

**FACTORS LEADING TO DECLINE IN WORKER'S  
PERFORMANCE IN POWER GENERATION INDUSTRY  
A CASE OF KAMBURU POWER STATION**

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decline in worker's*



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## DECLARATION

This project is my original work and has not been presented for a degree in any other university.


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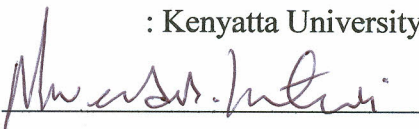
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## DEDICATION

I dedicate this project to my beloved wife Angela Mwitia and my son Ignatius Waweru for their moral and spiritual support. I also dedicate to Antony Ileri for his encouragement.

## ACKNOWLEDGMENT

This project would not have taken off and its results would not have been materialized without the selfless effort of my supervisors Mr. Robert Nzulwa and Mrs. Mwende Mutuvi for their guidance and support.

I also acknowledge my parents and siblings for encouraging me to carry on throughout the period of study.

## ABSTRACT

The performance of workers in a company determines the success of the company in attaining its objectives and more so the level of the profit it makes. This means that workers play a major role in the company. This study aimed at surveying factors leading to decline in workers performance in power generation industry. A case study of Kamburu Power Station. The study specifically sought to determine whether the level of training and development of workers can lead to decline of workers performance, whether organizational communication in a company affects workers performance. It also helped to determine if the current reward system used can contribute to decline in workers performance. The study also aimed at addressing whether the current health and safety conditions are contributing in the decline of workers performance at Kamburu Power Station. The literature review identified, evaluated, synthesized and presented all relevant information from other sources e.g. publication, text, journals, magazines and statements from experts. The guiding areas were training and development, health and safety, organizational communication and reward system. The study was a survey in design and it targeted the workers in Kamburu Power Station. There were 256 workers all in the department but only 180 were chosen by random sampling to represent the whole population. In the study the main research instrument was a questionnaire. The questionnaires contained both open and closed ended questions. They were distributed to the sampled workers for filling out and later collected for analysis. Both qualitative and quantitative methods of data analysis were used. Quantitative approach provided numerical data which called for descriptive statistics. Measures of central tendency and percentage distribution tables, graphs and pie charts were used. In addition qualitative analysis of data enabled deeper and exhaustive explanation of research finding. This was enabled by content analysis in which a classification system was developed to record the information. This means that the frequency with which an idea appeared was interpreted as measure of its importance, attendance or emphases.

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## LIST OF ABBREVIATIONS AND ACRONYMS

APHA	American Public Health Association
ERB	Energy Regulatory Board
ILO	International Labour Organization
ISO	International Standards Organizations
KenGen	Kenya electricity Generating Company
P.B.R	Pay By Result
PRP	Performance Related Pay
TBP	Team Based Plans

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# CHAPTER ONE

## INTRODUCTION

### 1.1 Background of the Study

Employees' performance affects organization performance. An employee is a product of functions such as training, reward, communication, health and safety in the work place. According to Kenya Institute of Human Resource Management Report(2009) performance of workers in energy sector is seen as both behavior and result and hence when management does not ensure direct behavior performance is not enhanced. The report further says that when employees are not valued and recognized their prosperity to find fulfillment outside their job is increased and start failing to force upon the work leading to poor performance.

Manpower Agency Kenya (2010) observes that when training and development is not enhanced in an organization, workers do not acquire new skills become less proactive and un-innovative and thus makes them even incapable of withstanding competition hence poor performance. American Public Health Association (APHA) says that poor working environment in power generation industries does not nature growth in employees competence and efficiency which will in turn lead to low level of performance.

Human Resource Connections (2009) report observes that many of the workers in power generation industry feels that the salary given must match with the effort they contribute to the organization. According to the report when the workers realize that their reward is below their work contribution this can easily affect their performance.

Poor communication in an organization fosters demotivation by failing to clarify to

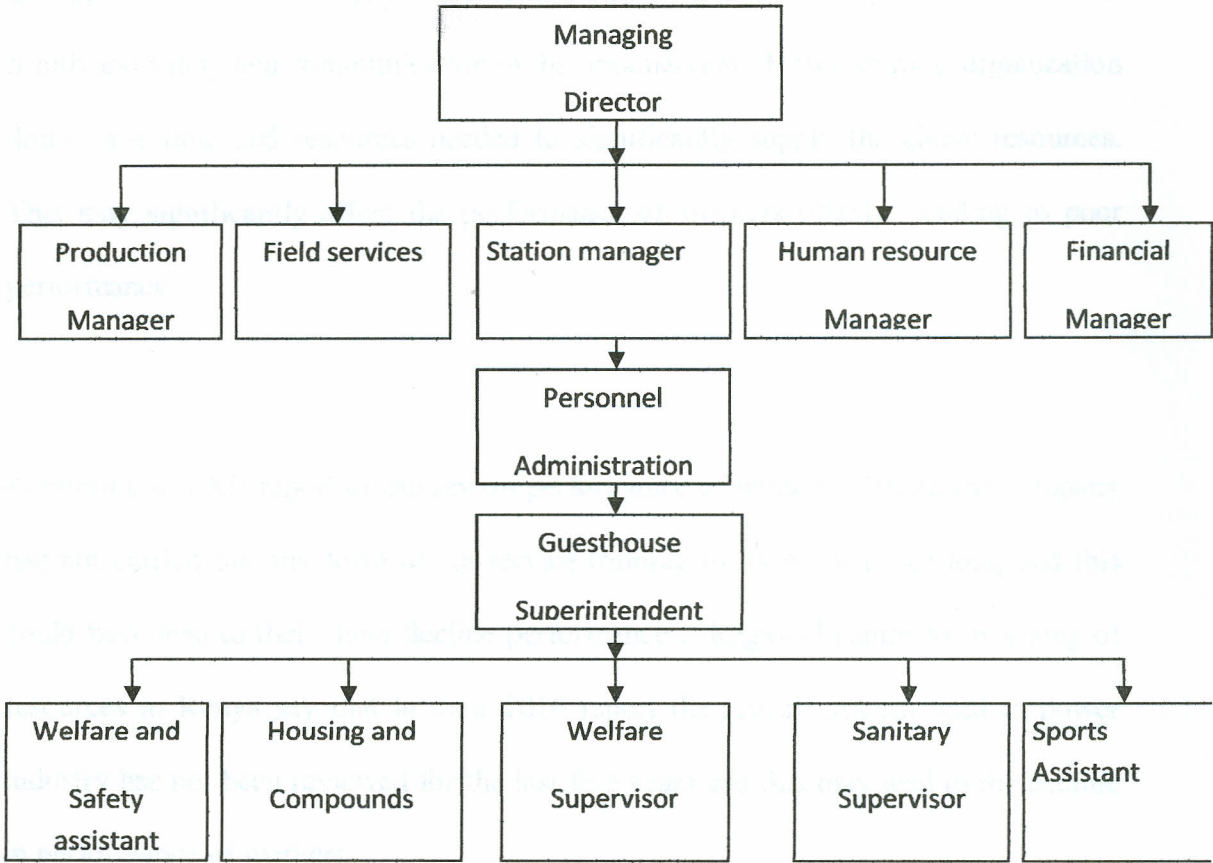
employee what is to be done , how well they are doing and what can be done to improve performance.

Power Generation Industry in Kenya is set to improve electrical generation in order to meet the increasing demand of power in the country. According to ERB, (2009) report the demand of electrical energy in Kenya has continued to increase at a rate of 2.5% every year since the year 2002. To their disappointment the production of power has been decreasing every year. KenGen is the only parastatal in Kenya which is charged with electrical power generation .About 80% of its power output is through hydro power stations.

Kamburu Hydro Power Station is one of the Kenya's largest hydro power plant having an installed capacity of 96MW. The station has a work force of 256 staffs working in all the departments. According to KenGen production report (2010) the station had a 4.2% decline in its production. Since it is important for the company to meet its production goals, the research feels that the decline would have been due to factors that influence workers performance. Thus the research ought to investigate whether training and development, reward system used, health and safety conditions and organization communication affect performance of workers.

**Figure 1.1**

**Kamburu Power Station Organization Chart**



*Source: Kamburu Power station Strategic Plan Report 2010.*

The managing director who is the highest in the hierarchy reports directly to the board of directors about the company's strategic matters. All the other managers report to the managing director from different departments which they head. A manager heads each department and his assistant reports to him. The company secretary who is legal head handles all legal matters of the company. This makes the organizational structure of Kengen Company effective and functional. The co- ordination of activities is almost perfect.

## 1.2. Statement of the Problem

Employees' performance affects organizations performance. Employee performance is a product of factors such as the level of training and development, the reward, health and safety and communication in the organization. However most organization don't have time and resources needed to significantly supply the above resources. This may significantly affect the performance of workers oftenly leading to poor performance.

According to ERB report on survey on performance of workers (2010), the company has not carried out any form of in-service training to its workers for long and this could have lead to their low/ decline performance . Regional centre for mapping of resources in Kenya say that in their 2010 report the reward system used in power industry has not been reviewed for the last five years and this may lead to the decline in performance of workers.

