DETERMINANTS OF EMPLOYEES PERFORMANCE IN KENYA PORTS AUTHORITY

Gitonga M. K.
Technical University of Mombasa, Kenya

Dr. Kingi W.
Technical University of Mombasa, Kenya

Dr. Jean U.
Technical University of Mombasa, Kenya

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ABSTRACT
The purpose of the study was to assess the determinants of performance of Kenya Ports Authority employees. The specific objectives of this study were: i) to examine the effect of organizational factors on performance of Kenya Ports Authority employees ii) to investigate the effect of motivation factors on performance of Kenya Ports Authority employees and iii) to establish the effect of individual characteristics on performance of Kenya Ports Authority employees. This research problem was studied through the use of a descriptive research design. KPA management staff consisted of a total population of 220 who were highly qualified permanent staff working at KPA offices in Mombasa. A sample of 65% of the total population was selected using stratified random sampling generating a sample size of 142 respondents. Primary data was collected using a questionnaire and a pilot study was done to establish the reliability and validity of the research instruments. The target population included top management, middle level management and low level management of Kenya Ports Authority. Questionnaires were the main data collection instrument. The study employed quantitative analysis techniques. A regression model was used to analyze the objectives. The collected data was processed using SPSS and presented using frequency tables, bar charts, and pie charts. Results confirm the varying importance of the determinants of employees’ performance. In general, the results revealed that all the determinants of employee performance under study i.e. individual characteristics, organizational factors, and motivation factors had significant and positive effect on employees’ performance in Kenya Ports Authority. Stepwise regressions revealed that two determinants of employees’ performance i.e. individual characteristics and organizational factors explained statistically significant portion of variance related with the extent of employees’ performance in Kenya Ports Authority. This study recommends that Kenya Ports Authority should utilize individual characteristics and organizational factors for enhancing their employees’ performance.

Key Words: employees performance, Kenya Ports Authority

INTRODUCTION
Altrasi (2014) explains that employees are a strategic asset in an organization whose performance at work influences the overall performance of the organization. It is through employee performance that an organization can achieve and exceed its goals of productivity efficiently (Muda et al., 2004). Firms rely heavily on employee performance for their survival and this makes the management of employee performance an all year round event in organizations (Mekonnen, 2014). Mwangi (2012) explains that organizations are under obligation to understand the determinants that affect employee performance because this helps them make decisions that will lead to improved performance by individual employees. The exercise of unearthing factors that determine employee performance helps to enhance
recruitment, retention and the overall performance of the organization (Mohammed and Namalathan, 2011). In the whole world, different scholars have endeavored to identify the various elements affecting employee performance in different sectors and different countries (Hilda, 2006, Imran et.al., 2011). The Kenblachard Companies report of 2000 discussed the barrier to employee performance and concluded that only 60% of workforce was operating at 65% of their potential. The conclusion was that the remaining 40% of employees’ potential could be exploited by identifying the determinants of employee performance. Most organizations are faced with the dilemma of the factors which influence employee performance. This is because poor individual employee performance can affect the productivity of individual and group employees which can put the organization at a risk (Salleh et.al., 2011).

STATEMENT OF THE PROBLEM

Kenya Ports Authority plays a critical position towards the achievement of vision 2030. This is so because ports have been singled out as the driving force and the government hence has laid a lot of stress on KPA by supporting its various projects (GOK, 2012). However, KPA has encountered employee performance challenges which have led to its failure to achieve its desired results. Going by the financial year 2009/2010 performance results, KPA did not attain its expectations inspite of the government having given it a greater allocation of the budget (GOK, 2010). Ruto and Datche (2015) in their study on logistical challenges facing KPA concluded that the state parastatal was performing poorly because of slow container handling processes, limited yard capacity, long clearing and forwarding procedures, poor planning, poor use of Information technology and poor corporate culture among others. The study established some gaps in literature such as low commitment from employees, and other support service challenges which are addressed in this study. Mulera, M. J. (2011) in a study on effects of management practices on employee retention established various challenges that were facing KPA such as upward mobility of employees and poor management. The study recommended gaps that needed to be filled by other studies such as performance determinants in Kenya Ports Authority and employee job satisfaction and consequently retention and improved performance.

