planned process of modifying attitudes, knowledge or skill behaviour through learning experience to achieve effective performance in an activity or a range of activities.

**Service delivery guidelines:** They are the documented rules and service delivery which include service provision charter and basic standards followed to ensure quality service to customers.

**Tools and equipment:** Work tools and equipment refers to the facilities that employee require in performing tasks related to their job.
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CHAPTER ONE

INTRODUCTION

1.0: Overview

This chapter introduces the background of the study, statement of the problem, objectives of the study, research questions, purpose and significance of the study, scope of the study, limitations and the assumptions of the study.

1.1: Background to the Study

This study sought to establish the factors affecting Service delivery to farmers at KTDA Nyamache Tea Factory. Quality Service delivery was an important issue for organizational survival as customer satisfaction has been linked to business performance and profitability (Tompkins, 1992). The study was based on the premise that organizational performance depends on its people (Senyucel, 2009). The point is that employees are the ones who link the organization with customers and customers make evaluative judgment on the quality of service delivered by employees (Beatson et. al., 2008).

Customer satisfaction is an important determinant of customer retention which in turn has a strong effect on profitability. Dissatisfied customers will consider taking their custom elsewhere and it is widely accepted that it is five times more costly to attract new customers than it is to retain existing ones (Heskett and Sasser 1990). Proper management of employees is crucial for quality Service delivery because employee interface directly with customers who make evaluative judgment of the quality of services delivered to them. Therefore, an organization must comprehend the specific
organizational factors that influences employee attitudes and behaviour that may in turn influence how services are delivered to customers (Senyucel, 2009).

1.1.1: Service delivery

Service delivery is about delivering services as effectively as possible to the satisfaction and delight of the customer. Service delivery in an organization is not about the actual product sold but the experience that exceeds the customers’ expectation. It is by doing ordinary things in an extraordinary way that remain pleasant memories shared between the organization and the client. The key to ensuring that the experience is rich, is to focus in the deposition of the staff and that of the client. The welfare of the internal staff is crucial in ensuring that the customer receives the respect and service delivered as expected (Paauwe J, 2004).

It is therefore important for an organization to know how to maintain good customers’ relations. This is done by; establishing credibility in the mind of customers, building and establish the rapport with the clients and putting in place customers’ feedback mechanisms. An organization must take a proactive approach to understand the needs of its customers. It is prudent that the management and staff considered as service providers at customers touch point develop strategies and standards to ensure that service rendered to customers not only meets but exceed customers’ expectations. It is important to share with customers any literature that gives details on how to access and utilize organization’s services. This information could be in documents like brochures, handouts, business cards, customer building forums and the website just to mention a few (Nelson, 2003).
The staff should seek to understand the customers’ worries, concerns and consideration as a way of building confidence in an organization. This will help the organization come up with a service charter on service delivery. A service charter summarizes the key services of the organization, highlights the customers’ needs for each service and describes explicitly how each service will be obtained to meet the customers’ needs. Service delivery should be measured against financial targets of an organization on quantitative basis in terms of numbers or a qualitative basis in terms of customers’ opinions about the services delivered. Effective service delivery will also include processes of handling and managing customers’ complaints. Complaints are normally unwelcomed in some organizations. It is sometimes on this basis that people lose their jobs or are penalized and the organization loses out an opportunity to teach how best to take corrective and preventive action to improve on service delivery. Generally, effective service delivery calls for employees’ total commitment to ensure that the customers appreciate the services offered by the organization and are committed to remain with the organization (Dzansi et al. 2010).

Service delivery is said to be an outcome of employee goal commitment. Although there are several definitions of commitment, it is believed that the issue boils down to loyalty to the organization (Senyucel, 2009). For example, Robbins, et. al. (2007) defines commitment as a state in which an employee identifies with a particular organization and its goals, and wishes to maintain membership in the organization. Kreitner et. al. (2008) define it as the extent to which an individual is personally dedicated to achieving a goal. Porter et. al. (1982) view it as attachment and loyalty to the organization and consisting of three components i.e. identification with goals and values of the organization, a desire
to belong to the organization and willingness to display efforts on behalf of the organization.

While loyalty no doubt recurs in these definitions, the common thread that seems to run through all of them is the reference to identification with and devotion to organizational goal. Therefore, commitment as used in this study refers to the extent of employees' identification with, devotion to and the willingness to exert extraordinary effort towards the attainment of organizational goals regardless of intended or actual duration of stay in the organization. It is clear from all the definitions that commitment is an attitudinal issue and has a direct effect on Service delivery (Dzansi et. al. 2010).

Commitment ranks amongst the most important types of employee attitudes in response to what happens to them at the workplace (Kreitner et. al 2008). It is believed that maintaining high levels of commitment in employees is critical for organizational success because it is believed that committed employees will act in the best interest of an organization (Fischer, 2004). In fact, employee commitment has been found to have profound influence on organizational outcome in many ways. For example employee commitment has been found to predict the critical employee behaviour, organizational citizenship behaviour and by extension affects Service delivery (Sanders et. al. 2008).

1.1.2: Legal framework conditions facilitating Service delivery

Provision of quality services by both public and private sector to citizens of Kenya is now a constitutional mandate. The new constitution of Kenya, chapter three, clause 46 (1) states that consumers have a right to goods and services of reasonable quality. They also have a right to seek compensation for legal redress for not receiving quality services they
are entitled to. The Kenya Government has also recognized the need to create conducive environment to accommodate sustainable development process. It is in this context that various policy documents have either been adapted or developed to guide all sectors in this process. These documents create favorable conditions that facilitate Service delivery to citizen in all sectors of the economy. At the macro level, the following policy documents are *inter alia* considered; Millennium Development Goals (MDGs), Vision 2030, Rural Poverty Eradication Strategy and Rapid Result Initiative (RRI). At micro level, they include District Focus for Rural Development, Policy and Legal Framework for the Tea Sub-sector and Performance Contracts (GOK, 2004).

In September 2004, the Kenya Government through a cabinet memorandum approved the introduction and institutionalization of the Result Based Management (RBM) approach. RBM is a team based and participatory approach to management that sought to focus on organizations' efforts on expected results. It is designed to improve Service delivery and strengthening management effectiveness, efficiency and accountability (Posner, 2005). RBM is a contemporary management that is now widely used by organizations both in private and public sector to help them achieve their strategic objectives. It has four major components namely; transformative leadership, performance contracting, performance appraisal system and rapid result initiative (GOK, 2004).

1.1.3: Kenya Tea Small Holders Sub-Sector

Tea was introduced in Kenya in 1903 when the white settlers planted a few tea plants at Limuru for experimental purposes. The white settlers soon embarked on tea growing. The first legal instrument to govern tea production was the Tea Ordinance No. 46 of 1934,
which was revised by another Tea Ordinance No. 52 of 1948. Both ordinances aimed at providing for the control of the production of tea in Kenya colony. By 1950, Tea Board of Kenya was established to regulate the industry. The Africans were barred from growing tea by law until the dawn of independence when the registration was repealed for the indigenous people to commence tea growing. In 1960, the colonial government created the Special Crops Development Authority (SCDA) to promote growing of Tea by Africans under the auspices of the ministry of Agriculture. After independence, Kenya Tea Development Authority was formed through legal notice No 42 of 1964 and took over liabilities and functions of SCDA to promote and foster the growing of tea in small farms. There was tremendous growth of the KTDA from 1964 to 2000 previously a parastatal before being privatized and acquired a new status, namely Kenya Tea Development Agency Limited (KTDA LTD). The Kenya Tea Development Agency Ltd was incorporated on 15th June, 2000 as a private company under (Cap /486) of laws of Kenya, becoming one of the largest private tea management Agency. The Agency manages 54 operational factories in small-scale tea sub-sector in Kenya including Nyamache Tea Factory which is the focus of this study (Tea Board of Kenya, 2004).

Historically the tea industry is one of the greatest success stories in Kenyan Agriculture. Tea planting and production has expanded rapidly since independence in 1963 from 1800 tons and 21,448 hectares to over 294,613 tones and 131581 hectares in 2004 (Tea Board of Kenya) smallholders expanded the most as their production rose from a mere 1.7% of the total amount to tea produced to the current 59.7%, with more than 400, 000 small-scale tea growers. Further still, tea is the leading foreign exchange earner contributing to about 28% of Kenya’s total exports. Kenya produces 20% of the total marketed black tea
in the world and ranks second after Sri-Lanka in tea export and are the third major producer of tea in the world after India and Sri-Lanka (KTDA, 2008).

The success in developing smallholders sub-sector began to slow down in 1990s. The average tea yield on small farms have stagnated at about 2500 kg per acre and sometimes decline since 1990 and average 60% of the yields realized by tea estates. The decline is attributed to low levels of inputs use and poor husbandry practices, tea collection problems at the buying centres, payment problems and politicking. While the area planted by smallholders in hectares continued to increase, production in the sub-sector continue to fluctuate (mostly declining) as shown in the table below;

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<td>Area</td>
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<tr>
<td>Planted Area in Hectares</td>
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<td>85,657</td>
<td>90,317</td>
<td>90,890</td>
<td>92,800</td>
</tr>
<tr>
<td>Production in Kgs</td>
<td>129,707,792</td>
<td>175,627,855</td>
<td>153,855,368</td>
<td>145,546,258</td>
<td>181,125,815</td>
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Table 1: Planted Area in Hectares and Production in kilograms
Source: Tea Board of Kenya 2009.

The table above shows that the area planted by smallholders in hectares has continued to decrease since 2005. Due to continued decline in earnings, some farmers are disenchanted and thus the decrease in acreage covered by tea in the year 2009, and the trend is likely to continue unless the earnings start to rise.

1.1.4: Nyamache Tea Factory

Nyamache Tea Factory was established in 1984 to ease congestion at Kiamokama Tea Factory which was then the only one serving the whole of southern Kisii region. It was
part of KTDA which was then a parastatal body under the Ministry of Agriculture. In June 2000, Kenya Tea Development Agency Limited was incorporated as a private company under Cap. 486 of the laws of Kenya manning 54 operational factories in small scale tea sub-sector, Nyamache factory included. The 1999 reforms which liberalized the small scale sub-sector brought the management of individual factories in the hands of farmers. Nyamache Tea Factory farmers elected five directors who are top management of factory level but working under policies designed by KTDA head office in Nairobi (GOK Sessional Paper No. 2, 1999).