Environment secretariat Kenya Chapter Audit report on Kamburu Power Station observes that the state of health and safety had not been audited for last five years and this had lead to depilated working conditions. According to Ministry of Energy survey report (2010) on performance of workers on the Seven Folks , the performance hard decline and the reports attributes it lack of in-service training , poor state of health and safety condition , inappropriate reward systems , it further says that the above areas need to be addressed urgently .

### **1.3. Objectives of the study**

#### **1.3.1 General objectives**

The general objective of the study was to investigate factors leading to decline of employees' performance in Kamburu power station.

#### **1.3.2 Specific objectives**

- i). To determine if the level of training and development leads to a decline in workers performance
- ii). To determine if the standards of health and safety can lead to a decline in workers performance.
- iii). To find out if communication can lead to poor workers performance.
- iv). To find out if the reward system used can lead to a decline in workers performance.

### **1.4. Research questions**

**The study sought to inform and address the following;-**

- i). Does the level of training and development lead to a decline in workers performance?
- ii). Does the standard of health and safety lead to a decline in workers performance?
- iii). Does communication lead to poor workers performance?
- iv). Does the reward system used lead to a decline in workers performance?

### **1.5. The importance of the study**

The study aimed at benefiting the following.

#### **i. The Directors and the General Managers**

They will have the knowledge of what incentives to give the human resource department to boost employee morale and other benefits that will aid in improving employee performance.

#### **ii. The Human Resource Manager**

The information will avail the best way to induce employee performance to a greater expectation and productivity.

#### **iii. Employees**

They will feel recognized and valued since their grievances and expectations will have been aired to the management.

#### **iv. Future Researchers**

The study will benefit future researchers on this subject hence fill the gaps left

### **1.6. Limitations of the study**

- a) Source findings and data from the managements that are ever busy may be hard and impossible to some extent.
- b) Lack of sufficient funds to carry out research is a big hindrance to accurate results through extensive survey to seek information and data.

- c) Due to limited time available as a student, the researcher may not get enough material to carry on the study.
- d) Non-availability of primary data Kengen being a Government parastatal, Kamburu power station may not be willing to disclose or give researcher most of the information due to the sensitivity of the nature of information.
- e) There may be un cooperative respondents.

### **1.7. The scope of the study**

The scope of the study was delimited to Kamburu power station. It specifically concentrated on all the workers in all the departments.

### **18. Definition of key Words**

#### **Performance.**

Accomplishment of a given task measured against present known standards of accuracy.

#### **Communication**

The exchange of information and instructions which enable the company to function effectively and employees to be properly informed about development.

#### **Heat and safety**

Safe work environment.

#### **Organization**

An entity with a common good of meeting a certain need of individuals.



## CHAPTER TWO

### LITERATURE REVIEW

#### 2.1. Introduction (purpose and scope of review).

The literature review identified, evaluated, synthesized and presented all relevant information from other sources e.g. publication, text, journals, magazines and statements from experts. The guiding areas were training and development, health and safety, organizational communication and reward system.

#### **The review assisted in the following areas.**

It enabled the researcher to gain from previous research and some other useful information that could supplement and strengthen the study. Also it enabled the researcher to identify and adopt relevant moments; procedures used in similar previous studies e.g. research instrument sources of data. It helped in avoiding duplication of previous studies. It helped to provide the researchers with an opportunity to evaluate previous studies. It enabled the researchers to identify and confirm major gaps in the area concerning the knowledge being investigated. It also acknowledged the contribution of all people in the area of interest.

#### 2.2 Training and Development

Rao (2006) defines training and development as a planned way to acquire or sharpen capabilities to perform various functions associated with their present and future expected roles. Armstrong (2001) says that it is concerned with provision of learning, development and training opportunities in order to improve individual, team and original performance. Reichard (2000),

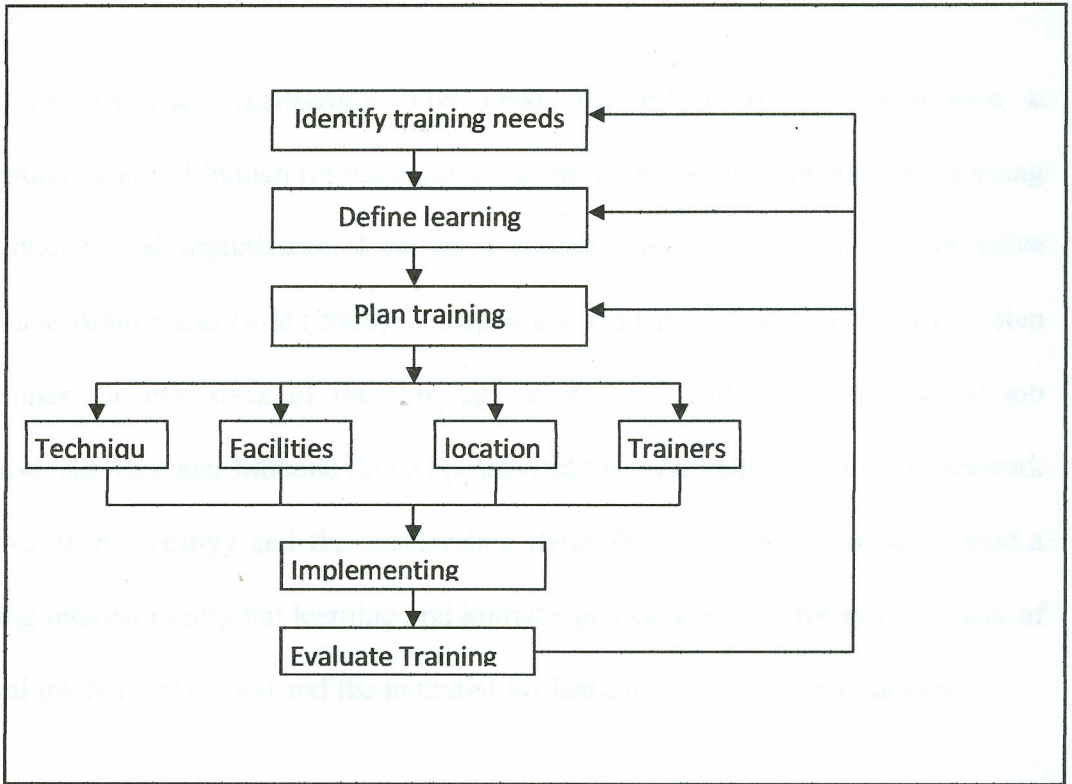
views it as a concept involving long term perspectives which visualizes change through involvement that takes a positive view of people and their potential and tries to foster a climate conducive to growth and development.

Kiggundu (2007), defines it as the institutional arrangement and behavioural processes for the acquisition of general knowledge, skills, abilities, attitudes and values in order to bring about general and specific improvement in workers performance. Michael Armstrong (2004) says that, the purpose of training is to improve employee's performance in their current jobs and/ or to equip them for more demanding roles or change in their role in the future. Training seeks to improve and develop the knowledge, skills/or attitudes of employees, (Schuler 2000). This makes employees to become more flexible, improve the level of productivity and quality of work. This leads to job satisfaction leading to reduction in absenteeism and staff turnover rates.

The purpose of training therefore is to improve the knowledge, skills and to change the attitudes. This can lead to many potential benefits for both individuals and the organization.

**Fig. 2.1**

**The Training Process**



*Source: Michael Armstrong, (2004) Human Resource Management, strategy and Action.*

According to institute of personnel management (2006), code of practice on continued development, it is stated that, the organization must have some form of strategic business plan in terms of the skills and knowledge of the employees who will achieve it should be spelled out: Managers must be ready and willing to define and meet the needs as appear. Not all learning needs can be anticipated, organizations must foster a philosophy of continuous development.

Torrington et al (2002) says that the effectiveness of the approach taken by an organisation in training and developing the employers is measured by the degree to which it achieves the skills and competencies required for the business in the relation

to the culture of the organisation by promoting original traditions and encouraging innovations.

Many nations and organisation now make the effort to have a holistic a conceptualization of human resource development by embracing the ideas of learning at individual and organisation level as a crucial ,means of sourcing competitive advantage Bratton and Gold (2006). Nahapiet and Ghushal (2000) say that what often determines the effectiveness of the training is its transferability to the actual job situation. Advison and Mahone (2003) points out that continuing advance in network information technology and the accelerating dynamics of change have stimulated a growing interest in original learning and knowledge management, the development of original intellectual capital and the potential for learning between organisations.

Kiggundu (2007) argued that the future prospects for social, economic and political development for most developing countries are intimately related to their ability to develop and effectively utilize their human resource. Training and development relates to the development of the institutional arrangements and behavioural process for the acquisition of the knowledge, skills and abilities and values that can bring about general improvement to workers performance Analovi (2000). Harbison (2006) point out that globalization has strengthened the argument that it is the human resource that competitive advantage of organisation and even nations and not necessarily its capital, income or its material resources hence a need to train them to improve their performance.

As far as possible, learning and work must be integrated. This means that encouragement must be given to all employees to learn from the problems, challenges and success inherent in their day- to- day activities. The impetus for continued development must come from the chief executive and other members of the top management teams. The top management team must regard investment in continuous development as being an important investment as in research, new product development or capital equipment.