OBJECTIVES OF THE STUDY

The general objective of the study was to assess the determinants of employees’ performance in Kenya Ports Authority.

SPECIFIC OBJECTIVES

1. To examine the effect of organizational factors on employees’ performance in Kenya Ports Authority.
2. To investigate the effect of motivation factors on employees’ performance in Kenya Ports Authority.
3. To establish the effect of individual characteristics on employees’ performance in Kenya Ports Authority.
THEORETICAL FRAMEWORK

This is the area where the theories related to the study were discussed and the conceptual framework was also shown.

**Equity Theory**

This theory looks at an organization’s policies and procedures and their fair application, declaring that it influences the employee’s level of motivation. The theory is proposed by Adams and posits that if rewards and punishments are accorded correctly, employees feel that the company is fair. Equity should not be confused with equality, which means giving everyone the same treatment (Armstrong, 2006). Hodgetts and Hegar (2008) provide an example saying that if employees A and B earn the same salary and employee A feels that s/he does more work than employee B, employee A will feel s/he is being treated inequitably and may result in taking some action to rectify the perceived inequity if her/his salary is not increased. Possible actions that employees may take to rectify an inequity are: to reduce or increase the effort they put in their work, reduce or increase the level of their productivity, distort the perception they hold on their performance, distort the perception they hold on others performance, change the referent they have been comparing themselves to or choose to resign from the company.

Stratheford (2012) declares that distributive justice, which is ensuring equitable allocation of rewards and penalties, is important to employee motivation and involves a system that deals fairly salaries, bonuses, leave time, working hours, promotions, transfers, dismissals, training, demotions and salary raises. More recently, it was asserted that distributive justice which the equity theory focused on has developed into organizational justice, which centers on the overall perception of fairness in the workplace by incorporating what the individual employee perceives as fair, the procedure used by the organization to grant the reward or penalty as well as the delivery of the reward/penalty as far as retaining the employee’s dignity and respect is concerned.

**Expectancy Theory**

Victor Vroom developed a mathematical model to explain motivation in organizations known as the expectancy theory. It focused not on the needs of a person but on the outcome based on their effort. It is one of the most widely acknowledged descriptions of employee motivation because most of the evidence supports the theory. He came up with three variables which are necessary for motivation namely, valence, instrumentality and expectancy. Valence is the value of the outcome of work, expectancy refers to one’s belief that effort will lead to a particular outcome and instrumentality is the belief linking one outcome to another. The theory explains that an employee is willing to perform with a high level of effort if s/he believes that it will lead to desired outcomes (Armstrong, 2006).
The theory focuses on three relationships, namely: effort performance relationship which is the perception of the individual that specific effort will lead to performance, performance-reward relationship which is belief by the individual that a certain level of performance will result to a desired outcome and the rewards-personal goals relationship which is the extent to which organizational rewards will satisfy the individual’s desired personal goals. It is hence important to understand the linkages between the three relationships for its application to be relevant.

**Herzberg’s Two Factor Theory**

This theory, also called the Motivation-Hygiene Theory is one that identifies intrinsic factors that contribute to satisfaction and how the worker’s environment can contribute to dissatisfaction of the employee following research conducted by Frederick Herzberg in answer to the question “what do people want from their jobs?” From the research, motivator factors are those that resulted in a positive feeling and self-actualization among employees and are achievement, recognition, responsibility, work itself, advancement and growth. Motivators lead to greater performance but their presence alone does not guarantee employee productivity (Herzberg et al, 2009).

Hygiene factors were named so because the environment in which the individual’s has to perform his duties was psychologically unhealthy. They are non-task characteristics of the work environment that create negative feelings in the individual and are company policy and administration, supervision, salary, relationship with co-workers, personal life, status and security. The presence of these factors does not result in satisfaction but will simply reduce dissatisfaction. If provided, hygiene factors are not a strong motivator because their motivation effect will not last long, however, if not provided or if wrongly provided can be a major cause of dissatisfaction (Herzberg et al, 2009). Managers who want to motivate their employees should therefore focus on factors revolving around the actual work or to the benefits that employees can derive from the work.

