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**CHALLENGES FACING IMPLEMENTATION OF PERFORMANCE
MANAGEMENT IN STATE CORPORATIONS.**

**(A SURVEY OF WATER SERVICE PROVIDERS IN TANA WATER
SERVICES BOARD.)**

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(HUMAN RESOURCE MANAGEMENT)

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DECLARATION

I declare that this work is as a result of my own effort and has not been presented in any other university or institution of higher learning for examination.

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DEDICATION

This research is dedicated to my family.

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TABLE OF CONTENTS.

DECLARATION	ii
DEDICATION	iii
ACKNOWLEDGEMENT	iv
LIST OF TABLES	ix
LIST OF FIGURES.	x
ABBREVIATIONS	xi
DEFINITIONS OF OPERATING TERMS.....	xii
ABSTRACT.....	xiii
CHAPTER ONE	1
1.0 Introduction.....	1
1.1 Background of the Study	1
1.1.1 Tana Water Services Board.	2
1.2 Statement of the problem	3
1.3 Objectives of the Study	4
1.3.1 Specific Objectives.....	5
1.4 Research Questions	5
1.5 Significance of the Study.....	5
1.5.1 Water Service Providers within the Tana Water Services Board region.	5
1.5.2 The Kenya Government.....	5
1.5.3 Future Researchers	6
1.6 Limitations of the Study.....	6
1.7 Scope of the Study.	6
CHAPTER TWO	7
2.0 Literature Review.....	7
2.1 Introduction	7
2.2 Theoretical Literature Review.	7
2.2.1 System Theory	7
2.2.2 Elton Mayo's Behavioural Approach Theory	8

2.2.3 Skinners theory of Replacement.	8
2.2.4 McGregor's Theory of Integration.	9
2.2.5 Goal Theory	9
2.3 Empirical Literature Review	10
2.3.1 Employees' skills	11
2.3.2 Organizational Objectives.....	13
2.3.3 Organizational Structure.....	14
2.3.4 Rewards and Compensation.....	18
2.3.5 Organizational Culture	19
CHAPTER THREE.....	23
3.0 Research Methodology	23
3.1 Introduction	23
3.2 Research design	23
3.3 Target Population.....	23
3.4 Sampling Strategy	23
3.5 Data Collection tools.....	24
3.6 Data Analysis.....	24
3.7 Data Presentation	25
CHAPTER FOUR.....	26
DATA ANALYSIS , INTERPRETATION AND PRESENTATION.	26
4.1 Introduction	26
4.2 Response Rate.....	26
4.3 Demographic information	26
4.3.1 Gender of the Respondents.....	26
4.3.2 Length of service.....	27
4.4 Employees skills	30
4.4.1 Existence of Performance Agreement with Employees	30
4.4.2 Sensitization on Performance Management Practices.....	30
4.4.3 Gains from Sensitization to Employees.....	31

4.4.4 Aspect of Discussion and Signing of Performance Targets.....	32
4.4.5 Continuity of the Performance Management Process	33
4.5 Corporate objectives	35
4.5.1 Clarity of Corporate Objectives among the Respondents.....	35
4.5.2 Extent of Employees Involvement in Objective Formulation.....	36
4.5.3 Extent of Achieving Objectives Set	37
4.6 Organization structure.....	38
4.6.1 Aspect of being Conversant with Organization Structure	38
4.6.2 Being Conversant with Own Job Description.....	39
4.6.3 Organization structure affects my performance target	40
4.6.4 Communication Flow within Organization	41
4.7 Rewarding	43
4.7.1 Rewarding Achievements of Targets	43
4.7.2 Motivation after performance review meetings	44
4.7.3 Benefit Package for Employees	45
4.7.4 Reward upon performance target.....	46
4.7.5 Aspect of Embracing Performance Related Pay	47
4.8 Organizational culture.....	48
4.8.1 Familiarity with the Core Values	48
4.8.2 Impact of Culture on Implementation of Performance management.	49
4.8.3 Effect of Negative organizational culture on performance management.	50
4.8.4 Balancing Between Work and Private Life	51
4.9 Interpreting the Research Models	52
4.9.1 Strength of Relationship between the two Variables.....	53
4.9.2 Testing the Degree of Relatedness of Independent Variables	54

CHAPTER FIVE 60

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS..... 60

5.0 Introduction

5.1 Summary of Major Findings.....

5.2 Conclusions

5.3 Recommendations.....	63
5.4 Areas for Further research.....	64
REFERENCES	65
APPENDIX I: WATER SERVICE PROVIDERS WITHIN TANA WATER SERVICES BOARD AREA.....	68
APPENDIX II: LETTER OF INTRODUCTION TO RESPONDENTS.....	70
APPENDIX III: QUESTIONNAIRE	71

LIST OF TABLES

Table 1: Sampling Table.....	24
Table 4.1: Gender Table.....	26
Table 4.2: Length of service.....	27
Table 4.3: Level of education.....	27
Table 4.4: performance management Table.....	30
Table 4.5: Sensitization on performance Table.....	30
Table 4.6: Employees targets Table.....	31
Table 4.7: Signing of performance Table.....	32
Table 4.8: Performance Measurement Table.....	34
Table 4.9: Corporate objectives Table.....	35
Table 4.10: Objective formulation Table.....	36
Table 4.11: Objective achieved Table.....	37
Table 4.12: Conversant with organizational culture Table.....	38
Table 4.13: Job Conversant Table.....	39
Table 4.14: Effects of organizational structure Table.....	40
Table 4.15: Communication Flow Table.....	41
Table 4.16: Communication structure implementation Table.....	42
Table 4.17: Rewarding Table.....	43
Table 4.18: Motivational Table.....	44
Table 4.19: Employees benefit Table.....	45
Table 4.20: performance reward.....	46
Table 4.21: Performance related pay Table.....	47
Table 4.22: Core values Table.....	48
Table 4.23: Organization culture Table.....	49
Table 4.24: Negative organizational culture Table.....	50
Table 4.25: Work life & Private life Table.....	52
Table 4.26: Regression model Table.....	53
Table 4.27: Correlation model Table.....	55

LIST OF FIGURES.

Figure 1: Conceptual Framework.....	21
Figure 4.1: Gender.....	27
Figure 4.2: Length of service.....	28
Figure 4.3: Level of education.....	29
Figure 4.4: Sensitization on performance.....	31
Figure 4.5: Employees targets.....	32
Figure 4.6: Signing of performance.....	33
Figure 4.7: Performance Measurement.....	34
Figure 4.8: Corporate objectives.....	36
Figure 4.9 Objective formulation.....	37
Figure 4.10: Objective Achieved.....	38
Figure 4.11: Conversant with organizational structure.....	39
Figure 4.12: Job Conversant.....	40
Figure 4.13: performance targets.....	41
Figure 4.14: Communication Flow.....	42
Figure 4.15: organizational structure implimentation.....	43
Figure 4.16: Rewarding achieved targets.....	44
Figure 4.17: Motivation.....	45
Figure 4.18: Employees benefit.....	46
Figure 4.19: Reward.....	47
Figure 4.20: Performance related pay.....	48
Figure 4.21: Core values.....	49
Figure 4.22: Organization culture.....	50
Figure 4.23: Negative culture on performance management.....	51
Figure 4.24: Work life & Private life.....	52

ABBREVIATIONS

TWSB	:	Tana Water Services Board
PM	:	Performance Management.
WSP	:	Water Service providers.
WASREB	:	Water Services Regulatory Board.

DEFINITIONS OF OPERATING TERMS

State Corporation: A legal entity created by government to undertake commercial activities on behalf of an owner government.

Public Sector: Government run organizations

Performance: Outcomes / output – a record of a person's accomplishments.

Performance Contracting: This is a freely negotiated performance agreement between the government and the respective Ministry, department Agency, State Corporation, which clearly specifies the intentions, obligations and responsibilities of the two contracting parties.

Performance Management: A process of taking systematic actions to improve organizational, team and individual performance. It is a means of getting better results from the teams and individuals by understanding and managing performance within an agreed framework of planned goals standards and competence requirements (Armstrong, 2009).

ABSTRACT

This study was carried out to investigate the challenges facing implementation of performance management in Water Service Providers in the Tana water services board area. The specific objectives of the study were: to investigate how employees' skills influence implementation of performance management; to investigate how corporate objectives affect performance management process; to investigate how organizational structure influence implementation of performance management process; to find out if rewards influence the achievement of performance targets to investigate whether organizational culture influences the achievement of performance targets; and to determine how resource allocation affect implementation of performance management process. The importance of carrying out this study was to enable the Water Service Providers to improve on the performance management process based on the research findings, enable the Ministry of Water and Irrigation to understand the performance management gaps experienced by the implementers of the process so that the necessary mitigating measures can be undertaken. The study was based on theories related to the area of study such as Systems Theory, Elton's Behavioral Theory, Skinner's Theory of Replacement, and the Goal Theory. The independent variables of the study were employees' skills, corporate objectives, structure, culture, rewards and resources. The dependent variable is the implementation of performance management. The research design employed was both qualitative and quantitative approaches. The scope of the study included the following Water Service providers: Nyeri Water, Embu Water, Kirinyaga Water and Mathira water. The target population was 502 employees of the four water companies. The sample size was 50 permanent employees out of which 45 responses were received and analyzed. Data was collected using questionnaires and analyzed by use of content analysis for qualitative data and descriptive analysis for quantitative data using Statistical Package for Social Science tool. From this data results of the study are presented in the form of tables, pie charts and bar graphs. From this study it was established that employees skills, corporate objectives, organizational structure, rewards and culture of an organization have influence in the implementation of performance management in the water sector. Performance management practices were embraced in the organizations studied where it was evident that performance contract existed between the employees and the employer. Corporate objectives impacted positively on the performance management process. Similarly established is the fact that the structure of organization is not a barrier/obstacle to the process of performance management. The study found that rewards for the effort of employees were adequately rewarded, and compared favorably with those in similar organizations. Most of the respondents were familiar with the core values of their organizations, and that negative culture is a barrier to implementation of performance management. The study recommends that training and development programs should be management supported, corporate objectives be revised and to be in line with changing circumstances, development and operationalization of staff reward scheme be encouraged a new culture of achieving target and team work be adopted.

CHAPTER ONE

1.0 Introduction

1.1 Background of the Study

The practice of Human Resource Management (HRM) is concerned with all aspects of how people are employed and managed in organizations. It covers activities such as strategic HRM, Human Capital Management, Corporate Social Responsibility, Knowledge Management, Organization development, resourcing, Performance Management, Learning and Development, Reward Management, Employee Relations among others. The overall purpose of HRM is to ensure that the organization is able to achieve success through people. It aims to increase organizational effectiveness and capability – the capacity of an organization to achieve its goals by making the best use of the resources available to it, Armstrong (2009). Ulrich and Lake (1990) remarked that: 'HRM systems can be the source of organizational capabilities that allow firms to learn and capitalize on new opportunities'. Dyer and Holder (1998) analyzed management's human resources goals under the headings of contribution, composition, competence and commitment.

Performance management is an important Human Resource Management process that provides the basis for improving and delivering performance and is part of the reward system in its most general sense. It is a systematic process for improving organizational performance by developing the performance of individuals and teams. It is a means of getting better results by understanding and managing performance within an agreed framework of planned goals, standards and competency requirements, Armstrong (2009). According to Weiss and Hartle (1997), performance management can be viewed as a process that aims to establish a shared understanding about what is to be achieved and how it is to be achieved, and an approach to managing people that increases the probability of a achieving success. It is a continuous and much wider, more comprehensive and more natural process of management that clarifies mutual expectations, emphasizes the support role of managers who are expected to act as coaches rather than judges and focuses on the future.

The overall objective of performance management is to develop the capacity of people to meet and exceed expectations and to achieve their full potential to the benefit of themselves and the organization. Performance management provides the basis for self development but most importantly, it is also about ensuring that the support and guidance people need to develop and improve is readily available. A typical statement of objectives from one respondent to the e- reward survey (2005) is “to support culture change by creating a performance culture reinforcing the values of the organization with an emphasis on the importance of these in getting a balance between “what” is delivered and “how” it is delivered”.

Performance management is a planned process of which the primary elements are agreement, measurement, feedback, positive reinforcement and dialogue. It is concerned with measuring outcomes in the shape of delivered performance compared with expectations expressed as objectives (management by objectives). It is based on the agreement of role requirements, objectives and performance improvement and personal development plans, Armstrong (2009). Performance management is not just a top-down process in which managers tell their subordinates what they think about them, set objectives and institute performance improvement plans. It is not something that is done to the people. As Buchner (2007) emphasizes, performance management should be something that is done for people and in partnership with them.

1.1.1 Tana Water Services Board.

Tana Water Services Board (TWSB) was established through the Kenya Gazette No. 1329 of 27th February 2004. It is one of the eight (8) Water Services Board under the Ministry of Water and Irrigation. In line with the Water Act, 2002, the TWSB has legal responsibility of ensuring cost effective and sustainable provision of water and sanitation in its area of jurisdiction. The geographical mandate of TWSB extends to 15 administrative districts in parts of Central and Eastern provinces of the country. The total area covered by the board is 19,401km² of which approximately 40% is arid or semi – arid area with an estimated population of 4,259,000 (year 2007 estimates), 75% - 80% of whom live in rural areas. There are 30 water service providers who have been licensed by the board to carry out its responsibility. (Appendix I).

1.2 Statement of the problem

Perhaps one of the most important concepts of performance management is that it is a continuous process that reflects normal good management practices of setting direction, monitoring and measuring performance and taking action accordingly. Performance management should not be imposed on managers as something 'special' they have to do. It should instead be treated as a natural function that all good managers carry out, Child (2006). To ensure that a performance management has to be built and maintained, performance management has to have the active support and encouragement of top management who must make it clear that it is regarded as a vital means of achieving sustained organizational success. They must emphasize that performance management is what managers are expected to do and that their performance as managers will be measured by reference to the extent to which they do it conscientiously and well. Importantly, the rhetoric supporting performance management must be converted into reality by deeds as well as the words of the people who have the ultimate responsibility for running the business, Armstrong (2009)

Tana Water Services Board (TWSB) is a state corporation which was established through the Kenya Gazette No. 1329 of 27th February 2004. It is one of the eight (8) Water Services Board under the Ministry of Water and Irrigation. In line with the Water Act, 2002, the TWSB has legal responsibility of ensuring cost effective and sustainable provision of water and sanitation in its area of jurisdiction. (Appendix I). According to WASREB impact report issue no. 4 (April, 2011), the well established water Service Providers have been able to improve water coverage to 63%. However they are challenged to embrace efficiency, transparency and accountability because they do not have in place an effective mechanism for engaging stakeholders towards the attainment of these tenets. From the analysis, some WSPs lack capacity to equitably serve the population in their area, viability issues have also continued to drag the overall water coverage in some areas down to 39%.

