

Isaac Kerich

**Effects of performance management on human resource output in organizations- case Safaricom company-Kenya**

Thesis

Spring 2018

School of Business and Culture

Bachelor of Business Administration.

SEINÄJOKI UNIVERSITY OF APPLIED SCIENCES

## **Thesis abstract**

Faculty: School of Business and Culture

Degree Programme: Degree Programme in International Business

Specialisation: International Business

Author(s): Isaac Kerich

Title of thesis: Effects of performance management on human resource output in organizations- case study Safaricom company-Kenya.

Supervisor(s): Miia Koski

Year:2018

Number of pages:69

Number of appendices:1

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The general objective of the study was to examine the impacts of performance management on the human resource output with a focus on Safaricom limited. The specific objectives focused on the following; to examine how the recognition and reward systems influence the human resource output at Safaricom limited, to determine the effect of training on human resource output at Safaricom limited and to determine the impact of performance feedback on human resource output at Safaricom limited. The study used descriptive research design that adopted only the quantitative research method. The questionnaire was used to collect data on a sample of 57 respondents (N=57) which comprised of 30 men and 27 females. The findings established that recognition and reward system, training of the employees and performance feedback are significant performance management practices which promote the engagement of the employees and increase their output. The study recommended that the three performance management practices should be optimized to achieve higher performance levels of the human resource.

Keywords: Appraisal performance, Employment engagement, Performance management, Performance feedback and Performance based pay.

## Table of Contents

Thesis abstract.....	2
Terms and Abbreviation.....	7
Tables and Figure .....	8
Figures .....	9
<b>1. INTRODUCTION.....</b>	<b>10</b>
1.1 Background study .....	10
1.2 Company Background .....	10
1.3 Problem Statement.....	12
1.4 The general objective.....	14
1.5 Research questions .....	14
<b>2. LITERATURE REVIEW .....</b>	<b>15</b>
2.1 Introduction .....	15
2.2 Performance management.....	15
2.2.1 Concepts of performance management.....	15
2.2.2 Performance management system .....	17
2.2.3 The performance management framework .....	18
2.3 Effects of the recognition and the reward system.....	20
2.3.1 Reward system .....	20
2.3.2 Employee promotion .....	22
2.3.3 Performance based pay .....	23
2.4 The effects of training on the human resource output .....	25
2.4.1 The influence of training on the engagement of employees.....	25
2.4.2 Developing the training programs for the employees.....	26
2.5 Impacts of feedback on human resource output. ....	28
2.5.1 Performance feedback.....	28
2.5.2 Feedback and effectiveness .....	29
2.5.3 Feedback as a source of appraisal performance .....	30
2.6 Chapter summary.....	31
<b>3. METHODOLOGY .....</b>	<b>32</b>
3.1 Introduction .....	32
3.2 Research design .....	32
3.3 Population and Sampling techniques .....	32

3.3.1	Target population.....	32
3.4	Sampling techniques.....	33
3.4.1	Sample size determination.....	33
3.4.2	Sampling procedures.....	34
3.4.3	Data collection method.....	34
3.4.4	Research instrument.....	34
3.5	Research procedures.....	35
3.6	Data analysis.....	35
3.7	Ethical considerations.....	36
3.8	Chapter summary.....	36
<b>4.</b>	<b>RESULTS AND FINDINGS.....</b>	<b>37</b>
4.1	Introduction.....	37
4.2	Demographic Characteristics.....	37
4.3	Gender of the Respondents.....	38
4.4	Respondent's Age Bracket.....	38
4.5	Level of Education.....	40
4.6	Work Experience of the Respondents.....	41
4.7	The Influence of Recognition and Reward Systems on Employee Productivity.....	42
4.7.1	Frequent rewards provided by the company challenges me to work hard.....	42
4.7.2	The aim of the reward is to increase my engagement.....	43
4.7.3	The company influences my productivity by linking the reward on job promotion.....	43
4.7.4	The rewarding system motivates me to complete my duties timely.....	44
4.7.5	The rewards vary and are satisfying.....	45
4.7.6	My wage is fair and satisfactory to my performance level.....	45
4.7.7	The staffs are encouraged to be creative.....	46
4.7.8	Whenever I achieve my personal goals I am rewarded, and this motivates me to strive and achieve company goals.....	47
4.7.9	Bonuses increase my performance.....	47
4.8	Effect of Training on Employee Productivity.....	48
4.8.1	The company has a training policy.....	48

4.8.2	The training programs are effective for the engagement of the employees.....	49
4.8.3	The organization provides training which is relevant to my line of duty.....	49
4.8.4	There is diverse training at different levels .....	50
4.8.5	I have participated in different training programs organized by the company. ....	50
4.8.6	Training programs have increased my outcome in the company .....	51
4.9	The Impact of Performance Feedback on Human Resource Productivity..	52
4.9.1	The manager provides frequent fair feedback to me .....	52
4.9.2	We do have detail discussion on my performance with the manager .....	52
4.9.3	The organization is inclined at providing positive feedbacks to promote employee performance .....	53
4.9.4	I receive genuine feedback which motivate me to improve .....	54
4.9.5	The performance feedback is unbiased and promotes productivity ..	54
<b>5</b>	<b>INFERENTIAL STATISTICS .....</b>	<b>55</b>
5.1	Correlational analysis.....	55
<b>6</b>	<b>DISCUSSION AND CONCLUSION .....</b>	<b>57</b>
6.1	Introduction .....	57
6.2	Discussion.....	57
6.2.1	The influence of recognition and reward system on the productivity of the employees. ....	57
6.2.2	The effects of training on the human resource output .....	58
6.2.3	Impacts of Performance Feedback on Human Resource Output.....	59
<b>7</b>	<b>Conclusion .....</b>	<b>60</b>
7.1	The influence of recognition and reward system on the productivity of the employees.....	60
7.2	The effects of training on the human resource output.....	60
7.3	Impacts of Performance Feedback on Human Resource Output.....	60
7.4	Recommendations .....	61
	<b>Bibliography .....</b>	<b>62</b>

8. APPENDICES ..... 67  
Appendix 1. Questionnaire.....67



## Tables and Figure

Table 1.0 Target population .....	33
Table 2. Sample size .....	34
Table 3.0: Response rate.....	37
Table 4 Gender .....	38
Table 5.0 Age.....	39
Table 6. Level of Education .....	40
Table 7.0 Experience .....	42
Table 8.0 Reward 1.....	43
Table 9.0 Reward 2.....	43
Table 10 Motivation.....	44
Table 11 Reward 4.....	45
Table 12 Creativity.....	47
Table 13 Personal goals.....	47
Table 14 Bonuses.....	48
Table 15 Training policy.....	48
Table 16 Training.....	50
Table 17 Diverse Training.....	50
Table 18 Participated in Training.....	51
Table 19 Outcome.....	51
Table 20 Fair Feedback.....	52
Table 21 Detail discussion.....	53
Table 22 Genuine Feedback.....	54
Table 23 Correlation 1.....	55
Table 24 Correlation 2.....	56
Table 25 Correlation 3.....	56



## Figures

Figure 1. Employee age bracket.....	12
Figure 2. Performance management cycle. ....	19
Figure 3. Gender.....	38
Figure 4. Age.....	39
Figure 5.0 Level of Education .....	41
Figure 6.0 Experience.....	42
Figure 7.0 Reward 3 .....	44
Figure 8 Reward 5.....	46
Figure 9 Training programme.....	49
Figure 10 Positive feedback.....	53
Figure 11. Unbiased feedback.....	54

# 1. INTRODUCTION

## 1.1 Background study

The present study focuses on examining the impacts of performance management on human resource output in an organization. Performance management is the activities which are carried within the organization to ensure the goals and the objectives of the company are accomplished at all the levels of the company (Mishra & Sahoo, 20). The philosophy of performance management in organizations is to establish an alignment between the company goals and the capabilities and skills of the employees. Furthermore, performance management aims at improving the entire system. It's prudent to argue that performance management is a part of quality control measure which utilizes the performance standards to fulfil the organization objectives. In assessing the employee's performance, the criteria should address employee morale, customer satisfaction, marketing effectiveness, productivity, and profitability.

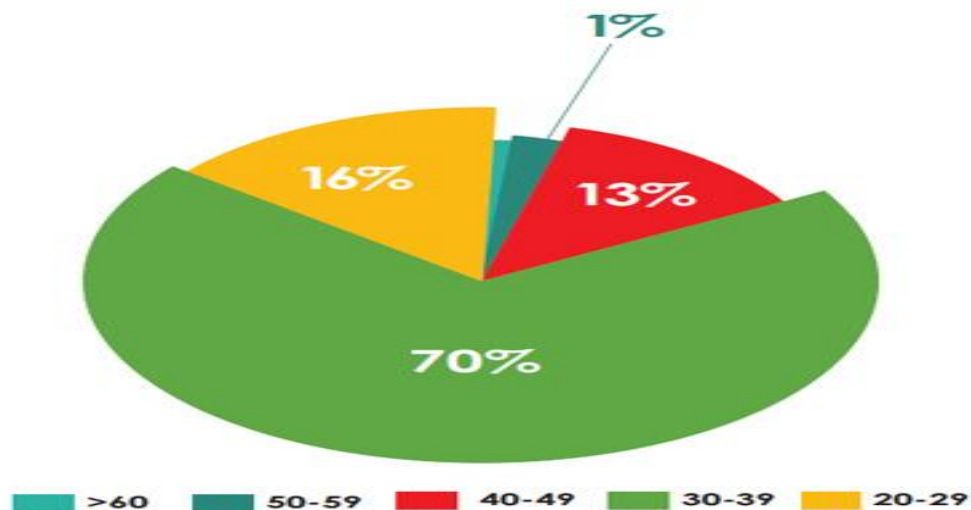
According to Miller (2007), before an organization carries out performance management, it must have a robust system which addresses the recruiting, learning, career development, compensation, and reporting. Human resources are the essential components of the organization which implement the standers to ensure the objectives of the organization are met. The organizations should invest in human resource to realize its objectives and goals (Gungor,2011). The effects of performance management on human resource output is a significant topic in the human resource management and industrial relations since the use of the performance management improves the recruitment and selection process, training and involvement of the employments, improve the knowledge and skills of the employees, increase the motivation of the workers, reduce malingering and enhance the retention of the quality employees.