**Goal Setting Theory**

Edwin Locke (1968) developed the goal-setting theory which explains a positive relationship between goals and performance. It states that performance in organization improves when specific goals are set (Fred, 2011). According to this theory manages should come up with goal based programs that employees can endeavour to achieve which are measurable. This motivates employees in attaining the proposed goals which in return improves the performance of the employees (Thorgren and Vincent, 2013). Kangangi (2014) explains that managers should align their organizational goals to the individual goals because goals that are specific and difficult will lead to better performance if achieved. Ruto and Datche (2015) suggested that employees should establish individual goal which will motivate them to superior performance. This is because the employees keep following their goals. If these goals are not achieved, they either improve their performance or modify the goals and make them more realistic.
Organizational Factors and employees’ performance

Altrasi (2014) viewed organizational factors as the organizational elements that describe and differentiate one organization from others such as leadership structure, policies, procedures and climate. This study incorporated top management support, training and leadership patterns of managers as organizational factors which influence employee performance. Top management support involves the ability of an organization to engage in activities, attitudes and behaviors that prove to support successful accomplishment of activities which contribute to employee performance (Hague and Anwat, 2012).

Miao 2011 states that employees have an inherent need of being cared for and they require to be provided with the necessary support from management in terms of resources, approval, affiliations in order to encourage to perform well. Leadership style is critical to employee performance because leaders’ actions are directed to provide the required necessary task related guidance and moral support to employees (Bodla and Hussein, 2009). Every leadership style is designed to test the direct and indirect effect of leadership on employee performance. Employees require good structures in order to gain the necessary guidelines operating procedures and methods to perform the work and give feedback (Bass and Bass, 2008). In need for social support employees expect their leaders to provide them with emotional, psychological and moral support (Yukl, 2011). The style of leadership explains the behavioral and exchange process in which a leader performs certain actions to influence employee performance (Walumbwa and Webbr, 2009). There is a positive relationship between the leadership style exhibited by the leader to influence followers in task performance by providing the necessary social support and employee performance (Kim, Tavitiyaman and Kim, 2009).

Motivation factors and employees’ performance

The act of inducing employees each with distinctive needs and personalities to pursue personal and organizational objectives encourages them to perform better (Mekonnen, 2014). Ability is an explanation of an individual’s knowhow, qualifications and experience which are a necessary condition for determining individual performance (Gebregziabher, 2009). The most important variables which explain employee performance and which effectively influence such performance are a function of ability and motivation (Abdulsalam and Abubakar, 2012). Mekonnen, (2014) views employee performance as a positive relationship between ability and motivation Performance = (A x M). This means that if either is inadequate then performance will be negatively affected. The components of ability which are an individual’s intelligence and skills are viewed as accurate predictors of employee performance (Mulins, 2007).

Stella, 2008 states that employees who are highly motivated are much likely to be high performers. This is so because motivation is a satisfying factor whose presence strongly and positively affects individual performance and its absence overtime negatively affects individual performance (Gebregziabher, 2009). Abdulsalam and Abubakar (2012) classifies intellectual
abilities of adults as fluid intellectual ability most associated with working memory, abstract reasoning and attention and crystallized intellectual abilities associated with knowledge, vocabulary and verbal comprehension. Gebregziabher (2009) found out that with increased age, employees engage in jobs which demand high levels of knowledge and experience in order to maintain their performance.

Individual characteristics and employees’ performance

The individual characteristics that have been adopted for this study are age and individual training. A research conducted in Ethiopian Public organizations established age as one of the variables that determine employee performance (Gebregziabher, 2009). According to Gursoy, Maier and Chi (2008), individual characteristics include age, gender, physical activity, alcohol drinking habits, smoking habits and Computer Use Information. Other scholars have also endeavored to identify the influence of individual characteristics on employee performance with positive results being recorded (Islam, Cheong, Yusuf and Desa, 2011). Robins (2008) identifies individual characteristics as qualities owned by someone who consists of the demographical characteristic variable, ability, and personality. The demographic characteristics cover: age, sex, marital status, number of dependents and service period. The personality characteristics cover: personality, attitude, and someone’s need taken along into the work atmosphere.

