

EFFECT OF EMPLOYEE WELFARE PROGRAMMES ON EMPLOYEE PERFORMANCE: A CASE STUDY OF KENYA RAILWAYS CORPORATION

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ABSTRACT

The general objective of this study was to determine the effects of employee welfare programs on employee performance in Kenya Railways Corporation while the specific objectives was to assess the influence of occupational health on employee performance in Kenya Railways Corporation, to investigate the influence of succession plans on employee performance in Kenya Railways Corporation, to establish the influence of training and development on employee performance in Kenya Railways Corporation, to determine the influence of employee referral scheme on employee performance in Kenya Railways Corporation and to examine the influence of remuneration policies on employee performance in Kenya Railways Corporation. The study used descriptive survey research design. The study targeted a population of 1720 employees. The target population was stratified into two administration and academic staff. Out of this population, a sample of 172 respondents was obtained through stratified random sampling. The primary data was collected through a semi structured questionnaire. The questionnaires were administered to the academic and administrative staff at Kenya Railways Corporation. The questionnaires were administered through personal contact to allow for further investigation. The questionnaires were then picked later by the researcher to be used for data analysis. Both qualitative and quantitative data analysis methods were used to analyze the data that was collected in this study. Specifically, descriptive statistics was used to summarize the data and put it in presentable formats and

prepare it for correlation and regression analysis and inferential statistical analysis. Descriptive statistics was preferred for summaries and presentations because they presented the facts and they also made it easier to compute and interpret. The study established that the five variables of employee welfare programmes (occupational health; succession plans; training and development; employee referral scheme and remuneration policies) have an effect on employee performance at Kenya Railways Corporation. From the regression model, the study established that remuneration policies had strongly positively influenced employee performance at Kenya Railways Corporation. This was followed by occupational health which had a weak positive influence on employee performance at Kenya Railways Corporation. Training and development showed a weak positive influence on employee performance at Kenya Railways Corporation. On the other hand, employee referral scheme showed a weak negative influence on employee performance at Kenya Railways Corporation while succession plan recorded the least weak and negative influence on employee performance at Kenya Railways Corporation. The study recommends that remuneration policies; occupational health and training and development should be adopted by the Kenya Railways Corporation to improve on employee performance in the organization.

Key Words: *employee welfare programmes, employee performance, Kenya Railways Corporation*

INTRODUCTION

In the era of globalization, market economy, hyper competition and rapid changing environment, the success of an organization depends on the employees' performance. Employees' performance is an essential requirement if an organization is to maintain its efforts towards the realization of predesigned goals (Dessler, 2008). According to Humana Resource Philosophy employees are an important business resource that must be managed carefully in order to maximize return on investment and achieve business objectives. Organizations have to provide various benefits to ensure employees welfare is taken care off. In fact in this age and era it is almost impossible to operate an organization without offering a basic set of benefits for employees' welfare. Organizations should understand that a healthy and stress free worker is a major asset to the organization and should therefore provide welfare services and programmes (Ankita, 2010).

Armstrong (2004) states that employee welfare programs rest mainly on the abstract ground of social responsibility on organizations for those who work for them. Organizations need highly performing employees in order to meet their goals to deliver the products and services they specialize in and hence achieve competitive advantage. According to Gayle and Brock (2004) organizations provide welfare facilities to their employees to keep their motivation levels high. The employee welfare programs can be classified into two categories viz. statutory and non-statutory welfare schemes (Cole, 2002). The statutory schemes are those schemes that are compulsory to provide by an organization as compliance to the laws governing employee health and safety. These include provisions on safety, health and welfare. The non-statutory schemes differ from organization to organization and from industry to industry. The very logic behind providing welfare schemes is to increase a healthy loyal and the productivity of organization, create efficient, satisfied labour force for the organization promote healthy organizational relations thereby maintaining industrial peace (Cole, 2002).

Tiwari (2014) focused on employee welfare facilities and its impact on employees' efficiency at Vindhya Telelinks limited Rewa in India. The study established that the employee welfare facilities provided by the company to employees are satisfied and it is commendable, but still of scope is there for further improvement. So that efficiency, effectiveness and productivity can be enhanced to accomplish the organizational goals. Health, safety and welfare are the measures of promoting the efficiency of employee. The various welfare measures provided by the employer will have immediate impact on the health, physical and mental efficiency, alertness, morale and overall efficiency of the worker and thereby contributing to the higher productivity. The basic propose of employee welfare is to enrich the life of employees and to keep them happy and conducted. Welfare measures may be both statutory and non-statutory; laws require the employer to extend certain benefits to employees in addition to wages or salaries.

Owusu (2012) studied the effects of motivation on employee performance at commercial banks in Ghana. The study revealed that, management can make use of different strategies and policies

to motivate employees in the banking environment. Employees are interested in enhanced salaries, fringed benefits, promotion, and car loans as motivating elements sufficient to push employees of the bank to give out their best. The research also revealed that the core duty of the bank is normally carried out by clericals who are more than the supervisors and as such motivational packages should be geared towards the clerical workers to ensure that they delight the customers.