## 1.2 Company Background

Safaricom Limited is among the leading telecommunication companies in Africa with the headquarters in Kenya. The company was started in 1993 and has provided a wide range of innovative and comprehensive mobile, data, and fixed voice services under one roof in the past 12 years. The company provides its services on the variety of platforms. Currently, the organization is the widest provider of 3G and 4G services in Kenya therefore, connecting 90% of Kenyans on the internet using the Safaricom network. In the recent past, the company has been growing due to better performance across East Africa and the entire African continent.



The employees at Safaricom limited are dynamic Kenyans who are based in Nairobi and other parts of the country. According to the company sustainability reports of 2015, 70% of the employees are young Kenyans in their 30s, 16% are in their 20s, 13% of the employees are in their 40s while 1% are in their 50s. The company has a higher number of both women and men though there is a relatively low number of women in senior management.



**Figure 1.0 Employee Age bracket**

There are limited studies which have examined the impacts of performance management in telecommunication companies Safaricom Kenya being one of them. The present paper, therefore, examines effects of the performance management practices on human resource output in Safaricom limited.

### 1.3 Problem Statement

Performance management is an essential entity of an organization since it ensures the employees are working towards achieving the organization goals and missions. Performance management motivates the employees to work hard to meet the organization expectations. Additionally, the system provides a professional management process for the company to assess the performance outcome of the workers. According to Mary and Johnson (2000), the performance of the employees could be expected, assessed through performance appraisal, and encouraged. The performance management has adverse effects on the employees because it presses towards the organization improvement which is attained through the improved employee's performance. Therefore, it makes sense to state that the application of the performance management it improves the performance of the employees.

Human resource is the essential component of the organization which drives economic and social development. Successful organization invests heavily in the human resource through capacity building, therefore, realizing greater benefits by achieving the goals and the objectives of the organization. According to Aguinis (2015), human performance practices involves linking the performance of an individual employee towards the organization objectives, goals, missions, and visions. Contrarily, most of the organization carry out performance management once in a year and fail to provide the continuous feedback to the employees, therefore, failing to effectively assess the effects of the performance management on the employees. Performance management not only, focuses on the weakness and the strengths of the employees but also the outputs on the according to the goals and the objectives of the organization. Aguinis states that performance management aids in the minimizing the complaints from the employees since critical issues affecting organizations such as merited performance, outlined career salaries and better payments are addressed in the performance management template. Poor leadership influences performance management since it fails to initiate the actions which can empower the employees (Muriithi,2011). The leaders have the responsibility to invest in the effective and efficient systems such as training, recognition and rewarding systems through performance management, therefore, boosting the engagement of the employees.

There are various factors which influence the efficient and effective use of the performance management systems such as training, recognition, and reward system. The unfair evaluation of the employees makes them discouraged and insecure to resulting poor employer and employee relationship which promotes human resource output (Erdogan, 2012 and Fletcher, 2011).

From the above empirical findings, it's evident of that there exists limited research to support that performance management has impacts on the human resource output in organizations operating in Kenya. The present study, therefore, aims to fill this gap by examining the impacts of performance management on the Safaricom limited human resource.

#### **1.4 The general objective**

To determine the effects of performance management on human resource output at Safaricom limited.

Specific objectives

1. To examine how the recognition and reward systems influence the human resource output at Safaricom limited.
2. To determine the effect of training on human resource output at Safaricom limited.
3. To determine the impact of the feedback on human resource output at Safaricom limited

#### **1.5 Research questions**

1. What are the effects of performance management on human resource output at Safaricom Limited?
  - 1 How does the recognition and reward systems influence human resource output at Safaricom limited?
  - 2 What are the effects of training on the human resource output at Safaricom limited?
  - 3 What are the effects of feedback on human resource output at Safaricom Limited?

## **2. LITERATURE REVIEW**

### **2.1 Introduction**

This chapter reviews the existing empirical findings on how performance management affects the human resource output within organizations. The first section will examine performance management, components and how they influence the engagement of the employees and output within organizations. The second section focuses on the recognition and reward systems, the third section elaborates on the effects of training on the human resource output while the last section compose of reviews on the effects of feedback on the human resource output.

### **2.2 Performance management**

#### **2.2.1 Concepts of performance management.**

There are many empirical studies which have tried to understand the concept of performance management in the human resource field. Lebas (1995) defined performance management as the process of deploying and managing the key components of the organization which lead to timely achieving of the goals of the stated organization. He further established that a well performing organization is one which achieves its objectives successfully. According to Appelbaum (2003), performance management promotes the skills, opportunities of the employees to participate in the organization activities and the motivation to produce their best. To achieve good performance, the management should promote autonomy among the employees to ensure, effective distribution of discrete efforts. For the organization to run effectively, the employees must have appropriate skills and knowledge which enables them to successfully perform their duties (Appelbaum et al., 2003). Performance management provides an avenue where the employees can be trained to improve on their formal and informal abilities therefore, putting their best to the organization. According to Suhardi (2017), performance management within an organization should aim at looking at the fundamental objectives of the organization which deter-

mine the future performance of the organization and the definite procedures of evaluating the objectives to ensure they are achieved accordingly. Additionally, performance management should focus on the strategies adopted by the organization to ensure the objectives are effectively implemented. Furthermore, performance management should assess and measure the performance of the institution activities which involves; setting of the targets which are appropriate and how the employees and the managers will achieve the defined targets, what rewards and the penalties proceeds the output of the human resource and the information flow procedures including the feed forwards loops and the feedback which can draw a greater knowledge for the organization to learn from and adopt at good practice from the information.

A study by Fletcher (2001), examined the concept of human resource management as a component of performance management. Fletcher defined performance management as an approach which creates a shared vision addressing the purpose and the aims of the organization therefore, helping each of the employee within the organization to understand their roles, therefore, and enhancing their performance and organization performance. Additionally, he stated that performance management is a systematic process which ensures that the employees are focusing on their duties and contribute greatly to the activities of the organization. The performance management occurs in three phases which include; setting the employees expectations, ensuring dialogue is maintained between the supervisor and the employees and measuring the performance against in relation to the performance expectation as stipulated in the objectives and goals of the organization.

Additionally, Armstrong (2014), defined performance management as how better results are achieved from the entire organization using the planned goals, the standard procedures and competence requirements from the employees. The process involves the designing and executing the interventions and strategies which transform the organization objectives into the raw potential of the human resources into the desired organization performance. All the employees have the potential within themselves to perform better through the utilization of the organization resources and following the layout guidelines, procedures, and policies.

The performance management acts as an agent which converts the potential into performance by motivating the human resource and minimizing the intermediate



barriers (Kandula,2006). There are similarities between the human resource management and general performance management. Some of the correlating factors include the goal setting, evaluation, planning evaluating, provision of feedback and the provision of rewards. Contrarily, the human resource performance management narrows to the performance of the employees and managers and motivating them to realize the goals and the objectives of the organization while the general management aims at meeting the aspiration of the stakeholders and the anticipated financial projections. The human resource management generally aims to building the capabilities of the employees (Kandula,2006). Human resource management provides the means, abilities, and efforts to manage the efforts of the employees, according to the established performance outcomes. Therefore, an effective performance management tool requires the design that constitute good performance and how such performance can be measured (Kandula,2006). The effectiveness of the performance management increases whenever there is the provision of training, feedback, and the use of the behavior-based measures to preset the organization goals and objectives.

### **2.2.2 Performance management system**

There are different models of performance management which ensures the goals of the organization are achieved effectively. The models are significant in the managing and integrating the employees and the organization performance. Some of the terms used in the performance management initiatives include the planning, the performance-based budgeting and management by objective (Heinrich, 2002). A performance management system integrates the human resource management activities and the organization objectives which work together to influence the collective and individual in supporting the organization strategy. The individual employee performance is significant in the realizing the general performance within the organization. Additionally, it is essential that the performance management suites the organization culture. The undertaking of the organization culture helps to understand those underperforming employees who should be laid off and those need promoting continue promoted the objectives of the organization. The main of the performance management systems is to;

- To ensure that the task performed by the workers accomplishes the objectives of the organization
- To ensure that the workers do have a crescent understanding quantity and the quality of the work which is expected from them.
- The employees receive feedback from the ongoing evaluation process to understand how they are performing in relation to the goals and the objectives of the organization.
- The salary are awarded to the best performing employees and they are also distributed accordingly
- The addressing of the poor performance of the employees which does not meet the expected threshold.
- The identification of the employee development activities and implementing those activities within the organization.

### 2.2.3 The performance management framework

The performance management follows systematic stages which are in a continuous cycle starting with planning, coaching, reviewing, and rewarding performance. The framework is illustrated in the table below



## Figure 2. Performance management cycle.

### Phase1. Planning performance

The phase defines what the organization expects from its employees. The planning performance stage also involves a joint plan by the management on the objectives of the performance for the coming period (year). During this stage, the managers can examine and have a depth discussion on the key responsibilities of the workers and initiate objectives with the employees. They also identify the competencies which the employees can incorporate to deliver their services effectively towards the achievement of the organization goals.

### Phase 2. Coaching performance

This stage focuses on the supporting and reinforcing the efforts which individuals undertake to pursue the similar goals and objectives of the organization throughout the year. The phase also involves the modification of the resources and the priorities according to the changing external world. Additionally, performance coaching enhances the informal and formal opportunities for the workers and the managers to discuss their progress, review the demonstrated competencies and determine whether to modify the specific objectives before reaching the final stage of the performance management process where it will be reviewed. The following activities are essential during coaching stage;

- Clarification of the manager's expectations
- Reinforcing the positive and effective demonstration of the competencies
- Identifying the modifications which are needed to effectively achieve the organization objectives.
- Ensuring that employee development is continuous
- Renewing the employee and manager partnership to enhance the achievement of the results.

### Phase 3. Reviewing and appraisal performance

During this phase, the achieved success and failures are evaluated set the preparation for the next year. There is an annual review assessment to determine the overall performance of the employees in that year. This tool is essential to managers in helping them to assess and complete the performance review and conduct an annual performance review.

Phase 4. Rewarding performance.

This stage looks at means on how the employee's output will be categorized according to set objectives of the organization. It is significant for the effective performance within the organization understands their performance is recognized, valued, and appreciated by the organization. This stage advocates for the rewarding of the higher performance to ensure they are motivated to continue giving their best in the organization.

## **2.3 Effects of the recognition and the reward system**

### **2.3.1 Reward system**

According to Macey (2013,10), “the reward system should recognize all the employees’ strengths and weakness to upgrade their performance”. Whenever the employees fail to attain the set targets, there is a need for the adoption of the development plan where they can be accommodated within the reward system. The aim of accommodating such employees is to improve their engagement and performance (Macey and London, 2013). The main aim of the reward system is to link the organization and objectives towards the commitment of the employees and their endeavors to accomplish the goals of the organization. The performance appraisal will always have a note way acknowledgement among the employees as they become happier and connected to the reward therefore, accomplishing of the goals of the organization.