### **Therefore training:**

Increase the confidence, motivation and commitment of the staff. Provide recognition, enhanced responsibility and the possibility of increased pay and promotion. Give a feeling of personal satisfaction and the achievement and broaden opportunity for career progression. Help to improve the availability and quality of staff. Increase the level of individual and organizational competence.

### **2.3 Health and safety**

Conducive working environment is a primary variable in determining employee performance. Conducive working environment incorporates matters of health and safety in use of machines and equipment, Bratton and Gold (2007) feels that conducive environment acts as a base cornerstone where other factors get into and are nourished. In McGregor (2006) phase, managers are grown and they are neither born nor made. The role of the company is to provide conditions that are favorable for faster growth.

And these conditions are very much part of the environment and organization climate of the company and management style of the chief executive. Armstrong (2004) points out that the job environment of the individual is the most important variable affecting development, unless that environment is conducive to his growth, one of things we do to him or for him will be effective.

Bratton and Gold (2004) says that safety audits need to be put in place. They emphasized that safety audit is necessary as it will examine the whole organization in order to test whether it is meeting its safety aims and objective. It will examine hierarchy's safety planning process, delegation, decision making, policy making and implementations as well as all areas of safety programmer planning. The development of safety, health and welfare is strongly interrelated within workers performance Bratton & Gold (2004).

Bratton & Gold further says that whether you work for a large or small company the issues of health and safety always come first. The law puts responsibility on both employee and employer to take care of health and safety at work place (Arnold J. and Robertson I.T 1998). Health and safety policy is a good starting point to improve the health and safety culture throughout the organisation. Bratton and Gold (2004) argue that health and safety affects element of the human resource management cycle.

Morrison (2005), advises that new staff should be briefed on health and safety issues and supplies the recruits with copies of health and safety policy. This provides the employees with fundamental information about the principles of health and safety and will confirm the employer intent to provide a safe place in which to work. Bratton &

Gold (2004) points out that it is essential that the employer or manager demonstrate safe practices which will inevitably motivate and power employees to follow their good example. The occupational, safety and Health Act in Kenya (2007) direct that there should be risk assessment methods which are essential in helping the organisation to achieve the standards required by health and safety legislation.

In 2004, a subsidiary legislation legal Notice No.30 in Kenya was enacted to provide for the formation of safety committees by the occupier of every factory or other workplaces. The committee is responsible for all health and safety issues of enterprises including undertaking safety audits. The International Labour Organisation (ILO), Health and Safety Act 2000, set down the regulations for employers to provide a safe working environment for their employees. The scope of the act extends to premises and system of work. To comply with the Act, employees should provide and maintain:- Safe and healthy plans of systems of work and maintenance of the equipment. A safe and healthy working environment and adequate welfare facilities and arrangement. Safe and healthy premises with adequate welfare facilities and arrangement. Safe methods for handling, storing and transporting materials. Adequate instructions and training for employees and adequate supervision. Information to employees concerning health and safety.

Bratton and Gold (2004) observes that in managing health it is observed that if audits are put in place as a way of managing health and safety in the working place, it will assist in developing health and safety policies, conducting risk assessment, which identifies hazards and risks attached to them, carrying out health and safety audits and inspections, implementing occupational health programs, managing stress., preventing

accidents, measuring health and safety performance, communicating the need for good health and safety practices and organizing health and safety programme.

## **2.4 Communication**

Creenberg and Baron (2000) defines organizational communication as the process by which a person, group or organization (the sender) transmits some types of information (the message) to another person, group or organization. Organization function by means of the collective action of people since each individual is capable of taking independent action, which may not be in the line with policy, procedure or instructions that may be reported properly to the people who ought to know about it.

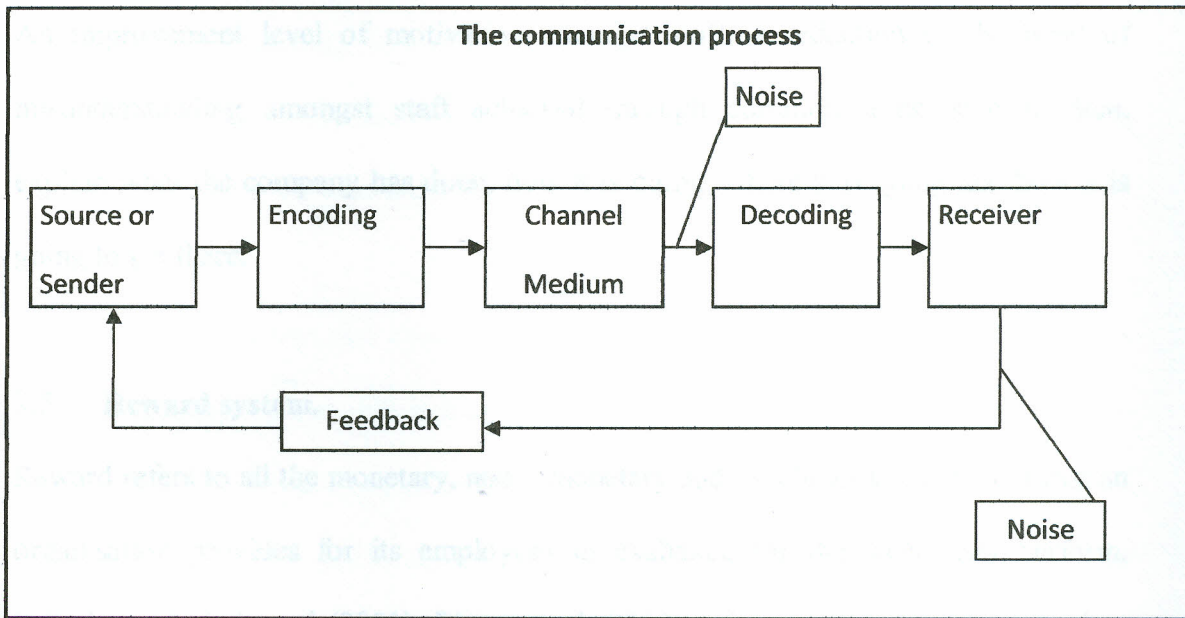
Robbins (2009) point out that communication act to control member behaviour in several ways. Robbins (2009) further says that organizations have authority hierarchies and formal guidelines that employees are required to follow. When employees are required to communicate any job related grievance to the immediate boss, to follow their job description, or to comply with company polices, communication is performing a control function Judge (2009).

Nelson (2000), says that mutual communication fosters motivation by clarifying to employees what is to be done , how well they are doing and what can be done to improve performance if it subpar. Campbell (2000), found out that formation of specific goals, feedback on progress, toward the goals and reinforcement of desired behaviour all stimulate motivation and require communications. This eventually leads to better workers performance.

Slocum (2009) says that communications provides a release for the emotional expression of feeling and for fulfillment of social needs. For many employees their work group is a primary source for social behaviour Hellriegel (2009). He further says the communication that takes place within the group is a fundamental mechanism by which members show their frustration and feelings satisfaction. Robins P. and Judge (2009), says that good mutual communication provides the information that individuals and groups need to make decisions by transmitting the data to identify and evaluate alternative choices.

On the other hand two – way communication is desirable so that management can obtain feedback on its plans. According to British Industrial Society (2000), briefing allows an organisation to pass information to its employees through section or departmental supervisors. According to Hill and O'brien (2002), listening is required for an effective communication in and organisation. Hill and O'brien says that listening is the process whereby one person pays careful overt and covert attention to assimilate, understand and retain, the verbal and non verbal signals being emitted by another'. Team briefing is a system that can help achieve this aim using the communication process.

**Figure 2.2**



*Source: (nzuve 1999) Elements of organizational behavior*

According to Beaty (2003), in rationale for 360 – degree feedback, he observed that feedback is often anonymous and may be to an individual, to the managers or to both. Some organization do not arrange for feedback to anonymous senders, whether or not feedback is anonymous depends on the culture of the organization, the more open the culture the more likely is the source of feedback to be revealed. He hinted out that, the action generated by the feedback would depend by the purpose of the process development appraisal system or pay. If the purpose is primarily developed the action may be left out to individual as part of their development plans, but the planning process may be shared between individuals and their managers if they both have access to information. They stressed that, even if the data goes to the individual, it can be discussed in a performance appraisal review so that plans can be made to boost the employee.

Thomas (2005), conclude that a mutual communication in an organization leads to:

An improvement level of motivation amongst staff, a reduction in the level of misunderstanding amongst staff achieved through communicating face to face, explain what the company has done, how it is doing, where it is going and how it is going to get there.

## **2.5 Reward system.**

Reward refers to all the monetary, non – monetary and psychological payment that an organisation provides for its employees in exchange for the work they perform. Pelletier and Vallerand (2001). Pierce et al (2003) points out that money is the key element in an employee's satisfaction and reward systems bind performance and salary so tightly together hence inadequate consideration of an employee performance can destroy an otherwise well planned reward system. Price (2001) observes that for some workers compensation has to commensurate with the effort they have put in otherwise they may feel that they have been unfairly treated.