Weldon and Muathe (2014) deliberated on critical review of literature on employee wellness programs in Kenya. The study revealed that employee wellness is said to be very expensive and may not have a significant impact on the performance of employees as well as of the organization. It has more potential of capturing wider influences related to a person's individual characteristics and behaviours, the social, physical and economic environment. However, studies show a contrasting view on the benefits as outweighing the costs involved with substantive reduction of medicare costs, limited illness-related absenteeism, increased productivity and better quality of life. The intended benefits of improved employee performance resulting from good health, enhanced morale, reduced stress and burnout among employees as well as general increased productivity of the organization are realistic if such programs are fully operationalized in modern day workplaces.

Kuria (2012) examined the effects of employee welfare programmes on job satisfaction of employees within the flower industry in Kenya. The study revealed that the effects of employee-welfare programmes on job satisfaction of employees in organizations within the flower industry in Kenya, a case of Sueka Firm. In addition, the study established how equitable rewards, involving employees in decision making, career development opportunities, health and safety and good HR policies and practices contributed to job satisfaction.

Nyakwara, Shiundu and Gongera (2014) evaluated the employee welfare facilities as an intervention strategy of industrial unrest on organization performance at Mumias Company, Kenya. The findings from the study indicated that the major forms of industrial unrest experienced by MSC were strikes and the main cause of this was inflexibility of terms and conditions of employment. The study concluded that industrial unrest intervention strategies employed at MSC did not only address the issue of unrest but also enhanced performance of the organization. Lagat, Mutai and Kosgey (2014) examined the importance of employee welfare and performance in UASU, Kenya. The study established that trade unions play a key role in enhancing employee welfare and performance in organizations. Results indicated that the UASU had different but positive impacts on the variables affecting employee welfare and, consequently, employee performance. In descending order of importance, maternity, pension, housing and medical schemes were some of the benefits from the activities of the UASU.

PROBLEM STATEMENT

Workers or employees are often attracted into certain organization not only because of the pays packages that are stated in the advert but also because of the benefits attached to them. These benefits usually include housing, transport, medical, pension or retirement benefits to name but a few. These attractions also constitute to considerable objectives for which such individuals make up their minds to these primary attractions of such individuals into the organization will certainly lower the morale as well as the efficiency of such individuals' performance which will in turn effect on the organization's productivity. Employee welfare is a dynamic concept as new welfare measures are added to the existing ones along with social changes. The modern concept of employee welfare entails all those activities of the employers, which are directed towards providing the employees with certain facilities and services in addition to wages and salaries. Welfare facilities are essential for the health of the organization since they bear a close connection with the productivities of the labour force. Employee welfare measures increase the productivity of organization and promote motivation, healthy organizational relations thereby maintaining industrial peace and retain the employees for longer duration. There are arguments against the provision of welfare programs. Human Resource fraternity have spent many years trying to shake off its association with what it and others like to think of as at best peripheral and at worst redundant welfare activities. Welfare is provided by the state services, why industrial, commercial or public sector organizations should duplicate what is already there? However a scholar like Herzberg (2009) believes those welfare schemes are hygiene factors and as a result does not motivate the workers to perform. Armstrong (2004) states that employee welfare program rests mainly on the abstract ground of social responsibility on organizations for those who work for them. However all employers have to provide welfare facilities within the precincts of the organization as they form part of the working conditions. Many organizations are increasingly providing employee welfare depending on its priorities gives varies degrees of importance to employee welfare.

The former Uganda Railway, currently the Kenya Railway, was run by the company East African Railways jointly for the countries of Uganda, Tanzania and Kenya after World War I. Since the dissolution of the EAR Corporation in 1977 the national company Kenya Railways Corporation runs the former Uganda Railway and its branches in Kenya. The most important line in the country runs between the port of Mombasa and Nairobi, where sleeping car accommodation is offered for tourists. In 2006, the Rift Valley Railways Consortium led by South African companies took operating control of the Kenya and Uganda railways as part of a contract lasting at least 25 years (krc.co.ke). After criticism from the Kenya Railways Corporation, RVR doubled the frequency of service, and also imposed restrictions to reduce derailments on the ageing infrastructure. Kenya Railways Corporation is developing a new standard gauge railway (SGR) line for passengers and cargo transportation between Mombasa, the largest port in East Africa, and Nairobi, the capital city of Kenya. Kenya Railways Corporation plays a key role in the transport system by providing means of transportation of

goods and people within Kenya, East Africa to the rest of African countries. In meeting its core objectives, the organization has recognized the critical role played by all the employees irrespective of cadre. The organization has catered for various employee welfare programs for the employees hence efficiency and effectiveness of its operation. The employee welfare programs are important in ensuring employees better performance in KRC thus ensuring the organization meets its set objectives. This study therefore seeks to establish the effect of employee welfare programs and employee performance at Kenya Railways Corporation (krc.co.ke).