Any institution which aims to achieve its goals should promote the reward system in the whole departments within the organization. The top management have the responsibility to document the duties of all the employees within the organization. All the conflicting and unsuitable duties towards the employees should be redefined to

empower them realize their noble tasks (Pitts et al., 2014). In an established organization, it is distinctively imperative to hold on the objectives and the goals which are obviously expressed. The organization should ensure the activities are portrayed point to point according to the role of the employee and impart the role to sufficiently reward the performing workers. The development of rewards system aims at coercing employees to put in their best abilities or else lose their job, improve the profit of the human resource where they worker earn more additional cash and provision of the regulations to ensure the achievement of the objectives according to the organization standards and procedures. The rewards are effective in the testing of the evaluation and the reward results. Randell (2014) notes that when a better performance is observed and reinforced through the rewards, its repetition is expanded and the performance is upheld or punished if it's undesired to diminish the possibilities of its occurrence. There are critical factors which are significant in the establishing of an effective reward system. These factors state that rewards within an organization can be used effectively to improve the interest of the employees and the performance of the organization, lack of rewards undermines the engagement of the employees and provision of the rewards enhance the motivation of the workers to surpass the expectation from the organization (Conger and Kanungo, 2014).

Additionally, Macey and London (2013), provide a clarification that those rewards which are presented for imagination, energize the creativity among the assignments that are given to the employees. The organization reward framework should provide the support to the team-based organization and provide a comprehensive reward to the team members, 'The remuneration framework should appreciate the importance of cooperation and differences in the performance of each employee' (Gichuhi, 2014). It's a problem whenever an organization develops the performance appraisal framework without following the set standard for remuneration. There are issues which are likely to rise from the employees which in turn affects their performance within the organization. The main aim of evaluation is to reward the employees of their benefits, "This sort of motivation inspires the workers to deliver their best within the company" (Disintegrate, 2011).

The reward system should not only address the financial compensation but also other means of providing the rewards to the employees. The reward components include the type of the reward, the provision of the authority to allow the performing

employees lead be tea, leaders of the important organization programs, praises from the managers. The attention given to the employees by the managers makes them feel happy and motivated to perform their best to the organization. Whenever the employees perceive their managers to be caring, able to listen and appreciate their opinions, they feel more engaged within the organization to give their best and are able to grow throughout the organization.

The above motivators always makes the employees to perform exemplary within the institution because the hardworking employees feel they are valued and appreciated by the organization. The motivation of the employees makes the work smart throughout their organization because they understand they are being supported to reach at the optimum of their career. Self-development is a measure among those workers who want to achieve self-excellence. There is a greater challenge among the employees to work intensively in understanding which factor attribute to the major engagement in their duties and improve their satisfaction in making them work better in improving the goals and the objective of the organization. Different employees have varied perception about the rewards within an organization. For example, some employees may be satisfied with some cash as a motivation to enable them to work better, some of the employees may want to be taken out for holidays, other will prepare incentives such as cars, additionally some of the employees might prefer a different treat from their senior employees or managers(Kanfer, 2010).

There are rules on how the employees should be awarded the financial incentives by their organizations. For instance, during the allocations of the financial incentives the following factors must be followed accordingly; equity, equality, and seniority of the employees within the company (Deutsch, 2012). These factors are essential in promoting productivity within the company or any organization practicing performance management. According to Kanfer (2010), the employees are always involved in the social interactive activities to perform exemplary with the assurance of the provision of the awards. Additionally, the employees compare their efforts and the type they are given by the organization in the provision of quality services.

### **2.3.2 Employee promotion**

According to Molder (2011,12) “a performance appraisal should be accompanied by the increments in the salary and promotion”. The employees are motivated to

work towards the organization expectations if they are promoted for their good work (Macey et al, 2014). Some of the concepts which accompany promotion include training and vocation advancement which make the employees more motivated to increase their engagement in the provision of better services and quality products for the institution (Erdogan, 2012). Additionally, the promotion must follow merit and ensure right people are promoted. During the developing of the performance appraisal, the top managers are supposed to increase the salary of the employees to enhance higher performance across the departments within the organization.

### **2.3.3 Performance based pay**

Improving the payment of the employees promotes their engagement and their overall output within the organization. According to Swieczek (2014,13), the aim of the performance-based pay system is to rewards the employees because of their constructive performance”. Furthermore, De Silva (2013), established that the payment of the employees is likely to change their attitudes, therefore, making them more dedicated in the provision of the services, skills, and abilities to realize the set target for the organization. There different set plans which fall in the description of the performance-based pay that reimburses the employees after a successful performance management practice has been carried out. The classes of the performance-based pay include benefit sharing, individual based motivating force plans and the ability-based pay.

The performance-based pay has proved to be effective improving the engagement of the human resource therefore, promoting the achievement of the organization set goals and objectives. For instance, Banket (2011,14) established that the performance- based pay “encourages the retention and attraction of the employees who are performing better”. The organization which has an effective payment system will retain its lucrative human resource. The employees will be able to sign new contracts also promote the ability of the organization to compete more favorable across the stiff market. Additionally, the performance-based pay system includes the remuneration contract which provides room for the human resource who are performing below the organization expectations leave the institution (Zingheim and Schuster, 2013). Laying off the poor performing workers create rooms for the employees

whose output reflects the vision, ideas, and actions of the organization to effectively perform their duties.

The screening gadgets on the performance of the employees and the ability to be retained based on their performance in attaining the goals of the organization pressures the retained employees to increase profitability of the organization. Zingheim and Schuster (2013) urge that the exertion effects occur because the performance-based pay encourages the employees to aim towards the approaches which are profitable to the organization. Additionally, there are many advantages of the performance-based pay arrangements within the organization. Whenever employees pay are increased, there is a corresponding increase in the profit collected by the organization from the human resource output since employees are motivated to producing outstanding results which reflects their attitudes and feeling.

Some of the empirical studies have highlighted how the performance-based pay may reduce the human resource output within the organization. Solmon (2013,14) urges that the performance-based pay system promotes rivalry among the workers instead of enhancing cooperation. The employees become self-centered in achievement their own reward and promotion. They work in worry of their position and job insecurity, they see their colleges as competitors who will receive better pay whenever they outsmart them in the provision of the services. They will see it not valuable to aid their colleagues to succeed. The individual motivated approach harms the team work and collaboration which may kill the entire organization because of the creation of the unnecessary rivalry. De Silva (2013), provides an alternative plan to curb the emergence of self-centeredness in the achieving of the organization goals and the objectives. He proposes the team-based creation where the employees require a cooperate culture in realizing the organization vital goals. The criteria are essential where the roles of the employees need to be performed in groups as opposed in the focusing on the individual endeavor among the workers. Additionally, cash be the only a level of duty which aims at inspiring the employees and any dedicated and loyal employees will aim to fulfill the request of their leaders. (Davies and Landa, 2011,14). Furthermore, De Silva (2013) states that if the “performance related pay is utilized in insolation, there will be the effect on the motivation of the employees which might subsequently result to an unexpected outcome”.



## **2.4 The effects of training on the human resource output**

### **2.4.1 The influence of training on the engagement of employees.**

Employee training is the set of programs which equip the workers with the new skills, information, and professional development opportunities to perform at a higher level over a long period. “The provision of the effective training to the employees creates a positive picture of the organization worldwide also promotes the performance of the employees” (Ganji et al., 2013,15). One of the essential tasks of the human resource managers within the organization is to promote the development programs and proper training of the employees. There is a stronger correlation between training and the employee engagement and development of the organization. The human resource who are engaged in the provision of the services occasionally results to higher performance. The engaged employees within the organization always have the necessary knowledge, skills, and expertise to execute the goal of the organization to achieve higher performance. Training is an essential tool within the organization to enable it achieve and maintain higher competitive advantage.

The training aims at the improving the ability of the workers to performance at higher levels. Additionally, training of the employees improves their learning knowledge, abilities, and efficacy. The employees need to evaluate what they are doing the existing gap in order to participate in the training. Globalization has promoted the training programs which are adopted within the organization activity during performance management to build the skills and the overall performance of the employees. “Training will benefit the employees if they effectively comprehend and practice what they are taught during training activities” (Mullins, 2012,15). According to Ganji et al (2013), training of the employee’s increases their ability handle the organization function with a lot of efficiencies and downsizing the workload in the process thus, achieving the objectives and the mission of the company.

According to De Silva (2013,15), “training of the employees should address the decision-making aptitudes and the abilities needed to execute the goals and the objectives of the company”. Furthermore, training empowers the employees through the creation of the abilities within a decent venture. The best contenders within the organization who have higher ability and have emerged the best in an addressing

the goals and objectives of the organization. This cohort of employees grasps empowerment through the training programs such as workshops which are organized by the top management of the organization. The development practice builds the capacity of the workforce to effectively actualize the desired organization goals.

A study conducted by Parker examined the traits of the employees enrolled for training to determine the impact of the process on the human resources output. The training practices are the performance evaluation tools within the organization, which covers the skills, behaviors, and the output of the employees. During training, the reaction level addresses the reaction and the feelings of the trainers on educating the employees during workshops or short-term training. Additionally, the reaction level looks at the satisfaction of the training arrangement, course, teaching materials, comprehension of the instructions, acquired skills, and how the employees implement what they have learnt during training at their workplace.

Employee training might have positive or negative impacts on the engagement of the employees towards achieving the set organizational goals. The negative results may arise whenever employee are trained but they are not given the necessary support during the training period, therefore, they feel alienated from the management. There are organizations which plan effective training of the employees without helping the employees understand the main purpose of the training, in the end, they cannot address the existing gap among the workers. The training might fail to address their gaps thus, making them dissatisfied with the organization activities which result in job dissatisfaction. The later creates laxity and mistrust leading to lower organizational performance. Positive results can also be achieved within the organization from the training. The commitment of the employees is likely to improve after a workshop enabling the employees to put in more efforts in the addressing the gap and achieving the goals of the organization. According to Covey (2012,16), “the training and development measures can intensively increase the involvement of the employees in the company activities”. Whenever the top management provides comprehensive training platforms and ensures that the employees have benefited from the practices, the workers will feel more valued within the institutions, to provide their full contribution as they feel the organization cares about all their shot coming.