Individual characteristics are features that shape employee behaviors that influence motivation and employee performance (Gursoy, Maier, and Chi, 2008) states those individual characteristics are closely linked to employee performance, meaning that there is a significant effect of individual characteristics on employee performance. There are four characteristics of an individual as an employee in relation to work. Those four characteristics are: biographical, abilities, personality and learning (Musriha, and Dra Ms, 2014). In the biographical characteristics that appear and can be observed on: age, gender, marital status, and number of family members (Gellert and Schalk, 2012). Most likely the relationship between age and performance is an increasingly important issue over the next decade, because there is a widespread belief that performance declines with increasing age (Goris, 2007). It was also noted that employee performance increases with age up to some point beyond which it decreases (Mekonne, 2014).

Measurement of employees’ performance

Performance of employees in any organization is vital not only for the growth of the organization but also for the growth of individual employee. An organization must know who are its outstanding workers, those who need additional training and those not contributing to the efficiency and welfare of the company or organization. Also, performance on the job can be assessed at all levels of employment such as: personnel decision relating to promotion, job rotation, job enrichments (Amabile, 2003). And, in some ways, such assessments are based on objective and systematic criteria, which include factors relevant to the person’s ability to perform
on the job. Hence, the overall purpose of performance evaluation is to provide an accurate measure of how well a person is performing the task or job assigned to him or her. And based on this information, decisions will be made affecting the future of the individual employee (Kuvaas and Dysvik, 2009). The view that specific rewards will encourage increases in production has not always been substantiated, even though management has often attempted to spur production by such offerings and has often attributed production increase to them.

Motivation is one of the general factors known to many as to have an effect on the performance of employees in any given set-up or organization. This has to a certain extent created a perception among the human resource professionals that employees consider motivation especially intrinsic to be the most important thing in their career (Tsai et al., 2007). When employees are intrinsically motivated their performance of work tremendously increases. According to Armstrong (2001), the basic requirements for job satisfaction may include comparatively competitive pay, equity, real opportunities for promotion, participative management, degree of social interaction at work and interesting work with relative control over work pace and work methods.

RESEARCH METHODOLOGY

Research Design

This research problem was studied through the use of a descriptive research design. A descriptive study is concerned with finding out the what, where and how of a phenomenon. This study therefore was able to generalise the findings to all the departments in the organization. According to Mugenda and Mugenda (2003), descriptive design is a process of collecting data so as to answer questions regarding the current status of the subject of the study. The research design helped the researcher to explore the determinants of employee performance in KPA.

Target Population

A target population is the specific population about which information is desired. A population is a well-defined set of people, services, elements, and events, group of things or households that are being investigated. KPA management staff consists of a total population of 220 employees who are highly qualified and permanent staff. The target population of this study, therefore, was 220 staff working at KPA offices in Mombasa. The study focused more on the three levels of management that is top, middle and lower level management staff who were directly dealing with the day to day management of KPA.

Sample and Sampling Technique

The sampling plan describes the sampling unit, sampling frame, sampling procedures and the sample size for the study (Creswell, 2009). A sample of responding staff was drawn from the 220 top, middle and lower level managers from the staff working at KPA offices in Mombasa. Creswell (2009) argues that if well chosen, samples of about 10% of a population can often give...
good reliability. Stratified random sampling technique was used since population of interest is not homogeneous and could be subdivided into groups or strata to obtain a representative sample. From the above population of two hundred and twenty (220), a sample of 65% of the study population was selected. This generated a sample of 142 respondents which the study sought information from. Out of the 220 employees of Kenya Ports Authority, the sample size was calculated using a proportion of 65% which was in tandem with Mugenda & Mugenda (2003) argument that a 30% sample size was a good representation of the target population.