Pierce et al (2003), proposes an individual based reward system which is focused on individual and their performance. Generally in this system employees have a constant based pay which is increased perhaps once annually each employees previous year performance is considered and then an increase in payment given accordingly. Price, (2000) advocates for a pay system which focuses on employees results (P.B.R) He says that there is a direct link between the outcome of performance and the financial reward. In this system there is a link between individual effort and the result obtained. This system requires less supervision and gives greater freedom to the employees. There are opportunities for the employees to achieve high earning.

Geoff and Druker (2005) says that managers need to make reward contingent on performance. Rewarding factors other than performance will only reinforce the importance of those other factors. Key rewards such as pay increases and promotion should be given for the attainment of employees specific goals.

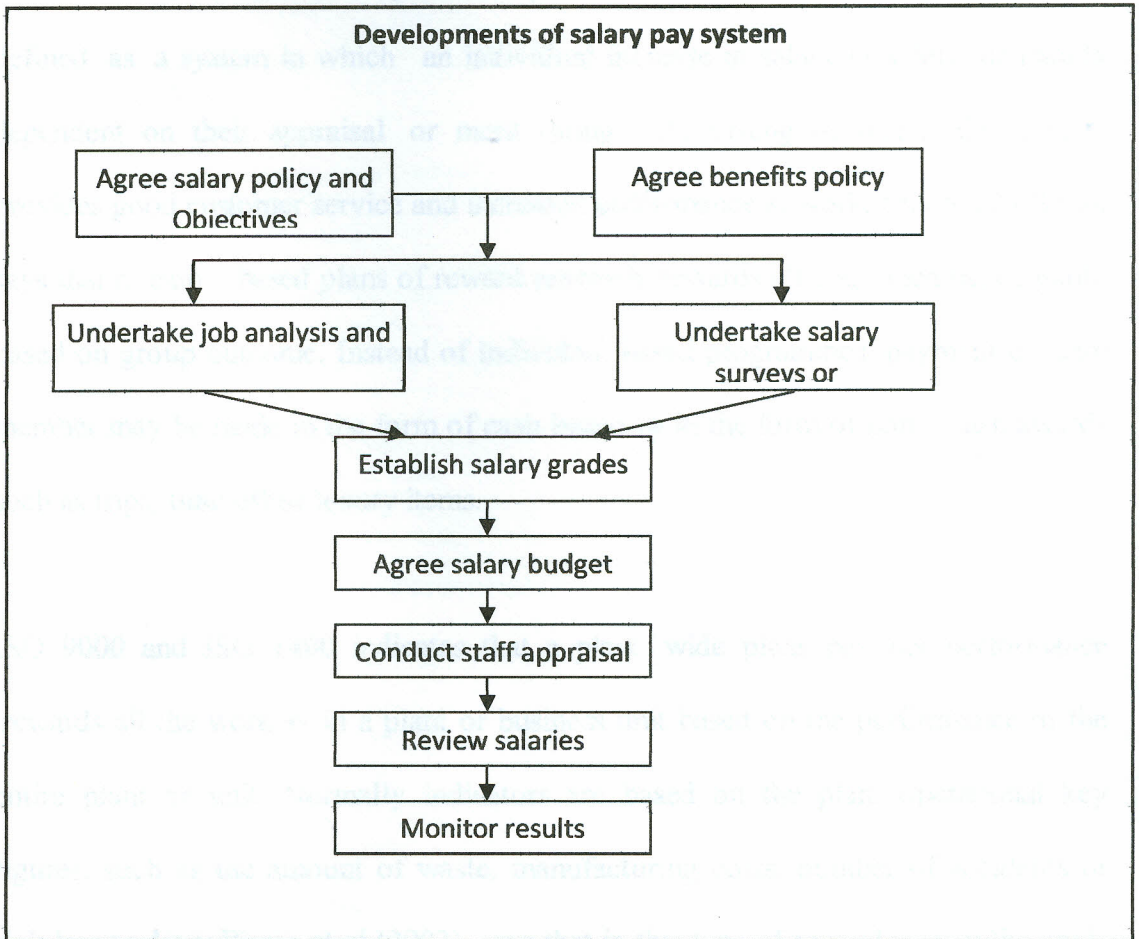
Pierce (2007) observes that employees should perceive that reward or outcomes are equal to the input given. On a simplistic level, experience, ability, effort and other obvious inputs should explain difference in pay, responsibility and other obvious outcomes. It's easy to get so caught up in setting goals creating interesting jobs and providing opportunities for participation that you get that money is a major reason why most people work, Lloyd(2008).

According to Llyod (2008) the allocation of performance – based wages increases, piece-work bonuses, employees stock ownership plans and other pay incentives are important in determining a reward systems. Accrued with the competitive pay inappropriate as Schuster and Zingheum (2003) “reward management” points out that the strategic view of competitive pay should be contingent upon providing a level of work quality productivity which must justify pay level that reflect expected reasonable goal performance. In their research carried out, they confirmed that pay was a key preference area. G .A Cole (2000), felt that a well considered policy would include most if not all the following: attract, retain and motivate a sufficient number of suitable employees to meet production needs.

Geoff and Druker (2005), says that a suitable pay system encourages the optimum productivity from employees, ensure a high level of equality output, recognize the

value of jobs in relation to each other, and enable the employees to share in the growth and prosperity of the organization. Ensure labour costs are suitably controlled in relation to each other costs, and in relation to revenues. G.A Cole (2000), also established a pay system plan that every well function organization should have:-

**Figure 2.3**



*Source: G.A Cole (4<sup>th</sup> Edition) leadership that gets results*

As many propose the use of money (pay) to take domain in enhancing performance doubts were cast by Herzberg et al (2000), on the use of money as motivator because he suggested, while the lack of it can cause dissatisfaction its provision does not results in a lasting satisfaction either. Payment system can indeed demotivate if they

are badly conceived, administered and result in inequitable rewards, which include failure to reward good performance adequately. Herzberg (2000) saw it important for managers and designers of reward philosophy to take into account of those factors seen as affecting satisfaction with reward system.

Pierce et al (2003), come up with a performance related pay (PRP) which he defined as a system in which an individual increase in salary is solely or mainly dependent on their appraisal or merit rating. According to them, this system provides good customer service and increases performance at work. Emerland (2005), says that a team – based plans of reward normally rewards all team members equally based on group outcome. Instead of individual based programmes, payment of team member may be made in the form of cash bonus or in the form of non – cash awards such as trips, time off or luxury items.

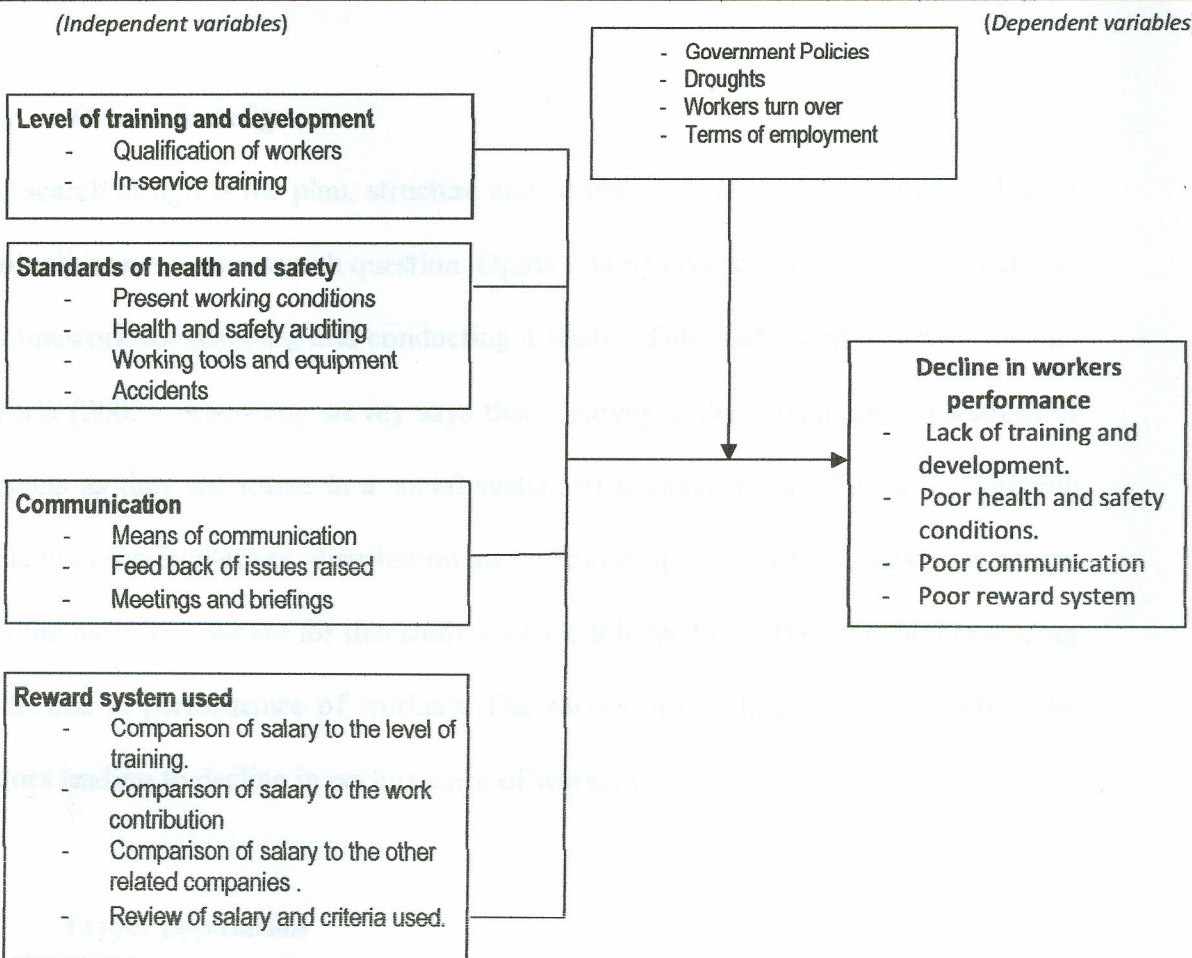
ISO 9000 and ISO 1400 indicates that a plant wide plans pay per performance rewards all the workers in a plant or business unit based on the performance of the entire plant or unit. Normally indicators are based on the plant operational key figures, such as the amount of waste, manufacturing costs, number of accidents or sick leaves days. Pierce et al (2003), says that in this type of reward system the goals are set before the new production year begins and payment are handled out before the next production year starts. Payment created only if these goals are exceeded otherwise no one is rewarded. According to Pierce et al (2003) these rewards system are generally referred to as gain sharing programmes because they return on portion of the company's cost saving to the workers.