The performance report (2008/09 to 2009/10) based on nine key performance indicators, the WSPs recorded an improvement in water coverage by 1%, sanitation improved by 20%, Non – Revenue Water declined by 2%, quality of water declined by 2%, hours of supply decreased by 1%, metering ratio improved by 1%, Revenue collection efficiency

improved by 1%, staff per thousand connections remained at the same level of seven staff while operations & maintenance cost improved by 14%. However, while more people have access to safe drinking water and sanitation than ever before, the levels of access remain far behind the Millennium Development Goals targets of reducing by half the number of people without access to safe and national target (as defined in the National Water Services Strategy) of 80 % water coverage in the urban settings by 2015. Also, the relatively little water available for consumption is not managed efficiently sewerage levels still remain at unacceptable levels. The report further indicates issues of non-compliance by WSPs in adherence with the set budgetary levels, failure to reach agreed performance targets and on- payment of licensee remuneration. It is against this background that this study wishes to investigate the challenges facing implementation of performance management by the water service providers in Tana Water Services Board region and come up with findings and recommendations.

Several related studies have been done. Murgo (2010) did a study on the challenges facing Central Bank in implementation of performance Management Appraisal Systems, Nginyo (2010) carried out a study on Employee Performance Management Practices among Insurance Companies, Gatere (2009) carried out a study on the impact of performance contracts on service delivery at the Teachers Service Commission in Kenya, Mulwa (2009) did a study on the determinants of employee performance in Public Audit Institutions, Mutua (2005) carried out a study on factors affecting performance appraisal in Public Service Organizations in Kenya.. While the aforementioned research outcomes are critical in many ways, no known study to the researcher has been done on the challenges facing implementation of performance Management in State Corporations. It is against this background that this study wishes to conduct a research on the same.

1.3 Objectives of the Study

The general objective of the study was to investigate challenges facing implementation of performance management in state corporations.

1.3.1 Specific Objectives.

The study sought to establish the following specific objectives:-

- i. To investigate how employees' skills influence implementation of performance management.
- ii. To find out how corporate objectives affect performance management process.
- iii. To investigate how organizational structure influence implementation of performance management process.
- iv. To find out if rewards influence the achievement of performance targets
- v. To find out whether organizational culture influences the achievement of performance targets.

1.4 Research Questions

- i. Do employees' skills influence the implementation of performance management process?
- ii. How do corporate objectives affect performance management?
- iii. Does organizational structure influence implementation of performance management process?
- iv. Do rewards influence the achievement of performance targets?
- v. Does organizational culture influence the achievement of performance targets?

1.5 Significance of the Study.

This study will be important to the following stakeholders:

1.5.1 Water Service Providers within the Tana Water Services Board region.

The outcome of this study will act as a feedback to the Water Service Providers by way of pointing out the weak areas on which they need to improve on in order to deliver quality service to its customers and other stakeholders.

1.5.2 The Kenya Government

With the performance management being an initiative of the government, this research study will help in identifying any gaps and provide measures to be undertaken to close the gaps. The study will also help the government to compare the service delivery levels before and after the introduction of performance management system.

1.5.3 Future Researchers

This study will help future researchers to work on the suggested areas that will be identified for further research.

1.6 Limitations of the Study.

This study faced a number of limitations.

Some respondents withhold or deliberately refused to disclose information to the researcher for fear of victimization, language barrier or did not understand the relevance of the study. This was overcome by phrasing the questions in a straight forward manner, an introductory letter from the university helped by indicating that the research was to be used for learning purposes and not in any way to victimize the respondents. The working environment in some WSPs made it challenging for some respondents to take sufficient time to respond to questionnaires, significant amount of workload, leadership style, individual characteristics and workplace politics interfered with the work plan designed by the researcher. However, the researcher was given an opportunity to explain and persuade the respondents to respond fairly in this noble task. The study was limited to WSPs serving in only 2 regions out of 8 regions in the republic of Kenya at a given point in time. With dynamic market environment, changes in technology and rapid responses to consumer demands. It may be possible that some of the relevant information today may become irrelevant only a few months or year. The researcher was limited by financial resources during data collection. To enable the researcher to complete the research study within reasonable time, employment of data clerks to help in collecting data were engaged, because the area of study was wide. Over and above financing the study from her own pocket, the researcher sought for a financier for further support. A financial budget was prepared. Some of the target respondents did not have the basic literacy to enable them understand and respond to the questionnaires appropriately. This was overcome by engaging interpreters. The questionnaires were also clear and precise.

1.7 Scope of the Study.

The study covered Tana Water Services Board region and a sample of 4 water service providers were studied drawn from 15 districts within the Board region. The Board has a total of 30 water service providers clustered into 15 districts.

CHAPTER TWO

2.0 Literature Review

2.1 Introduction

This chapter aimed at giving the history of performance Management by providing an overview of where it has come from. The chapter identified what other authors and researchers had done in this field. This helped to identify gaps in knowledge and create an entry point for this study and other studies that may have been conducted. The conceptual framework of this study was done by examining certain factors that had possible influence on the implementation of performance management process. It has uncovered the connection and other relationships between different research results by covering various related studies in this area as a means of promoting effective performance management that can be used to address pertinent issues in the state corporations.

2.2 Theoretical Literature Review.

There are several theories the researcher used while conducting this study. These are theories related to the area of the study. They include Systems Theory, Elton's Behavioural Theory, Skinner's Theory of Replacement, Theory of Integration and the Goal Theory.

2.2.1 System Theory

According to Systems theory, a system consists of various components known as subsystems which must function together for the system to work. The systems approach views organizations as the consequences of the interaction of social and technical factors both within the organization itself and between the organizations and the environment. Every aspect of the organization is regarded as interrelated and interdependent. In the 1930s, Chester Barnard noted that, in addition to official structures, organizations typically possess powerful informal systems. Within an organization there is upward and downward communication and unofficial leaders emerge. The organization is a system which several networks of individuals interact, and which itself interacts with wider social and economic environment. The theory emphasises on the need for those in control of a system to define its boundaries clearly. In a Water service provision setup,

the subsystems include the management, workers, Tana Water services Board, Water Regulatory Services Board, the ministry of water & Irrigation the customers and community at large. If a subsystem fails, the whole system is in jeopardy.

A system also consists of input which goes through a process to give the desired output. As an organization, a water service provider is in itself a system whose inputs from the employees will determine the kind of output that will be produced. In performance management, the output expected is improved performance and input will be based on how much the employee is willing to give. The willingness will be based on how much the employee feels he will gain since performance management involves "I give so much so I get so much". Another input would be the skills and knowledge the employee possesses in order to move through the process and give the desired results.

2.2.2 Elton Mayo's Behavioural Approach Theory

The Behavioural Approach focuses on psychological and sociological processes (attitudes, motivation and group dynamics) that influence employee performance. While the classical approaches focus on the workers in these jobs with a landmark study conducted by Harvard University led by Elton Mayo in 1927-1932 in the Hawthorne plant of Western Electric Company (USA). The results proved that a worker's productivity is caused by psychological reaction, motivation and supervision. Further the social environment of work, particularly the effect of the informal group has a decisive influence on productivity. The study thus concluded that a worker is not simply an economic man but also a social man. He responds better to group pressures than to management controls. He is motivated to work not solely by economic means but social needs. The employees in the water provision sector also face a similar scenario. Performance is based on a myriad of factors that may need to be considered together with the performance contract document in place. A worker in the water sector would be highly motivated by adequate resources allocation and rewards; this would result in a psychological reaction which would promote his or her productivity levels.

2.2.3 Skinners theory of Replacement.

Skinner. B. F.(1974), suggests that all behaviour is caused by external sources. The approach of the management is likely to encourage or discourage the employee to

generate results or ideas. The underlying assumptions behind this approach are that people are to be controlled and the management task is to provide the right conditions to encourage high performance. In support of this theory De Vries (1972), suggests guidelines on how to use this theory as a motivating tool in order to improve performance at the workplace. One of which is to provide the right conditions to encourage high performance.

2.2.4 McGregor's Theory of Integration.

McGregory (1960) emphasised on the importance of recognizing the needs of both the organization and the individual. He also stresses on creating conditions that will reconcile these needs so that members of the organization can work together for its success and also share in reward. In a water sector set up it is important to note that among other needs that an employee may have, the crucial ones include being funded adequately and promptly, being equipped with the right skills and competencies, being rewarded fairly and facilitated with proper infrastructure in order to meet the needs of the organization which in this case are meeting the targets of the performance management contract. It is therefore notable that as much as an employee may have signed a performance management contract; there are measures that management needs to be put in place so that the performance targets can be achieved. When these measures are not properly put in place, challenges are likely to occur and expected performance may fail to be attained.

2.2.5 Goal Theory

Goal theory as developed by Latham and Locke (1979) states that motivation and performance are higher when individuals are set specific goals, goals are difficult but acceptable and when there is feedback on performance. Participation in goal setting is important as a means of getting agreement to the setting of higher goals. Difficult goals must be agreed and their achievement reinforced by guidance and advice. Latham and Locke highlights four mechanisms that connect goals to performance outcomes as follows: first; they direct attention to priorities. Specific performance goals should systematically be identified and set in order to direct behaviour and maintain motivation. Second; they stimulate effort. Goals can be determined either by a superior or by individuals themselves. Goals set by other people are more likely to be accepted when

there is participation. Employees' participation in the setting of goals may lead to higher performance. Third; they challenge people to bring their knowledge and skill to bear to increase their chances to succeed. Complete, accurate and timely feedback and knowledge of results is usually associated with high performance. Feedback provides a means of checking progress on goal attainment and forms the basis for any revision of goals. Fourth; goals should be set at a challenging level but realistic level. Difficult goals lead to higher performance. However, if goals are set too high a level, or are regarded as impossible to achieve, performance will suffer, especially over a long period. The more challenging the goal, the more people will draw on their full repertoire of skills. This underpins the emphases in performance management on setting and agreeing objectives against which performance can be measured and managed.

Goal theory is in line with the 1960s concept of management by objectives (a process of managing, motivating and appraising people by setting objectives or goals and measuring performance against those objectives). But management by objectives or MBO fell into disrepute because it was tackled bureaucratically without gaining the real support of those involved and, importantly, without ensuring that managers were aware of the significance of the processes of agreement, reinforcement and feedback, and were skilled in practising them. Specific quantitative goals, such as a defined level of performance, or a given deadline for completion of a task, will perform better than people with no set goal or only a vague goal such as 'do the best you can'

The theories explained above suggest that performance targets are achieved only when the employees have been given the right working environment as well as being equipped with the desired skills and competencies. All these give an indication that performance management would work best when challenges and constraints are identified and possibly eliminated. The theoretical framework below hence indicates the factors that join together towards a high or improved performance.

2.3 Empirical Literature Review

There are a number of factors that influenced the success of performance management process. These factors are explained below and included: Employees' skills, resource

allocation, corporate objectives, organizational structure and culture, and reward / compensation policy.

2.3.1 Employees' skills

A review of research literature in (2003) supported the commonly held belief that employee development programmes make positive contributions to organizations performance. A highly skilled workforce can accomplish more as individual gain in experience and knowledge. They are also easy to supervise. One method in ensuring retention of employees is to provide opportunities to develop skills (Noe, 2008). Inadequacy in skills would affect implementation of performance management in the water sector. Ikiara et al (2009) notes that the Kenya Civil Service training and employment schemes are well established and capable of efficiently addressing the national human resources requirement but it is the political elements relating to incentives and appointment for top staff positions that usually limit the ability of these institutions to function effectively. Competent people are those who meet their performance expectations (Armstrong, 2009). For people to perform certain tasks they have to know (knowledge) and be able to do (skills) what their assigned roles dictate. In a research by Boyatzis (1982), it was established that the success of performance is influenced by personal qualities, experience, behavioural characteristics and motives of the performer. He concludes that "capacity that exists in a person, leads to behaviour that meets the job demands within the parameters of the organizational environment and in turn the desired results. The tasks given will specify the skills needed to perform.

Guest (1997), comments that expectancy theory proposes that high performance at the individual level depends on high motivation plus the necessary skills and abilities and an appropriate role and understanding of that role. He suggests that 'it is a short step to specify the human resources management practices that encourage high skills and abilities' and argues that human resource practices can improve company performance by: increasing employees' skills and abilities, promoting positive attitudes that result in a committed and motivated workforce and providing expanded responsibilities that allow employees to make full use of skills and abilities.

The concept of competency is essentially about performance. Mansfield (1999) defines competence as 'an underlying characteristic of a person that results in effective or superior performance'. Rankin (2004) describes competencies as 'definition of skills and behaviour that the organizations expect their staff to practice in their work'. He further explains that competences represent the language of performance. They can articulate both the expected outcomes from an individual's effort and the manner in which these activities are carried out. Because everyone in the organization can learn to speak this language, competences provide a common, universally understood means of describing expected performance in many different contexts. Competency is a capacity that exists in a person that leads to behaviour that meets the job demands within the parameters of the organizational environment and that, in turn, brings desired results. There are three types of competences namely: behaviour, technical and NVQs and SNVs. Behavioural competences define behaviour expectations, i.e. the type of behaviour required to deliver results under such headings as team working, communication, leadership, and decision making. They are sometimes known as 'soft skills' and are usually set out in a competency framework, McClelland (1973). McClelland further recommended that the use criterion-referenced assignment or validation is the process of analysing the key aspects of behaviour that differentiates effective and less performance. Boyatzis (1982) made a distinction between threshold competences, which are basic competences required to do a job, and performance competences which differentiate high and low performance. Technical competences define what people do (knowledge and skills) to carry out their role effectively. They are related to either generic roles (groups of similar roles), or to individual roles (role-specific competences). Competent people at work are those who meet their performance expectations, Woodruffe (1990). The concept of competence was conceived in UK as a fundamental part of the process of developing standards for NVQ / SNVQ. These specify minimum standards for the achievement of set tasks and activities expressed in ways that can be observed and assessed with a view to certification. An element of competence in NVQ language is a description of something that people in given work areas should be able to do. They are assessed on being competent or not yet competent, Armstrong (2009).