Nyangito H. O. (2007), in his research on why farmers in Gucha wanted to uproot tea bushes in favour of other cash crops such as bananas, revealed that farmers were dissatisfied with services offered by the factory. He identified problems such as delay in collection of green tea leaves from buying centres due to poor road network in the area, unserviced vehicles, lack of adequate extension services and poorly trained personnel. The low earnings, low productivity and low green leaves from farmers in 1990s, brought about the 2000 reforms in small-scale tea industry as a measure to reverse the declining trend of performance. The 2000 reforms had several objectives to achieve including;

1. To attain adequate processing capacity, particularly for small-holder-farmer estates.
2. To generate finance required to expand tea processing capacity and the maintenance of tea roads, warehousing and farmers’ logistics to enable efficient leaves transportation.
3. To generate higher levels of value-added tea through enhanced technological application in order to improve farm level income and ultimately foreign exchange earnings from tea.
4. To re-emphasize that the tea farmers/growers are the owners of green tea leaves and also owners of made tea until it is sold and they are paid for it.

5. To encourage private investor to set up new factories as joint ventures with tea farmers.

6. To improve the management of tea factories by allowing farmers to play their rightful role in decision-making (KTDA, 2004).

While Nyamache Tea Factory still dominates the provision of services (green tea leaves collection, processing and marketing) to smallholder farmers, a parallel system has emerged where farmers sell green tea leaves directly to private companies or individuals for immediate payment with no other contractual arrangements on provision of services. The factory is prone to controversies citing lack of transparency in its dealing with farmers and limited access to information regarding the roles of the KTDA and the tea factory Company Directors (Nyangito, 2007).

The factory is agonizing over a move by a section of small scale tea farmers in the area to sell their green tea leaves to brokers of multinational companies. In bid to make quick money, farmers dispose off the green tea leaves at a throw away price. The Kenya Tea Board (2010) annual report indicates that up to 30% of tea is hawked to middlemen acting for multinational tea companies in the neighboring Kericho and Sotik districts. Out of 87 million bushes of tea in the region, produce from 18 million bushes is hawked by 15,564 growers. Evidently, the widespread hawking of tea in the region is impoverishing small scale tea growers and threatening the existence of the tea factory in the region. The factory management has blamed the hawking on the farmers' ignorance and lack of capacity building. On the other hand, the farmers blame the factory management for their
predicaments citing falsification of weight of green leaves, delay in the collecting of weighted leaves from buying centres and low payments – both monthly and annual bonuses. The report further suggests measures to curb tea leaves hawking to include introducing electronic weighing system, capacity building and giving all players in the sector a level playing ground (The Kenya Tea Board, 2010).

Politicking and controversies on provision of quality services by the KTDA has resulted in two opposing farmers’ camps, the Kenya Small Tea Growers Association (KSTGA) and the Kenya Union of Small Scale Tea Owners (KUSSTO). This is because of lack of clearly defined roles for each of the stakeholders in the industry. The two associations have organized farmers of Nyamache Tea Factory to boycott the low bonus earnings and refused to pick tea at times in protest for low income. Tea bonus earnings have remained a key performance indicator in the sub-sector and have always been on the decline since the year 2000 (KTDA, 2009).

Due to economic liberation, competition has become day to day phenomena forcing KTDA factories Nyamache Tea Factory included to conform to the changing economic environment they find themselves operating in. To step up the competition, it faces the challenge to restructure and redesign their policies and marketing strategies to become totally market oriented because they no longer enjoy the monopoly as they did prior to 1999 when the factory operated as a parastatal under KTDA umbrella. For agricultural based organization to effectively survive the competition in the open market and retain their market niche they have to be more innovative and their time should be customer
competition and change. They must operate as a private business whose main game is to
make profits and meet customer’s satisfaction at all times (Ndungu, 2008).

It was envisaged that with the privatization and restructuring of the tea industry, the
small-scale farmers were to enjoy higher returns. However the problem still persists with
the evident indicators such as; poor production yields, low earning to farmers,
dissatisfaction among farmers, complain on inadequate extension services to farmers,
voting out of directors and reduced acreage as some farmers uproot tea and engage in
other economic activities. This means that the problems identified and which necessitated
the 2000 reforms outlined in Sessional Paper NO. 2 were either not addressed or were not

1.2: Statement of the Problem

Tea is the leading foreign exchange earner contributing about 28% of Kenya’s total
exports (KTDA Annual Report 2008). Thus, the contribution of the industry to the
economy is enormous. Despite this contribution, the industry is characterized by many
problems among them delay of delivery of green tea leaves from buying centers to the
factory. The farmers’ dissatisfaction and discontent on services offered by the factory is
evident in the emergency of a parallel system where small-scale tea farmers in the area
sell green tea leaves directly to brokers of multinational companies from the
neighbouring Kericho and Sotik Districts.

The 1999 Sessional Paper No. 2 outlined various reforms that were meant to rid off the
industry of the problems and position it as a pillar of Kenya’s growing economy. The
reform placed the management of the tea factories in the hands of the farmers with hope
that it will help revamp the sector. However, Service delivery to farmers in the sector has continued to be poor to the extent that some farmers have threatened to uproot the crop in favour of other cash crops (Nyangito et. al. 2007). This means that the problems identified in 1999 which necessitated reforms outlined in Sessional Paper No. 2 were either not addressed or were not the causal factors for poor Service delivery to farmers. This study therefore sought to investigate on the factors affecting Service delivery to farmers at Nyamache Tea Factory.

1.3: Objectives of the Study

The general objective of the study was to find out the factors affecting Service delivery to farmers of Nyamache Tea Factory. The specific objectives were;

i. To determine how staff training in core areas of responsibility affect service delivery to farmers at Nyamache Tea Factory.

ii. To determine the effect of ICT on service delivery to farmers at Nyamache Tea Factory.

iii. To determine the effects of tools and equipments on service delivery to farmers at Nyamache Tea Factory.

iv. To determine the degree of compliance to the existing service delivery guidelines/rules at Nyamache Tea Factory.

1.4: Research Questions

Given the above objectives, the study endeavored to consider the following research questions;
i. How did Staff Training in the core areas of responsibility affect Service delivery to farmers at Nyamache Tea Factory?

ii. What was the effect of Information Communication Technology on Service delivery to farmers at Nyamache Tea Factory?

iii. What was the effect of work tools and equipments on Service delivery to farmers at Nyamache Tea Factory?

iv. What was the degree of compliance with the existing Service delivery guidelines/rules at Nyamache Tea Factory?

1.5: Significance of the Study

The study is important for numerous reasons but the most important can be linked to organizational performance. The study is important because it will highlight HRM issues that can lead to employee attitude and behaviour that is detrimental to quality Service delivery. Secondly, quality Service delivery is a constitutional mandate the KTDA factories are struggling to provide. The study therefore would be important to all stakeholders in Kenya’s small scale Tea Industry for it would provide information on the factors affecting Service delivery to farmers and how these factors are likely to affect the long term succession of the sector. To academicians and researchers, the study would contribute to the body of knowledge in the field of human resource management and help stimulate further research in related fields.

1.6: The Scope and Limitations of the Study

The study was concerned with factors affecting quality Service delivery to farmers at Nyamache Tea Factory in Nyamache District of Kisii County. The study being a survey
implied that data was collected from the sampled employees of Nyamache Tea Factory. The researcher assumed the bottleneck of the respondents not divulging all the required information which may in turn lead to not achieving the desired results. Equally, collecting data from employees on their own Service delivery may be problematic for fear of victimization. This problem was however overcomed by seeking permission from top level management. It was assumed that KTDA factories are serious about solving the Service delivery problems hence would co-operate. This research was not a longitudinal study; the respondents' responses were not measured over time but were restricted to only a particular time in the year. Therefore it may not be representative over other times. Moreover, there may be other factors that impinge on Service delivery other than the identified variables. However, it was impossible to include all possible variables in this single study.

1.7: Assumptions of the Study

This study assumed that the sampled respondents would cooperate in providing relevant information and their responses are assumed to be genuine indicator of their perception and feelings. It was also assumed that respondents were truthful and honest when they responded to the questions in the questionnaires. Finally, it was assumed that the items included in the survey questionnaire represented discrete aspect of quality Service delivery in any organization.
CHAPTER TWO
LITERATURE REVIEW

2.1: Introduction

This chapter reviews the studies carried out in the tea sector locally, abroad and general studies on Service delivery and performance. It also brings out the independent, intervening and dependent variables understudy and fits them into a conceptual framework. Equally relevant literature reviews on the independent variables identified were surveyed in some details.

2.2: Concept of Service delivery

Service delivery is about delivering services as effectively as possible to the expectation, satisfaction and delight of the customer. The Service delivery expectations will vary depending on the characteristics that distinguish the service in terms of the market niche in which the service is being delivered. Quality Service delivery is an important issue for organizational survival, as customer satisfaction has been linked to business performance and profitability (Nelson 2003). Customer satisfaction is also an important determinant of customer retention which in turn has a strong effect on profitability. Dissatisfied customers will consider taking their custom elsewhere, and it is widely accepted that it is five times more costly to attract new customers than it is to retain existing customers (Heskett et al. 1990).

In the marketing literature there are various examples of ways in which Service delivery systems can be classified. For example Kelly (1989), proposes a Technological versus Humanistic classification system based on whether the service is directed at things or
people, is intangible or tangible and the level of judgment and extent of customerisation in the delivery process. Roesen and Karwan (1994) also classify services on customerisation but include degrees of interaction and degrees of labour intensity. Within this model the Service delivery dimension will be classified according to the schemes proposed by Lovelock (1983), as they provide a comprehensive typology of services. Lovelock argues that services in different industries share common characteristics and it is possible to classify them according to these characteristics. The benefit of grouping of services in this way is that it provides a structure for the cross-fertilization of concepts and strategies. These classification schemes offer five different ways of grouping services, depending on: the nature of the service act, the type of relationship, the service organization has with its customers, the amount of room for customerisation and judgment on the part of the service provider, the nature of demand and supply for the service and how the service is delivered. This can only take place in enabling HR climate (lovelock 1983).