## 2.6 Conceptual framework

The main variables of the study will be:-

- Level of training and development.
- Standards of health and safety.
- Communication.
- Reward system.

**Figure 2.4**



From the above conceptual it can be seen that there is some variable relationship.

This relationship exists between the dependent and the independent variables. In this

sense, the independent variables affect the dependent variables.

# CHAPTER THREE

## RESEARCH METHODOLOGY

### 3.1 Introduction

This chapter dealt with elucidation of the methods applied in carrying out the research study. It was organised under the following sub- locations ;- research design, target population, sample and sampling procedures, research instruments, reliability of the research instruments, validity of the research instruments, data collection procedure and data analysis techniques.

### 3.2 Research design

A research design is the plan, structure and strategy of investigation conceived so as to obtain answers to research question. Ogula (2000) says research design provides as a framework for planning and conducting a study. This study used a survey design. Mwiria (2003), describing survey says that a survey collects data about variables or subjects as they are found in a social system or society. Generally survey research deals with the incidences, distribution and relationship variables. A survey in design was the most appropriate for this study because it helped to survey the factors leading to decline in performance of workers. The survey also helped in understanding the factors leading to decline in performance of workers.

### 3.3 Target population

Borg and Gall (2001), defines population as all the members of a real or hypothetically set of people events or objects to which a researcher wishes to generalize the results of the study.

Mugenda (2000) defines population as an entire group of individuals, events or objects having common observable characteristics. In other words population is the aggregate of all that conforms to a given specifications. Brinker (2000) defines target population as a large population from whom sample population is to be selected. The targeted population of this study consisted of 256 workers in all departments.

<b>Department</b>	<b>Target population</b>
Production	120
Field services	51
Human resources	30
Welfares	30
Financial	20
Head of department	5
Total	256

### **3.4 Sample size and sampling procedure**

Mugenda (2000) defines sample as a small group of accessible population. Each member of the sample is referred to as subject. Sampling is the process of selecting a number of individuals for a study in such a way that the individuals selected represent the large group from which they were selected. The purpose of sampling is to secure a representative group, which will enable the researcher to gain information about population. There are 256 workers in all departments. As the population is big the researcher took 180 of the respondents as sample since all the workers could not be covered. This represents about 70% of the target population.

Department	Target population	Sample population
Production	120	84
Field services	51	35
Human resource	30	21
Welfare	30	21
Financial	20	14
Head of department	5	5
Total	256	180

### 3.5 Research Instruments

The researcher used questionnaire as the research instruments. The questionnaires used both close ended and open ended questions. Close-ended questions yield consistent responses that allow easy tabulation of results while open-ended questions elicit various responses thus will not confine respondents. The questionnaires were administered directly to respondents who, upon filling returned them to the administrator. Items on the questionnaire included multiple choices, yes or no and short answer questions and those that will be interpretive.

### 3.6 Instrument validity

Mugenda (2000) defines validity as the accuracy and meaningfulness of inferences, which are based on the research results. In other words, validity is the degree to which the results obtained from the analysis of the data actually represents the phenomenon under the study. Instruments validity was enhanced through the following:-

### **3.6.1 Conducting a pre-test**

Conducting a pre-test on a population similar to target population. The reason behind pre-testing was to assess the clarity of the instruments items so that those found to be inadequate of measuring the variables could either be discarded or modified to improve the quality of the research instruments thus increasing its validity. During the pre-test, after each respondent completes filling the questionnaire, each item was discussed with him/her to determine its suitability, clarity and relevance for the purpose of the study. The pilot study was done with twenty workers.

### **3.6.2 Research expert**

The researcher sought assistance of research experts, experienced graduates, lecturers and experienced supervisors in order to improve validity of the instruments. The questionnaire was then administered to the workers who were expected to respond within one week after which they were collected.

## **3.9 Data analysis techniques**

### **3.7 Reliability of the Instruments**

Mugenda (2000) defines reliability as measure of the degree to which a research instrument yields consistent results or data after repeated trial. To ensure that the questionnaire was reliable the use of internal consistency technique was employed. This method involved splitting the statement of a test into two halves (odd and even items). The odd numbered items were placed in one sub-test while the even numbered items were placed in another test.

Then the scores of the two sub-tests were computed for each individual and these two tests of scores correlated by using the Pearson product moment correlation coefficient.

The correlation obtained represented the reliability coefficient of only half of the test and because reliability is related to the strength of the test, a correlation must be effected so as to obtain the reliability of the whole test.

### **3.8 Data Collection Procedure**

An application was made to the Kamburu Power Station management requesting for data collection. Before actual fieldwork began, the researcher carried out piloting exercises with 20 workers, selecting four from each department. Here, piloting means pre-testing instruments with a few respondents to test their accuracy. After successful piloting, the researcher distributed the questionnaires to all selected participants (sample population) within the region under study. It took the researcher two weeks to distribute and collect the questionnaires. After receiving all the questionnaires back, data analysis began immediately.

### **3.9 Data analysis technique**

The data was first checked for accuracy and completeness of recording of the responses. It was then coded and checked for errors and omissions and then entered into a database. Once all the data was entered, the researcher verified the database for accuracy and completeness of the entries. Both qualitative and quantitative methods of data analysis were used. Quantitative approach provided numerical data, which called for descriptive statistics. Data gathered was displayed in frequency tables, graphs and pie charts.

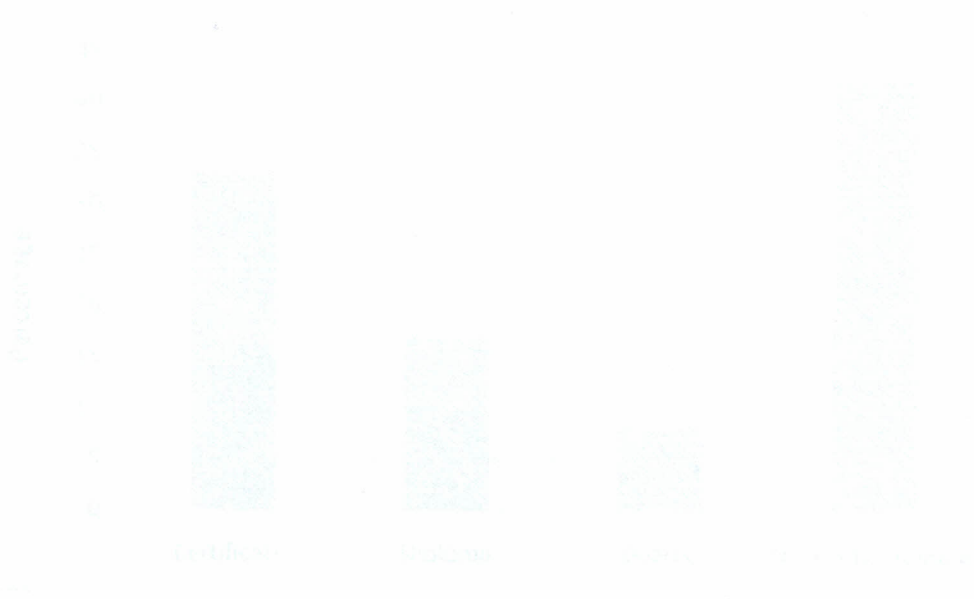
In addition, qualitative analysis of data enabled a deeper and exhaustive explanation of research findings. This was enabled by content analysis in which a classification

system was developed to record the information. In interpreting the results, the frequency with which an idea appeared was interpreted as a measure of its importance, attention or emphasis. The relative balance of favourable attributes regarding an idea was interpreted as a measure of direction.