2.3.2 Organizational Objectives

According to Armstrong (2009), Objectives or goals describe something that has to be accomplished. Objectives setting that result in an agreement on what the role holder has to achieve is an important part of the performance management process of defining and managing expectations and forms the point of reference for performance reviews. Armstrong further points out the following types of objectives: on-going role or work objectives; all roles have built-in objectives that may be expressed as key result areas in a role profile. Targets; these define the quantifiable results to be attained as measured in such terms as output, income, sales, levels of service delivery and cost reduction. Tasks/projects; objectives can be set for the completion of tasks or projects by a specified date or to achieve an interim result. Behavioural; behavioural expectations are often set out generally in competency framework. Competency framework may deal with areas of behaviour aspirations contained in value statements into more specific examples of desirable and undesirable behaviour, which can help in planning and reviewing performance. Sababu (2007) has categorized objectives as long range or short range in nature. Long-range objectives specify the results that are desired in pursuing the organization's mission, and normally extend more than one financial year of the organization. Short-range objectives are performance targets normally of up to one financial year duration that are used by the management to achieve the organization's long range-range objectives.

The objectives of any organization are to promote business in an economically sound manner and to increase business net profit, exposure and ensuring its continuity (Johnson, 2009). The top ten things a person need to know about objectives are; they should be set in each organization, they should be reviewed by each employee in the organization, they help the organization to perform to its full potential, they serve as yardsticks for how well an organization is doing, they must be clear, achievable, relevant, measurable and time framed (Gamble et al, 2009). The role of corporate function is increasing productivity, social welfare and accountability of managers and directors. Measurement in performance is an important concept in performance management. It is the basis for providing and generating feedback, it identifies whether things are going well to provide the foundation for building further success, and it indicates where things are not going on

well, so that corrective action can be taken. Measuring performance is relatively easy for those who are responsible for achieving quantified targets, Armstrong (2009).

Management by Objectives (MBO) is a system which attempts to improve the performance of the company and motivate, assess and train its employees by integrating their personal goals with the objectives of the company. The employee agrees with the manager what his performance objectives should be over a set period. The objectives are ideally expressed quantitatively and are taken from key result areas of the job, i.e. tasks which if done well will cause the whole job to be done well. At the end of the period the employee and manager review jointly the achievement or non-achievement of the objectives. MBO is intended to encourage participation and increase job satisfaction by giving the employees a sense of achievement and involvement with a sense of their work. The manager can appraise the employee by referring to specific performances rather than by making subjective judgements. Training needs may also emerge during the discussion at the beginning and end of the review period. Employees are forced to think hard about their roles and objectives about why tasks are necessary and how best to get things done. Targets are clarified and the crucial element in each job identified. Supervisors and subordinates are obliged to communicate with each other, and there is forced coordination of activities between various levels of management, departments and short-term goals, Graham and Bennett (1998).

2.3.3 Organizational Structure

In order to achieve its goals and objectives the work of an organization has to be divided among its members. Some structure is necessary to make possible the effective performance of key activities and to support the efforts of staff. Structure provides the framework of an organization and its pattern of management. It is by means of structure that the purpose and work of the organization is carried out, Mullins (2006). According to Drucker (1999), it is the correct design of structure which is of most significance in determining organizational performance. He further urges that, good organization structure does not by itself produce good performance, but a poor organization structure makes good performance impossible, no matter how good the individual managers may be. To improve organizational structure will therefore always improve performance. The importance of good structure is also emphasized by Child (1988) that the allocation of

responsibilities, the grouping of functions, decision making, coordination, control and reward are all fundamental requirements for the continued operation of an organization. The quality of an organization's structure will affect how well these requirements are met. , Child defines an organization structure as consisting of all tangible and regularly occurring features which help to shape their member's behavior. Structures incorporate a network of roles and relationships and are in the process of ensuring that collective effort is explicitly organized to achieve specified goals.

Structure is the pattern of relationships among positions in the organization and among members of the organization. Structure makes possible the application of the process of management and creates a framework of order and command through which the activities of the organization can be planned, organized, directed and controlled. The structure defines tasks and responsibilities, work roles and responsibilities, and channels of communication. Mullins (2006).The system of breaking down the totality of a firm's work into units and for allocating these units to people and departments constitutes the organizational structure of the enterprise. A structure defines the framework within which activities occur. This formal arrangement of roles and relationships of departments, sections and concerned individuals is directed towards meeting the goals and accomplishing the mission of the organization. Strategic management is based on the belief that organizations should continually monitor their internal and external events and trends so that timely changes can be made as needed. The rate and magnitude of changes that affect organizations are increasing dramatically. To survive, all organizations must be capable of identifying and adapting to change that can arise due to need for survival; pressure on resources, customer expectations, prescribed norms, pursuit of relevance and desire for efficiency, Sababu (2007).According to the research findings of Koike (2002) and Darrah (1996) on impact of organization structure on learning they identified four areas within the structure that are very crucial for an organization to survive and gain competitive advantage. These are; an organization must distribute knowledge and information e.g. in team briefings, it must give an opportunity to practice to all its employees by delegating authority and developing new skills. The organization should also support training and giving rewards for learning. Organizations should also actively

adapt to the environment. The organizations whose structures are not fitted to the environment will not perform well and will eventually fail.

Urwick's (1952) emphasis on the logical design of organization structure rather than the development around the personalities of its members is typical of the classic approach to organization and management. Despite this narrow view, more recent writers have drawn similar conclusions as to the consequences of badly designed structure. For example, there are a number of problems which so often mark the struggling organization and which even at the best of times are dangers that have to be looked for. These are: first, low motivation and morale which may result from apparently inconsistent and arbitrary decisions, insufficient delegation of decision making, lack of clarity in job definition and assessment of performance, competing pressures from different parts of the organization and managers and supervisors overloaded through procedures inadequate support systems. Second, late and inappropriate decisions which may result from lack of relevant, timely information to the right people, poor coordination of decision-makers, in different units, overloading of decision-makers due to insufficient delegation, and inadequate procedures for evaluation of past decisions. Third, conflict and lack of coordination which may result from conflicting goals and people working at cross purposes because of lack of clarity on objectives and priorities, failure to bring people together into teams or through lack of liaison and breakdown between planning and actual operational work. Fourth, poor response to new opportunities and external change which may result from failure to establish specialist jobs concerned with forecasting environmental change, failure to give adequate attention to innovation and planning of change as main management activities, inadequate coordination between identification of market changes and research into possible technological solutions. Fifth, rising which may result from a long hierarchy of authority with a high proportion of senior positions, an excess of administrative work at the expense of productive work, and the presence of some or all of the other organizational problems, Child (1988).

Organizations vary in their complexity, but it is necessary to divide the overall management task into a variety of activities, to allocate these activities to the different parts of the organization and to establish means of controlling, coordinating and integrating them. The structure of an organization consists of units, functions, divisions,

departments and formally constituted work teams into which activities related to particular processes, projects, products, markets, customers, geographical areas or professional disciplines are grouped together. The structure indicates who is accountable for directing, coordinating, and carrying out these activities and defines management hierarchies (the chain of command) thus spelling out, broadly, who is responsible to whom for what at each level in the organisation, Armstrong (2009). In accordance with the principle of equifinality (Doty *et al*, 1993), there are a number of equally effective forms of structure. The type of structure adopted is often contingent on the circumstances of the organization. The basic types of organizational structure are: first, the line and staff; the line and staff organization was the type favoured by the classical theorists based on a military model. The line hierarchy in the structure consists of functions and managers who are directly concerned in achieving the primary purpose of the organization, for example, manufacturing and selling or directing the organization as whole. Staff in functions such as finance provides services to the line to enable them to get on well. Second, divisionalized; the process of divisionalizing as first described by Sloan (1967) on the basis of his experience in running General Motors involves structuring the organization into separate divisions each concerned with discrete manufacturing, sales, distribution or service functions, or with serving a particular market. Third, decentralised; some organizations decentralize most of their activities and retain a skeleton headquarters staff to deal with financial control matters, strategic planning, legal issues and sometimes human resources issues especially those concerned with senior management on an across the group or international basis (recruitment, development and remuneration). Fourth, matrix; a matrix organization consists of a functional structure of a number of different disciplines and a project structure consisting of project team drawn from the disciplines. Thus an employee can be a member of a discipline and of a project team and so have two reporting relationships. Fifth, flexible; flexible organizations may conform broadly to the Mintzberg (1983b) category of an adhocracy in the sense that they are capable of quick adapting to new demands and operate fluidly. They may be organised as core-periphery organization or along the lines of Hand's (1981) shamrock organization, which consists of three elements: the core workers, professionals, technicians and managers; contractual fringe- contract workers; and the flexible labour force consisting of temporary staff.

2.3.4 Rewards and Compensation

Financial rewards comprise all rewards that have a monetary value and add up to total remuneration (basic pay, pay contingent on performance, contribution, competency or skill, pay related to service, financial recognition schemes, and benefits such as pension, sick pay and health insurance). Non-financial rewards are those that focus on the needs people have to varying degrees for recognition, achievement, responsibility, autonomy, influence and personal growth. They apply incorporate the notion of relational rewards, which are the intangible rewards concerned with the work environment (quality of working life, the work itself, work-life balance), recognition, performance management and learning development. Non-financial rewards can be extrinsic, such as praise or recognition, or intrinsic, arising from the work itself associated with job challenge and interest and feelings that the work is worthwhile, Armstrong (2009). The meta-analysis study conducted by Deci *et al* (1999) focused on the overall effects of rewards on intrinsic motivation for tasks of high interests only, on the grounds that in low interest tasks there was little or no intrinsic motivation to undermine. The results of the study indicate that for high interest tasks, rewards had significant negative effects on what the researchers called 'free-choice measures', which included the time spent on the task after the reward was removed.

Reward makes an overall positive impact on performance when it contributes to the development of a high performance culture, one which all values, norms, and HR practices of an organization combine to create a climate in which the achievement of high levels of performance is a way of life. Such a culture can be manifested in a high-performance work system. Within the high performance culture and work system, reward impacts on individual and organizational performance by: focusing attention on the values of organization for high performance and the behaviours required to achieve it; ensuring that performance expectations are defined and understood; providing the means to encourage and recognize high performance; enhancing engagement and promoting positive discretionary effort; pursuing talented people to join and stay with the organization. Extrinsic rewards can be used as motivators to improve performance and they can also convey the message that performance is important and help to focus on specific aspects of performance that need to be improved, Armstrong (2009). It can be

urged that it is not job satisfaction that produces high performance but high performance that produces job satisfaction, and that a satisfied worker is not necessarily a productive worker and a high producer is not necessarily a satisfied worker. People are motivated to achieve these goals through improved performance. They may be even more satisfied if they are then rewarded by extrinsic recognition or an intrinsic sense of achievement. It can also be urged that some people may be completely satisfied with their job and will not be inspired to work harder or better. They may find other ways to satisfy their needs, Vroom (1964).

2.3.5 Organizational Culture

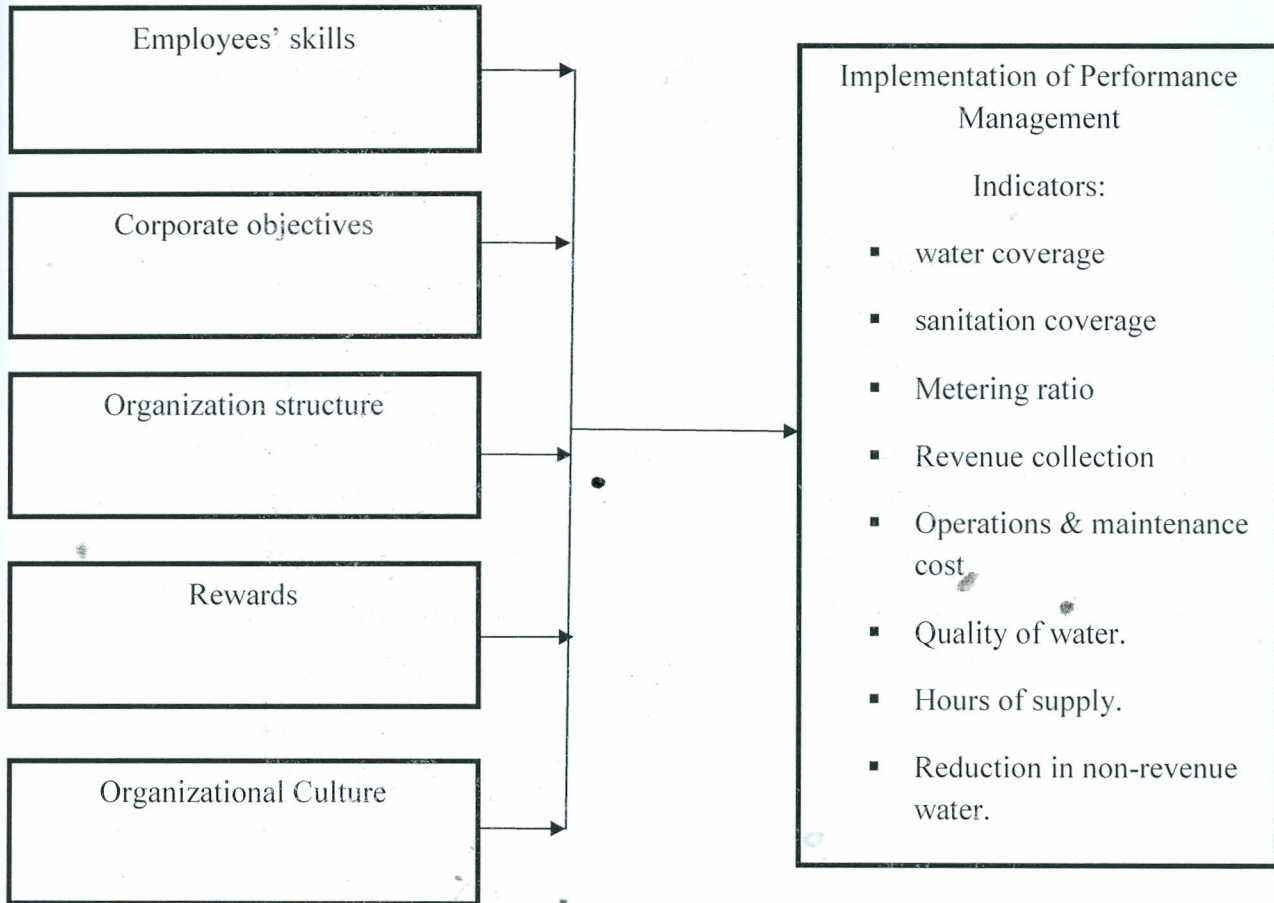
Organizational or Corporate Culture is the pattern of values, norms, beliefs, attitudes and assumptions that may not have been articulated but shape the ways in which people in organizations behave and things get done. Values refer to what is believed to be most important about how people and organizations behave. Norms are the unwritten rules of behaviour Armstrong, (2009). According to Eldridge and Crombie (1974), the culture of an organization refers to the unique configuration of norms, values, beliefs and way of behaving that characterize the manner in which groups and individuals combine to get things done. Culture is a system of informal rules that spells out how people are to behave most of the time, Deal and Kennedy (1982). A pattern of basic assumptions; invented, discovered or developed by a given group as it leans to cope with problems of external adaptation and internal integration that has worked well enough to be considered valid and therefore, to be taught to new members as the correct way to perceive, think and feel in relation to these problems, Schein (1985). The significance of culture according to Furnham and Gunter (1993) represents the 'social glue' and generates a 'we feeling', thus counteracting processes of differentiations that are unavoidable part of organizational life. Organizational culture offers a shared system of meanings which is the basis for communications and mutual understanding. If these functions are not fulfilled in a satisfactory way, culture may significantly reduce the efficiency of an organization. There are many attempts to classify or categorize organizational culture as the basis of cultures in organizations and for taking action to support or change them. Most of these classifications are expressed in four dimensions. Based on Handy (1981) culture can be categorized into the four as follows: - first; Power Culture which takes the