\[
S = 65\% \times N \\
S = \text{required sample size} \\
N = \text{the population size} \\
S = 65\% \times 220 = 142
\]

**Data Collection Methods**

The study collected both primary and secondary data for the purpose of analyzing the determinants of employee performance of Kenya Ports Authority. Primary data was collected using a questionnaire while secondary data was obtained from the annual reports of the organization. With respect to determinants of employee performance, this study utilized a questionnaire that was in structural form. The questionnaire designed in this study comprised of two sections. The first part was designed to determine fundamental issues including the profile of the respondents, while the second part consisted of questions which focused on the three variables. The questionnaire was designed in line with the objectives of the study. To enhance quality of data to be obtained, Likert type questions were included whereby respondents indicated the extent to which the variables were practiced on a five point Likert scale. The structured questions were used in an effort to save on money as well as to facilitate in easier analysis as they were in immediate usable form.

Data collection involved a self-administered questionnaire. The researcher dropped the questionnaires physically at the respondents’ place of work. The researchers left the questionnaires with the respondents and picked them up later. Each questionnaire was coded and only the researcher knew which person would respond. The coding technique was only used for the purpose of matching returned and completed questionnaires with those delivered to the respondents.

**RESEARCH RESULTS AND DISCUSSION**

The results were computed to produce percentages, frequencies, mean and standard deviation for efficiency in interpretation. Qualitative analysis was conducted to supplement the quantitative analysis.
Effect of Organizational factors on Employees’ performance

Objective one sought to investigate the effect of organizational factors on employee performance. Most of the respondents agreed that organizational leadership style plays a key role on the level of performance inclination as shown by a mean of 3.81. Most of the respondents also agreed to the fact that senior managers in the KPA are open to new ideas and suggestions reporting a mean of 3.78. The organization providing employees with skills and knowledge that benefit their future career reported a mean of 3.50. These results are in agreement with the findings of Yukl (2011) who postulated that leadership style exhibited by the leader to facilitate the followers in task performance and also providing them the necessary social support has direct and positive effect on employees’ performance. The findings are also in consistent with the findings of Miao (2011) who contended that the provisions of support from the management and required resources to organizational members are more likely to enhance the employees’ performance.

Effect of Motivation factors on Employees’ performance

Objective two sought to establish the effect of motivation factors on employees’ performance. From the findings indicated in Table 4, most of the respondents agreed that employees constantly sought out new challenges at work with a mean of 3.45 being obtained. The findings on whether KPA employees’ remuneration was competitive in comparison with other organizations of the same industry and on employees being clear about the objectives they needed to achieve, obtained a mean of 2.98 and 2.88 respectively. Doing this job makes me feel good about myself was rated low having obtained a mean of 1.98. The results are consistent with the findings of Abdulsalam and Abubakar (2012) who argued that the performance of employees is a function of both motivation and ability. The study results are also in agreement with the revelations of Ngu (1998) who contends that the most important variable explaining employees’ performance is motivation. Therefore, it is implied that the employees can only reach peak performance if they are adequately motivated.

Employees’ performance

A number of questions were asked to establish how employees’ performance was conducted at the Kenya Ports Authority. Respondents agreed that there is reduced rate of absenteeism at KPA by obtaining a mean of 4.47. The study further investigates whether employees in the organization are encouraged to appraise themselves and a mean of 4.30 was obtained. The study further requested the respondents to indicate whether the cost of work performed has some control over costs and a mean of 3.22 was obtained.

CORRELATION ANALYSIS

Pearson bivariate correlation coefficient was used to compute the correlation between the dependent variable (employees’ performance) and the independent variables (organizational
factors, motivation factors and individual characteristics). Sekaran (2008) notes that this relationship is assumed to be linear and the correlation coefficient ranges from -1.0 to +1.0. Hence, the correlation coefficient was calculated to establish the strength of the relationship between dependent and independent variables (Kothari, 2013). The Table 4 below shows the results.