#### **2.4.2 Developing the training programs for the employees**

The training programs act as a stimulant for the employees to perform at a higher level as expected by the top management, therefore, improving their competency and capability consequently, resulting to higher output in the organization (Elnaga & Imran, 2013). Effective training provided to the employees results to greater profitability, development, and availability of capacity and quality adequacy which change the development process of the organization. Additionally, training greatly impacts the decision making of the employees, authoritative aptitudes, and builds the aggressiveness of the employees in the addressing the designed goals of the organization. The training program builds the hierarchical organizational structure because the programs are adaptable and give the workers the ability to engage their minds and abilities.

The less structure and occasional training may bring the useless conditions which hinder the progress of the organization in the achieving of the desired goals and the objectives. These poor training programs, diminish the inspirations among the employees, reduce the interests, and stress the employees making them disengaged from the main organization targets and objectives. According to Boela and Torrington (2012), established that, 'the organization which provides the rich training program which addresses the problems of the employees have a positive correlation to the organization goals and objectives at attracting more investment of the worker's skills and efforts to realize higher output'.

According to Koontz (2012), "strategic training framework attached to the organization trademarks congruity and extraordinary adaptability results to the positive engagement standards from the employees". Furthermore, "Strategic training plan promote partner cooperation among the workers which supports procurement of the capacities, skills and the important aptitudes which are the significant tools for the development of the company" (Storey,2015). Most of the government agencies always lean towards the strategic training plans as the short-term element of ensuring the gaps of the employees are addressed to increase their motivation. Additionally, Dessler (2015,17), applauds that, "strategic planning results to the positive advancements because of the motivation among the employees. More so, the strategic plan promotes the sufficiency utilization of the resources".

Effective training is essential in the optimizing the potential of the employees. The long-term plan should incorporate the training of the employees to improve the output of the employees by enhancing the superior level of commitment and motivation.

Whenever the employees acknowledge the interest of the organization in them they through effective training program they will then apply their skills and abilities in addressing the goals and objectives of the organization. Human resources are the most valuable assets within an organization and they can either make or break the reputation of the organization effecting its profitability. The employees are the pillars who accomplish the bulk work of the organization. Effective training is, therefore, essential ensuring the employee's maximum their potential to achieve their personal and organization goals. Those employees who are denied effective training easily leave their jobs unlike those who are trained keep their jobs for a longer period.

## **2.5 Impacts of feedback on human resource output.**

### **2.5.1 Performance feedback**

Effective performance feedback among the supervisors and the employees is the factor which attributes to success within an organization. Continuous feedback to the employees and departments makes them more focused on their duties and achieving the goals of the organization. Performance feedback also strengthens the accountability within the organization and among the workers since supervisors and the employees are involved in the identifying the competencies, participating in the developing of the organization objectives, employee motivation and discussing of the career development. According to Jackson (2012), there are institutions which fail to provide the feedback to the employees. Some of the supervisors or the top management in these organization may hold on the employee feedback because they are over whelmed with the other functions within the organization. Additionally, some of the institutions lack established procedures and process of providing the feedback to the employees (Banket,2011). There are negative impacts associated with the lack of feedback to the employees. For instance, it leaves the hardworking employees unrecognized and those performing poorly might end up repeating the same mistakes because they are not given the feedback about their dismal performance. According to Solmon (2010), many of the supervisors sometimes feel uncomfortable to provide the employees with the negative feedback. Lacks the feedback provision, therefore, results to the many problems within the organization. Additionally, many organizational still use the traditional appraisal systems making the provision of the feedback to the workers has become a miss preposition in these

organizations. The available feedback is unpredictable and sporadic in the companies using the traditional approach (Jackson & Schuller, 2012).

In the recent past, the desire among the companies to adopt formal feedback system has become an essential activity for the organization. Banker (2011) states that the top organization managers have realized the importance of informing their workers on their contribution to the organization. According to Hinkin and Schriesheim (2012), there are groups of the managers who examine good performance among the employees. Some other managers include those who constantly look for the poor performance, those who do not reinforce the behavior of the employees and those providing the employees with the less feedback and are likely to incur a less satisfied workforce.

### **2.5.2 Feedback and effectiveness**

Feedback given the employees improves the effectiveness and aids the managers in the decision making for the organization. The feedback is related or associated with the goals, objectives, and the mission of the organization. Ideally, the workers are provided with the feedback about their past performance and how they are to improve to meet company requirements. The performance feedback is a tool which aid the organizations determine the strengths and the weakness of the employees. Additionally, performance management is a significant element which promotes the performance of the individual workers in areas where they have a greater weakness. The provision of the immediate feedback to the employees by the top management is significant to sustaining the organization. Additionally, the records containing the performance feedback should be kept for reference in the future.

According to Salau (2014), the 360-degree performance appraisal feedback can be used to inform the employees of their performance. The feedback provides the employees with the important information about daily actions within the institution. The 360-degree appraisal provides the workers with the multifaceted opportunity to see themselves as other in the provision of services to achieve the goals and the objectives of the company. The employees can undergo behavioral change through feedback because of it elites' self-awareness among the workers. The feedback process subjects the workers into the cognitive process where they reflect on their results, actions, and other significant activities they perform in within the organization.

Feedback is an essential tool which promotes team building among the workers in the institution. It fosters good relation, building on the skills of the employees through sharing and partnership, therefore, promoting the satisfaction of the employees. The supervisors receive feedback from their colleagues and other top management team where they generate a clear comparison of the skills exhibited by the subordinates and their peers. The 360-performance feedback provides the supervisor with the opportunity to evaluate the performance of an individual employee through interactions with the internal and external customers, co-workers, departmental heads, and the workers. Whether the appraisal method is writing or provide verbally by the organization, they have the responsibility of providing the consistent feedback to the employees.

### **2.5.3 Feedback as a source of appraisal performance**

Direct communication is one of the most significant parts of the appraisal process within the organization. The feedback is the direct information the top management provides to the worker reflecting their past performance (Solmon & Podgursky, 2010). The performance feedback demands the rater who has greater ability and in-depth knowledge and understanding to gauge the performance of the employees and is able to determine the performance gap among the employees (Berry, 2013). There are different sources for the feedback appraisal and one of them is the ability of the top managers to express the desired expectations to the employees and the procedures and policies followed in the carrying out the performance appraisal process.

Another significant source for the performance feedback is from the colleagues at the work. The workmates are in a better performance to provide an important report about the performance of their peers in the same department. The workmate forms the best evaluation compared to the top management who are limited in the observing the daily operations of the employees because of their demanding schedules. Lastly, the employee themselves can work as means for the provision of the feedback through carrying out the self-evaluation activities. This source are limited in the sense that some of the employees may only provide the positive feedbacks (Salau et al., 2014). The employees may not rate themselves negatively for the fear of re-

praisal by the supervisors. The source of the feedback appraisal can either be perceived as being, trustworthy, reliable, objective, credible and properly motivated. According to Gupta (2012), there are challenges the rates may encounter in the process of conducting the performance feedback appraisal. One of the challenges may include the halo effect where the workers are rated on the premises of the fixed characteristics. Additionally, they may face contrast error when proving the rating to an employee depends on the different factors or instance another employee who performs the same job.

## **2.6 Chapter summary**

This chapter has reviewed the relationship between performance management and human resource output within organizations. The first section examined performance management, components and how they influence the engagement of the employees and output within organizations. The second section focused on the recognition and reward systems, the third section elaborated on the effects of training on the human resource output while the last section composed of reviews on the effects of feedback on the human resource output. The next chapter deals with research methodology.

## **3. METHODOLOGY**

### **3.1 Introduction**

This section provided an in-depth analysis on the project research design, the population under study, sampling design and the data collection and analysis technique. Additionally, it also examined some of the ethical consideration during the study.

### **3.2 Research design**

A research design is a significant blueprint in answering the research question by either giving a descriptive or having a control on the variables to generate the desired outcome (Dulock,1993,3). The research design is essential in the controlling of the confounders which affect the outcome of the study therefore, resulting to biasness and misleading findings by the researchers (Backlund and Suikki, 2015, 21). In the present thesis, I adopted the descriptive research design to determine the effects of the performance management on the human resource output because descriptive provides no room for manipulation the outcome into m desired perspective as the experimental designs (Dulock,1993,3).The descriptive research design provides a systematic and accurate description of the population under study, portray the characteristic of the individuals accurately and avail the answers on the ongoing events (Dulock,1993,4). Some of the approaches used in the descriptive studies include both the qualitative and the quantitative methods. The current thesis utilized the quantitative approach by examining the effects of performance management at Safaricom limited.

### **3.3 Population and Sampling techniques**

#### **3.3.1 Target population.**

According to Frankel and Wallen (2000,26), “a target population refers to the designed group of individuals from which the findings of the research are generated”. The individual does have features which represent the entire population under



study. The target population and the interventions make the inferences are design by the relevant authorities to respond to the research findings concerning the profiled population. The respondent comprised of 75 employees from the human resource department, marketing, purchasing and the production departments at Safaricom Limited. The breakdown of the target population is illustrated in the figure below

Target group	Total
Sales-officers	25
Customer services officers	25
ICT officers	25

**Table 1.0 Target population**

### **3.4 Sampling techniques**

#### **3.4.1 Sample size determination.**

According to Cooper and Schindler (2003), “a sampling size is the small set which is carefully obtained from the target population”. The sample size was generated from the sample of 75 respondents who participated in the study. Taro’s (1967) provides a simplified formula for sample sizes ( $n = \frac{N}{1 + N(e)^2}$ );

Where n is sample size and N is the population and are the error margin, thus,

$$n = \frac{25}{(1 + 25(0.08)^2)}$$

$$n = 22 \text{ participants}$$

Target population	Total	Sample size
Sales-officers	25	22
Customer services officers	25	22
ICT officers	25	22

**Table 2. Sample size**

### **3.4.2 Sampling procedures**

Sampling is selecting a small number of individuals or items to represent the total population of a locality for a legitimate process to take place for proper inferences. It involves gathering data from the entire universe for accurate accomplishment of the set target objectives. The study used the simple sampling method to select the eligible participants to be part of the study. In simple random sampling, the sample process was carried out in a single step where the subjects to participate in the study are selected independently. The advantages of the simple random sampling method made it an ideal sampling method for the study. Some of these advantages include; Provision of the equal opportunities for all the target population to participate in the study and provide the representative of the entire population under study.

### **3.4.3 Data collection method**

Data was collected from the respondents using the structured questionnaire. The advantages of the questionnaire as data collection tool made it an appropriate research instrument for collecting the data from the participants. Some of the advantages of using a questionnaire to collect data include; the questionnaires are practical as they are designed and distributed to the participants to answer, they collect a larger information about all the aspects of the study, the data from the questionnaires can be easily quantified by the researcher therefore, becoming essential in the comparing and contrasting the variables.