Several studies have been carried out locally on the employee welfare programs and employee performance. Kariuki (2006) studied a survey on the perception of staff welfare programs in large manufacturing firms in Nairobi and established that majority of the firms provide employees with staff welfare programmes. Wainaina (2011) studied on the relationship between wellness programs and employee job satisfaction at capital group limited. He established that the programs boosted employees' satisfaction levels. Masinde (2011) studied comparative analysis on the effects of social welfare facilities on employee motivation in Pan African Papermills and Mumias Sugar Company. The study established that facilities provided are a strong motivational element that has helped retain employees in the job for a long time and boosting their productivity. Kuria, (2012) studied on the effects of employee welfare programmes on job satisfaction of employees within the flower industry in Kenya the researcher established the effects of employee welfare programs on job satisfaction of employees in organizations within the flower industry in Kenya. The reviewed studies reveal that limited studies have examined the effect of employee welfare programs and employee performance. This constitutes a knowledge gap which justifies the need for further research. This study therefore sought to fill this research gap by establishing the effect of employee welfare programs and employee performance at Kenya Railways Corporation.

GENERAL OBJECTIVE

To determine the effects of employee welfare programs on employee performance in Kenya Railways Corporation

SPECIFIC OBJECTIVES

1. To assess the influence of occupational health on employee performance in Kenya Railways Corporation
2. To investigate the influence of succession plans on employee performance in Kenya Railways Corporation
3. To establish the influence of training and development on employee performance in Kenya Railways Corporation

4. To determine the influence of employee referral scheme on employee performance in Kenya Railways Corporation
5. To examine the influence of remuneration policies on employee performance in Kenya Railways Corporation

THEORETICAL FOUNDATION OF THE STUDY

Functional Theory of Labour Welfare

Functional theory of labour is also called the Efficiency Theory. This theory states that a fully mentally and physically satisfied worker is the most efficient. Employee welfare is a means to keep industrial workers content so they may work effectively. In this theory, welfare work is used as a means to secure, preserve and develop the efficiency and productivity of labour. This theory suggests that welfare work can be used as a means of securing, preserving and developing the efficiency and productivity of labor (Manju and Mishra, 2007). The theory states that if an employer takes good care of his work force, they will tend to be more efficient by improving production and that program for housing, education, training, provision of balanced diet and family planning measures are important for labour welfare as they increase the efficiency of workers in underdeveloped countries. The theory is helpful in understanding the characteristics of labour force as reflected on the contemporary support for labour and it worked well if the employer and employees have the same goal of achieving higher production through better welfare. The theory is adopted in the study since welfare services affect performance of any labour force. It is obvious that if an employer takes good care of his workers, they will tend to become more efficient.

According to this theory, the employer has an obligation or duty towards its employees to look after their welfare. The constitution of India also emphasizes this aspect of labour welfare. Impact on Efficiency plays an important role in welfare services, and is based on the relationship between welfare and efficiency, though it is difficult to measure this relationship. Programs for housing, education and training, the provision of balanced diet and family planning measures are some of the important programs of labour welfare which increases the efficiency of the workers, especially in underdeveloped or developing countries. The development of the human personality is given here as the goal of industrial welfare, which, according to this principle, should counteract the baneful effects of the industrial system. Therefore, it is necessary to implement labour welfare services. Both inside and outside the factory, that is, provide intra-mural and extra-mural labour welfare services. Totality of Welfare emphasizes that the concept of labour welfare must spread throughout the hierarchy of an organization. Employees' at all levels must accept this total concept of labour welfare program will never really get off the ground.

Social Exchange Theory

The theory proposes that employees exhibit positive or negative behaviour as a response to the treatment they receive from their employers. According to Greenberg and Scott (1996), the central aspect of this theory is the norm of reciprocity. A strong social exchange relationship between the employer and employee will help maintain positive working relationships and would elicit positive sentiments such as satisfaction commitment and trust in employees, which in turn will move employees to engage themselves in employee productivity. Social exchange theory proposes that the relationships we choose to create and maintain are the ones that maximize our rewards and minimize our costs. According to this, we are more self-centered and not necessarily concerned with equality. The basic idea is that relationships that give us the most benefits for the least amount of effort are the ones we value the most and are likely to keep long term.

Greenberg and Scott (1996) assert that the social exchange theory is most commonly used by the studies in predicting work behaviour in the field of organizational behaviour. Employers need to treat their employees fairly such that they can reciprocate the good gesture in the form of behaviour such as organizational citizenship behaviour which contributes to organizational influence effectiveness. The social exchange theory also has its fair share of criticism. Miller (2005) argues that the theory reduces human interaction to a purely rational process that arises from economic needs. Miller (2005) further contends that the theory favors openness as it was developed in the 1970s when ideas of freedom and openness were preferred but there may be times when openness is not the best option in a relationship.