From the Table 1 below, the results generally indicate that all independent variables (individual characteristics, motivation factors and organizational factors) were found to have positive and highly significant correlations with employees’ performance at 1% level of significance. There was a moderate and positive significant correlation between individual characteristics (IC) and employees’ performance (r=0.375, P<0.01). There was a weak and positive but significant correlation between motivation factors (MF) and Employees’ performance (r=0.244, P<0.05). There was a moderate positive and highly significant correlation between organizational factors (OF) and Employees’ performance (r = 0.394, P<0.01). The results imply that individual characteristics (IC), motivation factors and organizational factors (OF) significantly affected employees’ performance of Kenya Ports Authority.

**Table 1: Correlations analysis**

<table>
<thead>
<tr>
<th>Individual Characteristics</th>
<th>Pearson Correlation</th>
<th>Sig. (2-tailed)</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual characteristics</td>
<td></td>
<td></td>
<td>110</td>
</tr>
<tr>
<td>Motivation Factors</td>
<td>.136</td>
<td>.333</td>
<td>110</td>
</tr>
<tr>
<td>Organization Factors</td>
<td>.238</td>
<td>.086</td>
<td>110</td>
</tr>
<tr>
<td>Employees’ Performance</td>
<td>.375**</td>
<td>.006</td>
<td>110</td>
</tr>
</tbody>
</table>

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

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

The results are in agreement with the findings of McColy and Wise (2002) who showed that motivation is a tool to improve performance through learning. It is also argued by Argyris (1991) that success in the market place is highly related to learning and how to motivate employees to
learn. In addition, Smith (1994) observed that motivated employees are required if a firm wishes to survive in a competitive environment. The current study findings reveal that there is a direct positive relationship between motivation and employees’ performance. The findings are also in agreement with Eisengerber, Fasolo and Davis-LaMastro (1990) who provided that employee’s positive perception of being cared and provided necessary support from the top management in task performance encourages employees’ performance. The results also concur with comments by Beckman (2009) that those firms without viable education programs would fail to provide employees with frequent opportunities to practice and enhance their capabilities in terms of enhanced employee skills and knowledge.

CONCLUSIONS

Based on the findings of this study, the conclusions were drawn. The results revealed that individual characteristics, organizational factors and motivation factors all have significant and positive effect on employees’ performance in Kenya Ports Authority. These findings indicate that the existing motivation factors are suitable for improving employees’ performance in Kenya Ports Authority. The Stepwise multiple regression analysis, revealed that two determinants of employees’ performance namely; individual characteristics and organizational factors explained statistically significant portion of the variance related with the extent of employees’ performance in Kenya Ports Authority. The stepwise multiple regressions indicated that among the determinants of employees’ performance, individual characteristics and organizational factors had more effect on improving employees’ performance of Kenya Ports Authority. This result was an emphasis on the role of individual characteristics and organizational factors in providing a suitable environment for developing employees’ performance in Kenya Ports Authority.

RECOMMENDATIONS

Based on the findings of this study and the conclusions drawn, the following recommendations were made:

Managerial recommendations

1. The existing motivation factors should be modified towards motivation practices so as to improve employees’ performance in Kenya Ports Authority.
2. Managers of Kenya Ports Authority should focus more on individual characteristics and organizational factors so as to improve employees’ performance.
3. In modifying motivation factors, education programs on motivational factors for employees and managers should be given key priority at Kenya Ports Authority.

Policy recommendations

1. Policy makers should establish how individual characteristics and organizational factors could be modified so as to facilitate employees’ performance of Kenya Ports Authority.
2. Policy makers should decide on the mechanisms to enhance motivation factors.
3. The government should develop very clear and elaborate regulatory framework and policies so as to guide the operations of Kenya Ports Authority in employees’ performance.

4. Specifically, this study assessed the effect of individual characteristics, motivation factors and organizational factors on employees’ performance in Kenya Ports Authority. These determinants are not exhaustive hence further research could be carried out to unearth other determinants of employees’ performance in state parastatals. Similarly, further studies need to be carried out to establish challenges that Kenya Ports Authority’s employees face and how best these challenges could be addressed to enhance growth and performance of the Kenya Ports Authority.

REFERENCES