### **3.4.4 Research instrument**

The questionnaire was the main research instrument for the study. The questionnaire contained only the close-ended questions. The questionnaire was divided into four sections. Section A contained questions on demographic characteristics of respondents; Section B questions focused on the effects of rewards on the human resource output. Section C of the questionnaire addressed questions on the effects of training on the human resource output, while section D contained the questions on the effects of reward system on the human resource output. The closed-ended questions, a five-point Likert scale was used with meanings as shown: (1) Strongly Agree (SA), (2) Agree (A), (3) Uncertain (U) (4) Disagree (DA) and (5) Strongly Disagree (SD).

### **3.5 Research procedures**

The participants of the study were contacted and agreed to participate in the filling of the questionnaires without any coercion. I carried out the pilot study using 5 respondents to determine the accuracy, precision, completeness, and clarity of the questionnaire. The pilot study, provided an opportunity to restructure the questionnaire to address all the components effectively. I wrote a letter to the institution which allowed me to carry out the study. The purposed of the study was presented to the participants before they could fill anything on the questionnaire. The questionnaire was then emailed to the respondents who took two days to answer all the accordingly. I treated each completed questionnaire as a unique case. I treated each questionnaire as a unique case after the collection from the participants. I used the statistical package for the social science (SPSS) to analyze the data from the questionnaires.

### **3.6 Data analysis**

The collected data had only the quantitative analysis whereby the data was analyzed using the SPSS to establish the measures of the central tendency which included the frequency, mean, median and mode of the strategic discoveries. The data was stored in the tables and presented using the charts and graphs as appropriate. Additionally, I performed the correlation analysis to determine the relationship

among the performance of the employees and the training, rewards and feedback provided to the employee.

### **3.7 Ethical considerations**

To deal with the model of conduct which is socially accepted, a research permit was a significant blueprint of the research. The purpose of the study was elucidated to the respondents so that they don't get confused and know their role in the study. The respondents accepted my written consent and volunteered to take part in the study without coercion. The personal data of the respondents is confidential and won't be disclosed without their consent.

### **3.8 Chapter summary**

This chapter examined the descriptive research design to address the research question, the target population, and the sampling technique. Additionally, the data collection method and the research instrument were defined, and a guide provided on how the data would be collected, stored, analyzed, and presented while adhering to the ethical principles of research.

## 4. RESULTS AND FINDINGS

### 4.1 Introduction

The aim of the research was to determine the relationship between the performance management and the human resource output with a focus on Safaricom limited the study aimed at examining the effects of the performance management practices such as rewarding the employees, provision of training and the provision of feedback on the employees and how the practices influence their engagement and the overall output.

The present chapter presents an in-depth analysis of the findings according to the questionnaire administered to the participants. The questionnaire contained the four sections. The first section addressed the general demographic characteristics of the participants, the other three subsections addressed the objectives of the study which included examining how the recognition and reward, training of the human resource and provision of the feedback influence the human resource output at Safaricom limited. Out of the 66-sample size, 57 respondents returned their questionnaire which represented an 86% response rate. The response rate was statistically acceptable in the representing the target population and answering the research objectives.

category	Respondent	Did not response	Response rate (%)
Respondents	57	9	86.3%
total	57	9	86%

**Table 3.0: Response rate**

### 4.2 Demographic Characteristics

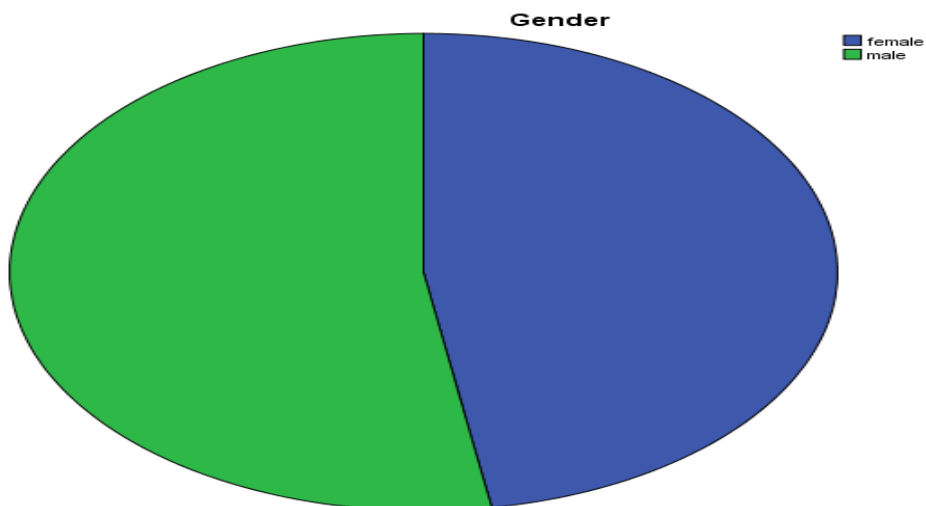
The demographic information projects the general information about the employees who participated in the study. Some of this information included the employees, age, gender, educational level, and their working experience.

**4.3 Gender of the Respondents**

According to the personal information, 47.4% of the respondents were female while male was 52.6% therefore, majority of the participants were males as shown below in table 4

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	female	27	47.4	47.4	47.4
	male	30	52.6	52.6	100.0
	Total	57	100.0	100.0	

**Table 4 Gender**



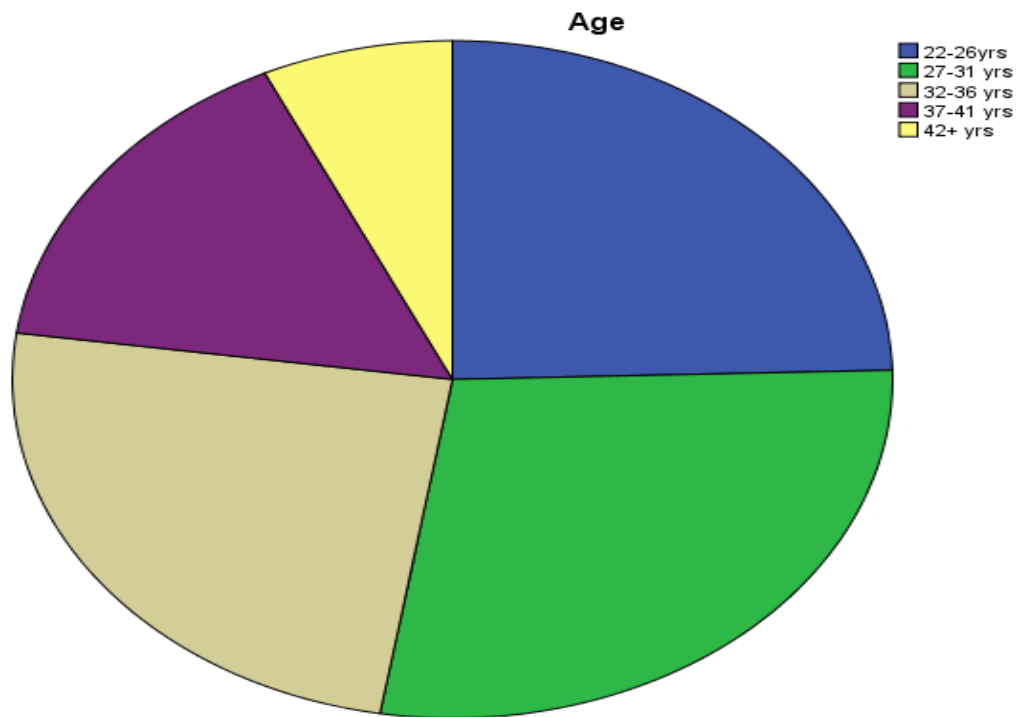
**Figure 3.0 Gender**

**4.4 Respondent's Age Bracket**

According to the findings in the Table 5 below, participants aged 22-26 years represented 24.6%, 27-31 years represented 28.1%, 32-36 years represented 24.6 %, 37-41 years represented 15.8% and 42 and above years represented 7.0%. Therefore, majority of the participants were aged below 27-31 years.

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 22-26yrs	14	24.6	24.6	24.6
27-31 yrs.	16	28.1	28.1	52.6
32-36 yrs.	14	24.6	24.6	77.2
37-41 yrs.	9	15.8	15.8	93.0
42+ yrs.	4	7.0	7.0	100.0
Total	57	100.0	100.0	

**Table 5.0 Age**



**Figure 4. Age**

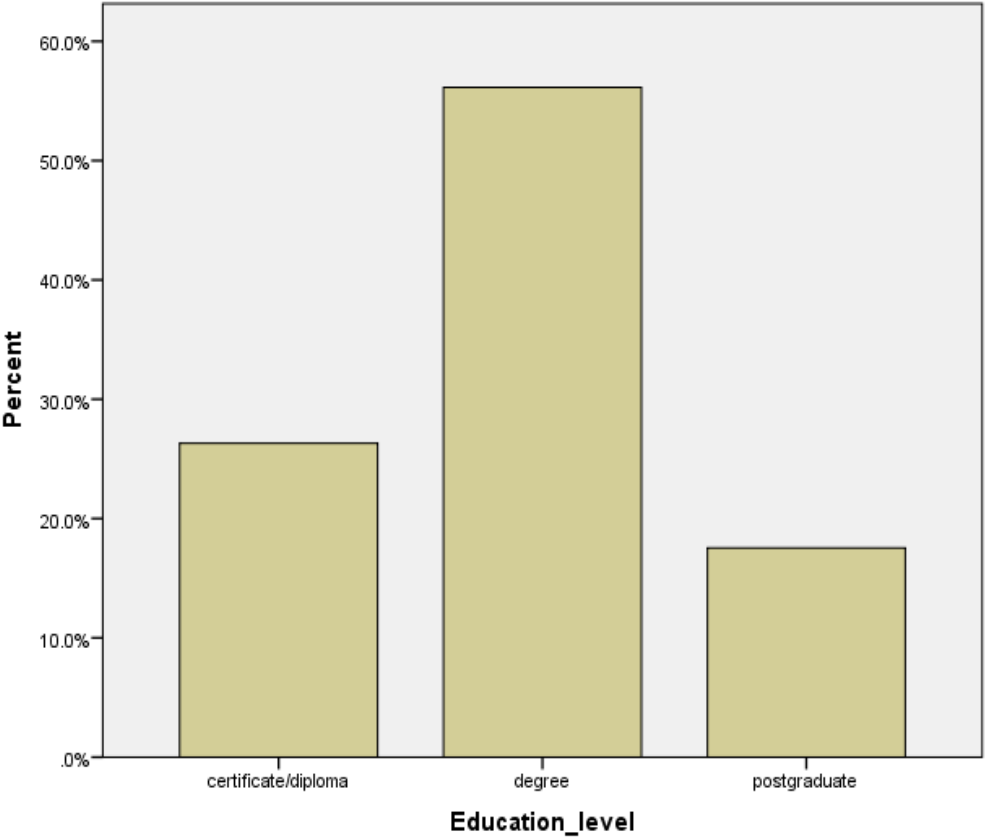
#### 4.5 Level of Education

From the questionnaire, respondents with certificate/diploma represented 26.3%, those with degree represented 56.1% and those with postgraduate represented 17.5% thus, majority of the respondents have degree as shown in figure.