Social exchange theory may provide insight into what variables might mediate the distinct effects of procedural and interactional justice on employees' reactions to the organization versus the supervisor. Social exchange relationships are different from those based on purely economic exchange, in that the obligations to one another are often unspecified and the standards for measuring contributions are often unclear. They develop between two parties through a series of mutual, although not necessarily 15 simultaneous, exchanges that yield a pattern of reciprocal obligation in each party (Blau, 1964). One party makes a contribution or provides a service to the other party and in so doing develops an expectation of a return at some future point in time.

Expectancy Theory

Armstrong (2006) argues that the concept of expectancy was originally contained in the valence-instrumentality- expectancy theory by Victor Vroom in 1964. According to Armstrong (2006) valence stands for value instrumentality is the belief that if we do one thing it will lead to another and expectancy is the belief that action or effort will lead to an outcome. The theory holds that individuals choose between alternatives which involve uncertain outcomes. The individual's behaviour is not only affected by his preferences amongst these outcomes but also by the degree to which the individual believes the outcomes to be possible. Armstrong (2006) defines

expectancy as a monitory belief concerning the likelihood that a particular act will be followed by a particular outcome.

According to Armstrong (2006) expectancies may be described in terms of their strength. Maximum strength is indicated by subjective certainty that the act will be followed by the outcome while minimal strength is indicated by subjective certainty that the act will not be followed by the outcome. The strength of expectations may be based on past experiences for example the idea that employees who go beyond the call of duty are rewarded. In these circumstances motivation to perform will be increased. To maintain such employee performance at the workplace managers should reward their employees in accordance with their contribution. This will motivate the employee to continue performing and even go beyond the call of what they are expected to do. The expectancy theory has also made some important contributions to motivation theories. Unlike other theories the expectancy theory takes into account individual perceptions and thus personal histories allowing a richness of response not obvious in other theories which assume that people are essentially the same. However the expectancy theory has also been criticized. Mitchell (2001) argues that the greatest difficulty in testing the theory stems from the fact that theory is so comprehensive that it is virtually impossible to concurrently test all aspects of the theory.

EMPIRICAL LITERATURE REVIEW

Armstrong and Baron (2000) base the ethos of performance on the assumption that if the performance levels of individuals can be raised somehow, better organizational performance will follow as a direct result. In his book, *The Human Equation*, Pfeffer (1998) describes how companies achieve profitability by putting people first. Numerous business practices have been put forth that suggest management practices can affect performance in positive ways. These include training, performance management, and rewards and incentive systems (Deng, Menguc, and Benson, 2003). Productivity tends to be associated with production-oriented terms (profit and turnover) and performance is linked to efficiency or perception-oriented terms (e.g. supervisory ratings and goal accomplishments). Employees must be able to deliver good results and have a high productivity. Employee performance is based on individual factors: personality, skills, knowledge, experience and abilities. Employee goes beyond the individual factors to include external factors such as reward and motivation, work environment, technology among others. Mazin (2010) lists four different performance dimensions on which employees are measured: quality, quantity, dependability and job knowledge.

Park, Mitsuhashi, Fey and Bjorkman (2003) stated that employee's performance is measured against the performance standards set by the organization. Performance is the achievement of specified task measured against predetermined or identified standards of accuracy, completeness, cost and speed. Desired performance can only be achieved efficiently and effectively, if employee gets a sense of mutual gain of organization as well as of himself, with the attainment

of that defined target or goal. Efficiency and effectiveness are ingredients of performance apart from competitiveness and productivity and training is a way of increasing individual's performance (Tessema & Soeters, 2006). In every organization there are some expectations from the employees with respect to their performance. Functioning and presentation of employees is also termed as employee performance. This means that effective administration and presentation of employees' tasks which reflect the quality desired by the organization can also be termed as performance (Benedicta & Appiah, 2010).

Tessema and Soeters (2006) categorized employee performance into task and contextual or citizenship performance behaviors. Task performance includes behaviors which an employee performs to accomplish tasks given to him by his supervisor or behaviors associated with core technical activities of the organization. Whereas, contextual or citizenship performance includes behaviors which establishes the organizational social and psychological context and help employees to perform their core technical or task activities (Huczynski & Buchanan, 2007).

Many scholars argue that there exists somewhat relationship between employee performance and employee welfare benefits and services. For instance Onitiri (1983) opines that poor standards of living bad health lack of education bad housing, poor transportation to and from work, bad conditions in the work place reduce worker's productivity and low productivity in then reduces the capacity of the society to improve working conditions. Welfare measures relates to certain additional activities which are provided by an organization like housing facilities, transportation facilities. Medical facilities, recreational and cultural facilities, libraries, gym and health club etc. in hope of winning the satisfaction index of an employee. McGuire and McDonnell (2008) suggested that the welfare facilities aids in enhancing the self-confidence and intellectual level of an employee. Torjman (2004) demonstrated that welfare facilities and recreation accounts for healthy individual besides enchasing among their happiness and emotional quotient .Kirsch (2009) was of the opinion that welfare facilities should be flexible and continuous innovation needs to be done. Mathew (2011) advocated that employee welfare measures serve as oxygen for motivation of the workers and increasing the effectiveness of the workforce.