There is also evidence in the literature that HRM policies and practices are intended to play a crucial role in the way services are delivered. In order to be successful, policies are needed which have to fit the type of service climate that the organization wants to achieve and what the customer expects. For example, from studies of frontline employees in a bank it was argued that HRM policies were crucial for creating a positive service climate (Schneider et. al. 1993). More specifically four main HR themes (hiring procedures, performance feedback, internal equity of compensation and training) were identified as correlating highly with a ‘service passion’ (Cox et. al. 1992). Equally pay, recruitment and training have been found to correlate with specific dimensions of the
Service delivery encounter (speed, courtesy and convenience), leading to the conclusion that HRM policies and practices are not only crucial for a service climate but should be designed to match the type of service to be delivered (Scheinder et. al. 1993).

HRM policies and practices are therefore likely to have an impact on the quality of service as the use of a coherent HR strategy will enable the selection, recruitment, training, development and reward of the most appropriate human resources. It is also argued that the HR practices that are used to implement an organization’s business strategy impact on both the psychological contracts it has with its employees and with its customers (Rousseau et. al. 1994).

The ‘enabling HR climate’ is defined as the specific HR policies and practices a company has for facilitating the creation of a climate of employment relationships which permit and encourage the delivery of particular Service to customers' expectations. The enabling organizational climate is one where HRM policies and practices help to create shared meanings and very specific behaviours, which are deemed appropriate for Service delivery to customers. The policy linkages are made therefore between the desired behaviours and the HRM policy approach, thus forming the association back into the HR strategy. Within this setup, the enabling HR climate will range from very simple standardized HR systems to more complex and innovative HR systems applied to employees so that they can meet the Service delivery expectations that are not standardized and require more customer intimacy and flexibility in responding to customers' needs. For example within this setup, the Service delivery expectations are based on speed, efficiency and standardization. The HR policies and practices employed
will be standardized and routinized to ensure that employees deliver these expectations. Within this setup, product information, the identification of customers' needs and a high degree of communication between the employees and customers characterize the Service delivery expectations. The corresponding HR policies and practices will reflect this by being more complex, individualized and flexible (Nelson, 2003).

The human resource practices contribute to business performance in ways influenced by three broad perspectives; 'Best practices', “Contingency” and through ‘Bundles’ (Donnelly J. 1992). However there is no “magic bullet”. The research further asserts that claims of a universal best practices are premature adopting a specified set of HRM strategies will not in itself lead to organizational success, and the same ‘bundle’ of HRM polices may not be universally applicable. The research suggested that where professional workers work together in teams, an improved service to clients can be delivered. An effective team work enhances staff motivation, job satisfaction and mental health, improved retention and reduces turnovers. It also enhances staff motivation which is a key to service delivery to customers.

Although motivation does not feature directly in our model, there has never been a discourse on managing people without the mention of the subject. Generally, equity theory of motivation attempts to explain how people strive for fairness and justice in social or give-and-take relationship. And as a process theory, it explains how a person’s motivation to act in a certain way is propelled by feelings of inequity. It attempts to explain the social comparisons that people make when they compare their inputs such as work efforts, time spent on work, qualifications and skills with outputs such as pay,
recognition and promotion they receive (Kreitner and Kinicki, 2007). Simply put, Adams (1963) equity theory states that an employee assesses his or her work against what he or she receives (outputs) and makes comparisons with another employee’s ratio of inputs and outputs. The problem arises when comparison is made and there is perception of unfairness (inequity). One of the ways in which employees will seek to restore equity in event of perceived inequity is to change own inputs - that is behaviour or attitudes. Thus, employees of organization who might perceive inequity in say pay, promotion, reward or other outputs may for example change their attitude towards customers they serve. It is therefore important for managers of organization to fully comprehend this important theory and be aware of its implications when they make decisions concerning things such as pay, bonus, fringe benefits and promotions. (Nyangito H.O 2007)

Rori (2003), in an investigation into the effects of downsizing on business organizations in Kenya found out that there is a possibility of employee downsizing having the effect on morale on existing employees and even scaring off potential employees from joining the organization. He further asserts that lack of commitment in the side of employees is responsible for 90% of business failures due to infectiveness. He recommends that compulsory lay-offs and downsizing undermines employment security and by extension lowers their commitment to the goals of the organization.

Marris et. al., (1971), in their research on major problems facing businessmen in East and West Africa noted that most African entrepreneurs tend to organize their business such that responsibilities are on their hands only. They further assert that this lack of trust on employee coupled with suspicion, make the employees’ contribution to the success goal
of the organization very minimal. They also found out that lack of employee commitment constitute more serious though less intractable problem than inadequate capital and it is in itself a major source of decreasing productivity and growth. The research suggested that investment in developing and maintaining a committed labour force make a significant and measurable positive contribution to organizational performance. Equally, Mbithi (1990), in his research on factors affecting productivity in the civil service in Kenya stated that low productivity in the civil service could be traced to among others, lack of employee commitment and the non-application of effective management practices. These practices include lack of effective delegation which causes idleness and low morale; lack of effective performance evaluation instrument which does not promote equity and fairness, lack of performance based rewards thus leading to erosion of morale and lack of clearly defined work objectives. He recommended that effective HRM practices and policies should aim at ensuring of employees’ commitments together with effective monitoring and evaluation tools must be put in place to improve Service delivery in the civil service. He identified four areas where an employee’s sense of trust in the employer can be developed namely; growth, work-life balance, individual accommodation and employee’s health and safety.

Munene (1997), Task force report culminating to the restructuring of KTDA in 1999, observed that KTDA employees have not been performing their duties to the expected standards and their service to farmers has declined considerably over the years. He also observed that these employees do not seem to put serious values to integrity, honesty, patriotism and all these may be a result of the fact that the organization lacks policy paper of work ethics. He recommended a complete restructuring of the organization with a view
of making it a profit making organization as a private company manned by farmers and employees. Once the employees have shares, they will own the organization and remain committed to its goals.

2.3: Literature on Small-Scale Tea Industry

A number of scholars have carried research in the small scale tea industry in Kenya and abroad. Chowdhurry (1974) in his study on tea industry in Bangladesh, points out that management was an important factor that influences the yields very much. He argues that, farmers who took their tea to poorly managed factories had poor production levels as compared to those who are satisfied with the management of their tea factories. Dilva (1992), on the other hand, in his study of smallholding in Ceylon, attribute poor performance in the sub-sector to poor soil, conservation methods, lack of supply of good planting materials, lack of supervision of pickers, and general economic conditions. Nyombi (1977), in his study on the establishment and growth of the small holder tea industry in Tanzania, identified the problems in the sector to include inadequate tea factory extension service workers and lack the understanding of the objectives and the policies of the government as far as agriculture development is concerned. Equally, the agricultural training centers for both farmers and factory workers were neglected by the government and there were no incentive to tea growers.

Kiprop (1991), when reviewing the economic analysis of factors affecting tea production in smallholder sector found out that labor was a constraint affecting tea yields. In this study, the other factors that affect performance included, distance to buying centre and certain infrastructural facilities such as the factory capacity and poor roads have been
found to be among the major challenges facing the tea industry. Mwaniki (1996) found out that the small holders farmers in Kiambu complained of low bonus payment as the most contentious issue. Farmers also complained that they could not understand how tax figures are arrived at by the management before farmers are deducted. Farmers are also demoralized by the practices of cheating them on their actual deliveries, insufficient factory processing capacity, lack of enough vehicles to transport leaves which leads to tea rotting or loosing quality which means farmers are denied the full benefit of their efforts.

Oluoch – Konsura (1998) revisited the production of tea in an attempt to include labor under the hypothesis that at the margin there may be some substitution between labor and tea prices when analyzing the utilization in the smallholder sector. He found out that labor cost was a major constraint.

Ombiro (1996), in his report on challenges facing Tea farmers outlines the key challenges as extension service bottlenecks, inadequate vehicles, unfavorable climate and unreliable credit facilities and marketing of tea which determines payment to farmers. Kipsang (1996), in his report on the reason why Nakuru Tea produce dropped by 15%, found out that the farmers had abandoned the farming to venture into other viable economic activities such as horticultural farming due to poor returns from tea farming. The findings of the studies carried out in Kenya’s small scale tea industry are echoed in KTDA (2008) chairman’s annual report. The report attributed poor performance in the industry to poor husbandry and harvesting practices. It also points out other problems still in the side of farmers such as low application of fertilizers, farmers lacking capacity for pay tea pickers who take about 56% of the total pay. It further asserts that farmers may not apply fertilizers even when they are supplied by KTDA.
COTEPA (2007), described the Bill that dissolved the KTDA parastatal as a charter to independence for Kenya's tea farmers, who have over the years been exploited and oppressed by the government and KTDA. The same body is now in support of the government task force report on tea saying that KTDA LTD faces governance issues that have made it inefficient and exploitative. They now support the farmers' campaign that the agency is resolved and the whole structure reverted to a parastatal among other options.

Wamalwa (2003), leading a task force formed to determine the causes for the collapse of Kenya parastatal bodies and how they can be revived, made a report on KTDA and Nyayo Tea Zone Development Corporation. It attributed the failure in the tea sector to mismanagement and corruption at the factories. It also pointed out that workers at factory level and those who pick tea were poorly paid thus lacking the incentive to work. The report proposes urgent restructuring of the agency from its present form under which farmers are shareholders. The report further raised concerns on smallholders tea factories and KTDA which suffers from among others; poor corporate governance, operational inefficiency, low monthly payments, high and rising costs of production, delay in green leaf collection and weighing, falsification at the green leaf buying centers and high cost of factory construction.