This chapter presents and discusses the results of the study. It starts with a brief overview of the research plan and the methods used. The data obtained from the 180 questionnaires returned will be discussed in this chapter. The data are first presented in a general way, then in the usual tabular, charts and graphs.

## 4.2 Training and development

### 4.2.1 Level of training



From the above graph, 42% of the respondents did not need any formal training since they joined the company as apprentices and later absorbed by the company as permanent employees. 30% had certificates mainly from Wilkes polytechnic. Those

## CHAPTER FOUR

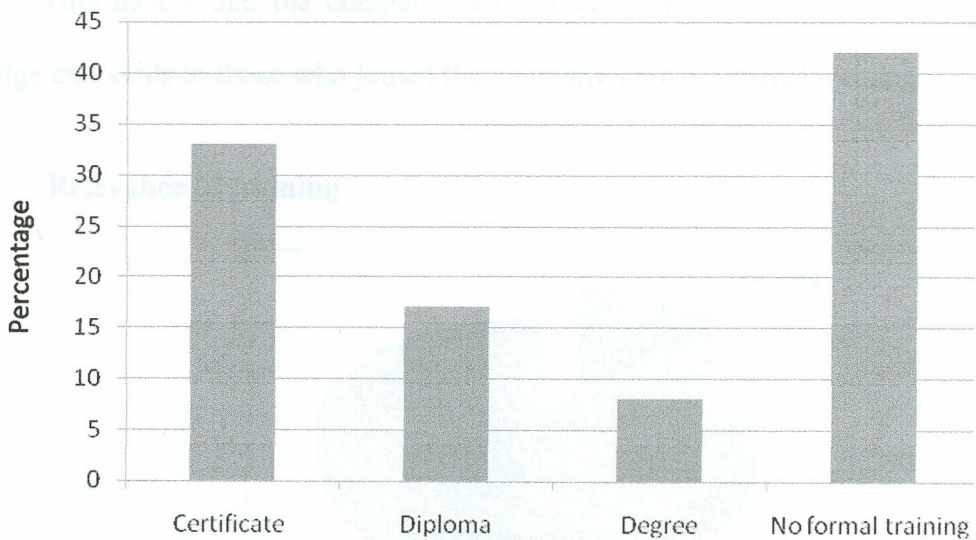
### DATA ANALYSIS, PRESENTATION AND INTERPRETATION

#### 4.0 Introduction

This chapter presents and discusses the results of the study with regard to the research objectives. The researcher planned to have 180 participants and all of them took part in the study. The data obtained from the 180 questionnaires were analyzed and will be discussed in this chapter. The data in this research was presented using descriptive statistical tables, charts and graphs.

#### 4.1 Training and development

##### 4.1.1 Level of training



From the above graph, 42% of the respondent did not have any formal training since they joined the company as apprentices and later absorbed by the company as permanent employees. 33% had certificates mainly from village polytechnics. Those

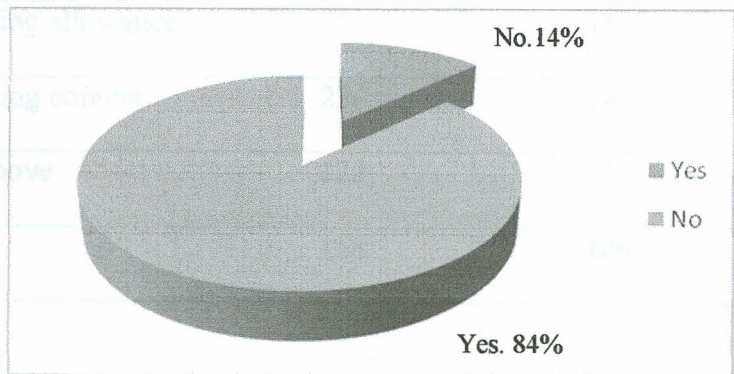
who had diploma were 17% while only 8% had degree certificates. This means that majority of the workers had no formal training or and low level of education.

#### 4.1.2 In-service training

Response	Frequency	Percentage
Yes	168	93
No	12	07
<b>Total</b>	<b>180</b>	<b>100</b>

Majority of the respondents (93%) said that they had been taken for an in-service training since joining the company. However some 7% of them had been to no any in-service training since they joined the station. For those who had been to some training, majority of them were those who joined the company with some formal training. This means that the company has not taken any initiative of acquitting knowledge and skills to those who joined the company with no formal training.

#### 4.1.3 Relevance of training



Out of those who had attended the in-service training, majority of them (86%) said that the training was relevant to their current jobs. 14% said that the training had nothing to do with their current responsibilities.

#### 4.1.4 Depth of training

Depth of training	Frequency	Percentage
Very good	56	33
Satisfactory	105	63
Poor	3	3
Very poor	2	1
<b>Total</b>	<b>168</b>	<b>100</b>

From the above table 63% of the responded said that the training was just satisfactory while 33% said it was very good. Some 5% and 2% said the training was poor and very poor respectively. This means that the management had to do a lot to improve the quality of training.

#### 4.1.5 What can be done to improve training

What can be done	Frequency	Percentage
Increase training allowance	25	15
Improve training content	23	14
Both of the above	120	71
<b>Total</b>	<b>168</b>	<b>100</b>

As shown 71% of respondent said that much had to be done to improve in - service training. They suggest that training allowance and content of training had to be improved. However 15% and 14% insisted on increasing training allowance and improving training content respectively.

## 4.2 Health and Safety

### 4.2.1 Provision of list of health and safety rules on employment.

Provision of list of health and safety rules	Frequency	Percentage
No	98	54
Yes	82	46
<b>Total</b>	<b>180</b>	<b>100</b>

From the table, 54% of the respondent said that they had not been provided/issued with a list of health and safety rules on employment, however 46% said yes. This shows that a greater number of workers had no idea about the health and safety regulations.

### 4.2.2 Current medical scheme



4% of respondent said the current medical scheme was very good with 11% saying it was satisfactory. However a great deal of workers (85%) described the scheme as poor. This means that most of them did not appreciate the current medical scheme.

### 4.2.3 Provision of working tools

Level of provision	Frequency	Percentage
Well provided	11	7
Fairly provided	162	90
Not provided	7	4
<b>Total</b>	<b>180</b>	<b>100</b>

On provision of working tools at work place, 6% of respondent said that working tools were well provided with 90% of them being fairly provided. 4% said they were not provided at all. This means that the management had to solve the issue of provision of working tools as this would affect the performance of workers greatly.

### 4.2.4 Maintenance of machines at work place.

How often	Frequency	Percentage
Weekly	8	5
Occasionally	150	83
Not at all	22	12
<b>Total</b>	<b>180</b>	<b>100</b>

On maintenance of machines 5% of the respondent said that the repair was done weekly while 12% talked of having no maintenance. This means that more of the broken machine were not in use, hindering the performance. However a great number of the workers (83%) said that machines were being maintained on occasional

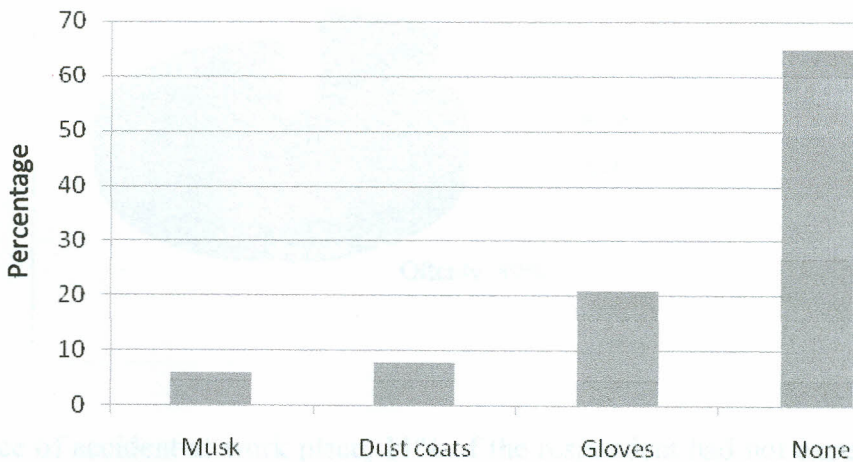
bases. This means that the performance of workers would be affected greatly as the broken machines should be repaired immediately.

#### 4.2.5 How often medical examination is done

How often	Frequency	Percentage
Occasionally	40	22
Annually	60	33
Not at all	80	45
<b>Total</b>	<b>180</b>	<b>100</b>

Medical examination was done occasionally according to 22% of the respondent, 33% sited on annually bases. However 45% felt that no medical examination has been carried out since they joined the station.