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid certificate/ diploma	15	26.3	26.3	26.3
Degree	32	56.1	56.1	82.5
Postgraduate	10	17.6	17.6	100.0
Total	57	100.0	100.0	

**Table 6. Level of Education**





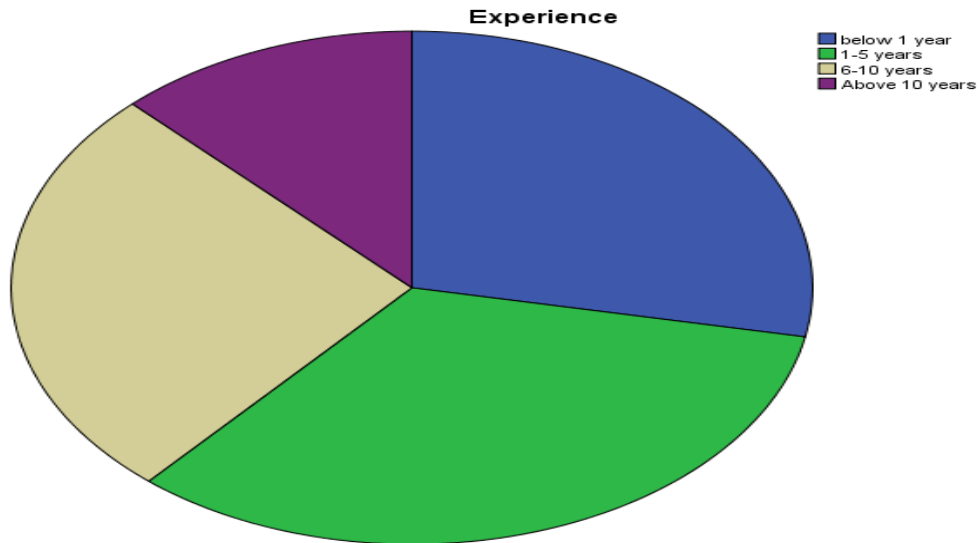
**Figure 5.0 Level of Education**

**4.6 Work Experience of the Respondents.**

I examined the work experience of the participants. The findings in table 7 below showed that 28.1% of the respondents had worked for less than one year, 33.3% had worked for 1-5 years, 26.3% had worked for 6-10 years and 12.3% had worked for more than 10years. Majority of employees had 1 to 5 years of experience.

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid below 1 year	16	28.1	28.1	28.1
1-5 years	19	33.3	33.3	61.4
6-10 years	15	26.3	26.3	87.7
Above10 years	7	12.3	12.3	100.0
Total	57	100.0	100.0	

**Table 7.0 Experience**



**Figure 6.0 Experience**

**4.7 The Influence of Recognition and Reward Systems on Employee Productivity.**

**4.7.1 Frequent rewards provided by the company challenges me to work hard**

I examined the how the frequent rewards influenced the productivity of the employee. 63.2% of the employees agreed while 36.8% strongly agreed with the opinion as presented in the table 8 below.

	Fre- quency	Percent	Valid Percent	Cumulative Percent
Valid agree	36	63.2	63.2	63.2
strongly agree	21	36.8	36.8	100.0
Total	57	100.0	100.0	

**Table 8.0 Reward 1.**

**4.7.2 The aim of the reward is to increase my engagement**

61.4% of the respondents agreed while 38.6% strongly agreed with the opinion as illustrated below.

	Fre- quency	Percent	Valid Percent	Cumulative Percent
Valid agree	35	61.4	61.4	61.4
strongly agree	22	38.6	38.6	100.0
Total	57	100.0	100.0	

**Table 9.0 Reward 2**

**4.7.3 The company influences my productivity by linking the reward on job promotion.**

52.6% of the participants agreed with the opinion while 47.4% strongly agreed with the opinion. Therefore, majority of the respondents agreed that rewards through job promotion promote the involvement of the participants as shown below.



**Figure 7.0 Reward 3**

**4.7.4 The rewarding system motivates me to complete my duties timely.**

I examined the opinions of the respondents and according to the results majority with 65.2% agree that the rewarding mostly motivates them to complete and do their duties effectively and on time without much follow up, 19.2% were neutral and 15.6% strongly agree as illustrated in the table below

	Fre- quency	Percent	Valid Per- cent	Cumulative Percent
Valid Neutral	6	19.2	19.2	19.2
Agree	42	65.2	65.2	80.8
Strongly agree	9	15.6	15.6	100.0
Total	57	100.0	100.0	

**Table 10 Motivation**

#### 4.7.5 The rewards vary and are satisfying.

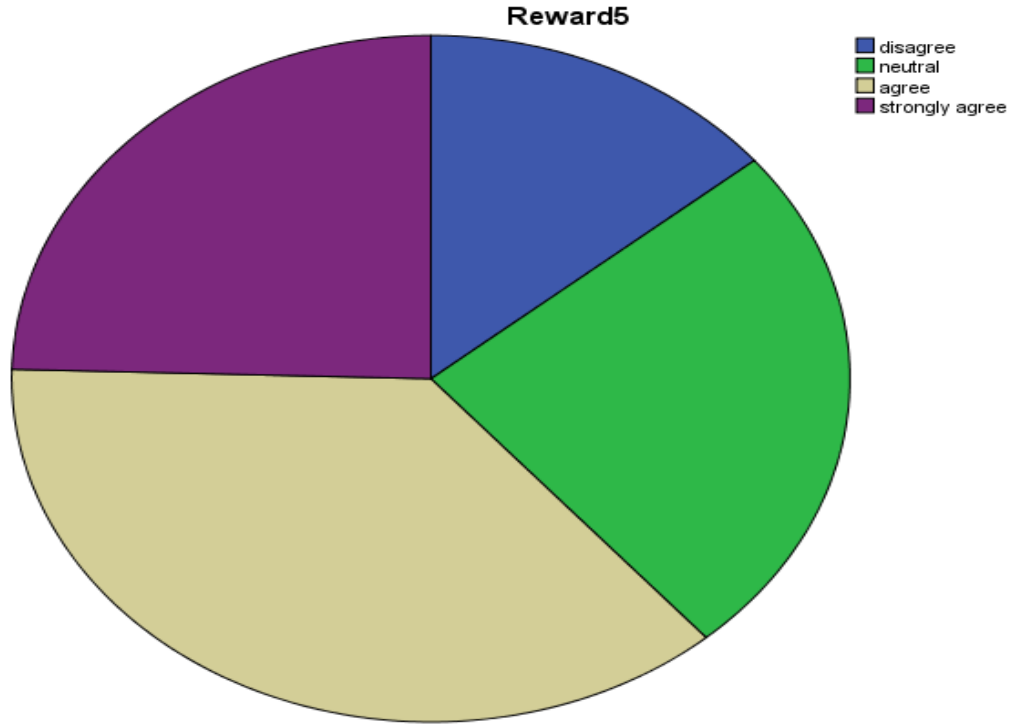
I examined the opinions of the respondents on whether rewards vary and are satisfying. 70.2% of the respondents agreed while 29.8% strongly agreed thus, majority of the respondents agreed that rewards vary and are satisfying.

	Fre- quency	Percent	Valid Per- cent	Cumulative Percent
Valid agree	40	70.2	70.2	70.2
strongly agree	17	29.8	29.8	100.0
Total	57	100.0	100.0	

**Table 11 Reward 4**

#### 4.7.6 My wage is fair and satisfactory to my performance level.

Additionally, I examined the opinions of the participants on their salary and satisfactory level. 14% disagreed, 24.6% of the participants were neutral, 36.8% agreed while 24.6% of the respondents strongly agreed as illustrated in the pie chart below.



**‘Figure 8.0 Reward 5**

**4.7.7 The staffs are encouraged to be creative**

In this case, I examined whether the staffs are being encouraged to be creative and according to the respondents 10.5% were neutral, 73.7% agreed while the rest 15.8% strongly agree as illustrated in the table below

	Fre- quency	Percent	Valid cent	Per- cent	Cumulative Percent
Valid Neutral	6	10.5	10.5		10.5
Agree	42	73.7	73.7		84.2
Strongly agree	9	15.8	15.8		100.0
Total	57	100.0	100.0		

**Table 12. Creativity****4.7.8 Whenever I achieve my personal goals I am rewarded, and this motivates me to strive and achieve company goals.**

The respondents provided their opinions on what motivates them to achieve the personal goals 84.7% agree with it and the rest 15.3% strongly agree, this shows that majority of the respondents agree with the above statement as shown in the table below.

	Fre- quency	Percent	Valid Per- cent	Cumulative Percent
Valid Agree	52	84.7	84.7	84.7
Strongly agree	5	15.7	15.7	100.0
Total	57	100.0	100.0	

**Table 13 Personal goals****4.7.9 Bonuses increase my performance**

I examined the opinions of the respondents if the bonuses increase the individual's performance and 82.5% agree while the rest 17.5% strongly agree, it shows majority of the respondents agree that the bonuses increase the individual performance.

	Fre- quency	Percent	Valid Per- cent	Cumulative Percent
Valid Agree	47	82.5	82.5	82.5
Strongly Agree	10	17.5	17.5	100.0
Total	57	100.0	100.0	

**Table 14 Bonuses**

#### 4.8 Effect of Training on Employee Productivity

This section examined the organization training policies, programs, and their impacts on the human resource output.

##### 4.8.1 The company has a training policy

The respondents provided their opinions whether the organization has established training policies. 17.5% were neutral, 59.6% agreed and 22.85 strongly agreed therefore, majority of the employee agreed that the organization has established training policies.