Historically employee welfare services were meant to reduce absenteeism and time off due to illness. However, today they have taken a broader scope and they include almost all aspects that relate to an employee's wellness and personal development in the work place (Manzini and Gwandure, 2011). Logically, the provision of welfare schemes is to create an efficient, healthy, loyal and satisfied labor force for the organization. The purpose of providing such facilities is to make their work life better and also to raise their standard of living. Priti (2009) argues that the role of welfare activities is to promote economic development by increasing efficiency and productivity with the underlying principle being making workers give their loyal services ungrudgingly in genuine spirit of co-operation and the general well-being of the employee. Despite this, Mwiti (2007) points out that naturally welfare services may not directly relate to an employee's job but the presence or absence of the services is notable through employee

performance, attitude, high or low labour turnover. The workforce provides essential service to the public in Kenya and thus their labour welfare activities need to address the same. Manzini and Gwandure (2011) argues that, welfare services can be used to secure the labour force by providing proper human conditions of work and living through minimizing the hazardous effect on the life of the workers and their family members. Welfare services may be provided by supplementing the income of the workers by providing services such as housing, medical assistance, canteens and recreation facilities (Mishra & Manju (2007). Further, welfare facilities help in raising employees' standards of living.

The success of these employee welfare activities depend on the approach which has been taken to account in providing such activities to employees and welfare policy should be guided by idealistic morale and human value and such services include the provision of medical facilities, sanitary and the accommodation of workers employed, amenities and industrial social security measures, training and education facilities, HIV and AIDS risk reduction and counseling services (Harika, 2010). Morwabe (2009) argues that work environment should comprise of issues such as the working hours, employment policy, workers' health and welfare, workplace design and the general conduct of workers at the workplace. Employee welfare activities in both developed and developing society have an impact not only on the workforce but also on the facets of human resources (Manju & Mishra, 2007). These services may be provided by the government, trade unions and non-governmental agencies (Ankita, 2010).

RESEARCH METHODOLOGY

Research Design

The study used descriptive survey research design. A survey research design seeks to obtain information that describes existing phenomenon by asking individuals about their perceptions, attitudes and values (Mugenda & Mugenda, 2003). Descriptive survey research design is the systematic collection of data in standardized form from an identifiable population or representative (Oso & Onen, 2009). Descriptive approach was thus ensured that comprehensive findings and depth information obtained on the subject matter; the effect of employee welfare programs on employee performance at Kenya Railways Corporation.

Study Population

According to Mugenda and Mugenda (2003), target population is the members of a real or hypothetical set of people, events or objects the researcher wishes to generalize the results of the research. The study has a target population of 1720 employees (KRC HR, 2015).

Sample Size

The study used stratified sampling technique which involved selecting units from heterogeneous population (Castillo, 2009). The sampling technique chosen as the population was heterogeneous consisting of administration and academic staff. Stratified random sampling technique was used to ensure that all the departments were represented. A representative sample of 172 (10%) of the population was selected using stratified random sampling. The target population was stratified into three top; middle and lower level of management. Out of this population, a sample of 172 respondents was obtained through stratified random sampling. Mugenda and Mugenda (2003) observe that 10% of the target population was a good representation of the study.

Data Collection Instrument

During the study, primary data was collected through semi-structured questionnaires. Secondary data was obtained from e-journal, library materials and documentation records from Kenya Railways Corporation. The semi-structured questionnaire enabled the researcher to get detailed information on the subject matter. The questionnaire comprised of both open ended and closed ended questions. This enabled the respondents to answer the questions without difficulties. The questionnaire contained statements assuring the respondents of confidentiality and protection. It further made clear that the information gathered was solely used for investigation. Thus, each respondent's response was treated in confidence and was not to be released to any other party for whatsoever reason. The primary data was collected through a semi structured questionnaire. The questionnaires were administered to the academic and administrative staff at Kenya Railways Corporation. The questionnaires were administered through personal contact to allow for further investigation. The questionnaires were then picked later by the researcher to be used for data analysis.

Reliability and Validity

The data collection instrument was tested for reliability and validity in order to carry out a pilot study on the data collection tool. Joppe (2012) considered reliability as “the extent to which results were consistent over time and an accurate representation of the total population under study”. The study pre-tested the semi- structured questionnaire on the pilot sample at different times and the Cronbach's coefficient (α) was used to calculate the resultant reliability of the instrument using the formula
$$\alpha = \frac{N \cdot \bar{c}}{\bar{v} + (N-1) \cdot \bar{c}}$$
 where N = the number of items; \bar{c} = the average inter-item covariance among the items; \bar{v} = the average variance. A coefficient of 0.7 or more denoted that the instrument has the desired reliability (Nunnally & Bernstein, 2015).