metaphor of a web. Control / power emanate from the center, very political and entrepreneurial, resource power and personal power predominate. This culture serves the figurehead and the leader and is frequently found in small entrepreneurial organizations and relies on trust, empathy and personal communications for effectiveness. It is political organization with decisions taken largely on the balance of influence. Second; Role Culture which takes the metaphor of the Greek Temple. Work is controlled by procedures and rules and the role, or job description, is more important than the person who fulfills it. Power is associated with positions not people. This culture serves the cause of structure. Third; Task Culture which take the metaphor of a net; the focus is on completing the job. The aim is to bring together the right people and utilizes the unifying power of the group. Influence is based more on expert power than in position or personal power. The culture is adaptable and teamwork important. Fourth; Person Culture which takes the metaphor of a cluster or galaxy; a loosely collection of individuals usually professionals sharing common facilities but pursuing own goals separately. Power is not really an issue, since members are experts in their own right. The organizations exist only to serve and assist the individuals in it.

A high performance culture is one in which people are aware of the need to perform well and behave accordingly in order to meet or exceed expectations. Such a culture embraces a number of interrelated processes that together make an impact on the performance of the organization through its people in such areas as productivity, quality, levels of customer service, growth profits, and ultimately in profit-making firms, the delivery of increased shareholder value. In the more heavily service and knowledge-based economy, employees have become the most important determinant of organizational success. The following characteristics of a high-performance culture were defined by Lloyds (2003): people know what is expected of them – they are clear about their goals and accountabilities; they have skills and competences to achieve their goals; high performance is recognized rewarded and accordingly; people feel that their job is worth doing, and that there is a strong fit between the job and their capabilities; managers act as supportive leaders and coaches, providing regular feedback, performance review and development; a pool of talent ensures a continuous supply of high performance in key

roles; and there is a climate of trust and team work, aimed at delivering a distinctive service to the customer.

Conceptual Framework



Independent Variables

Dependent Variable

Figure 1

Source: (Researcher, 2012)

The above illustration of conceptual framework indicates that the researcher perceives performance management as dependent on what the employer has put in terms of employees skills and competences, Corporate Objectives, Organizational Structure, Organizational Culture, Allocation of Organizational resources and Rewards. It

perceives ability to meet the requirements of the performance management as a direct result of the measures the management has put in place. It also perceives that if challenges are reduced on the employee then expected performance will most likely be attained.

CHAPTER THREE

3.0 Research Methodology

3.1 Introduction

This chapter was concerned with the methodology that the researcher used in the study. It gave the systematic research procedures that were going to be used in the collection and analysis of data and was divided into six sections namely: research design, target population, sampling strategy, data collection, and data analysis and data presentation.

3.2 Research design

This study adopted a descriptive survey design as the most appropriate design to measure the perception of respondents. The descriptive survey design had the advantage of allowing the researcher to collect information from a large population. The information obtained from the sample can then be easily generalized to the entire population, (Kiplunger, 2000).

3.3 Target Population

The target population for this study consisted of 50 permanent employees drawn from 4 Water Service Providers in Tana Water Services Board area cutting across from the top management to the operative level. Two (2) WSPs represented the Central region and the others two (2) represented the Eastern region. The Board area covers the Central and Eastern Provinces and has a total of 30 Water Service Providers. The choice of the target WSPs was based on the highest number of permanent employees because some of the WSPs have a very small number of permanent employees. The 4 WSPs have a total population of 502 permanent employees.

3.4 Sampling Strategy

According to Gay. L (1992), a researcher selects a sample due to various limitations that may not allow researching the whole population. This study applied random sampling as the best form of sampling as it allowed all members of the population to have an equal and unbiased chance of appearing in the sample. The study used a sample population of 10% of the total population from every target WSP.

Table 1: Sampling Table

Water Service Provider	Total population	Percentage of sample population	Number of sample population
Nyeri water and sewerage company limited(Central).	210	10	21
Embu water and sewerage company ltd(Eastern).	102	10	10
Mathira water and sanitation company limited(Central).	72	10	7
Kirinyaga water and sanitation company limited(Eastern).	118	10	12
TOTAL	502		50

Source: (research, 2012)

3.5 Data Collection tools

Data was collected using questionnaires. The questionnaire had both open and close ended questions. The questionnaires were administered using drop and pick technique. The drop and pick method makes it possible to collect data that would be difficult to get when using other methods of data collection, Borg and Ball (2003). Questionnaires were easy to administer and gave the respondent sufficient time to arrive at a well thought response and were free from the researcher's bias.

3.6 Data Analysis

Data collected was checked for errors, unfilled questions and inconsistencies in response or outright contradiction of known facts. It was checked for extremes such as conscious response to agree or disagree. Data was coded based on the nature of the scales used to enable the researcher carry out statistical analysis. (Kothari, 2009). Qualitative data was analyzed by use of content analysis while qualitative data used descriptive analysis.

3.7 Data Presentation

The data obtained from the questionnaires was compared and interpreted. The data was then analyzed using the statistical package for social sciences (SPSS) which assisted in drawing tables, pie charts, graphs, frequencies and percentages.

DATA ANALYSIS , INTERPRETATION AND PRESENTATION.

4.1 Introduction

In this chapter, the results obtained from the respondents is tabulated, summarized and analysed statistically. The study focused on the major challenges facing implementation of performance management in water service providers under the Tana Water Services Board. The analysis is presented under two sub-headings of quantitative and qualitative

4.2 Response Rate

The study established that out of 50 questionnaires administered, 45 were returned duly completed and 5 were not received back. This constituted 90% response rate which was considered good enough to continue with the work of processing the data.

4.3 Demographic information

4.3.1 Gender of the Respondents

The study sought to establish the gender balance of the respondents to know the composition of the sample in terms of gender.

Table 4.1 Gender

Gender	Frequency	Percentage
Males	31	69
Females	14	31
Total	45	100

Source :(Researcher, 2012)

From the table above, 69% of the respondents were males while the rest were females. This indicates that studied organizations employed more males than females.

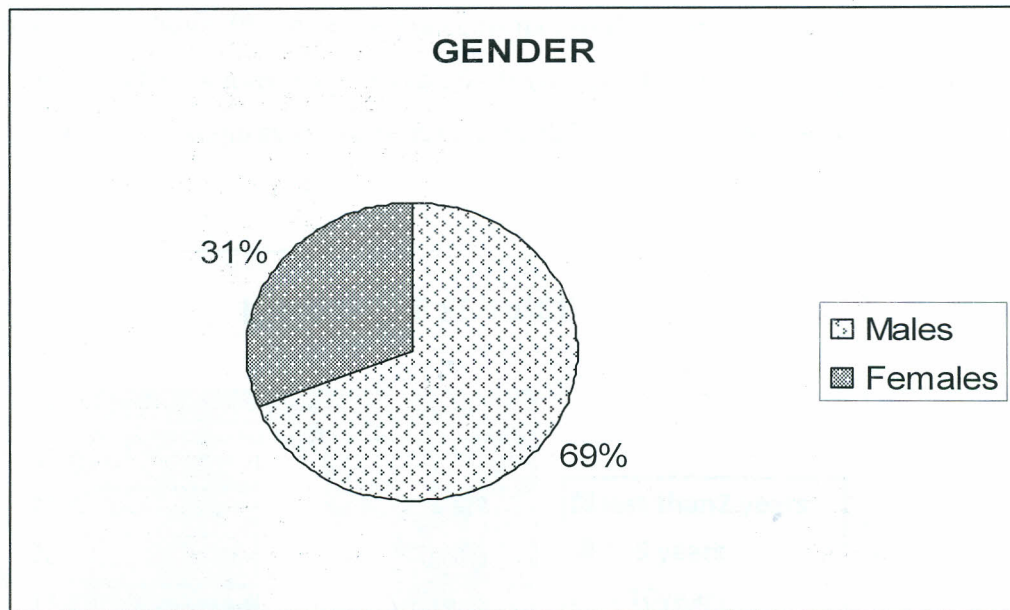


Fig. 4.1 Gender of the Respondents Source : (Researcher, 2012)

4.3.2 Length of service.

The study sought to establish the length of service of the respondents to know the composition of the sample in terms years of service

Table 4.2 length of service

Years of service	Frequency	Percentage
Less than 2 years	4	9
2-5 years	6	13
6-10 years	14	31
11-15 years	10	23
15 years and above	11	24
Total	45	100

Source : (Researcher, 2012)

From the table above, 9% of the respondents had worked for less than 2 years, 13%, 31%, 23%, and 24% had worked for 2-5 year, 6-10 years, 11-15 years and 15 years and above respectively. Thus majority of the respondents had worked for the period between 6-10 years.

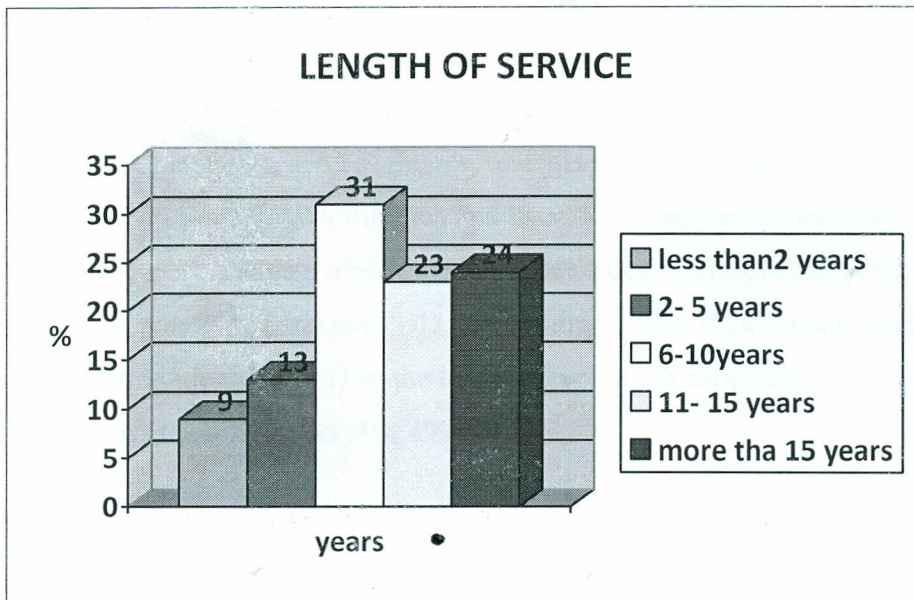


Figure 4.2 Length of service

Source : (Researcher, 2012)

Table 4.3.3 level of education

The study sought to establish the level of education of the respondents to know the composition of the sample in terms of education

Level of Education	Frequency	Percentage
Certificate	22	49
Diploma	4	9
High diploma	2	4
Bachelor's degree	8	18
Post graduate Diploma	2	4
Master's Degree	4	9

PHD	0	0
Qualification not mentioned above	3	7
Total	45	100

Source :(Researcher, 2012)

From the table above, 49% of the respondents were certificate holders, 9%, 4%, and 18% possessed diploma, higher diploma and bachelor's degrees respectively, 4% and 9% were holders of post graduate diploma and Master's degrees respectively, the study established that no respondent possessed PHD qualification while 7% did not possess any of the qualification mentioned. Thus the highest level of education according to the study findings was certificate level at 49%.