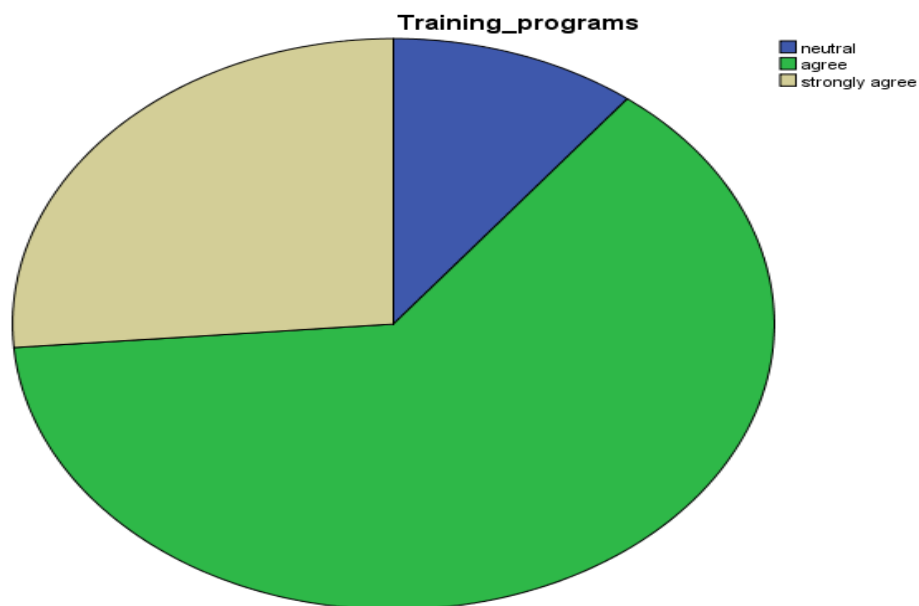
	Fre- quency	Percent	Valid Per- cent	Cumulative Percent
Valid neutral	10	17.5	17.5	17.5
agree	34	59.6	59.6	77.2
strongly agree	13	22.8	22.8	100.0
Total	57	100.0	100.0	

**Table 15 Training policy**



#### 4.8.2 The training programs are effective for the engagement of the employees

Respondents provided their opinions on the effectiveness of the training programs on the engagement of the employees. 10.5% were neutral, 63.2% agreed while 26.3% strongly agreed as illustrated in the chart below.



**Figure 9.0 Training programs**

#### 4.8.3 The organization provides training which is relevant to my line of duty

I examined the opinion of the respondents and thus majority with 91.2% agree that the training is quite relevant to every individuals line of duty, while only 8.8% strongly agree as illustrated in the table below.

	Fre- quency	Percent	Valid Per- cent	Cumulative Percent
Valid Agree	52	91.2	91.2	91.2
Strongly agree	5	8.8	8.8	100.0
Total	57	100.0	100.0	

**Table 16 Training**

#### 4.8.4 There is diverse training at different levels

I examined the opinion of the respondents and thus majority of them with 89.6% agree that there have been a lot of training at different levels while only 10.4% strongly agree with it as shown in the table below

	Fre- quency	Percent	Valid Per- cent	Cumulative Percent
Valid Agree	52	89.6	89.6	89.6
Strongly agree	5	10.4	10.4	100.0
Total	57	100.0	100.0	

**Table 17 Diverse Training**

#### 4.8.5 I have participated in different training programs organized by the company.

The respondents provided opinions whether the organization has involved them in training workshops. 68.4% agreed while 31.6% strongly agreed therefore, majority

of the participants agreed to have participated in the training workshops are shown in the table below.

	Fre- quency	Percent	Valid Per- cent	Cumulative Percent
Valid agree	39	68.4	68.4	68.4
strongly agree	18	31.6	31.6	100.0
Total	57	100.0	100.0	

**Table 18. Participated in training**

**4.8.6 Training programs have increased my outcome in the company**

I examined the feedback of the respondents and majority of them agree with 55.2% that training have contributed significantly to their outcome in the company, 26.2% strongly agree and the rest 18.6% were neutral as shown in the table below.

	Fre- quency	Percent	Valid Per- cent	Cumulative Percent
Valid Neutral	16	18.6	18.6	18.6
Agree	35	55.2	55.2	55.2
Strongly agree	6	26.2	26.2	100.0
Total	57	100.0	100.0	

**Table 19 Outcome**

## 4.9 The Impact of Performance Feedback on Human Resource Productivity

### 4.9.1 The manager provides frequent fair feedback to me

According to the feedback provided by the respondents, majority of the individuals agree with 61.4% that the manager gives the frequent feedback regarding their performance, 28.1% were neutral while only a few with 10.5% strongly agree as illustrated in the table below.

	Fre- quency	Percent	Valid Per- cent	Cumulative Percent
Valid Neutral	16	28.1	28.1	28.1
Agree	35	61.4	61.4	89.5
Strongly agree	6	10.5	10.5	100.0
Total	57	100.0	100.0	

**Table 20 Fair Feedback**

### 4.9.2 We do have detail discussion on my performance with the manager

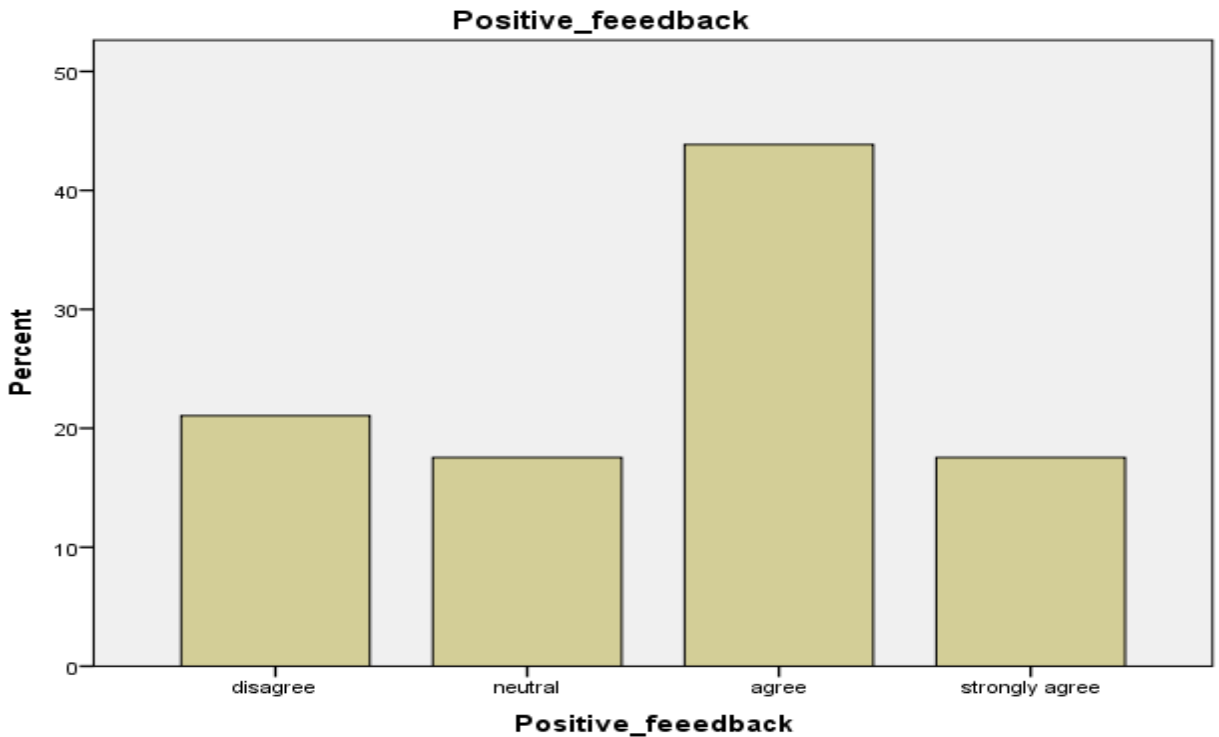
I examined the opinion of the respondents and 10.5% disagree, 28.1% were neutral and majority of the respondents with 61.4% agree to be having detail discussion with the manager regarding their individual performance as shown in the table below.

	Fre- quency	Percent	Valid Per- cent	Cumulative Percent
Valid Disa- gree	6	10.5	10.5	10.5
Neutral	16	28.1	28.1	38.6
Agree	35	61.4	61.4	100.0
Total	57	100.0	100.0	

**Table 21 Detail Discussion**

**4.9.3 The organization is inclined at providing positive feedbacks to promote employee performance**

The respondents provided their opinions on whether the organization is inclined towards the positive feedback to reinforce employee’s performance. 21.1% of the respondents disagreed, 17.5% were neutral, 43.9% agreed while 17.5% strongly agree as projected below.



**Figure 10. Positive feedback**

**4.9.4 I receive genuine feedback which motivate me to improve**

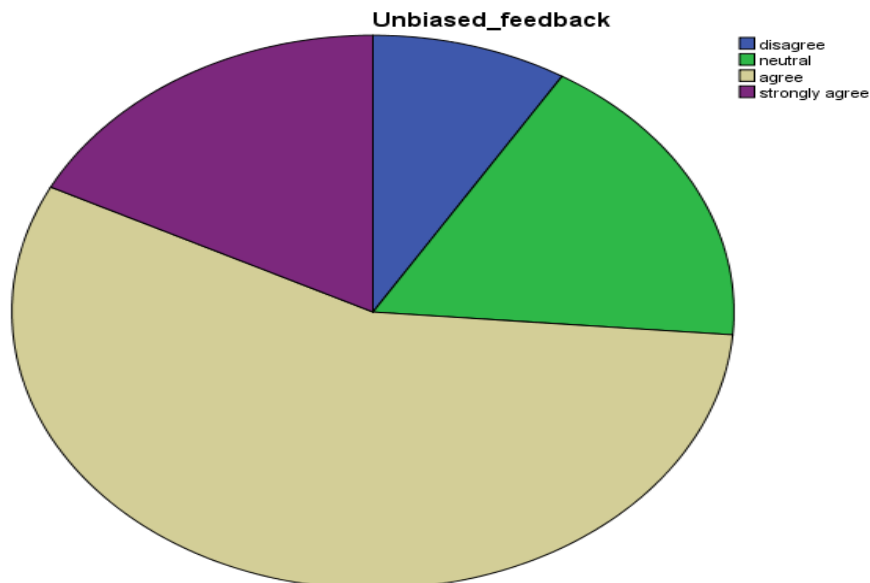
The study examined the effects of genuine feedback on the employees. 63.2% of the respondents agreed while 36.8% strongly agreed that genuine feedback motivated them to improve as illustrated below.