Joppe (2012) further considered validity of an instrument as the ability of that instrument to measure what it was exactly intended to measure. To enhance content validity, the researcher

adopted structured questions. The pilot study informed whether the questions present the desired findings or not. Inconsistencies were corrected to attain desired validity.

Data Analysis

Data analysis involved assigning meaning to the data that is collected (Gliner & Morgan, 2009). It involved working with data, organizing it, breaking it into manageable units, synthesizing it, searching for patterns, discovering what is important and what is to be learned and, deciding what the researcher will report (Connaway & Powell, 2010). Both qualitative and quantitative data analysis methods were used to analyze the data that was collected in this study. Specifically, descriptive statistics was used to summarize the data and put it in presentable formats and prepare it for correlation and regression analysis and inferential statistical analysis. Descriptive statistics was preferred for summaries and presentations because they presented the facts and they also made it easier to compute and interpret. The quantitative data that was obtained from the research was keyed and coded into the Statistical Package for Social Science (SPSS) analysis software to analyse and the findings were presented in summarized and easily comparable formats. The data was presented using APA tables. Qualitative data was analyzed through content analysis. This involved categorizing the responses from unstructured questions into themes then analyzing the same based on the weight to frequency of appearance and relatedness.

For the inferential analysis, the study used Pearson correlation to establish the relationship between employee welfare programs and employee performance. The study also conducted multiple linear regression analysis. This helped determine the relationship between the dependent and independent variables as given below:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \epsilon$$

Where:

α = Constant

Y = Employee performance

X_1 = Occupational health

X_2 = Succession plans

X_3 = Training and development

X_4 = Employee referral scheme

X_5 = Remuneration policies

ϵ = Stochastic disturbance error term

RESEARCH RESULTS

The study focused on determining the effects of employee welfare programs on employee performance in Kenya Railways Corporation. On the demographic section: the study showed that there was gender disparity where the males were the majority to their female counterparts. The

study also revealed that the level of the respondents in the organization were from the middle and lower management levels. The majority of the respondents had worked in the organization for more than 10 years. The respondents were educated for they had attained diploma, degree and master's degrees. The study also revealed that the respondents were drawn from the departments of administration; finance; human resources and procurement.

The study sought to determine the effects of occupational health on employee performance in Kenya Railways Corporation. The study established that the respondents agreed that the organization work environment is conducive with proper work space, ventilation, air conditioning; organization conducts safety procedure and drill including programs on occupational health; organization provides health services to staff and has partnered with health insurance companies or hospitals for healthcare; organization allows for lenient sick and maternity leave and that the organization provide uniforms safety garments and equipment: fire extinguishers, gloves, sanitary effects, gas masks, first aid kits. This implies that occupational health influence employee performance at the Kenya Railways Corporation.

The study sought to investigate the influence of succession plans on employee performance in Kenya Railways Corporation. The study findings established that the respondents agreed that the succession planning process aligns with broader planning at the organization; the succession plans support the achievement of organization strategic goals; the board of directors has a strategy in place for recruiting, orienting and developing new members and that organization identifies competencies required for future leaders. This finding implies that succession plans has an influence on employee performance at Kenya Railways Corporation.

The study sought to establish the influence of training and development on employee performance in Kenya Railways Corporation. The findings established that the respondents agreed that the organization conduct training programs that teach teamwork and cooperation or the importance of taking initiative and exceeding one's formally prescribed job duties; it improves organization performance; it promotes innovation and creativity for competitive advantage; it enriches employees' efficiency and that the organization has a training facility for staff. This implies that training has influence on employee performance at the Kenya Railways Corporation.

The study sought to determine the influence of employee referral scheme on employee performance in Kenya Railways Corporation. The study findings established that the respondents had agreed that employee referral scheme is the easiest way of recruitment; very cost effective; leads to harmonious environment in the organization; shortest path to better quality hires; it brings cultural retention; it is a marketing tool that promotes employer brand and that it is appropriate for obtaining candidates. This implies that training and development is has influence on employee performance at Kenya Railways Corporation.

The study sought to examine the influence of remuneration policies on employee performance in Kenya Railways Corporation. The respondents agreed that the employer always pays in time and that the wages and salaries that they are paid by the employer usually motivate them. This implies that remuneration policies influence employee performance at Kenya Railways Corporation.

The study sought to determine the impact of employee welfare programmes at Kenya Railways Corporation. The study established that the respondents agreed that the employee welfare programmes have enhanced their ability to plan and be able to undertake work in an organized manner while identifying priorities; communicate effectively with customers, superiors peers and others; suggest viable new ideas to enhance performance; self-drive to undertake agreed tasks; ability to manage people, inspires others, delegate duties, direct, co-ordinate and develop others; meet performance targets; adherence to moral principles, moral uprightness, honesty, decency, trustworthiness; accountability; diligence; willingness to act as a member of a group rather than as an individual and having continuing allegiance, faithful to KRC. This implies that employee welfare programmes have made a positive effect on employee performance at Kenya Railways Corporation.