2.4: Service delivery Guidelines/Rules and their Compliance

The government of Kenya has made tremendous achievement in setting up system to accommodate various initiatives geared at social, political and economic developments. These systems include Millennium Development Goals, (MDGs), Vision 2030, Poverty
Reduction Strategy, etc. these systems, as earlier noted have created a very good framework conditions facilitating all organizations (KTDA included) to improve Service delivery. These basic documents guide organizations during planning process for their specific development plans and performance contracts. These performance contracts are made in a bid to provide good services to people in terms of quality and quantity (Paauwe 2004).

Before service delivery guidelines are formulated and adapted, clear acceptance, policy and legislative framework regarding Service delivery must be put in place. According to a study carried out in South African in 2004 whose aim was to make a better life for citizens, came up with eight “Batto Pele” principles regarding Service delivery. The eight principles are consultation with users of services, setting service standards, increasing access, ensuring courtesy, providing information, openness and transparency, redress and value for money (Dzansi et. al., 2010).

Accordingly, these principles reinforce the need for benchmarks to constantly measure the extent to which customers are satisfied with the service delivered to them. It also sets service standards that are precise and measurable so that users can judge for themselves whether or not they are receiving what was promised. It will also play a critical role in the development of Service delivery improvement plan to ensure better Service delivery to users. The Service delivery guidelines also emphasize a new way to identify and accurately determine when the services are falling below the promised standards and to have procedures in place to redress the situation. Employees are encouraged to welcome (and open complaint channels) as an opportunity to improve service delivery and to deal with complaints so that weakness can be addressed quickly for the good of customers.
The Service delivery guidelines must highlight three key issues namely; performance appraisal system, performance contract and rapid results strategies (Nelson 2003).

**Performance Appraisal System (PAS)**

Performance appraisal system may be defined as “the regular and systematic review of employees’ performance and the assessment of their potential with the aim of producing action programmes to develop both work and individuals’. Appraisal acts as an information processing system providing vital data for rational, objective and efficient decision making regarding improving performance, identifying training needs, managing careers and setting levels of reward (Rossanponan, 2000).

**Performance Contract (PC)**

Performance contract is a tool of management that is used to evaluate the performance of organizations. The rationale of introducing PCs is to improve Service delivery by ensuring top-level managers are accountable for results. A PC is agreed upon by two parties with the subordinate party committing to delivering on clearly defined targets within a specified period (Posner, 2005).

**Rapid Results Initiative (RRI)**

This tool was developed for implementing performance management under the wider umbrella of Results Based Management (RBM). RRI was initially developed as a project management tool but evolved into a tool for use in all government sectors. RRI begins by focusing on a few results, challenges the team to achieve the 100 day results goals, creates temporary governance and support structure and reinforces basic management skills.
Well implemented RRI leads to the enhancement of management skills of team members. They also learn new ways of accomplishing and sustaining the results as well as team work. In addition, the cumulative benefits of RRI include enhancing achievement of performance targets; change from business as usual and of attitudes towards results, team-work orientation to implementation of plans and strategies. Furthermore, the emerging good practices from the RRIIs launched feeds into the scale up phases undertaken or being undertaken. RRI is also a tool for ensuring that there is increased monitoring and evaluation as well as performance management for results during the RRI period (Schlesinger, 2005).

2.5: Training in the Core Areas of Responsibility

Waterman R. H. (2008), points out that successful training begin with a thorough Training Needs Assessment to determine who need to be trained and what they need to be trained to do. Training Needs Assessment takes time and money. For this reason, many organizations undertake training without this necessary preliminary investment. Other organizations carry out training programs not by identifying training needs but only by reacting to problems that have cropped up or as a response to a popular training program being undertaken by other organizations. He asserts that, training that is undertaken without a careful analysis of whether or not it is needed, is likely to be ineffective and a waste of money. Inappropriate training can also sour the attitude of trainees towards all organizationally sponsored training and reduce their motivation to attend future and perhaps more useful training programs.
Miller J. A. (2002) argues that the process of designing a training and development program, involves a sequence of steps that can be grouped into five phases: needs assessment, instructional objectives, design, implementation and evaluation. To be effective and efficient, all training programs must start with a needs assessment. Long before any actual training occurs, the training manager must determine the, who, what, when, where, why and how of training. To do this, the training manager must analyze as much information as possible about the following organization and its goals and objectives, jobs and related tasks that need to be learned, competencies and skills that are need to perform the job and individuals who are to be trained. Miller J. A. (2002) further asserts that the results of the needs assessment allow the training manager to set the training objectives by answering two very basic questions: who, if anyone, needs training and what training is needed. Sometimes training is not the solution. Some performance gaps can be reduced or eliminated through other management solutions such as communicating expectations, providing a supportive work environment, arranging consequences, removing obstacles and checking job fit.

Mutinda (2003), in her study on motivational factors affecting employees work performance and professionalism in public high schools in Nairobi argued that as radical changes transform work, business and people, the link between business planning, human resource planning and individual career life-cycles become more and more necessary. Putting the right people in the right place at the right time must now allow for the process of matching available competencies to company goals in a rapidly changing framework. Within this context, the use of career path and succession planning provides an organization with flexible tools to attract, retain and motivate the people they need to
quality delivery service and goods to customers. She recommended that organizations must make efforts of converting training needs into performance credit. It is important not to be bound to what employees have traditionally been taught but instead base ability to do a real live job. That is to stick to what it needs to be competent in real employment. Competence also embodies the ability to transfer skills and knowledge to new situations and coping with non-routine activities and effectiveness in workplace.

Nelson (2003), argues that training and motivation goes hand in hand. He further asserts that, motivated employees don’t happen by accident. The management must have a plan to train and reinforce the behavior that they want. In general, employees are more strongly motivated by the potential to earn reward than they are by the fear of punishment. Employees expect a reward after undergoing some training however short. Every employee needs to be recognized when they do good work in their job. Porter and Steer (1982) argues that the incentives that motivates employees includes exposing employees to regular training and bench marking, receiving congratulations note from a manager, public recognition for a job well done, celebrating successes however small, time off or flexibility in ones working hours and asking employees their opinion and involving them in decision making. Karanja (1999), in his study on factors that influence the effectiveness of the manufacturing and marketing of the furniture products, asserts that training is a barrier to expansion which may require additional technical, accounting and marketing skills and therefore hinder performance. He concludes that poor, untrained and inexperienced management has ruined even the best business.

Rafferty (2005), in a report commissioned by the international council of nurses in USA found out that investment in training and development make a significant and measurable
positive contribution to organizational performance. He also pointed out that both internal and external forces affect performance in health care. They recommend that for performance to improve, both individuals and teams must have a similar goal and clearly set targets. Similarly, Paauwe (2004), argues that manpower training for both short and long term forecasts are pre-requisite for effective employee utilization. In order to undertake such assignments the management must put in place a clear manpower rationalization process based on determinants such as; clearly stated expansion programme that constitutes the organizations workload to be undertaken, statement of productivity performance also known as staffing norms for each occupational category clear financial policy statement in terms of approximate ratio between personnel expenses and development expenditures and a well defined HRM training and development policy. Paauwe (2004) proposes a model which argues that there is a specific link between HR training and HR outcomes. He concludes that managing people is about relationships between people and teams and how they are organized to achieve organizational goals and by extension deliver quality services and goods as illustrated in the figure below:

![Paauwe's Model of the Link between HR training and performance](image)

Figure 1. Paauwe’s Model of the Link between HR training and performance

2.6: Adaption and use of ICT on Activities

The number of organizations using Human Resource Information Systems is continuing to grow, as is the number of applications being used. Computers are used in human resource management both in connection with an HRIS and for a number of freestanding purposes. The area of HR development provides examples of both kinds of uses. The HRIS programs may be used to deliver computer-based training to employees throughout the organization. In this section, examples of computer applications in human resource management are explored for most of the functional areas discussed earlier in the text. Finally, some newly emerging uses and potential future applications are described.

Homez M. B. (2001), argue that one of the primary reasons for the existence of an organizational HRIS is to improve organizational and human resource planning and decision making. The often vast amount of data on employees and jobs in the organization provides the opportunity for management to use this information in many new ways in making plans for the organization. An HRIS can be used to analyze hiring, transfer and exit trends. Projections of future Human Resource needs can be created and used to develop recruiting plans, to restructure promotion paths, or assist in planning organizational restructuring, mergers and acquisitions. Complex simulation models can be used to forecast outcomes under a number of alternate scenarios or HR policies.

Human resource planning is essential in an organization to balance the multiple demands of the changing organizational environment. Employees are constantly leaving the organization, entering the organization and being moved around within the organization. The planning process, therefore, has an impact on employee selection and placement. A
human resource information system, with its data on jobs and employees in the organization, can provide management with the information it needs to plan for short, medium and long term operations. (Nelson, 2003). He argues that incredible acceleration of change in business and technology today is coupled with greatly expandable global competitive forces. With these forces pressing in from all sides, managers can have difficulty keeping up with what employees need to do, much less figure out what to tell them to do. He advised that inspiring managers must embrace these changing business forces and management trends. He further asserted that instead of using the power of their ideas and instead of using threats and intimidation to get things done, managers must create environments that support their employees and allow creativity to flourish by being adaptive to innovation. One can create a supportive work place in the following ways; build and maintain trust and respect, open the channels of communication make one’s employees feel safe most importantly, and they must develop one’s greatest asset – one’s employee by exposing them to new technology in the market.

Stoner (2003), argues that as completion has increased, organizations have come to realize that managing their human resources is as important as managing their financial and raw material resources. To manage human resources properly requires detailed information for making complex decisions. How many people will we need next year? Who needs specific types of training? What kind of employee turnover do we have at each plant? The HRIS can assist HR managers and top level management in moving beyond simple, administrative human resource management to thoughtful and planned human resource management. Many organizations are now planning and acquiring their second or even third HRIS since they first began to use computers to track employee
information. As old systems become overburdened with excessive modifications, new hardware and software capabilities emerge.