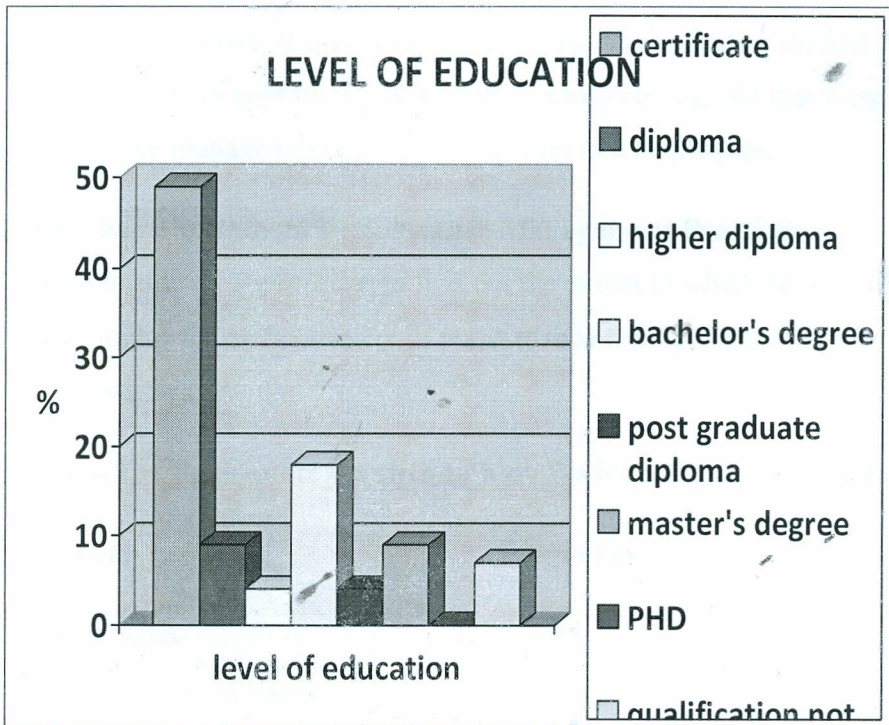


Figure 4.3 level of education

Source :(Researcher, 2012)

4.4 Employees skills

4.4.1 Existence of Performance Agreement with Employees

The first step was to establish from the respondents whether a performance management agreement existed between the employer and the employees.

Table 4.4 A performance Management exist between Employer and Employees

Comment	Frequency	Percentage
Yes	45	100
No comment	0	0
No	0	0
Total	45	100

Source :(Researcher, 2012)

From the data above, it was evident that all the respondents indicated that a performance agreement was in operation. Thus all the respondents agreed that there existed performance management between Employer and employees.

4.4.2 Sensitization on Performance Management Practices

It was considered appropriate to find out the extent to which sensitization was undertaken to the employees on the subject of performance management .The outcome of this aspect was shown below:-

Table 4.5 Adequate Sensitization on Performance Management was done

Comment	Frequency	Percentage
Strongly agree	18	40
Agree	13	29
uncertain	2	4

Disagree	7	16
Strongly Disagree	5	11
Total	45	100

Source :(Researcher, 2012)

From the table above, 40% and 29% of the respondents strongly agreed and agreed, respectively, that adequate sensitization was done to the employees. However, 4% were uncertain, 16% disagreed and 11% strongly disagreed. Thus, majority of the respondents strongly agreed that sensitization of performance management was done.

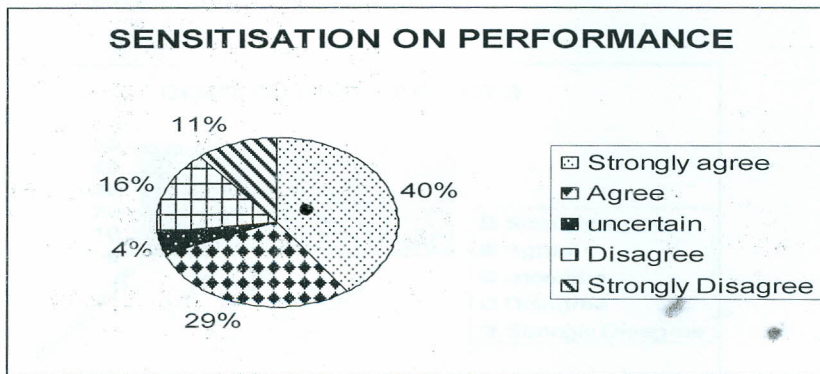


Figure 4.4 Sensitization on Performance

Source :(Researcher, 2012)

4.4.3 Gains from Sensitization to Employees

The study sought to find out the opinion of the respondents in terms of benefits derived from sensitization exercise which was aimed at enhancing achievement of set targets for the employees.

Table 4.6 Sensitization assisted Employees to achieve their Targets.

Comment	Frequency	Percentage
Strongly agree	21	47
Agree	16	36
uncertain	1	2

Disagree	5	11
Strongly Disagree	2	4
Total	45	100

Source :(Researcher, 2012)

From the table above, 47% of the respondents strongly agreed that sensitization exercise assisted them to achieve their agreed targets. Another 36% agreed although 2% were undecided. It was noted that 11% disagreed and 4% strongly disagreed. Thus the study established that majority of the respondents achieved their targets due to sanitization of performance management.

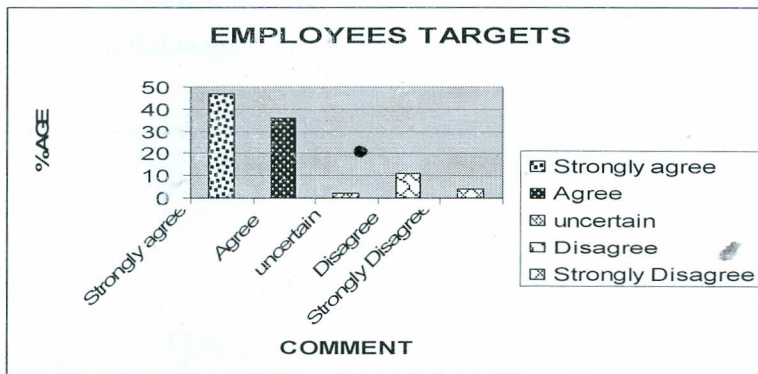


Fig. 4.5 Employees Targets

Source :(Researcher, 2012)

4.4.4 Aspect of Discussion and Signing of Performance Targets.

Performance management entails reaching on initial agreement of what is to be achieved and by when. The aspect of employee’s discussion with the immediate superior and consequently signing an agreement was examined. The responses were summarized as shown below:-

Table 4.7 Targets were discussed and Signed at the Initial Stage

Comment	Frequency	Percentage
Strongly agree	38	84

Agree	5	11
uncertain	0	0
Disagree	2	4
Strongly Disagree	0	0
Total	45	100

Source :(Researcher, 2012)

From the data above, 84% of all the respondents indicated that targets were discussed which was followed by signing to mark the beginning of the agreement. Similarly, 11% agreed but 4% disagreed. Thus the study established that the targets were discussed and signed at the initial stage.

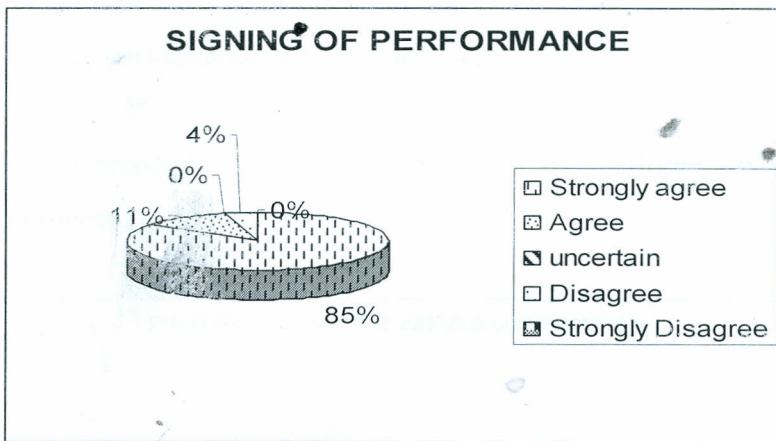


Fig. 4.6 Signing of Performance Targets

Source :(Researcher, 2012)

4.4.5 Continuity of the Performance Management Process

The study examined the aspect of continuity of the performance measurement between the employees and employers. This meant to find out whether achievement of targets meant the end of the exercise in terms of service delivery.

Table 4.8 The Performance Measurement was viewed as a Continuous Process

Comment	Frequency	Percentage
Strongly agree	19	42
Agree	13	29
uncertain	2	4
Disagree	7	16
Strongly Disagree	4	8
Total	45	100

Source :(Researcher, 2012)

From the table above, 42% and 29% of the respondents strongly agreed and agreed, respectively, that performance measurement was a continuous process in the institutions studied. However, 4% were uncertain, 16% disagreed and 8% strongly disagreed. Thus the majority of respondents strongly agreed that the performance measurement is a continuous process.

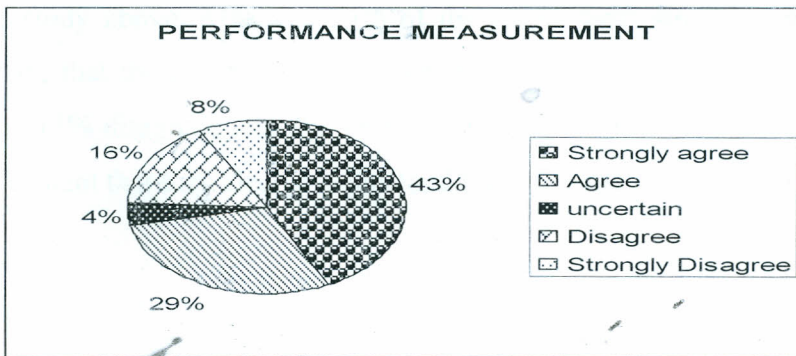


Figure 4.7 Performance Measurement

Source :(Researcher, 2012)

4.5 Corporate objectives

4.5.1 Clarity of Corporate Objectives among the Respondents

Objectives are meant to guide the direction, efforts and resources of the organizations. The corporate objectives are the desired end results of an enterprise. The study sought to establish the extent to which the objectives were clear to the respondents.

Table 4.9 The Corporate Objectives are clear to the Staff

Comment	Frequency	Percentage
Strongly agree	23	51
Agree	11	24
uncertain	1	2
Disagree	6	13
Strongly Disagree	4	8
Total	45	100

Source :(Researcher, 2012)

From the study above, 51% and 24% of the respondents strongly agreed and agreed, respectively, that the objectives were clear to the parties involved. However, 2% were undecided, 13% disagreed and 8% strongly disagreed. Thus, majority of the respondents are in agreement that they clearly understood the corporate objectives.

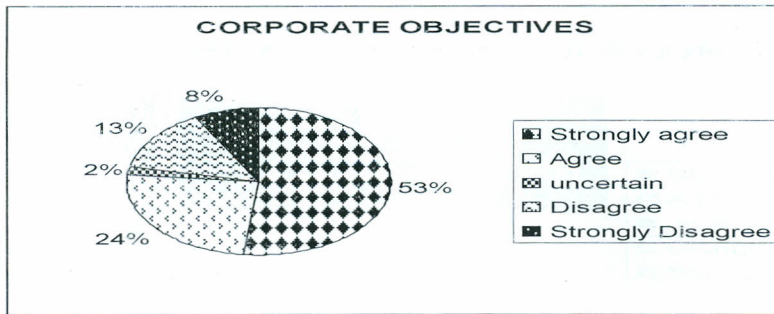


Fig. 4.8 Corporate Objectives

Source :(Researcher, 2012)

4.5.2 Extent of Employees Involvement in Objective Formulation

It was important to examine the extent to which employees were involved in formulation of the corporate objectives. The results were as shown below:-

Table 4.10 Staff Members were involved in Objectives Formulation

Gender	Frequency	Percentage
Strongly agree	3	7
Agree	7	16
uncertain	1	2
Disagree	21	47
Strongly Disagree	13	29
Total	45	100

Source :(Researcher, 2012)

From the data presented above, 7% and 16% strongly agreed and agreed, respectively, that staff members were involved in objective formulation. It was observed that 2% were undecided, 47% disagreed and 29% strongly disagreed. Thus the study established that most of the staff were not involved fully in objectives formulation.

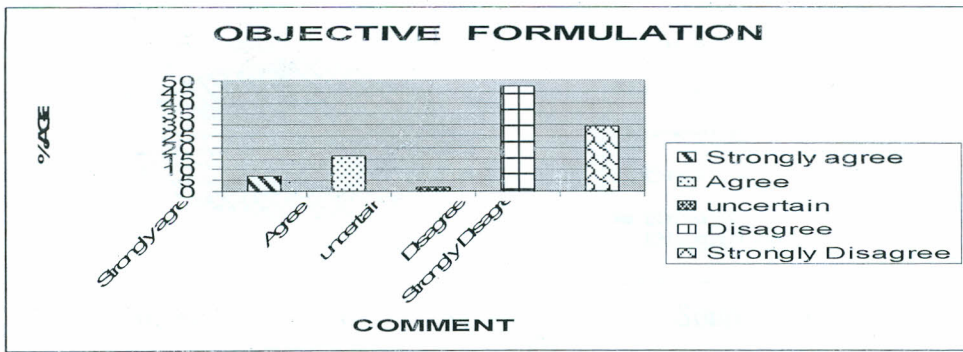


Fig. 4.9 Employees Objective Formulation

Source :(Researcher, 2012)

4.5.3 Extent of Achieving Objectives Set

Achieving desired objectives is of paramount importance in all organizations. This study examined the extent to which the objectives were achieved, in the opinion of the respondents.

Table 4.11 The Set Corporate Objectives were achieved during the Year

Comment	Frequency	Percentage
Strongly agree	27	60
Agree	10	22
uncertain	1	2
Disagree	4	8
Strongly Disagree	3	6
Total	45	100

Source :(Researcher, 2012)

From the table above, 60% of the respondents strongly agreed that the corporate objectives were achieved. This was also agreed by another 22% although 2% were uncertain. However, 8% disagreed and 6% strongly disagreed. Thus, majority of the respondents strongly agreed that the set objectives were achieved during the year.

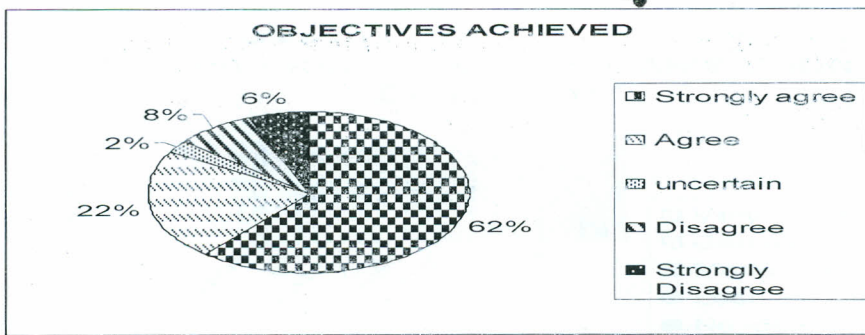


Fig. 4.10 Corporate Objectives achieved

Source :(Researcher, 2012)

4.6 Organization structure

4.6.1 Aspect of being Conversant with Organization Structure

The organization structure usually determines the way information, authority and feedback flows within an organization. It depicts the layers and work stations in an organization and forms a platform for employee's network.