Indicators of Employee Performance

The respondents were required to rate the indicators of employee performance. The findings are presented in table 1. According to the Likert scale, the researcher used a Key that assigned: 1= Highly Decreased 2= Decreased 3= Remained Constant 4= Increased 5= Moderately Increased 6= Highly Increased. Using these point allocation as the variable values and absolute frequencies, weighted mean and standard deviation (to determine the response dispersion from the mean) were computed. Given that there were six variables and a range of 5 points from the lowest to the highest possible mean translating to a variable by variable range of 0.6, the following key was established: 1. Highly Decreased - (1.0 – 1.60); 2. Decreased - (1.61 – 2.21); 3. Remained Constant - (2.22 – 2.82); 4. Increased - (2.83 – 3.43); 5. Moderately Increased - (3.44 – 3.61); 6. Highly Increased - (3.62-5.00)

The study established that the respondents rated that the ability to plan and be able to undertake work in an organized manner while identifying priorities had highly increased with a representative mean of 4.77. The respondents indicated that the ability to suggest viable new ideas to enhance performance (innovation) had highly increased with a representative mean of 3.74. They indicated that the self-drive to undertake agreed tasks (initiative) had highly increased with a representative mean of 4.75. The respondents indicated that the ability to manage people inspires others, delegate duties, direct, co-ordinate and develop (mentor) others (leadership) had highly increased with a representative mean of 4.51. The respondents indicated that meeting performance targets had highly increased with a representative mean of 4.92. The respondents added that adherence to moral principles, moral uprightness, honesty, decency, trustworthiness;

accountability; carefulness in carrying out tasks or duties with proper attention (diligence); willingness to act as a member of a group rather than as an individual and having or showing continuing allegiance, faithful to KRC had highly increased with representative means of 4.69; 4.74; 4.95; 4.63 and 4.94 respectively. This implies that employee welfare programmes have made a positive effect on employee performance at Kenya Railways Corporation.

Table 1: Employee Performance

Indicators	D	RC	I	MI	HI	Mean	Std. Dev.
Ability to plan and be able to undertake work in an organized manner while identifying priorities	-	-	56	36	28	4.77	0.807
Ability to communicate effectively with customers, superiors peers and others	20	22	64	14	-	3.60	0.902
Ability to suggest viable new ideas to enhance performance (innovation)	-	45	61	14	-	3.74	0.655
Self-drive to undertake agreed tasks (initiative)	-	-	56	38	26	4.75	0.791
Ability to manage people, inspires others, delegate duties, direct, co-ordinate and develop (mentor) others (leadership)	-	9	62	28	21	4.51	0.870
Meeting Performance Targets	-	-	51	28	41	4.92	0.875
Adherence to moral principles, moral uprightness, honesty, decency, trustworthiness	-	22	26	39	33	4.69	1.067
Accountability	-	-	59	33	28	4.74	0.815
Carefulness in carrying out tasks or duties with proper attention (diligence)	-	-	44	38	38	4.95	0.829
Willingness to act as a member of a group rather than as an individual	-	-	72	20	28	4.63	0.840
Having or showing continuing allegiance, faithful to KRC	-	-	37	53	30	4.94	0.748

Bivariate Linear Correlation Analysis

Research findings reveal that all the predictor variables shown have a positive association between them at a significant level of 0.01 and hence included in the analysis. The bivariate linear correlation analysis values are as presented as follows: Occupational health X1 = 0.118; Training & Development X2 = 0.158; Employee Referral Scheme X3 = 0.482**; Remuneration Policies X4 = 0.723**; Succession Plan X5 = 0.015

There was strong positive and significant relationship between remuneration policies and employee performance (correlation coefficient 0.723**); there is a strong positive relationship between employee referral scheme and employee performance (correlation coefficient 0.482**);

the findings reveal a weak positive relationship between occupational health and employee performance (correlation coefficient 0.118) and that least registered weak positive relationship between succession plan and employee performance (correlation coefficient 0.015). This implies that remuneration policies have the strongest effect on employee performance at Kenya Railways Corporation while succession plans had the least effect on employee performance at the organization.

Inferential Analysis on Employee Welfare Programmes

The study sought to determine the effects of employee welfare programs on employee performance in Kenya Railways Corporation. The factors under investigation were: occupational health; succession plans; training & development; employee referral scheme and remuneration policies. The regression model was:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \varepsilon$$

Where:

α = Constant

Y = Employee performance

X₁ = Occupational health

X₂ = Succession plans

X₃ = Training and development

X₄ = Employee referral scheme

X₅ = Remuneration policies

ε = Stochastic disturbance error term

The study sought to determine the ANOVA used to present regression model significance. The findings are presented in table 2.