Wanjohi et. al. (2008) argues that change of technology has posed a great challenge to small businesses. Since the mid-1990s there has been a growing concern about the impact of technological change on the work of micro and small enterprises. Even with change in technology, many small business entrepreneurs appear to be unfamiliar with new technologies. Those who seem to be well positioned, they are most often unaware of this technology and if they know, it is not either locally available or not affordable or not suited to local conditions. Foreign firms still remain in the forefront in accessing the new technologies. Most of the African nations, Kenya inclusive, face the challenge of connecting indigenous small enterprises with foreign investors and speeding up technological. There is digital divide between the rural and urban Kenya. With no power supply in most of the rural areas, it is next to impossible to have Internet connectivity and access to information and networks that are core in any enterprise. Thus technological change, though meant to bring about economic change even among the rural lot, does not appear to answer to the plight of the rural entrepreneurs. This is because of lack of power, which inhibits diffusion of technological innovations.

Roger (1995) in his works on Diffusion of Innovations Theory, postulate that diffusion of innovation occur as potential users become aware of the innovation, judge its relative value and make a decision based on their judgment, implement or reject the innovation, and seek confirmation of the adoption or rejection decision These processes take place through a channel over a period of time among people (users) within a social system. Diffusion of innovation recognizes individual as well as social factors that can influence
the decision to adopt or reject a given innovation. Rogers concludes that diffusion of innovation could be affected by psychological and behavioral as well as external and environmental factors. He identifies factors like perceived characteristics of the innovation and the type of individual decision involved in the adoption process, size of the organization and socio economic status of the users of the innovation. He further argues that diffusion of an innovation gradually occurs over a time frame, which is categorized into two periods. The first period covers the availability of the information technology and its acquisition by the potential users (diffusion delay) and the second period covers the period between acquisition and installation to the application and realization of potential benefits of technology (realization delay) as illustrated in the figure below.

**Figure 2. Diffusion/Realization Delays and the Incremental Adoption Period**

*Source: Roger (1995)*
Markus (1987) also proposed a critical mass theory in the diffusion of interactive media. The theory suggests that the more people on the network, the more the diffusion and adoption. For example, based on this theory the diffusion and adoption of IT innovation like internet banking could be explained that as more people have access to computers and mobile devices through which they can connect to their bank, the more the banks would want to provide services that can be delivered through those devices. Several studies have investigated factors that influence firms, especially in developing countries (DCs), to acquire and implement new technologies but most of these studies have only examined each innovation era or, to use Rogers (1995) terms - the diffusion and realization delays - in isolation. Few have specifically focused on the period of transiting from the realization delay of innovation A to the realization delay of innovation B and the accompanying changes in service provision. According to Barras (1986), there are three main factors affecting the rate of realizing the potentials of a new technology. The first factor is “opportunity”, defined as the suitability of the activities carried out within the user sector for applications of the new technology. This of course affects the rate at which the technology is initially adopted within an industry, but more important in the longer term, it affects the rate at which process and product innovations can be generated once the technology has been introduced. The second factor Barras (1986) discussed is the “usability” of the technology. Usability is defined to cover both the availability and quality of software, which provides the direct embodiment of the service sector applications of the technology, and the “user friendliness” of the system’s basic operating procedures. The final factor identified affecting the realization of the potential of a technology is the “adaptability” of the organization installing the equipment: this includes
workforce or managerial resistance to the introduction of new technology: the extent to which working procedures can be adjusted; and the rate at which the workforce can be trained in the necessary skills to use the technology. Both Markus (1987) and Barras (1986) are in agreement that despite the challenges involved in adaption of a given technology organization must seek ways because innovation improves greatly Service delivery to customers.

2.7: Work Tools and Equipments

Working tools and equipments refers to those facilities that an employee requires to perform the tasks related to his/her job. In this case therefore includes plants, machines, weighing bags, weighing machines and other supplies that enhance employees' effectiveness and efficiency. The provision of necessary tools and equipments is very crucial determining both the level of performance and efficiency in an organization.

Nyamunga M.A. (1999), says that through the provision of good adequate quality tools, an employee would be able to achieve the work objectives and carry out the tasks related to his job more efficiently and effectively. The provision of the necessary working tools is therefore very crucial is determining both the level of performance and efficiency in an organization. If adequate tools are provided and no adequate provisions are made for their procurement and maintenance then quality and performance will be compromised. When an organization has a shortage of tools and equipments due to breakdown or inadequate supplies this to a large extent frustrates the effort of the employees and greatly curtails their performance services delivery. An organization may invest heavily in the provision of working tools and equipments and yet no adequate provisions are made for
their maintenance and this may result to shortage of tools and equipments due to breakdowns and malfunctioning (Githinji, 2003). In her study on factors affecting production of tea in Kenya, Othaya division of Nyeri District, pointed out that inadequate weighing bags, weighing machines, vehicles and poor roads among others were the major challenges. She also pointed out that at factory level there were many untapped and misallocated labor potentials which should be used to better service delivery to farmers.

Gibbons and Machin, (2006), discusses a large number of ways in which firms might be affected by transport improvements. For example additional labour market effects may arise if transport improvements from farms to factory make working more attractive and encourage people to work more hours or to go to work when previously they were inactive. This effect lowers labour costs (i.e. shifts the labour supply curve down/rightwards with more workers willing to work at any given wage level). Transport improvements also reduce the time spent on other commitments and thus also increase the time available for work. Holl (2006), argues that if transport improvements lower the price of inputs then firms can produce the same output at lower cost or more output at the same cost. If all input prices change proportionately then (under standard modeling assumptions) factors and inputs all continue to be used in the same proportion. Transport improvements can change all of these conditions, which thus provide a useful classification for thinking about the effects of these improvements on firms.

2.8: Conceptual Framework

There are four independent variables considered in this study namely; staff training in the core areas of responsibility, compliance to existing service delivery guidelines/rules,
adaption and use of ICT and working tools and equipments. The study sought to establish whether these factors affect Nyamache Factory employees Service delivery to farmers. It was assumed that holding other factors constant, staff training in the core areas of responsibility, adaption and use of ICT in planning, monitoring and evaluation of activities, compliance to existing service delivery guidelines/rules and adequate tools and equipments would ensure quality service delivery to farmers. There were however some intervening variables such as political factors, economic factors, regulatory framework and internal factors. The relationship between the independent and dependent variables was conceptualized as shown in the diagram below:

![Conceptual Framework](image)

**Figure 3. Conceptual Framework**

**Source:** (Adopted and revised version of Paauwe J. 2004)

**Staff training in core areas of responsibility**

This means equipping employees with right skills to be able to carry out tasks assigned to them. Paauwe (2004) asserts that manpower training is a precondition for effective employee utilization. For improved Service delivery, employees have to be properly
inducted, trained, deployed and utilized. This will result in reduction in production costs and quality services to customers in this case farmers of Nyamache Tea Factory.

**Service Delivery Guidelines/Rules**

These are the documented guidelines/rules on Service delivery. It includes service provision charter and basic standards followed to ensure quality service is provided. It also entails monitoring and evaluation mechanisms put in place to ensure that Service delivery guidelines/rules are followed and implemented. It is one thing to have documented guidelines/rules and another to ensure compliance to those guidelines/rules. It actually refers to the state in which an employee identifies himself with the guidelines and standards and the willingness to make efforts to adhere to those rules.

**Adaption and use of ICT**

The extent to which ICT is embraced and used is not only crucial in the decision making process, but also to planning, monitoring and evaluation of activities. It speeds up the process, operations and increased efficiency. Therefore, Human Resource Information System is the key in improving human resource planning, monitoring and evaluation and decision making processes.

**Tools and Equipments**

Working tools and equipments refers to those facilities that an employee requires to perform the tasks related to his/her job. Because Nyamache Tea Factory is contracted to transport green leaves from buying centres to factory, good Service delivery will be measured in terms of quality and accurate weighing machines, adequate weighing bags
and regular servicing of vehicles and machines used. Any organization relies heavily on availability of tools and equipments to serve the customers efficiently.

2.9 Conclusion

The research conducted by Chowdhurry, Kiprop, Nyombi, Ombiro and Mwaniki mainly concentrated on factors affecting tea yields at farm level. However, in their findings they pointed out those labour issues especially the extension services rendered by KTDA staff to farmers are wanting. Githinji and Kanani (2003) as clearly pointed out that there are untapped and misallocated labour forces yet to be utilized to boost Service delivery to farmers. In all these studies, labour was considered as jointly determined by other inputs which management can impress and therefore was not considered as an important explanatory variable. This study considered the human resource factors hindering Service delivery to farmers by Nyamache Tea Factory employees. The focus was not on farmers but on employees who are contracted to deliver quality services to farmers.
CHAPTER THREE

RESEARCH METHODOLOGY

3.0: Introduction
This chapter describes the approach which was used in the study. It describes the research design, study area, target population, sampling design, data collection procedures, and how data was analyzed.

3.1: Research Design
Research design refers to the way the study is designed, that is the method used to carry out a research (Kothari, 2004). This study is a descriptive research which refers to the investigation in which data is collected and analyzed in order to describe the specific phenomena in its current trends and linkages between different factors at the current time (Kothari, 2004). Descriptive design was not only suitable because it enabled the researcher to generalize the findings to a large population, but also because it explored and described the relationships between variables in their natural setting without manipulating. The survey obtained information that was analyzed, patterns extracted and comparisons made for the purpose of classification and provision of basis for making decision or conclusions. Given the time frame, budget allocated and taking cognizance of the fact that educational research has many variables in play that cannot realistically be controlled, the descriptive design was the most appropriate for the study.

3.2: Target Population
Target population is defined as the population to which the researcher will generalize the result of a study. In this research, the target population comprised of the employees of
Nyamache Tea Factory in Nyamache district Kisii County. The total target population was 210 employees. (KTDA Annual Report 2011)

3.3: Sampling Design and Sampling Technique

A sample is a sub-group of the population that the researcher is interested in (Kothari 2004). Copper et. al. (2003), define sampling as a selection of a few items (a sample) from a bigger group (population) to become the basis for estimating or predicting the preference of unknown piece of information or outcome regarding a bigger group. Due to financial and time constraints, a simple random sampling technique was used in this study. A complete list of all cases in the population was prepared in order to develop a correct, reliable and appropriate sampling frame which had the two hundred and ten (210) employees of Nyamache Tea Factory.