Table 4.12 Are you Conversant with the Organization Structure

Comment	Frequency	Percentage
Very Conversant	8	18
Conversant	13	29
Moderately	15	33
Less Conversant	5	11
No idea	4	8
Total	45	100

Source :(Researcher, 2012)

From the table above, 18% of the respondents were very conversant with their organizations structure, 29% were conversant, 33% were moderately conversant, 11% less conversant and 8% had no idea at all. Thus, the study revealed that, most of the staff familiar with their organizational structure.

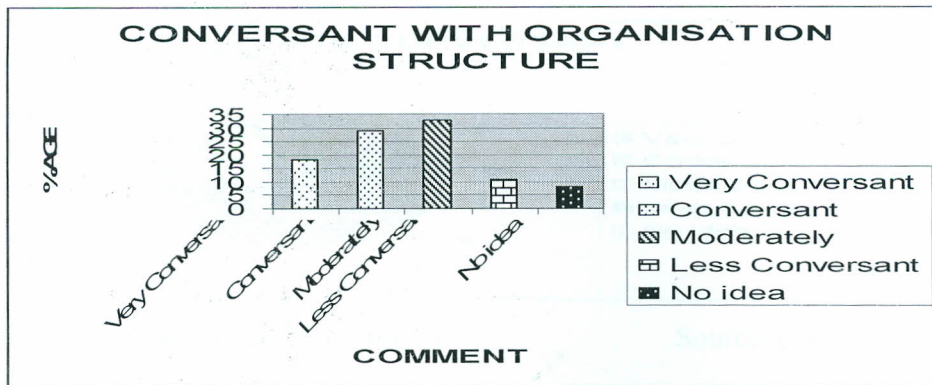


Fig. 4.11 Organization Structure Conversant Source :(Researcher, 2012)

4.6.2 Being Conversant with Own Job Description

A job description is issued to an employee outlining the details of the assigned tasks and responsibilities. It also indicates the reporting structure including the scope of the employees work.

Table 4.13 I am Conversant with Own Job Description

Comment	Frequency	Percentage
Very Conversant	33	73
Conversant	9	20
Moderately	0	0
Less Conversant	0	0
No idea	3	6
Total	45	100

Source :(Researcher, 2012)

From the data above, 73% of the respondents were very conversant with their own job description, 20% were conversant but 6% had no idea of their job description. Thus the study established that majority of the respondents are very conversant with their own job description.

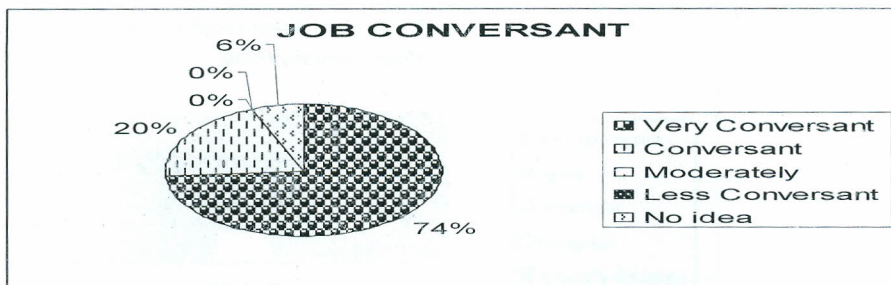


Fig. 4.12 Job Conversant Description

Source : (Researcher, 2012)

4.6.3 Organization structure affects my performance target

This study sought to establish how organizational structure affects performance targets.

Table: 4.14 effects of organization structure on performance targets

Comment	Frequency	Percentage
Strongly agree	20	44
Agree	15	34
uncertain	7	16
Disagree	2	4
Strongly Disagree	1	2
Total	45	100

Source : (Researcher, 2012)

From the data above 44%, 34%, 16% strongly agreed, agree and uncertain respectfully, while 4% and 2% disagreed and strongly disagreed respectfully. Thus majority of respondents strongly agreed that the structure of their organization affect their achievements of performance targets.

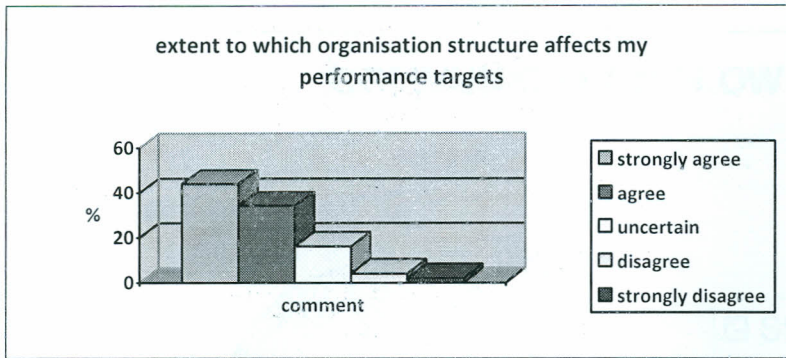


Figure 4.13 performance targets

Source :(Researcher, 2012)

4.6.4 Communication Flow within Organization

The study sought to find out how the flow of communication was at the work place. Communication is the lifeblood of every organization and hence the need to examine its status.

Table 4.15 Communication in my Organization is a Two –way Process.

Comment	Frequency	Percentage
Strongly agree	9	20
Agree	13	29
uncertain	2	4
Disagree	14	31
Strongly Disagree	7	16
Total	45	100

Source :(Researcher, 2012)

From the above figures, 20% and 29% of the respondents strongly agreed and agreed, respectively, that communication in their organizations was a two way process. It was observed that 4% were uncertain, 31% disagreed and 16% strongly disagreed. Thus majority of respondents disagreed that communication is a two way process in their organizations.

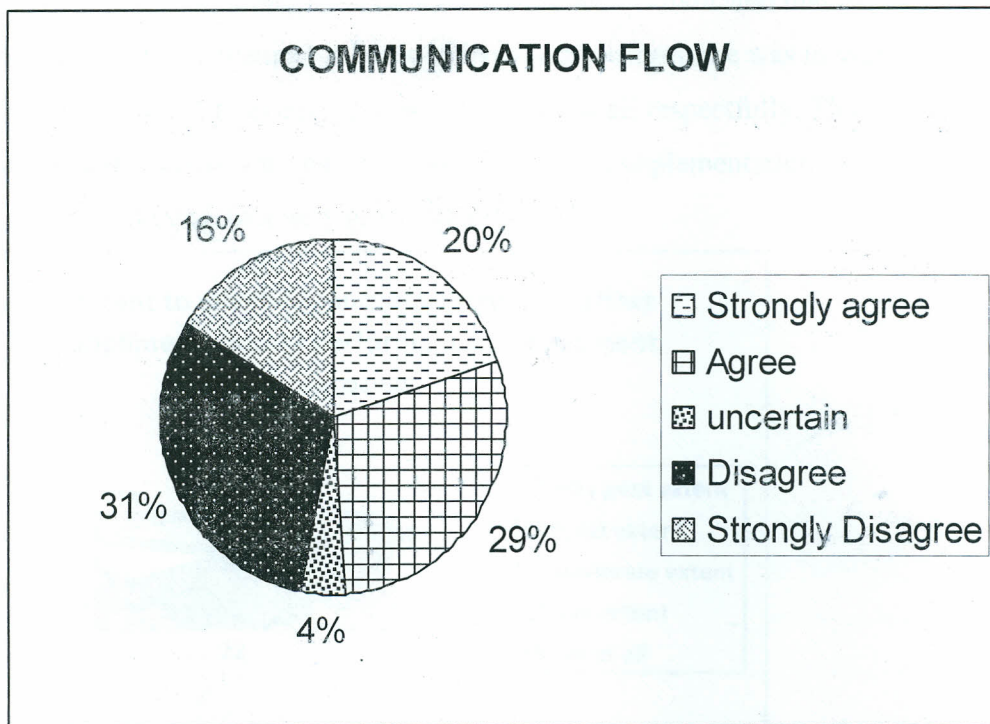


Fig 4.14 Communication Flow

Source :(Researcher, 2012)

Table 4.16 organization structure implementation

Comment	Frequency	Percentage
Very great extent	18	40
Great extent	10	22
Moderate extent	9	20
Less extent	6	14
Not at all	2	4
Total	45	100

Source :(Researcher, 2012)

The above data shows that 40%, 22%,20%,14% and4% indicated that the implementation of performance management process by organization structure was to very great extent, great extent, moderate extent, less extent and not at all respectfully. Thus the study established that organizational structure affected the implementation of performance management process to a very great extent.

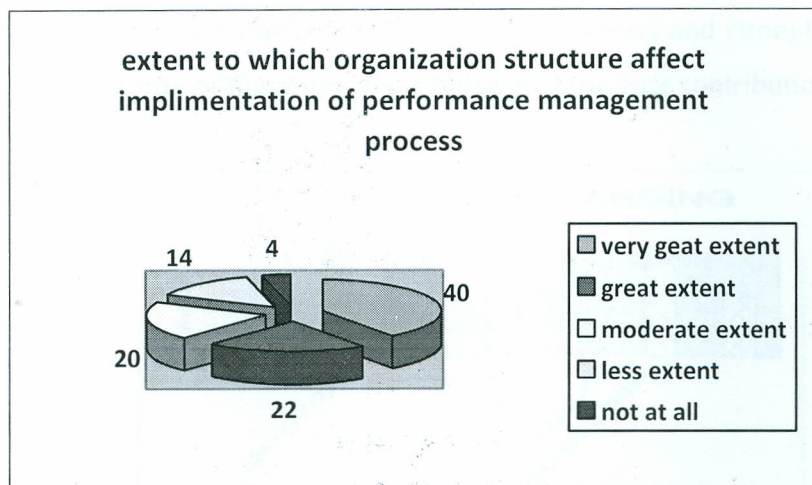


Figure 4.15 organization structure implementation. Source :(Researcher, 2012)

4.7 Rewarding

4.7.1 Rewarding Achievements of Targets

The study sought to find out if the respondents considered themselves as adequately rewarded after achieving the agreed performance targets.

Table 4.17 My contributions are adequately Rewarded

Comment	Frequency	Percentage
Strongly agree	7	15
Agree	12	27
uncertain	3	7
Disagree	14	31
Strongly Disagree	9	20

Total	45	100
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Source :(Researcher, 2012)

From the data above, 15% of the respondents strongly agreed that staff efforts were adequately rewarded after achieving the set targets. Another 27% agreed although 7% were uncertain. However, 31% and 20% disagreed and strongly disagreed, respectively. Thus majority of the respondents disagreed that their contributions are rewarded.

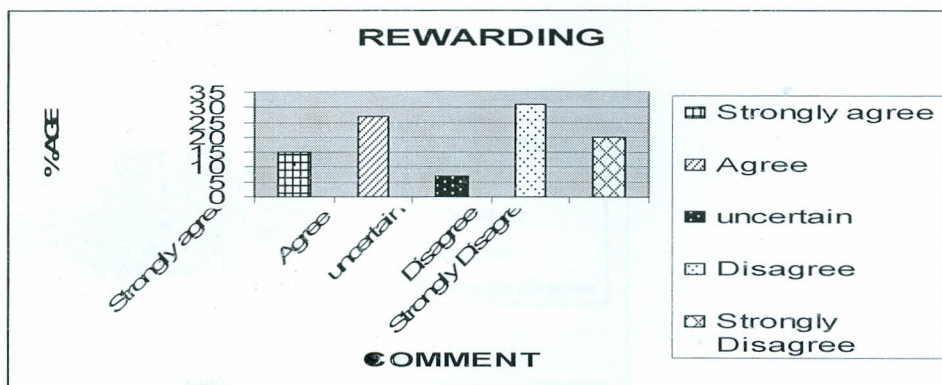


Fig. 4.16 Rewarding Achievements Targets

Source :(Researcher, 2012)

4.7.2 Motivation after performance review meetings

The study sought to find out if the respondents considered themselves motivated after performance review meetings.

Table: 4.18 I feel motivated after performance review meetings

Comment	Frequency	Percentage
Strongly agree	4	9
Agree	25	56
uncertain	8	18
Disagree	6	13
Strongly Disagree	2	4

Total	45	100
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Source :(Researcher, 2012)

From the above table, 9% and 56% strongly agreed and agreed respectively.18%,13% and 4% were uncertain ,disagreed and strongly disagreed respectively. Thus majority of the respondents felt motivated.

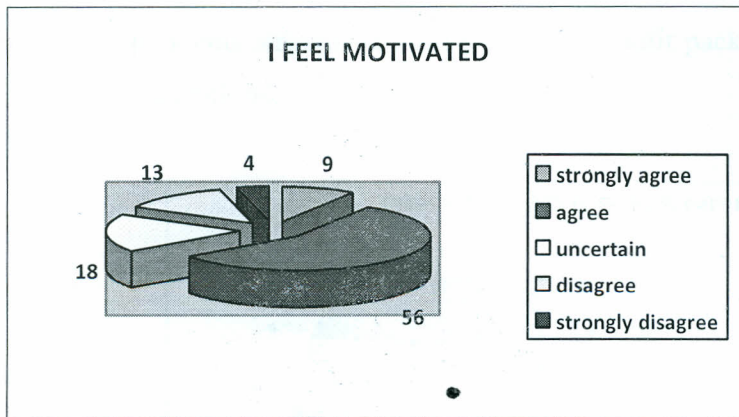


Fig. 4.17 Motivation

Source :(Researcher, 2012)

4.7.3 Benefit Package for Employees

The benefits package influences the level of loyalty and job satisfaction among many employees. The option of the respondents was sought in reference to what was offered in other similar organizations.

Table 4.19 Benefit Package in my Organization is Preferable

Comment	Frequency	Percentage
Strongly agree	20	44
Agree	14	31
uncertain	2	4
Disagree	6	13

Strongly Disagree	3	6
Total	45	100

Source :(Researcher, 2012)

From the table above, 44% and 31% strongly agreed and agreed, respectively, that benefit package in their organization was better compared to other similar organizations. However, 4% were uncertain, 13% disagreed and 6% strongly disagreed. Thus, majority of the respondents strongly agreed that their benefit package compared well to those of similar organizations.