	Fre- quency	Percent	Valid Per- cent	Cumulative Percent
Valid agree	36	63.2	63.2	63.2
strongly agree	21	36.8	36.8	100.0
Total	57	100.0	100.0	

**Table 22. Genuine feedback**

**4.9.5 The performance feedback is unbiased and promotes productivity**

Additionally, the respondents provided opinions on the impacts of the unbiased feedback on productivity. I found out that 8.8% disagreed, 17.5% were neutral, 56.1% agreed while 17.5% strongly agreed as shown in the pie chart below.



**Figure 11. Unbiased feed-back**

## 5 INFERENCE STATISTICS

### 5.1 Correlational analysis

The performance management training activities were found positively related to engagement of the employees ( $r=0.264$ ,  $p>0.05$ ). The relationship was extended to the job promotion (award of the employees) ( $r=0.716$ ,  $P>0.05$ ). Additionally, there was a positive correlation between performance feedback and employee engagement ( $r=0.464$ ,  $p>0.05$ ).

		Employee engagement	Job promotion
Employee engagement	Pearson Correlation	1	.716**
	Sig. (2-tailed)		.000
	N	57	57
Job promotion	Pearson Correlation	.716**	1
	Sig. (2-tailed)	.000	
	N	57	57

\*\* . Correlation is significant at the 0.01 level (2-tailed).

**Table 23 Correlation 1**

		Employee engage- ment	Genuine feedback
Employee engage- ment	Pearson Correla- tion	1	.264*
	Sig. (2-tailed)		.048
	N	57	57
Genuine feedback	Pearson Correla- tion	.264*	1
	Sig. (2-tailed)	.048	
	N	57	57

\*. Correlation is significant at the 0.05 level (2-tailed).

**Table 24 Correlation 2**

		Employee engage- ment	Partici- pated in training
Employee engage- ment	Pearson Correla- tion	1	.464*
	Sig. (2-tailed)		.000
	N	57	57
Participated in Training	Pearson Correla- tion	.464*	1
	Sig. (2-tailed)	.000	
	N	57	57

\*. Correlation is significant at the 0.05 level (2-tailed).

**Table 25 Correlation 3**



## **6.DISCUSSION AND CONCLUSION**

### **6.1Introduction**

This chapter focuses on the discussion of the results and findings in comparison to the theories examined in the literature review. Additionally, there is the provision of the summary of the study and recommendations on the effects of performance management practices on the human resource output.

### **6.2Discussion**

#### **6.2.1 The influence of recognition and reward system on the productivity of the employees.**

Majority of the respondents agreed that the recognition and the reward system had a significant impact on their productivity. The appropriate reward system caused variation in the productivity of the employees. Most of the employees were challenged to work hard to get rewarded either through the bonuses, job promotion and the provision of the other incentives. According to Jackson (2012), the performance appraisal provides an opportunity for the managers to identify the good performance and present the rewards therefore, motivating the employees to performance at higher levels.

Furthermore, majority of the respondents agreed that the purpose of the rewards was to increase their engagement. The bonuses provided by the top management promoted their success at work. According to De Silva (2013), the bonuses and other awards change the attitudes of the employees to perform towards the expectation of the organization because they feel recognized by the management for their exemplary performance. Majority of the participants agreed that their wages were fair and satisfying. The performance-based system where the employees are rewarded better salaries according to their performance promotes employee engagement. According to Randell (2014), provision of the fair pay and awards reinforces the better performance among the employees and diminishes the possibility of poor performance.

A majority number of the respondents agreed the top management promoted their productivity by using job promotion as a reward for their consistency performance

at higher level. This projects that job promotion is a performance management practice which increases the human resource output in the company. According to Jackson (2012), whenever the employees are promoted they should be motivated to attain the goals and objectives of the organization.

### **6.2.2 The effects of training on the human resource output**

According to Solmon (2010), training is a significant performance management practice which effects the productivity of the human resource in an organization. According to 59.6% of the respondents, the organization had established training policies for the employees. Training cause variation in performance of the employees as it provides additionally skills and abilities for the employees to execute the organization duties. According to Appelbaum (2003), training of the employees enables them to understand what the organization expects them to deliver. The purpose of training addresses the gaps which hinder the performance of the workers to achieve the organization goals.

A significant number of the respondents agreed that effective training programs promoted their engagement. The fair training program can highlight and communicate practices which boost the engagement of the employees. According to Banker (2012), good training programs address the weakness and reinforces the strengths of the employees therefore, motivating them to become more engaged in the organization activities.

Majority of the respondents agreed to have participated in the training workshops organized by the company. The training workshops helped them to improve on their outcome because they acquired the required skills to perform their duties effectively. The training policies and programs implies that Safaricom limited has established evaluation system which determines the output of the human resource who have participated in frequents trainings. According to Jackson (2012), engaging the employees in training builds their accountability, motivation, career development and builds their competencies in performing duties within the organization.

### **6.2.3 Impacts of Performance Feedback on Human Resource Output.**

There was a positive correlation between performance feedback and the employee productivity. A significant number of the employees, agreed that the organization is inclined to providing positive feedback to the employees to improve their performance. According to Solmon (2010), effective feedback is significant for the organization which aims at achieving its goals. Positive feedback motivates the employees to continue performing in a better way and readily change undesired actions. The employees who are encouraged in a positive way are likely to improve their productivity. Positive feedback makes the employees to feel respected, major plays within the organization and challenges them to easily accept correlations.

Additionally, significant number of respondents agreed that genuine feedback improves their productivity. When the genuine feedback is communicated timely it provides a fair opinion where the employees can reflective on their performance and acknowledge their short comings and come up with ways to improve. According to Davis (2011), performance feedback system should provide the genuine performance of the employees to ensure they are satisfied with their performance. Majority of the performance agreed that unbiased performance improved their productivity. The employees performing below expectation will identify their mistakes if the feedback provided by the top management is unbiased. According to Gupta (2012) the unbiased feedback is not limited to fixed rating ratings of the employee rather examines all their characteristics to provide a genuine feedback which promotes their productivity.

## **7 CONCLUSION**

### **7.1 The influence of recognition and reward system on the productivity of the employees.**

The findings projected that rewarding the employees promotes them to attain their targeted productivity level and that of the organization. Whenever the top management can identify and reward good performance among the employees results to work motivation. The recognition and the rewarding system is a significant ingredient which ensures the organization achieve its goals. Job promotion and the bonus are essential components of the reward system which promote the engagement of the employees.

### **7.2 The effects of training on the human resource output**

The findings showed that training policies and programs are significant in the promotion of the employee productivity. The effective training is important for the company to meets its goals. Training of the employees provides an opportunity for them to understand what the organizations requires of them and how to achieve those expectations. A good training program should address the contribution of the employees and their efficacy in achieving the goals of the organization.

### **7.3. Impacts of Performance Feedback on Human Resource Output.**

The findings projected that performance feedback is essential in increasing the productivity of the human resource. Unbiased feedback translates to the improved productivity from the employees. A positive feedback motivates the employees to reinforce the good performance therefore, making the organization productive. The performance feedback from the employees makes the employees to be accountable, motivated, and competent to perform their duties.

## **7.4 Recommendations**

The organization should continue providing frequent reward to the employees who perform according to the organization expectation to enhance consistency in their performance and productivity. The rewards should vary depending on the performance of the employees and should encourage the engagement of the employees and discourage the poor performance. The bonuses and job promotion should be provided after fair evaluation to ensure they are given to the right employees.

Additionally, the organization should always review the training policies and programs to ensure they address the needs of the employees and the organization effectively. They should enroll all the employees in the training workshop at least twice in a fiscal year. Furthermore, frequent unbiased feedback is critical for the engagement and productivity of the employees. The organization should adopt an effective performance feedback system to ensure the employees are aware of their individual contribution to the organization and impress their performance scores from which they can improve on their productivity.

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## 8. APPENDICES

### Appendix 1. Questionnaire

Kindly respond to the highlighted questions by answering the blank spaces or by ticking (✓) within the box appropriately.

#### **SECTION A: DEMOGRAPHIC CHARACTERSTICS**

Please fill out your personal information in the provided spaces. Kindly tick one response.

1. Gender Female:  Male:
2. Age? 22-26  27-31  32-36  37-41  42 and above
3. Highest Level of education Certificate/Diploma  Degree  Postgraduate
4. What is your designation?
5. Number of years worked at Safaricom limited? Less than 1  between 1 and 5 years  between 6 and 10 years  above 10 years.

#### **SECTION B: COMPANY INFORMATION**

##### **The Influence of Recognition and Reward Systems on Employee Productivity**

How does the reward and recognition system influence employee productivity at Safaricom limited as a strategy affect employee?

(Place a check mark in the appropriate square bracket).

Strongly Agree (5) Agree (4) Neutral (3) Disagree (2) Strongly Disagree (1)

Statement	1	2	3	4	5
6. Frequent rewards provided by the company challenges me to work hard					
7. The aim of the reward is to increase my engagement					

8. The company influences my productivity by linking the reward on job promotion.					
9. The rewarding system motivates me to complete my duties timely					
10. The rewards vary and are satisfying.					
11. My wage is fair and satisfactory to my performance level.					
12. The staffs are encouraged to be creative by the reward opportunities					
13. Whenever I achieve my personal goals I am rewarded, and this motivates me to strive and achieve company goals.					
14. Bonuses increase my performance					

### SECTION C: EFFECTS OF TRAINING

Kindly rate how training of the employees effects their productivity at Safaricom Limited using a scale of 1-5. Strongly agree (5) Agree (4) Neutral (3) Disagree (2) strongly disagree (1)

Statement	5	4	3	2	1
15. The company has a training policy					
16. The training programs are effective for the engagement of the employees					
17. The organization provides training which is relevant to my line of duty					
18. There is diverse training at different levels					
19. I have participated in different training programs organized by the company					
20. Training programs have increased my outcome in the company					

### SECTION D: EFFECTS OF REWARD AND FEEDBACK

Kindly rate the extent at which performance feedback influence performance of the employees at Safaricom limited using a scale of 1-5. Strongly agree (5) Agree (4) Neutral (3) Disagree (2) strongly disagree (1)

Statement	5	4	3	2	1
22. The manger provides frequent fair feedback to me					
23. We do have detail discussion on my performance with the manager					
24. The organization is inclined at providing positive feedbacks to promote employee performance					
25. I receive genuine feedback which motivate me to improve					
26. The performance feedback is unbiased and promotes productivity					

**Thank you for your participation.**