A sample was drawn from the sampling frame, taking into account the need for efficiency, reliability, representativeness and flexibility (Kothari, 2004). While determining the sample size, the level of confidence in the estimate was 95% and the margin of error that was tolerated was at 5% or 0.05. In this regard, the required sample size was calculated using Sloven’s formula:

\[ S = \frac{P}{1+P (0.05)^2} \]

Where:

- \( S \) = Sample size
- \( P \) = Total population
- \( 0.05 \) = Margin of error

Thus:

\[ S = \frac{210}{1+210(0.05)^2} = 137.70 \approx 138 \]
3.4: Data Collection Instruments and Procedures

In order to address the research questions and achieve research objectives, considerable amount of information was required. To obtain the needed information, valid and reliable data collection instruments and procedures were developed and used (Saunders 2003).

3.4.1: Data Collection Instruments

The researcher developed a questionnaire to use in collecting primary data. Questionnaires are usually used to obtain important information about a given group especially when the responded can be reached easily (Orodho, 2004). The questionnaire contained both close-ended questions and open-ended questions. The closed-ended questions were not only easy to administer, but also easier to analyse. They were also time-saving. Equally open-ended questions were used to facilitate in-depth responses and opinions.

3.4.2: Data Collection Procedure

Preliminary survey was undertaken to identify the place, research assistant and to make necessary arrangement with the management. Data was collected from both primary and secondary sources. Secondary data was sourced from organization’s records such as personnel and production records, organization website, reports of committees, books, journals, newspapers, dairies and notes of interviews. Questionnaire was used to collect primary data and it was administered by “drop and pick” to all respondents. This method was suitable as it avoids subjectivity due to the absence of researcher’s influence. Respondents were given sufficient time on items that required consultation before responding (Bless and Achola 1987). The questionnaires were serialized for purpose of monitoring the returning of the questionnaires.
3.4.3: Validity and Reliability of Research Instruments

The comments and suggestions made by my supervisor and lecturers from Kenyatta University and other experts assisted in validating the contents of data collection instrument used in the research study. Through their comments on the suitability of research questions, the contents of questionnaires were validated.

Prior to the main research, a pilot study was done to verify the instruments for data collection that is establish validity and reliability of the questionnaire. According to Mugenda et. al. (2003), pretest sample should be at least 10 % of the population. Therefore, the questionnaire was piloted on 14 employees in fourteen tea buying centres of Nyamache Tea Factory. The purpose of the pilot was to find out if the questionnaire covered all the intended dimensions of the research, all questions were clear and unambiguous and the space provided for the answers was adequate (Sander 2003). The completed pilot questionnaires were thoroughly checked to ensure that respondents had minimal problems in understanding or answering the questions.

3.5: Data Analysis Techniques

To analyse data is to search and identify meaningful patterns in a given data and it involves categorizing, ordering, manipulating and summarizing data to obtain answers to research questions (Achola, 2007). Data collected from this research was edited, coded, classified and tabulated. It was organized into quantities and qualitative data. Being a descriptive study, descriptive statistics such as percentages, proportions, frequency tables and graphs were used to summarize and relate variables which were obtained from the administered questionnaire. The statistical package of social sciences (S.P.S.S) was used
to process data in order to determine the relationship between variables. The results were presented in chapter 4 and formed the basis on which recommendations and suggestions were made.

3.6: Ethical Issues

The researcher sought permission to carry out the study from the University. Data was collected from Nyamache Tea Factory in Nyamache District following the right procedures. All the information obtained is used for research purpose only and is kept confidential. All cited studies are acknowledged.
4.1 Introduction

This chapter presents the analysis and interpretations of data. The data used in this research was collected by means of self-administered questionnaires. The research findings were presented using statistical tables and charts. The specific areas of interest in which data was collected and analyzed include personal bio-data of respondents, staff training in core areas of responsibility, adoption and use of ICT in activities, tools and equipments and compliance to service delivery guidelines.

4.2.0 Personal Bio-Data of the Respondents

The number of employees issued with questionnaires was 138. There were 112 returned questionnaires. Among those returned 8 were dropped because of too many missing values and therefore 104 were valid for analysis. Personal information relating to their sex, age, experience and educational qualifications formed the basis for the descriptions about workforce in the organization.

4.2.1 Gender Distribution of Workforce

The information gathered about sex of workers revealed that there are more male than female employees in the workforce. Seventy five out of one hundred and four respondents were male as opposed to twenty nine female. The composition in gender workforce was captured and represented in the pie-chart next page:
4.2.2 Age Trend in the Workforce

One hundred and two respondents volunteered information about their age. Majority of who were in the age bracket of between forty one and fifty. Their responses were represented in the line graph shown below.

Figure 5: Line graph showing age trend in the workforce.
Source: (Author, 2012)

4.2.3 Work Experience of the Employees

Regarding experience i.e. the number of years one has worked, majority had worked with this particular organization for a period between eleven and twenty years. Their responses are represented in the column chart next page.
Figure 6: Column graph showing working experience of employees with the organization.
Source: (Author, 2012)

4.2.4 Education Qualification of the Employees

Responses of qualification showed that majority had attained secondary education and were summarized as shown in the bar graphs below.

Figure 7: Bar Graph showing education qualifications of employees in the organization.
Source: (Author, 2012)
4.3 Staff Training in Core Areas of Responsibility

One of the main tasks of this research was to determine how staff training in core areas of responsibility affects service delivery to farmers. To establish this, the employees were probed by means of questions which sought to establish whether TNA is carried out before training, employees attended recommended training, relevancy of the training and whether are deployed according to competences.

4.3.1 Training Policy in the Organization

On whether employees undergo TNA, it was established that majority (62%) did not undergo TNA before training was mounted. Majority of those who had undergone TNA attended the training recommended and found the training relevant. It means the training addressed the performance gaps which are better identified when TNA was carried out. However, (69%) reported that they are not deployed according to the training undertaken. Majority (59%) also reported that the organization did not have a clear development and training policy. Responses on the organization’s training policy were as summarized below.

![Column chart showing training policy in the organization.](image_url)

Figure 8: Column chart showing training policy in the organization.
Source: (Author, 2012)
4.3.2 How training attended has improved service delivery
Majority of the respondents who had attended the training reported that the training attended had enhanced good customer relationship. Others reported that it had improved their competency and confidence and by extension this improved service delivery to customers.

4.3.3 Deployment practices after training
Regarding deployment practices after some training, majority (69%) of the respondents indicated that they are not deployed according to training competencies attained. Thus, employees don’t utilize skills acquired during training because they are not deployed to places where they would apply the skills, knowledge and values acquired during training. Responses on organization’s deployment practice after training were summarized as shown in the table below.

<table>
<thead>
<tr>
<th>Item</th>
<th>Frequency</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>69</td>
<td>66.3%</td>
</tr>
<tr>
<td>No</td>
<td>35</td>
<td>33.7%</td>
</tr>
<tr>
<td>Total</td>
<td>104</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Table 2: Table showing deployment after training
Source: (Author, 2012)

4.3.4 Training Required in Improving Service Delivery
Respondents indicated that they require some training in areas such as customer care, public relation and ICT compliance training. If trained in the said areas it would improve service deliver to farmers.
4.4 Effect of ICT on Service Delivery

The research study also sought to establish the effect of ICT on service delivery. The rationale was to establish the areas where ICT is utilized and what is hindering the adoption of ICT and areas which need to be computerized so as to improve service delivery to customers.

4.4.1 Computerized Activities in the Organization

The overall picture from the responses indicated that the organization has embarked on the use of ICT in its activities. All respondents (100%) reported that weigh scales are computerized. Other activities computerized are office works; farmers’ tea leaves data, growers’ queries desk and farmers’ earnings reports.

4.4.2 Use of electronic weighing machines

Majority of the respondents 93% confirmed that the organization uses electronic weighing machines in buying tea leaves from farmers and thus had improved greatly service delivery to farmers and enhanced farmers’ confidence and trust. These weighing machines generate receipts on spot and the data is captured in the factory network. Most of the computerized activities are farmers’ serving points.

4.4.3 Emphasis of Computer Literacy During Recruitment

As to whether computer literacy was a requirement during recruitment, majority (85.6%) reported that it was not. Only (14.4%) had computer literacy as a requirement when they were being recruited. Majority were young adults between 18 – 30 years who joined the organization less than five years ago. This indicates that emphasis of computer skills as a
requirement for recruitment is a recent policy. The responses are as shown in the table below.

<table>
<thead>
<tr>
<th>Item</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>15</td>
<td>14.4</td>
</tr>
<tr>
<td>No</td>
<td>91</td>
<td>85.6</td>
</tr>
<tr>
<td>Total</td>
<td>104</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 3: Table showing computer literacy requirement during recruitment
Source: (Author, 2012)

4.4.4 Factors Hindering Incremental Adoption of I.C.T.

The respondents reported that the main barriers hindering incremental adoption of ICT include:

- Lack of sufficient finances to procure ICT facilities.
- Lack of training on use of ICT in activities.
- Employees' fears and resistance to change.
- Lack of power at buying centres which is the main farmer's serving point.

4.4.5 Service Providing Units that Were Recommended for Computerization

The respondents made recommendations that all buying centres' activities be computerized and networked with the factory as a strategy to improve service delivery to farmers. They also feel that the tea processing units need to be computerized to check of quality of tea produced. All vehicles need to be tracked using computer systems to monitor the activities of all clerks and drivers involved in buying tea from farmers.
4.5.0 The Effect of Work Tools and Equipment on Service Delivery

It was also the concern of this research study to establish whether the work tools and equipments that employees require for effective service delivery were sufficient. These tools and equipments include weigh bags, electronic weigh-scales, and vehicles among others.

4.5.1 Adequacy of Weigh Bags

A big number of the respondents (71%) reported that the weigh bags used to buy tea from farmers are not adequate. This is why each buying centre had a schedule on when to deliver tea leaves. The responses were as shown in the table below.