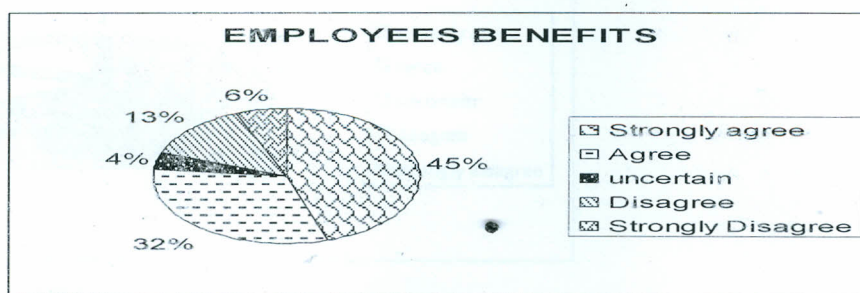


Fig 4.18 Benefit Package Source :(Researcher, 2012)

4.7.4 Reward upon performance target

The study sought to find out if the respondents considered themselves rewarded upon meeting performance targets.

Table: 4.20 performance reward

Comment	Frequency	Percentage
Strongly agree	6	13
Agree	23	51
uncertain	8	18
Disagree	7	16

Strongly Disagree	1	2
Total	45	100

Source :(Researcher, 2012)

From the table above, 13% and 51% strongly agreed and agreed, respectively, that they felt rewarded after performance targets. However, 18% were uncertain, 16% disagreed and 2% strongly disagreed. Thus majority of the respondents agreed they felt rewarded.

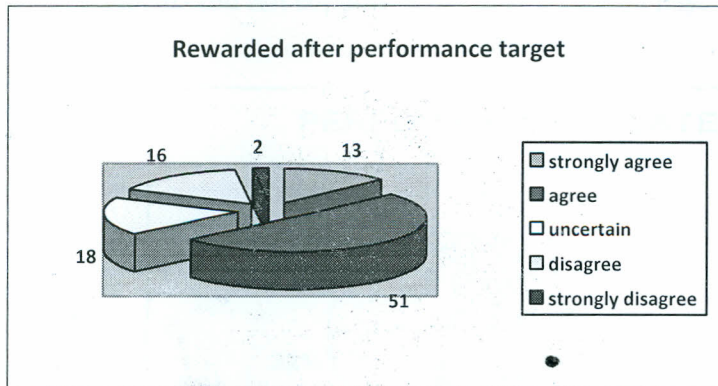


Fig 4.19 Reward

Source :(Researcher, 2012)

4.7.5 Aspect of Embracing Performance Related Pay

Performance management systems pegs rewarded for employees efforts and services to the amount of pay. By extension, extra or above average performance is rewarded while below average performance is reprimanded.

Table 4.21 Performance Related Pay is Embraced in our Organisation

Comment	Frequency	Percentage
Very likely	10	22
Somewhat	13	29
No comment	2	4
Unlikely	14	31

Very unlikely	6	13
Total	45	100

Source :(Researcher, 2012)

From the table above, 22% of the respondents were very likely in support of performance related pay, 29% somewhat supported, 4% never commented, 31% were unlikely in support while 13% were very unlikely to support performance related pay. thus, majority of respondents did not support performance related pay.

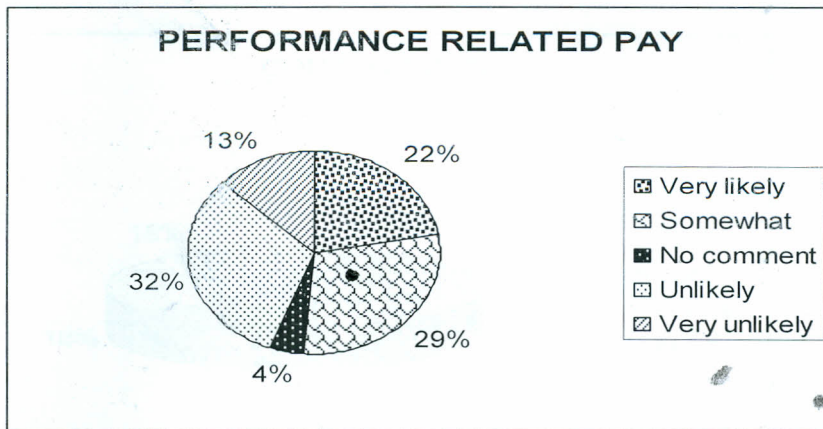


Figure 4.20 Performance related Pay

Source :(Researcher, 2012)

4.8 Organizational culture

4.8.1 Familiarity with the Core Values

The study sought to establish the extent to which the respondents were familiar with the core values of their organization.

Table 4.22 Are you familiar with the Core Values

Comment	Frequency	Percentage
Yes	29	64
Partially	8	18

No	8	18
Total	45	100

Source :(Researcher, 2012)

From the table above, 64% of the respondents indicated that they were familiar with the core values of their organization, 18% were partially aware while 18% were not at all. Thus it is clear that majority of the employees are familiar with core values of their organization.

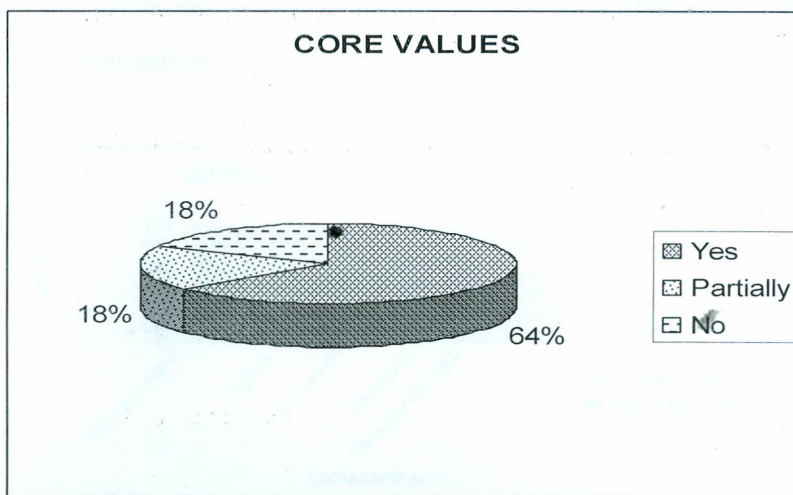


Fig. 4.21 Familiar with Core Values

Source :(Researcher, 2012)

4.8.2 Impact of Culture on Implementation of Performance management.

It was considered prudent to establish the extent to which organizational culture affected implementation of performance management. The outcomes from the respondents were as shown below:

Table 4.23 The Organization's Culture Impacts on Implementation

Comment	Frequency	Percentage
Strongly agree	27	60
Agree	11	24

uncertain	2	4
Disagree	3	7
Strongly Disagree	2	4
Total	45	100

Source :(Researcher, 2012)

From the above data, 60% strongly agreed that organization's culture impacted on the performance management while 24% agreed. Although 4% were uncertain. On the other hand, 7% disagreed and 4% strongly disagreed. Thus, majority of employees strongly agreed that organization culture impacted on performance management.

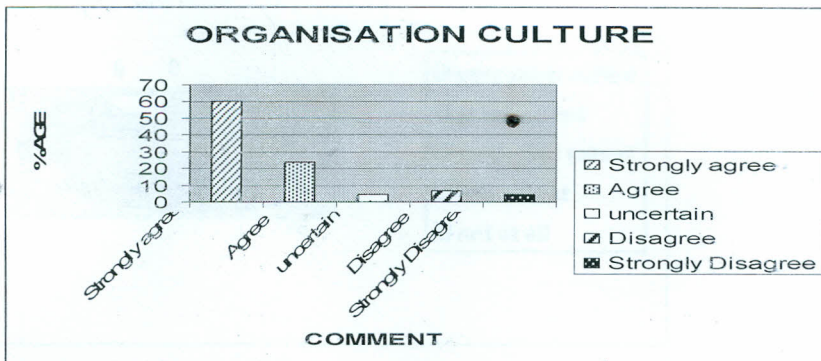


Fig. 4.22 The Organizations Culture

Source :(Researcher, 2012)

4.8.3 Effect of Negative organizational culture on performance management.

Table 4.24 Extent to which negative organizational culture affects performance management

Comment	Frequency	Percentage
Very great extent	35	78
Great extent	6	13
Moderate extent	4	9
Less extent	0	0

Not at all	0	0
Total	45	100

Source : (Researcher, 2012)

From the above data, 78% said that negative organisation's culture affected performance management at a very great extent while 13% said it was to great extent. 9% said was at moderate extent. Thus, the study established that negative organizational culture greatly affects performance management.

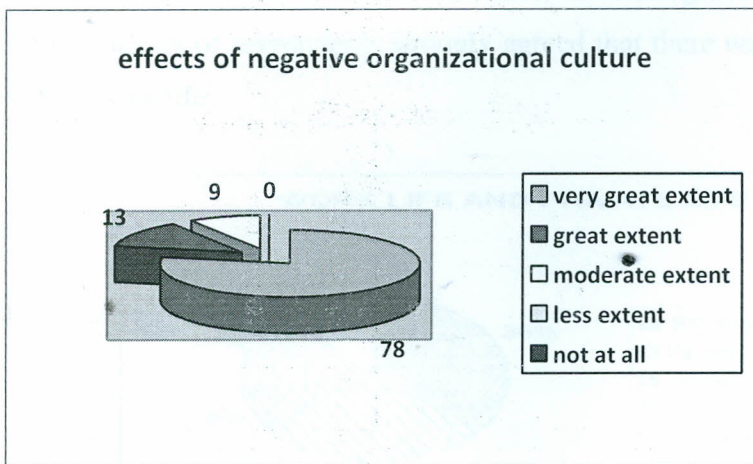


Fig. 4.23 Negative culture on performance management.Source : (Researcher, 2012)

4.8.4 Balancing Between Work and Private Life

The workload of the staff may impact negatively on the private or domestic life of the engaged employee. Some form of balance is necessary to support both sides of employee's life. This aspect was examined.

Table 4.25 There is no Problem Balancing Work with Private Life

Comment	Frequency	Percentage
Strongly agree	16	35
Agree	13	29

uncertain	4	9
Disagree	7	15
Strongly Disagree	5	11
Total	45	100

Source : (Researcher, 2012)

From the data above, 35% and 29% of the respondents strongly agreed and agreed respectively, that they had no problem balancing work life and private life in their day to day affairs. However, 9% were uncertain, 15% disagreed and 11% strongly disagreed. Thus majority of respondents strongly agreed that there was no problem balancing work with private life.

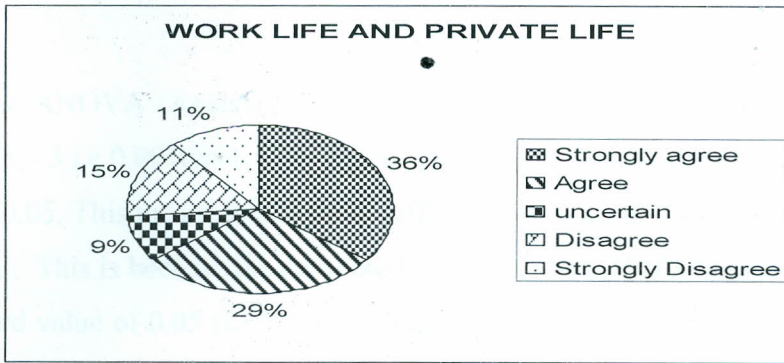


Fig. 4.24 Balancing Work life and Private Life Source : (Researcher, 2012)

4.9 Interpreting the Research Models

The study examined the major challenges facing implementation of performance management in water service providers under Tana Water Services Board. For the purpose of this study, the implementation process of this study, the implementation process was measured by the success rate where 100% was deemed to be the maximum. Implementation process can be measured at different levels ranging from 0% to 100%. The SPSS software was used.

The success rate was measured using the equation model below:-

$$Y = a + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + e$$

Where y = success rate of implementation

a = Constant factor

$\beta_1 \beta_2 \beta_3 \beta_4$ and β_5 = computed coefficients for each of the five independent variables.

X_1 = Number of skills with the staff.

X_2 = Number of Corporate objectives.

X_3 = Number of reporting levels in organisation.

X_4 = Amount of rewards in Ksh. Value.

X_5 = Number of identifiable cultural diversity in an organisation.

Using the ANOVA (Analysis Of Variance), the p-Value (rho) value) was found to be $1.68945E - 3$ i.e 0.0016894. This figure is too small, even lower than the 5% significance level i.e 0.05. This means that there is sufficient evidence to show that the model is useful and valid. This is because the computed p –value was 0.0016894 which is lower than the p-standard value of 0.05 (i.e 5% significance level which is the same as 95% confidence level)

4.9.1 Strength of Relationship between the two Variables

The study tested the strength and direction of relationship between the independent variables and dependent variable. An output table was generated by the SPSS as follows.

Table 4.26 Regression Model

Model	R	R-Square	Adjusted R-Square	Std Error
1	.847	.717	.801	.625

Source :(Researcher, 2012)

From the table above, R indicates that there is 84.7% positive relationship between all the independent variables and the dependent variable. The R- Square shows that 71.7% of variations in the dependent variable can be explained by the independent variables. Hence the five conceptualized independent variables accounted 71.7% of the results (success rates of implementation) of the dependent variable.