#### 4.2.6 Safety measures at workplace



The safety measures taken according to the respondent were masks (6%), dust coats (8%) and gloves (21%). The large number of workers (65%) worked

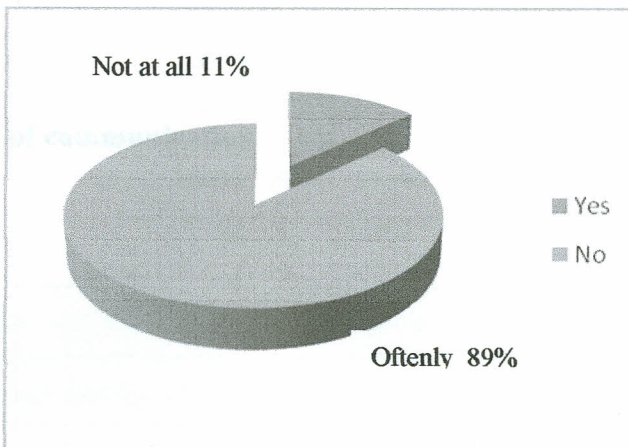
under no any safety measures. This exposed them to unhealthy conditions leading to illness.

#### 4.2.7 Ventilation at working places

Ventilation	Frequency	Percentage
Yes	62	35
No	116	65
<b>Total</b>	<b>180</b>	<b>100</b>

35% of the respondents worked on well ventilated workplaces while the majority (65%) worked in places not well ventilated. This means that lack of adequate ventilation was affecting negatively their work performance.

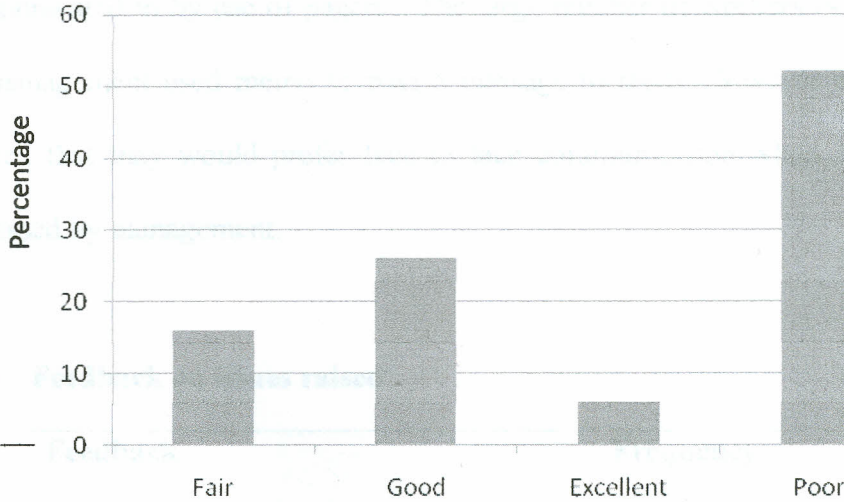
#### 4.2.8 Occurrence of accidents at work place



On occurrence of accident at work place, 11% of the respondent had not experienced any accidents. However the majority of the workers (89%) had experienced at least a single accident. The occurrence of accident was mainly attributed to lack of skills to run some machines however some sited negligence.

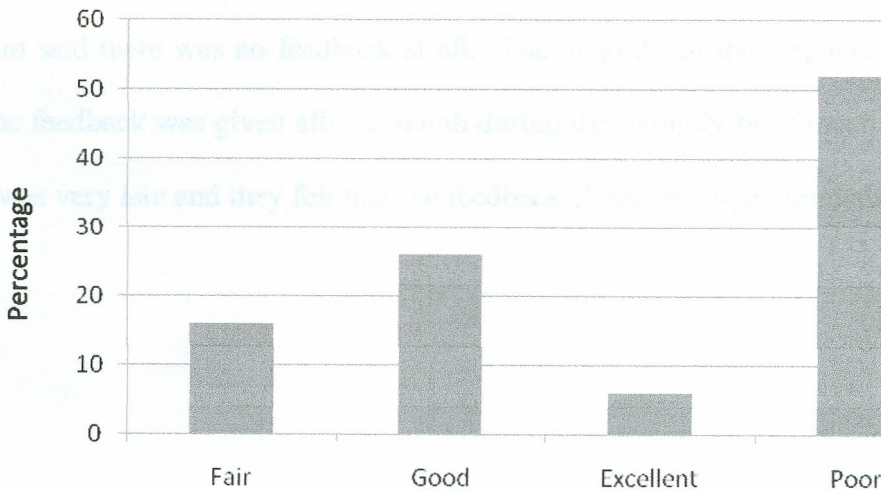
## 4.3 Communication

### 4.3.1 How often does management communicate to you



7% of the respondents said that the management communicated to them on daily bases, 12% on weekly bases while 27% of them on monthly bases. However the larger population (54%) maintained that communication was done on occasional bases especially only when there were urgent and critical issues to address.

### 4.3.2 Means of communication



On means of communication 12% of the respondents said that the management communicated to them by word of mouth, 17% by phone while 28% were communicated to by use of pagers. The large number of workers (43%) agreed that the management used memo to pass a message to them. However most of workers insisted that they would prefer face to face communication when issues are being addressed by management.

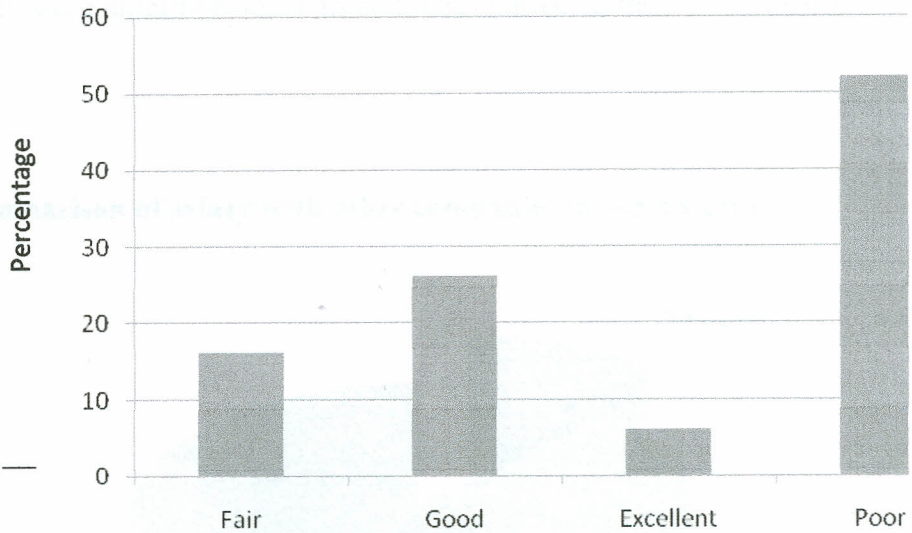
#### 4.3.3 Feedback on issues raised

Feedback	Frequency	Percentage
Immediately	29	16
After a week	41	28
Monthly	101	56
Not at all	9	5
<b>Total</b>	<b>180</b>	<b>100</b>

On how often the management gives the feedback on issues raised 16% of the respondent said that the feedback was given immediately, 28% after a week while 5% of them said there was no feedback at all. The majority of the respondent 56% said that the feedback was given after a month during the monthly brief meetings. This to them was very late and they felt that the feedback should be given immediately.

## 4.4 Reward System Used.

### 4.4.1 Salary Structure



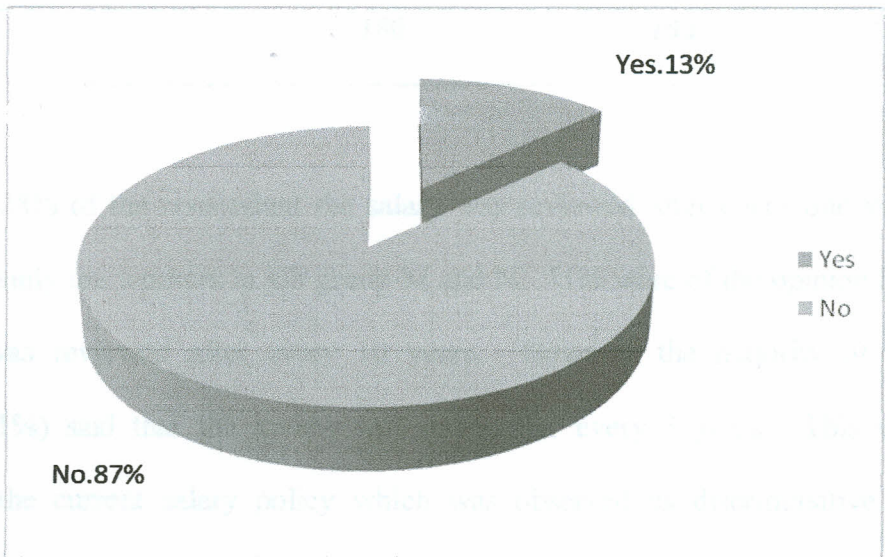
The description of the salary structure was fair from 16% mainly in production department, 26% of the respondent described the salary structure as good while 6% said it was excellent. However the majority (52%) described as poor. This means that the majority of workers were not happy with the salary structure offered. This could have affected their performance greatly.

### 4.4.2 Comparison of salary with work contribution

Comparison of salary	Frequency	Percentage
Yes	17	9
No	163	91
<b>Total</b>	<b>180</b>	<b>100</b>

On comparison of salary to their workers contribution, 9% of the respondent said that the salary much with their work contribution. However 91% said that the salary did not much with their work contribution. This means that the majority of the workers felt that they were unfairly paid. This could have affected their performance.