<table>
<thead>
<tr>
<th>Item</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>31</td>
<td>29</td>
</tr>
<tr>
<td>No</td>
<td>73</td>
<td>71</td>
</tr>
<tr>
<td>Total</td>
<td>104</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 4: Table showing the adequate of tea leaves weigh bags at buying centres.
Source: (Author, 2012)

4.5.2 Time of Delivery of Tea Weighing Bags to Farmers

A big majority (89%) reported that these bags are delivered immediately after farmers deliver tea to buying centres. Only 11% reported that they are delivered on tea picking day. These bags are never delivered a day earlier because they are not adequate. Farmers have to wait for the arrival of the weigh bags and for this reason a delivery schedule is made for each buying centre to guide farmers when to report to the buying centres.
4.5.3 Availability of Computerized Weighing Machines

Majority 96% of the respondents reported that computerized weigh scale were available at all buying centres. The responses are represented in the pie-chart in the below.

![Pie Chart showing the availability of computerized weighing scale.](source)

Source: (Author, 2012)

4.5.4 Adequacy of Vehicles

Because the company is contracted to transport tea leaves from buying centre to the factory, the adequacy of tea transporting vehicles is key. On this issue, 89% reported that the vehicles were not enough as shown in the pie-chart below.

![Pie Chart showing the adequacy of vehicles collecting tea from buying centres.](source)

Source: (Author, 2012)
4.5.5 Rate of Replacing Transporting Lorries

The responses on rate of replacing tea transporting Lorries indicate that they are replaced after ten years. This is an indication that most vehicles are old. The respondents indicated that vehicles that ferry tea leaves from buying centres were not adequate. Worse still the available vehicle are replaced after an interval of about ten years. This means that the vehicles are not only inadequate but also old. The responses are represented in the pie chart below.

![Pie Chart showing of Replacement of Lorries](image)

Figure 11: Pie Chart showing of Replacement of Lorries
Source: (Author, 2012)

4.5.6 Provision of Maintenance of the Feeder Roads

Most of the respondents representing 84.6% reported that the company did have a provision for maintenance of feeder roads. This explains why roads to the farms are impassible during rainy season, making it difficult to transport tea leaves from buying centres to the factory.

4.5.7 Tools and Equipments Required For Effective Service Delivery

Majority of respondents reported that they needed more weigh bags, vehicles and tractors to handle farmers better. Other requirements include protective gears, modern
computerized weigh machines and generators or solar energy as a source of power in buying centers so as to computerize all activities at all tea buying centers.

4.6.0 Degree of Compliance to the Existing Service Delivery Guidelines/Rules

While it is obvious that the organization had service deliver guidelines/rules, it was the concern of the research to establish the degree of compliance to the existing service delivery guidelines/rules. This was so because it is one thing to have the guidelines and another one to have them complied with.

4.6.1 Availability of Suggestion Box for Farmers' Feedback

Majority (93%) of the respondents reported that there was no suggestion box meant for collecting feedbacks from farmers at both buying centres and factory level. The responses are represented in the pie-chart shown below.

![Pie Chart on Availability of Suggestion Box for farmers](Author, 2012)

Figure 12: Pie Chart on Availability of Suggestion Box for farmers

Source: (Author, 2012)

4.6.2 Handling Customer Complaints

While the organization did not have a suggestion box, the respondents reported that the management gets to know of the farmers concerns through growers queries register maintained by field officers. They also get reports from buying centres committees elected by farmers and from the concerns raised during field days.
4.6.3 Existence of Service Provision Charter

A total of 84% of the respondents reported that the organization did not have a service provision charter. The responses are represented in the table in the below.

<table>
<thead>
<tr>
<th>Item</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>17</td>
<td>16.3%</td>
</tr>
<tr>
<td>No</td>
<td>87</td>
<td>83.7%</td>
</tr>
<tr>
<td>Total</td>
<td>104</td>
<td>100%</td>
</tr>
</tbody>
</table>

Table 5: Showing existence of Service Provision Charter
Source: (Author, 2012)

4.6.4 Existence of Documented Service Delivery Guidelines

Most of the respondents represented by 81% reported that the organization had documented service delivery guidelines. However, 15% of the respondents were not aware of the existence of those guidelines and 4% were non committal. The fact that some reported that the organization did not have service delivery guidelines was enough to conclude that the service delivery guidelines are not reinforced by the policy developer. The responses are illustrated in the pie chart below.

Figure 13: Pie Chart: Showing Responses on the Existence of Service Delivery Guidelines
Source: (Author, 2012)
4.6.5 Tools of Management Employed

On the available tools of management (drawn from Result Based Management), 76% reported that the company uses Performance Appraisal System. A total of 24% of the respondents reported the use of Performance contracting as a tool of management. However, there was none that reported on the use of R.R.I as a tool of management in the organization. The responses were represented as shown in the table in the below.

<table>
<thead>
<tr>
<th>Item</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>79</td>
<td>76</td>
</tr>
<tr>
<td>No</td>
<td>25</td>
<td>24</td>
</tr>
<tr>
<td>Total</td>
<td>104</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 6: Showing the management tools used
Source: (Author, 2012)

4.6.6 Monitoring and Evaluation Mechanism in Place

Almost all the respondents reported that the management has in place a monitoring and evaluation system known as ‘Key Performances Indicator’ (K.P.I). In this system, the management set targets, which are treated as performance indicators through which employees are evaluated. The system utilized Performance Appraisal criteria to set targets and use them too as a monitoring and evaluation tools.

4.7.0 Factory Capacity and Other Factors Affecting Service Delivery

This research study also sought for opinions from the respondents on the capacity of the factory to handle farmers’ tea and suggestion on other factors that affect service delivery.
4.7.1 Capacity of factory to handle Farmers' Tea

Majority of the respondents (94%) indicated that the factory had the capacity to process tea leaves produced by all the farmers. The factory was capable of processing tea leaves delivered by farmers in the area.

4.7.2 Other Factors that Affects Service Delivery

The respondents mentioned the following as other factors affecting service delivery to farmers; poor communication between company employees and farmers, low motivational level among employees and understaffing. They also reported that poor roads, lack of adequate vehicles or tractors and lack of sufficient manpower were among other key factors affecting service delivery to farmers.
CHAPTER FIVE

5.0 SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction
This chapter contains the general information concerning the research findings, conclusions and recommendations. It specifically addresses the answers to the objectives and questions raised in chapter one.

5.2.0 Summary of findings
The information gathered for the purpose of the study was carefully analyzed in order to establish the following:

- Effects of staff training in core areas of responsibility on service delivery
- Effect of ICT on service delivery
- Effect of work tools and equipment on service delivery
- Degree of compliance to the existing service delivery guidelines/rules

5.3.0 Answers to Research Questions

5.3.1. Nature of the workforce.
Majority of the employees (72.1%) are male as opposed to female who formed 27.9%.
This was a demonstration of gender imbalance in the organization.

In terms of age, majority of the employees were in middle adult phase of life (41-50 years). Perhaps those in the middle adulthood are viewed as people with ability to handle highly complex tasks. They are viewed as being with a more sophisticated cultural, philosophical and spiritual sense of value (Dzanzi 2010).
On work experience, it was found out that majority had a vast experience for more than 70% had worked for more than eleven years in the organization. On education qualification, majority of the employees recruited to the organization had secondary education. While secondary education is sufficient in carrying out the tasks of the organization, they lack adequate skills and techniques normally recruited from tertiary colleges and university personnel. Those with Secondary education underwent formal training and refresher courses to enhance service delivery.

5.3.2 Effects of Training in Core Areas of Responsibility on Service Delivery

This research study was also intended to establish how training in core areas of employees’ responsibility affects service delivery. Although the overall picture indicates that the company was focused on employees’ training, it was found out that:

- It did not always carry out training needs assessment to establish performance gaps before recommending for appropriate training program to address the identified gaps,
- It did not have a clear development and training policy in place.
- It did not deploy employees according to training attended.
- Employees needed some training on customer care, public relations, ICT literacy and team building among others.

5.3.3 Effect of ICT on service Delivery

Additionally, the research findings also indicated that the company had embarked on embracing ICT on its activities. The weigh-scales at buying centres were computerized and networked with computers at factory to enhance flow of information. However, there
was need to computerize all activities and totally embrace ICT by providing more ICT tools and trainings on the same. Equally, there is need to emphasis on computer literacy as a requirement during recruitments so as to bring on board employees with ICT skills to train other on the job.

5.3.4 Effects of Work Tools and Equipments on Service Delivery

This research study also established that most work tools and equipments used in service delivery were inadequate. It indicated that both the weigh bags and vehicles used to transport tea leaves from buying centres to factory were inadequate. It was also reported that the vehicles replacements was done after a period of ten years. Due to shortage of weigh bags and vehicles, a schedule was made to guide farmers as to when to pick tea and when to deliver tea leaves to the buying centres. It was also found out that the company had inadequate provision for maintenance of feeder roads. However, the company had enough weigh-scales that were computerized and work faster than the manual ones that were used before.

5.3.5. Degree of Compliance to Existing Service Delivery Guidelines/Rules

Through the study, it was established that the company had documented service delivery guidelines. It was also established that the manner of handling customers complains was wanting in that:

- there was no suggestion box to collect farmers feedbacks,
- farmers concern raised through growers queries register were not analyzed and prioritized, and,
- handling customers complaints is not a continuous process used to help the organization in proactively shifting through complaints.

On tools of management employed, the findings of the study were that the company had embraced the use of Result Based Management (RBM), where two components of this system are operational i.e. Performance Appraisal System (PAS), and Performance Contracting (PC). However they had not embraced Rapid Results Initiative (RRI) approaches and yet this is the key component of RBM. RRI is not only good for building teams but also acts as a tool for ensuring that there is increased monitoring and evaluation as well as performance management for results during the RRI period. If used, it would reinforce the “Key Performance Indicator” (K.P.I.) operational monitoring and evaluation system used by the factory.

5.4.0 Factory Capacity

This research study also sought to establish whether the factory had the capacity to handle the tea leaves produced by the farmers in the area. The findings were that the factory had the capacity to handle the tea produced by farmers. Hence capacity was not an issue as far as service delivery to farmers was concerned.