Table 2: Model Validity

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	7.881	5	1.576	38.801	.000 ^b
	Residual	4.631	114	.041		
	Total	12.512	119			

a. Dependent Variable: Employee Performance

b. Predictors: (Constant), Succession plan, Employee Referral Scheme, Training & Development, Occupational health, Remuneration Policies

The study sought to investigate the multiple regression model whether it was valid or not. The F statistics was used to determine the model validity. The study found out that the model was valid $F_{(5, 114)} = 38.801, P < 0.001$. Therefore, this implies that all the five predictor variables are good in explaining variation in employee performance. The study sought to determine the model's goodness of fit statistics. The findings are presented in table 3.

Table 3: Model's Goodness of Fit Statistics

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
	.794a	.630	.614	.202

The coefficient of determination as measured by the R-square (R²) (63.0%) shows that all the five predictor variables explain 63.0% of the total variation. This implies that the stochastic disturbance error term (ϵ) covers 37.0%.

The study sought to determine the multiple regression variable coefficients. The findings are presented in table 4.

Table 4: Multiple Regression Variable Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	2.772	.702		3.951	.000
Occupational health (X ₁)	.225	.106	.136	2.124	.036
Training & Development (X ₂)	.062	.027	.134	2.305	.023
Employee Referral Scheme (X ₃)	-.262	.125	-.192	-2.089	.039
Remuneration Policies (X ₄)	.594	.060	.953	9.940	.000
Succession plan (X ₅)	-.120	.034	-.243	-3.529	.001

a. Dependent Variable: Employee Performance (Y)

X₁ was found to be statistically significant and positively related to Y ($\beta_1 = 0.225$, $P = .036$).

X₂ was found to be statistically significant and positively related to Y ($\beta_2 = 0.062$, $P = .023$).

X₃ was found to be statistically significant and negatively related to Y ($\beta_3 = -0.262$, $P = .039$).

X₄ was found to be statistically significant and positively related to Y ($\beta_4 = 0.594$, $P = .000$).

X₅ was found to be statistically significant and negatively related to Y ($\beta_5 = -0.120$, $P = .001$).

CONCLUSIONS

From the findings, the study concluded that the five variables of employee welfare programmes (occupational health; succession plans; training and development; employee referral scheme and remuneration policies) have an effect on employee performance at Kenya Railways Corporation. From the regression model, the study established that remuneration policies had strongly positively influenced employee performance at Kenya Railways Corporation. This was followed by occupational health which had a weak positive influence on employee performance at Kenya Railways Corporation. Training and development showed a weak positive influence on employee performance at Kenya Railways Corporation. On the other hand, employee referral scheme

showed a weak negative influence on employee performance at Kenya Railways Corporation while succession plan recorded the least weak and negative influence on employee performance at Kenya Railways Corporation.

RECOMMENDATIONS

The study recommended that occupational health should be paid more attention in maintaining it in the organization. The study recommends that effective occupational health should be performed by the company to provide a sense of security to employees, but also could provide satisfaction to employees. Occupational health should be applied and considered seriously by the company, for then it is expected that it would prevent and reduce the occurrence of occupational accidents in the workplace. Occupational health program should consist of job safety regulation, co-worker safety, supervisor safety, and the practice of safety management and the implementation of safety programs. The study recommended that succession planning should derive a systematic process that would independently and successfully tendered the modern business challenges such as development of organization, team development, globalization and talent management at Kenya Railways Corporation. Also the study recommended that succession planning when implemented successfully, it should help to identify, train and retain the individuals to fill the key position that are essential for achieving the existing and projected business objectives at the organization.

The study recommends that training and development programmes should be effective and more often conducted in the organization. The study recommends that training should be adapted by the organization to enable the employees accept changes and challenging business environment and technology for better performance, increase employees' knowledge to develop creative and problem solving skills. The study recommends that there should be trainings at different levels of management as pervasive techniques for improving employees' performance enhancing organization productivity in the work place. The study recommends that employee referral programs should be designed to encourage employees to source potential candidates for open positions from their existing social and professional networks in the organization. The study recommends that employees should receive an incentive in the form of a monetary bonus or other reward for referring candidates who turn into new hires. The organization should acknowledge the most cost-effective and efficient method to recruit candidates through trusted contacts and make quality hires.

The study recommends that the remuneration policy of the organization should include all levels of organization and all categories of employees with special emphasis on the identified risk takers. The organization should support levels of remuneration and compensation necessary to attract, retain and motivate high quality people required to lead, manage and serve in a competitive environment. The study recommended that the organization should consider that appropriate levels of remuneration and compensation are essential to enhance the long-term

interests of the organizations stakeholders, including its shareholders. The study also recommends that the organization should strive to ensure that remuneration packages reflect the relevant duties and responsibilities, are fair and equitable, and incorporate rewards clearly and measurably linked to performance both on an individual and on a corporate basis.

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