#### 4.4.1 Comparison of salary with other companies in same sector.



On comparison of salary with other companies in the same sector 13% of the respondent were for the opinion that their salary was the same as those of their colleagues in other companies in the same sector, but the greater population of the respondent (87%) were of the opinion that their salary did not match with that of other workers in other companies in the same sector.

#### 4.4.3 How often is salary reviewed

<b>How often</b>	<b>Frequency</b>	<b>Percentage</b>
Annually	50	28
After five years	110	61
After ten years	20	11
<b>Total</b>	<b>180</b>	<b>100</b>

According to 28% of the respondent the salary was reviewed after every one year. These were mainly the workers in job group M and N. 11% were of the opinion that their salary was reviewed after every 10 years. However the majority of the respondent (61%) said that the review was done after every 5 years. This was according to the current salary policy which was observed as discriminative by workers and needed to be reviewed.

#### 4.4.4 Criteria used to review the salary

<b>Criteria used</b>	<b>Frequency</b>	<b>Percentage</b>
Performance	104	5
Promotion	30	16
Experience	46	26
<b>Total</b>	<b>180</b>	<b>100</b>

The majority of the respondent (58%) said that their salary was reviewed on basis of their performance index, 16% on promotion while 26% sited that it was done on basis of experience. This shows that if one did not performed to the expected standards their was likelihood of no increment in the salary, while if one did not qualify for promotion then there was not to be any salary review. Those who had worked for a short period had their salary very low.

### 5.1.3 Salary and Incentive

This study established the level of training and service which was being given to the health workers performing. It also found that a lack of health care services in the workplace can lead to a decline in workers' performance. It was also found that the motivation communication is a factor affecting health workers' performance. The study found that the reward systems used can improve the health workers' performance.

### 5.2 Discussion

The study established that the level of education of workers that were at least 20% had no any formal training. Despite most of the workers that had the in-service training, majority said that the training had very relevance to the current work. The company offered in-service training which had a skills certificate and was which

## **CHAPTER FIVE**

### **SUMMARY, CONCLUSION AND RECOMMENDATIONS**

#### **5.0 Introduction**

This chapter summarizes the research findings. The chapter further gives the conclusion and recommendations as well as the implications of the study findings. In addition other research areas have been suggested as well as future projections based on this study.

#### **5.1 Summary of finding**

This study established that level of training and development was a factor leading to a decline in workers performance. It also found that standards of health and safety at the workplace can lead to a decline in workers performance. The study also established that organization communication is a factor affecting workers performance. Finally the study found that the reward system used can lead to a decline in workers performance.

#### **5.2 Discussion**

The study established that the level of education of workers was wanting as majority had no any formal training. Despite most of the workers having been taken for an in-service training, majority said that the training was not relevant to their current jobs. The company offered in-service training which had a shallow content and one which

did not give workers the skills required in performing their current jobs. The training allowance was also inadequate.

On health and safety at work place, the study found out that there were dilapidated working conditions. The working tools were not adequately provided, the machine were not maintained as needed (on breaking). Full medical examination was not done at all while no safety measures were taken at the workplace. The workplace was not well ventilated and this lead to occurrence of accidents. The workers were not satisfied with the current medical scheme of services.

On communication, the study found out that the organization communication was poor. The company only communicated to workers occasionally only when there were very urgent issues to be addressed. Internal memo was sited as the most commonly means of communication to workers which often did not clarify clearly on some issues raised. The feedback on issues raised was not given immediately to workers.

On the reward system used, most of the workers said that it was poor and did not compare to their work contribution. The salary did not compare with that of workers in other companies in the same sector. Most of the workers agreed that the salary was reviewed oftenly but the criteria used were discriminatory as it was mainly attached to individual performance.

### **5.3 Conclusion**

Based on the discussions above the study concludes that poor training and development was a factor leading to a decline in workers performance. The parameters associated with workers training and development does not favor their development as far as acquiring new skills and knowledge required for present job challenges. Health and safety was also a factor leading to a decline in workers performance. The research found out that the workers were in poor working conditions. This greatly affected their performance. Organization communication was also a factor leading to a decline in worker performance, it was observed that organization communication was poor and it was a contributing factor to their declining performance. The reward system was poor and this lead to a decline in their performance. This was so as most of the respondent observed that the remuneration did not much to their work contribution, experience and education.

### **5.4 Recommendations**

Based on the findings the study recommends that management should take all its workers oftenly for the in-service training to acquit them with up to date knowledge and skills. The training should be relevant to their current jobs. The management should improve the content of training and training allowances. On health and safety the management should improve the current working conditions, improving the current medical scheme, adequate provision of working tools, repair the machines immediately they breakdown, carry out oftenly full medical examinations on both workers at workplace, ensure safety measures at workplace by providing masks, dust coats, gloves etc. The working place should be well ventilated so as to reduce accidents at workplace.

The poor flow of mutual communication between the management and employees was prevalent; it was therefore recommended that the top management should give immediate feedback on issues raised and draw a clear communication channel in the organization.

Poor reward system also affected the performance of the employees and it was therefore recommended that the salary structure should be revised with regard to merit, experience, level of education and the work contribution.

### **5.5 Suggestions for further research**

The findings of this study suggest that future researchers could investigate the following:-

Effect of job rotation on workers performance, effect of workers recognition on their performance, effect of job security on workers performance and effect of workers turnover on their job performance.

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## APPENDIX I

### QUESTIONNAIRE ON FACTORS DETERMINING PERFORMANCE OF EMPLOYEES IN THE POWER INDUSTRY

#### A CASE OF KAMBURU POWER STATION

#### INSTRUCTION

- Kindly answer the following questions accurately as possible.
- Do not write your name.
- Information given will be treated with confidentiality

#### SECTION A: PERSONAL DATA

1. Gender ( tick ) Male  Female
2. What is your Age bracket  
20 – 29 years   
30 – 49 years   
50 – 59 years
3. Which department do you work in :  
Engineering   
Production   
Field services   
Welfare   
Financial
4. What is your job group / grade  
Grade 1   
Grade II   
Job Group: K  L  M  N

5. How many years have you served in the station?

1- 10 Years

11- 20 years

21 – 30 years

Over 30 years

**SECTION B. TRAINING AND DEVELOPMENT**

6. What is the qualification required for you to join the company?

Certificate  Diploma  Degree  No training

7. For the length of time you have worked with the company, has the company taken you for training.  Yes  No

8. Was the training relevant and sufficient?

Yes  No

9. To what extent was the training?

(A) Very Good  (C) Satisfactory  (D) Poor  (E) Very poor

10. What can be done to improve the training provided?

(A) Increase training allowance.

(B) Improve the training content.

(C) Both A and B above.

11. Do you think lack of training contributes to poor performance?

Yes  No

If yes, How? \_\_\_\_\_

**SECTION C. HEALTH AND SAFETY**

12. Are you provided with a list of safety and health regulations on employment?

Yes  No

13. How is the current medical scheme for service?

Very good  Satisfactory  Poor

14. How are working tools provided to you in your job?

Well provided  Fairly provided  Not provided

15. How often does the company carry out maintenance of the machines used?

Weekly  Occasionally  Not at all

16. How often is full medical examination done for the employees?

Not at all  once  Many times

17. What safety measures are taken in your work place?

None  Dust coats

Gloves  Masks

18. Are the working places well ventilated and lighted?

Yes  No

19. How often do accidents occur at your work place?

Not at all  Occasionally

**SECTION D: COMMUNICATION**

20. How often does the management communicate to you?

Daily  Weekly  Monthly  Occasionally

21. What means does the management use to communicate to the workers?

(A) By mouth  (B) Phone

(C) Memo  (D) Pagers

22. How often do you get a feedback on your issues raised?

(A) Immediately  (B) After a week

(C) Monthly  (D) Not at all

23. What needs to be done to improve communication? \_\_\_\_\_

24. Do you think communication affects performance?

(A) Yes  (B) No

**SECTION E: REWARD SYSTEM.**

25. How would you describe the salary structure at Kamburu Power Station?

Excellent  Good

Fair  Poor

26. How does the salary compare to employees level of education

Excellent  Good

Fair  Poor

27. Does the salary compare to your work contribution?

Yes  No

28. Is your pay comparable with other companies in the same industry?

Yes  No

29. How often is your salary reviewed?

Annually  After five years  After ten years

30. What criteria is used to review the salary?

Performance  Promotion  Experience

31. In what way does salary level affect performance \_\_\_\_\_

## APPENDIX II

### BUDGET FOR STUDY

Travel cost	Ksh 5,000
Stationery cost	Ksh 3,000
Telephone	Ksh 2,000
Secretarial cost	Ksh 3,000
Photocopying	<u>Ksh 2,000</u>
Total cost	<b><u>Ksh 15,000</u></b>

**APPENDIX III**  
**TIME SCHEDULE**

- June 2011 to Nov 2011 —> Preparation and presentation of the proposal
- January, 2012 —> Collecting data
- February , 2012 —> Data analysis and report writing
- April, 2012 —> Submitting the project

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