

# **EMPLOYEE ENGAGEMENT STRATEGIES AND EMPLOYEE PERFORMANCE OF AIR KENYA LIMITED**

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## **ABSTRACT**

High performing organizations have remained focused on employee feedback and as a result, have achieved significant business results through enhanced levels of employee engagement. Attractive and competitive organizations constantly work towards increasing the value of their human resource. The success of any organization depends on human resource. An organization may have equipment's and resources but cannot succeed without people. Employee engagement is therefore done to bring about a situation in which the employee by free choice has an intrinsic desire to work in the best interest of the organization. Employees who are engaged give organizations crucial competitive advantage including higher productivity and lower employee turnover. This study investigated the effect of employee engagement strategies and performance of Airlines in Kenya case of Air Kenya Limited. This study was guided by the following specific objectives; to establish the effect of employee compensation, work environment, training and career development and employee involvement and participation on performance. The study was anchored on the following theories; Social learning theory, Dual theory of Motivation, three component theory of engagement and self-determination theory. The research design was descriptive census survey. The target population was 191 management employees at the Air Kenya Limited headquarters. Stratified random sampling design was used to develop a sample of 48 respondents who represent 25% of the target

population. The study relied on primary data that was collected by use of structured questionnaires. The study found out that leadership networking, employee compensation, employee involvement, training and work environment were less than 0.05 an indication that the variables significantly influenced performance of Air Kenya Limited. The study concludes that incentives and bonuses were useful to motivate for targets attained. The firm embraced a conducive working environment for all staff. Trainings were evaluated to establish their influence on staff performance and output. The training was internal and external training in addition the firm encouraged mentorship programs and outsourced experts to train staff. Staffs had their own union to air their grievances and they were involved in service quality improvement. Employees were always represented in management meetings. The company ought to have an m-commerce platform for clients to rely on it. There is need to increase extra sales since it attracts commissions for staff and the company ought to have a standard payment system for all staff. Firms need to embrace a conducive working environment for all staff. Management of employees ought to be investigative approach to staff monitoring and ought to give employees chance to come up with new ideas and implement them. The firm needs training programs for staff for each level to increase their competent levels. Trainings ought to be evaluated to establish its influence on staff performance output. Staffs ought to have their own union to air their grievances and need to be involved in service quality improvement. Employees

ought to be always represented in management meetings.

**Key Words:** *employee engagement strategies, employee performance, Air Kenya Limited*

## **INTRODUCTION**

Companies with engaged employees have higher employee retention as a result of reduced turnover and reduced intention to leave the company, productivity, profitability, growth and customer satisfaction (Meere, 2015). On the other hand, companies with disengaged employees suffer from waste of effort and bleed talent, earn less commitment from the employees, face increased absenteeism and have less customer orientation, less productivity, and reduced operating margins and net profit margins (Sandhya, 2010). Most researches emphasize merely the importance and positive impacts of employee engagement on the business outcomes, failing to provide the cost-benefit analysis for engagement decisions. As any other management decisions, engagement decision should be evaluated in terms of both its benefits and its associated costs, without giving greater emphasis to neither of the two, not to bias the decision makers. Thus there is a need to study the cost aspect of engagement decisions (Vance, 2016).

Increasing global competition and shift from manufacturing to service economy means that employers need to be more flexible, leaner and competitive (O’Byrne, 2013). High performing organizations have remained focused on employee feedback, economic environment, and as a result, have achieved significant business results through enhanced levels of employee engagement (Werhane, 2012).

Attractive and competitive organizations constantly work towards increasing the value of their human resource (Guillory, 2000). Employees that are devoted, capable, and engaged are a most priceless asset in an organization in the global market platform. Business leaders know that having a high-performing workforce is essential for growth and survival and have recognized that an extremely engaged workforce can increase innovation, output and performance (Demin, 2003).

Aubrey (2005) discussed that while most human resource executives see the need to improve employee engagement, countless have yet to build up tangible ways to measure and tackle this goal. Hay Group (2012) elaborates that engaged employees cannot be expected to take a personal interest in organizational objectives unless an organization treats them as more than factors of production. With organizations increasingly forced to do more with less, tapping into the discretionary effort offered by engaged employees becomes all the more important for business success. Employee engagement aims to bring about a situation in which the employee by free choice has an intrinsic desire to work in the best interest of the organization.

According to Robinson et al, (2004) engaged employee goes an extra mile, believes in and identifies with the organization, wants to work to make things better, understands the business context and the bigger picture and respects and helps colleagues. Alfes et al, (2010) stated that engaged employees perform better, are more innovative than others, are more likely to want to stay with the employer, enjoy greater levels of personal wellbeing and perceive their work load to be more sustainable than others. Employee engagement is manifested in positive attitudes (for example job satisfaction, organizational commitment and identification with the organization) and behavior (low labour turn over and absence and high citizenship behavior) on the part of employees, and evidence of perceptions of trust, fairness and a positive exchange within a psychological contract where two way promises and commitment are fulfilled (Guest, 2009).

Employee performance helps an organization get better results hence customer satisfaction and increased profits. It also helps to align the individual objectives to organizational objectives and encourages them to uphold corporate core values, enables expectations to be defined and agreed in terms of role responsibilities and accountabilities (expected to do) skills (expected to have) and behaviors' (expected to be), provides opportunities for them to identify their own goals and develop their skills and competencies (Armstrong, 2012).