4.9.2 Testing the Degree of Relatedness of Independent Variables

A test on the extent to which each independent variable influenced each other was undertaken. This was tested using a correlation model where any high figure, above 0.4000, indicated some form of dependency on another independent variable. The output table generated was as shown below:-

Table 4.27 Correlation Model

		Employees Skills	Corporate Objectives	Organisation Structure	Rewards	Organisation Culture
Employees Skills	Pearson Correlation Sig. (2 tailed) N	1 45				
Corporate Objectives	Pearson Correlation Sig. (2 tailed) N	.2642 .000 45	1 45			
Organisation Structure	Pearson Correlation Sig. (2 tailed) N	.2174 .000 45	.2987 .000 45	1 45		
Rewards	Pearson Correlation	.03125	.2712	.3016	1	

	Sig. (2 tailed)	.000	.000	.000		
	N	45	45	45	45	
Organisation	Pearson Correlation	0.2287	.2801	.2198	.2550	1
Culture	Sig. (2 tailed)	.000	.000	.000	.000	
	N	45	45	45	45	45

Source :(Researcher, 2012)

Correlation is significant at the 0.01 level (99% - 2 tailed)

From the table above, all the independent variables were correlated to each other. The Pearson correlation index shows the degree of relation e.g, 0.2642 meaning that corporate objectives influences 26.4% on the actor of employees skills in relation to successful implementation of performance management practices in the studied organisations. A number of 1 in the table shows a perfect correlation when each variable is subjected to itself in the model. The N indicates the number respondents covered in the study. It is worth noting that all the indices were below 0.4000 meaning that correlation between each variable was low and acceptable.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction

This chapter lights a summary of major findings based on the specific objectives of the study. This is followed by conclusions drawn from the findings while at the end of the chapter is a section with recommendations generated by the researcher.

5.1 Summary of Major Findings

On the aspect of the employee's skills, the study found that majority had the necessary skills and experience to perform their duties. Having that in mind, the performance management practices were embraced in the organisations studied where it was evident that a contract existed between the employees and the employer. Besides, sensitization and performance management principles were done to provide a stable and familiar practice across the board. The study further established that such sensitization was appreciated and the employees gained. Before signing the performance contract between various levels of staff, discussions were held and the targets were agreed upon mutually by both parties. In general, the employees possessed the relevant and necessary skills and competencies to be engaged in the process of performance management.

The study examined how corporate objectives influenced performance management practices across the studied organizations. The study found that the respondents had in their minds the objectives of their organizations and more importantly, they were involved in the process of formulating them. Majority of the staff indicated that the objectives were achievable within the stipulated timeframe. It was also established from the study that generally implementation of the corporate objectives impacted positively on the performance management process in their organizations. Majority of the respondents indicated that they were familiar with their organisation's objectives and were working towards achieving their agreed targets. The study went further to examine the knowledge, influence and impact of organisation structure on the performance management practices. The study found that majority of the respondents were conversant

(familiar) with the lowest levels. It was also found that almost all the respondents were conversant with their job description and were performing the assigned duties. In regard to the aspect of how organisation's structure affected the achievement of performance targets, the study found that the structure facilitated implementation of the performance management system. This implementation of the performance management system. This implied that the structure was not a barrier or obstacle to the process of performance management. The communication system was found to be smooth and was two way process.

Rewards for the efforts of the employees were examined in relation to its influence on the process of performance management. The study found that their contributions and efforts were adequately rewarded. This was reinforced by the fact that a significant proportion of the respondents indicated that they felt well motivated especially after performance review meetings. According to majority of those studied. The benefits package compared favourable with those in similar organisations. Above all, the respondents pointed out that the management rewarded employees upon meeting agreed performance targets. Almost all of the staff embraced the concept and practices of the performance management in the studied organizations.

Organisations generally have their own created or inherited culture. The study found that majority of the respondents held the view that organisation culture affected (somehow negatively) successful implementation of performance contract principles. This supports the theory that something new in most cases encounters resistance among those affected by its implications. It was also evident that most of the respondents were familiar with the core values of the organisation. However, the study never went further to ask them which values they knew and which they practiced to the letter. In terms of ability to balance between work and private life, the study found that majority agreed it was not a challenge.

5.2 Conclusions

The study, which examined the major challenges facing implementation of performance management, derived some conclusions based on the objectives of the research. The study concluded that majority of the respondents had the basic skills and competencies to

undertake their tasks adequately. More importantly was that performance agreement between the employer and the employees were entered into because both were aware that they possessed what it takes to successfully implement the agreement. The study concludes that management sensitized the staff which was appreciated and in turn facilitated them to achieve their performance targets. Another conclusion drawn was that discussions were held between the supervisor and the employees at the beginning to lay a level playing ground for all the parties. Performance management practices were embraced by majority as a continuous process and as a way of achieving organizational goals at a faster rate.

In terms of how corporate objectives affect the performance management process, the study concludes that the objectives guided and channeled employees efforts to achieve agreed performance targets. Majority of the respondents had clear corporate objectives in their minds, the study concluded. It was also established that majority of the respondents felt that they were involved well in the process of formulating the said objectives. To over half of the respondents, the agreed performance targets were achievable and in a big way, these objectives impacted positively on the entire performance management process in the studied organizations. Another related conclusion relates to the fact that majority of the respondents were familiar with all the stated objectives of their organizations.

The structure of an organisation outlines how authority, communication and networks flow across various members at all levels. The study concluded that almost all members of staff were familiar with their organizations structure. This was supported further where most of them indicated that they were conversant with their job descriptions. More than half of the respondents indicated that an organisation structure of a given enterprise directly affects the achievements of agreed performance targets. In terms of whether communication was considered as a two way process, the study concluded that this was so far all the studied establishments. Hence communication was smooth and was not considered as a challenge to the process of performance management.

All employees regard rewards as one of the most important gains they can enjoy in their working life. Majority of the respondents strongly agreed that their contributions were adequately rewarded by the management. On the aspect of being motivated, majority felt that the management, after evaluation and performance meetings, generously motivated and appreciated the staff. The study also concluded that the benefits package was in line with what was offered in other similar organisations. Hence the staff was not badly off on this aspect. The study further concluded that the staff felt that they were adequately rewarded upon achieving the agreed performance targets. On the issue of the extent to which performance management principles were embraced across the board, the study concludes that most the respondents were in agreement that the practices were received well and consequently embraced as a way of working.

Organisation culture was examined where it was concluded that it affected the process of implementing performance management practices in the studied organizations. To start with, the study concludes that most of the respondents were familiar with the core values of their organizations. The introduction of the performance management was somehow impacted negatively by the prevailing culture of the organizations. Hence majority indicated that the process was negatively impacted but later streamlined over time. After all, it is common for new practices to encounter some form of resistance before it is fully embraced. Majority of the respondents, the study further concludes, had no problem in achieving a comfortable balance between their work and their private life. This is an indication that the workload is manageable and less stressful to many, the study revealed.

5.3 Recommendations

On the basis of the findings and conclusions drawn from the study, a number of recommendations have been developed. It is of paramount importance to encourage and support employees to enhance their employable skills through further training. The management should develop workable staff training and development programs to support such initiative.

In regard to the existing corporate objectives, it is recommended that they should be revised and improved in line with changing circumstances. Employees and key stakeholders should be engaged in the formulation of revised objectives which meets the

SMART characteristics i.e specific, measurable, achievable, realistic and time-bound objectives.

On the other hand, it is recommended that the management should develop and operationalise a staff reward scheme to encourage them to quickly embrace the performance management culture. Some additional budgetary allocation can be considered to promote a climate of healthy competition among the staff. In the long run, more attention should be on non – monetary rewards as opposed to financial rewards.

In the area of organisation culture, it is important for the management to recognise and appreciate that changing exercise. The implementation of performance management practices was unpopular to elderly members of staff and hence the need to adjust slowly giving rooms for flexibility. A new culture of achieving targets and working as teams should be encouraged.

The work environment is critical to most members of staff everywhere. The management should be at the centre stage in enhancing consistently the working conditions at the workplace. Annual work environment surveys should be undertaken to give recommendations to the management.

5.4 Areas for Further research

The researcher considers the following as possible areas which other researchers and scholars should consider pursuing.

- i. Impact of setting performing targets on employees job satisfaction.
- ii. A correlation study between performances of firms under performance management scheme with those without annual performance targets.
- iii. Analysis of factors influencing achievements of all set performance targets in organisations.

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APPENDIX I: WATER SERVICE PROVIDERS WITHIN TANA WATER SERVICES BOARD AREA

	District	No of WSPs	Name of WSP
1	Nyeri Central	1. 2.	Nyeri Water and Sewerage and Company Tetu Aberdare Water Company.
2	Nyeri south	1	Othaya Mukurwe-ini.
3	Nyeri North	1. 2.	Kieni East Water Company Kieni West Water Company
4	Mathira central	1.	Mathira water and Sanitation company limited.
5	Embu	1. 2. 3. 4.	Embu water and sanitation com ltd Ngandori Nginda Water company Kyeeni Water Company Ngagaka Water Company
6	Kirinyaga	1. 2. 3. 4. 5. 6.	Kabale Water Company Kamumwe Water Company Kirinyaga Water Company Ngariama Water Comapany Raimu Rwambiti Water Company. Rukanga Water Company
7	Tharaka	1.	Kathita Gatunga Water Company
8	Imenti North	1.	Ruiri Water Comapany.
9	Meru Central	1.	Imentha Water Company
10	Meru East	1.	Meru Water Company
11	Mbere	1.	Embe Water Company
12	Meru South	1. 2. 3.	Nthi Water Company Murigi Water Coampay Muthambi 4k Water Company

13.	Inter District	1.	Tharaka Water Company
14.	Meru North	1	Turu Water Company
15	Murang'a North	1. 2. 3. 4.	Murang'a Water Company Kahuti Water Company Gatamathi Water Company Maragua Water Company
	TOTAL	30	

Source: (Researcher, 2012)

APPENDIX II: LETTER OF INTRODUCTION TO RESPONDENTS
RE: REQUEST TO CONDUCT RESEARCH.

I am a student of Kenyatta University (KU) pursuing an MBA degree in Human Resource Management. I am carrying out a research on the challenges facing the implementation of Performance contracting in State Corporations. I will be required to administer questionnaires for the purpose of data collection.

I assure you that the information collected will be treated with utmost confidence and will be used only for research purpose. I kindly request you to allow me to your institution and facilitate response to the questions.

Yours faithfully,



JOYCE MUNIRA.

KENYATTA UNIVERSITY, NYERI CAMPUS.

APPENDIX III: QUESTIONNAIRE

Name of the Water Service

Provider.....

Department.....

Designation.....

SECTION A: DEMOGRAPHIC INFORMATION

1) Gender:

Male ()

Female ()

2) How long have you served in this Organization?

Less than 2 years ()

2 – 5 years ()

6 – 10 years ()

11 – 15 years ()

15 years and above ()

3) What is your highest level of education?

Certificate ()

Diploma ()

Higher Diploma ()

Bachelor's degree ()

Post Graduate Diploma ()

Master's Degree ()

PHD ()

SECTION B: MAIN ISSUES

This section seeks to collect data to aid the researcher in answering the research questions. It covers the areas: employees' skills, corporate objectives, organizational structure, culture and rewards.

A) EMPLOYEE SKILLS

This part is aimed at establishing how the employees' skills and competences influence the implementation of performance management process

Using a scale of 1 – 5, where 1 = Strongly Agree, 2 = Agree, 3 = Uncertain, 4 = Disagree and 5 = Strongly Disagree, kindly tick the appropriate response to the statements below:

	STATEMENT	1	2	3	4	5
4	There exists a performance management agreement between my employer and employees.					
5	My employer has sensitized/ trained me on the subject of performance Management.					
6	The sensitization / training has assisted me in achieving my performance targets.					
7	I discuss my performance targets with my supervisor and sign the performance contract at the beginning of every performance management period.					
8	Performance measurement between me and my supervisor is a continuous process.					

B) CORPORATE OBJECTIVES

This section seeks to investigate how corporate objectives affect the performance Management process.

Using a scale of 1 – 5, where 1 = Very Great Extent, 2 = Great Extent, 3 = Moderate Extent, 4 = Less Extent and 5 = Not at all, kindly tick the appropriate response to the statements below:

	STATEMENT	1	2	3	4	5
9	To what extent are the corporate objectives clear to you?					
10	To what extent are you involved in the process of formulating these objectives?					
11	To what extent are the objectives achievable?					
12	To what extent do you agree that corporate objectives impact on the performance management process?					
13	To what extent are you familiar with the objectives of your organization?					

C) ORGANIZATIONAL STRUCTURE

The aim of this part is to find out how the structure of an organization can affect the implementation of performance management process.

Using a scale of 1 – 5, where 1 = very Conversant, 2 = Conversant, 3 = Moderately Conversant 4 = Less Conversant, 5 = No Idea, kindly tick the appropriate response to the statements below:

	STATEMENT	1	2	3	4	5
14	Are you conversant with the structure of your organization?					
15	I am conversant with my job description.					
16	I am conversant with the extent to which my organization structure affects my achievement of performance contract.					

17) Communication in my Organization is a two way process

Strongly Agree ()

Agree ()

Uncertain ()

Disagree ()

Strongly Disagree ()

18) To what extent does the organizational structure affect the implementation of performance management process?

Very great extent ()

Great extent ()

Moderate extent ()

Less extent ()

Not at all ()

D) REWARDS.

This part of the questionnaire seeks to find out the extent to which rewards and compensation affect the achievement of performance targets.

Using a scale of 1 – 5, where 1 = Strongly Agree, 2 = Agree, 3 = Uncertain, 4 = Disagree and 5 = Strongly Disagree, kindly tick the extent to which you agree with the statements below:

	STATEMENT	1	2	3	4	5
19	My contribution to the achievement of performance targets is adequately rewarded					
20	I feel motivated after performance review meetings					
21	The benefits package compares well with those in similar organizations					
22	I am often rewarded upon meeting my performance targets					

23) How likely would you embrace performance related pay?

Very likely ()

Somewhat unlikely ()

Neither likely nor unlikely ()

Somewhat likely ()

Very unlikely ()

E) ORGANIZATIONAL CULTURE

The aim of this part is to find out how the culture of an organization can affect the process of implementing performance management.

Using a scale of 1 – 5, where 1 = Very Great Extent, 2 = Great Extent, 3 = Moderate Extent, 4 = Less Extent and 5 = Not at all, kindly tick the appropriate response to the statements below:

	STATEMENT	1	2	3	4	5
24	To what extent are you familiar with the core values of your organization					
25	To what extent does your organizational culture affect the implementation of the performance contract					
26	To what extent is a negative organizational culture by employees likely to affect the implementation of performance management					

27) I have no problem in achieving a balance between my work and my private life

Strongly Agree ()

Agree ()

Uncertain ()

Disagree ()

Strongly Disagree ()

Thank you very much for your participation.