5.5.0 Other Factors Affecting Service Delivery

Through the study it was established that there were other factors affecting service delivery to farmers other than the ones discussed above. These included; understaffing, low motivational level among employees and poor roads connecting the factory and tea buying centres. Additionally there were no tractors to transport tea leaves from buying centres during rainy seasons when most roads are impassible.
5.6.0 Conclusion

In the view of the above findings, it was concluded that:

- Though Nyamache Tea Factory was focused on employees training, lack of clear training policy, failure to conduct training needs assessment and poor deployment practices affected service delivery to farmers.

- The use of ICT had improved service delivery to farmers despite many hurdles hindering incremental adoption of ICT in most activities.

- Inadequate tools and equipment such as weigh bags, vehicles, tractors, affected service delivery to farmers.

- While the company had documented service delivery guidelines, the company lacked clear monitoring and evaluation system to ensure compliance to the existing guidelines as R.R.I. system was not utilized. Lack of clear channels of handling farmers’ complaints coupled with the fact that R.R.I. system is not utilized as a management tool, affect service delivery negatively.

- There were other factors that affect service delivery and they include; understaffing, low motivational level of employees, poor roads and poor communication channels.

5.7.0 Recommendations

Based on the conclusions above, it was recommended that;

- The company should always carry out TNA to establish the performance gaps before recommending employees for training.

- All employees should be deployed according to their qualification, competencies and skills acquired from trainings attended even in the case of job rotation system.
• Because use of ICT had improved service delivery in areas used, there was need to embrace the use of ICT in most activities and this could be achieved by addressing the problem hindering incremental adoption of ICT in most activities.

• Service delivery to farmers would improve more if the company availed more weigh bags, vehicles, tractors and increased provisions for maintenance of feeder roads. This will ensure that farmers’ tea leaves are transported in time from the buying centres to the factory so as to maintain quality tea to international market.

• The company needs to fully utilize Result Based Management (RBM) system by embracing Rapid Result Initiative (R.R.I.) approach as a performance tool and as a monitoring and evaluation tool to ensure compliance to service delivery guidelines and by extension improve service delivery to customers.

5.8.0 Proposed areas of study

This research study, Factors Affecting Service delivery to farmers was based on Nyamache Tea factory in Kisii County. It is therefore proposed that a similar research could be done and be pegged on KTDA factories from other regions in Kenya.
REFERENCES


University of Nairobi: Nairobi, Kenya.


APPENDIX 1

SPECIMEN LETTER TO THE RESPONDENTS

KENYATTA UNIVERSITY

DEPARTMENT OF BUSINESS STUDIES

P.O. BOX 43844,

NAIROBI

TO THE RESPONDENT

RE: REQUEST TO CONDUCT A STUDY

I am a postgraduate (MBA) student researching on the topic; TO INVESTIGATE THE FACTORS AFFECTING SERVICE DELIVERY AT NYAMACHE TEA FACTORY IN KISII COUNTY.

You have been selected as one of my respondents in this study. I would like to request you to complete the questionnaire. The information supplied will be used for academic purpose only and will be treated with utmost confidentiality.

Your cooperation will be highly appreciated.

Yours sincerely,

Ibrahim Machuki
APPENDIX II

QUESTIONNAIRE

This questionnaire is on the Factors Affecting Service delivery to farmers of Nyamache Tea Factory. It was designed to gather information necessary in establishing the factors affecting Service delivery in the industry and by extension affect productivity and earnings.

Respondents are assured that all the information obtained will be treated with confidentiality and will only be used for academic purpose.

PART A: PERSONAL INFORMATION

1. Gender: Female [ ]  Male [ ]

2. Age bracket: 18-30 [ ] 31-40 [ ]

[ ] 41-50 [ ] 51 and above [ ]

3. Number of years worked in the organization.

Below 5 years [ ] 6-10 years [ ] 11-20 years [ ]

21 years and above [ ]

4. What is your highest professional qualification attained?

Primary education [ ] Secondary education [ ]

Tertiary college [ ] University education [ ]

PART B: STAFF TRAINING IN THE CORE AREAS OF RESPONSIBILITY

5. (i) Has training needs assessment been conducted on you?

Yes [ ] No. [ ]

(ii) If Yes, did you attend the training recommended?

Yes [ ] No. [ ]

(iii) If No, have you ever attended a training program relevant to your core areas of responsibility? Yes [ ] No. [ ]

(iv) If Yes in (iii) above, comment how the training has improved your Service delivery to farmers? .................................................................
6. Are you deployed according to training you undertook?
   Yes    No

7. Is there a known training and development policy in your organization?
   Yes    No

8. What kind of training in your opinion do you require so as to improve Service delivery to farmers?
   ..........................................................................................................................
   ..........................................................................................................................

PART C: INFORMATION COMPUTER TECHNOLOGY

9. Name the activities in your organization that are computerized.
   ..........................................................................................................................
   ..........................................................................................................................

10. Is computer literacy a requirement during recruitment in your organization?
    Yes    No

11. Do you use electronic machines in weighing tea leaves at the buying centres?
    Yes    No

12. What are the main barriers that are hindering incremental adoption of IT innovation in your organization?
    ..........................................................................................................................
    ..........................................................................................................................

13. Which service providing units would you recommend for computerization so as to improve Service delivery to farmers?
    ..........................................................................................................................
    ..........................................................................................................................

PART D: TOOLS AND EQUIPMENTS

14. Are the weighing bags adequate for each Tea Buying Center?
    Yes    No
15. When are tea bags delivered to farmers?
   a. A day before picking.
   b. On the picking day.
   c. Immediately the farmer delivers tea leaves to the buying centre.

16. Are the weighing machines computerized? Yes [ ] No. [ ]

17. Are the vehicles for transporting tea leaves from buying centres adequate? Yes [ ] No. [ ]

18. How often do you replace tea transporting Lorries?
   a. Annually [ ]
   b. After 2 years [ ]
   c. After 5 years [ ]
   d. After 10 years [ ]

19. (i) Is there a provision for maintenance of feeder roads by your organization? Yes [ ] No. [ ]

20. In your opinion what other necessary tools and equipments do you require for effective Service delivery to farmers?

PART E: SERVICE DELIVERY GUIDELINES AND COMPLIANCE TO THEM

21. Does your organization have a suggestion box to receive feedbacks from farmers? Yes [ ] No. [ ]

22. If no briefly state how the management get to know of the farmers concerns on the quality of services you offer to them.

23. Does your organization have a service provision charter? Yes [ ] No. [ ]

24. Are there documented guidelines/rules for Service delivery? Yes [ ] No. [ ]
25. Which of the following Service delivery strategies are operational in your organization? (Tick the ones available).
   a. Performance Appraisal System
   b. Performance Contracting
   c. Rapid Results Initiative Approach

26. What monitoring and evaluation mechanisms are in place in your organization to ensure that Service delivery guidelines are followed and implemented?

PART F: OTHERS

27. Comment on the capacity of the factory to handle all the tea produced by farmers of Nyamache Tea Factory.

28. In your own opinion what other factors affect Service delivery to farmers of Nyamache Tea Factory?

Thank you for finding time to answer these questions.
APPENDIX III
KTDA REPORTS

Table 2: Payment to farmers per district in Ksh billions

<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td>Kisii/Gucha</td>
<td>19.23</td>
<td>13.52</td>
<td>7.27</td>
<td>6.89</td>
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<td>Kericho</td>
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<td>14.44</td>
<td>10.65</td>
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<td>Kiambu</td>
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<td>12.34</td>
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<td>Kitale</td>
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<td>13.48</td>
<td>7.74</td>
<td>7.27</td>
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<td>Maragoli</td>
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<td>13.46</td>
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<td>Meru</td>
<td>26.20</td>
<td>19.39</td>
<td>13.24</td>
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## APPENDIX IV

### WORK PLAN

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<tr>
<th>Phas</th>
<th>Description</th>
<th>Number of weeks /months</th>
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<tbody>
<tr>
<td>I</td>
<td>Pilot study</td>
<td>1</td>
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<tr>
<td></td>
<td>(1 week)</td>
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</tr>
<tr>
<td>II</td>
<td>Data Collection</td>
<td>2</td>
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<tr>
<td></td>
<td>(3 weeks)</td>
<td></td>
</tr>
<tr>
<td>III</td>
<td>Data Coding</td>
<td>3</td>
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<tr>
<td></td>
<td>(3 weeks)</td>
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</tr>
<tr>
<td>IV</td>
<td>Data analysis</td>
<td>4</td>
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<tr>
<td></td>
<td>(5 weeks)</td>
<td></td>
</tr>
<tr>
<td>V</td>
<td>Report writing</td>
<td>5</td>
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<tr>
<td></td>
<td>(5 weeks)</td>
<td></td>
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<tr>
<td>VI</td>
<td>Editing of report</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td>(3 weeks)</td>
<td></td>
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<tr>
<td>VII</td>
<td>Submission</td>
<td>Oct 2012</td>
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## APPENDIX V

### PROPOSED BUDGET

<table>
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<tr>
<th>ITEM</th>
<th>Ksh.</th>
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<tbody>
<tr>
<td><strong>Cost of proposal Development</strong></td>
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<tr>
<td>(i). Printing and photocopying</td>
<td>3200</td>
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<tr>
<td>(ii) Binding 5 copies @ 120</td>
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<td>(ii). Traveling and accommodation expenses</td>
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<td><strong>Sub Total</strong></td>
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<tr>
<td><strong>Cost of data collection &amp; Analysis</strong></td>
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<tr>
<td>(i). Photocopying and Sending questionnaires</td>
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<tr>
<td>(ii) Travelling &amp; accommodation</td>
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</tr>
<tr>
<td>(iii). 2 research assistants @ 300 per day for 15 days</td>
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<tr>
<td>(iv). Data processing</td>
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<tr>
<td><strong>Sub Total</strong></td>
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<td><strong>Production of the final document</strong></td>
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<tr>
<td>(ii) Binding 5 copies @ 700</td>
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</tr>
<tr>
<td>Travelling &amp; Accommodation</td>
<td>6,000</td>
</tr>
<tr>
<td><strong>Sub Total</strong></td>
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<tr>
<td><strong>GRAND TOTAL</strong></td>
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