Khan et al., (2010), argues that organizational goals are directly proportional to the personal goals of an individual and that organizational productivity can be increased if employees are self-motivated towards their work rather than being directed. This can be achieved through employee engagement. Kahn, (1990) noted that one of the main functions of the human resource manager is to keep the employees satisfied with their jobs. Employees with high levels of Engagement perform better and are less likely to leave the organization which indicates engagement is linked to performance. Higher level of engagement leads to higher performance.

## **STATEMENT OF THE PROBLEM**

According to Chartered Institute of Personnel Development (CIPD) (2007) employees are increasingly being recognized by organizations as the key business drivers. Employers must therefore find ways to retain talented people in the organization and at the same time keep costs low in order to remain competitive in the market. Engagement is a significant factor in people's performance at work place and it influences employee contribution to organizational effectiveness and efficiency. Employees who are engaged in their work have an energetic, enjoyable and effective connection with their work (Kahn, 1990). Higher levels of employee engagement are associated with increased return on assets' higher earning per employee, higher performance, greater sales growth, lower employee turn-over and lower absenteeism (Harter et al, 2002). Employee engagement is a good tool to help every organization to strive to gain competitive advantage over the others. The maximum prosperity of both employees and employer is usually seen in relation to performance and productivity (Landen, 1982). Lots of

studies have been done on ways of increasing employee performance but despite this employee engagement is still complex in many organizations. Managements employ management practices and strategies that exclude employees from daily running of the organization and employee engagement is suppressed. Gallup (2013) noted that workgroups with high levels of employee engagement experience 22% higher profitability and 21% higher productivity compared with workgroups with low levels of engagement. Air Kenya Limited uses performance appraisal to measure performance. A look at the performance appraisals reveals that most of the employees' score "2" which indicate performance targets partially met as per the rating scale. This means that something should be done to improve the performance to scale "4" which indicates performance targets fully met and exceeded in several areas as per the Air Kenya Limited performance appraisal rating scale. In Kenya a number of studies related to Employee Engagement and Employee Performance have been done. Ndugo (2010) researched on employee engagement in Afya SACCO. Her studies established that pay rise, promotions, training and seminars were the key factors affecting employee engagement at Afya SACCO. Wachira (2013) carried a research on relationship between employee engagement and commitment in Barclays Bank of Kenya. The study established a positive correlation between employee engagement and commitment in Barclays Bank of Kenya. Mutunga (2009) researched on factors that contribute to the level of employee engagement in the telecommunication industry in Kenya at Zain Kenya. The study established that several factors contribute to employee engagement, salary, benefits was the largest contributor, but she failed to link level employee engagement to individual performance. The study therefore aimed at bridging the existing knowledge gaps by answering the question; what was the relationship between employee engagement strategies and employee performance of Air lines in Kenya?

## **GENERAL OBJECTIVE**

The main objective of the study was to investigate the relationship between employee engagement strategies and employee performance at Air Lines in Kenya.

## **SPECIFIC OBJECTIVES**

1. To establish how employee compensation influences employee performance at Air Kenya Limited.
2. To determine work environment influences employee performance at Air Kenya Limited.
3. To assess how training and career development influences employee performance at Air Kenya Limited.
4. To establish how employee involvement and participation influence employee performance at Air Kenya Limited.

## **THEORETICAL REVIEW**

### **Social Exchange Theory**

Saks (2006) suggested that a strong theoretical rationale for employee engagement is provided by social exchange theory. The theory argues that obligations are generated through a series of interactions between parties who are in a state of reciprocal interdependence. According to the theory relationships evolve over time into trusting, royal and mutual commitments as long as parties abide by certain rules of exchange. It involves reciprocity or repayments rules such that the actions of one-party lead to a response or actions by the other party (Armstrong, 2012).

This is in consistent with the description of engagement by Robinson et al (2004) as a reciprocal relationship of trust and respect between employer and employee. It requires an organization's executives and managers to communicate their expectations, clearly and extensively, with the employees, empower the employees at the appropriate levels of their competence, and create a working environment and corporate culture in which engagement would thrive. According to Balain and Sparrow (2009), social exchange theory best describes engagement because it sees feelings of loyalty, commitment, discretionary effort as all being forms of reciprocation by employees to a good employer.

### **Hertzberg's Dual Factor Theory of Motivation**

Employee engagement can also be traced back to the classical theories of employee motivation (Hertzberg, 1966). The concept relates to Frederic Hertzberg's dual factor theory of motivation. According to the theory two types of motivators exist; factors that result in satisfaction with one's job and those that result in dissatisfaction. He stated that intrinsic factors are related to job satisfaction while extrinsic factors relate to dissatisfaction. The motivation element in engagement is intrinsic. When the work itself is meaningful it is also said to have intrinsic motivation. This means that it is not the pay or recognition that yields positive feelings of engagement, but the work itself (Macey et al 2009). Intrinsic motivation is said to exist when behavior is performed for its own sake rather than to obtain materials or social rein forcers. Intrinsic motivation arises from self-generated factors that influence people's behavior. It can take the form of motivation by the work itself when individuals feel that their work is important, interesting and challenging and provides them with a degree of autonomy, opportunities to achieve and advance, and scope to use and develop their skills and abilities (Armstrong, 2012). The job itself must provide sufficient variety, sufficient complexity, sufficient challenge and sufficient skill to engage the worker.

### **Three Component Theory of Engagement**

This theory was advanced by Schaufeli & Bakker in 2004. They noted that work is a fulfilling state of the mind characterized by vigor, dedication and absorption. Employees with vigor have high levels of energy and mental resilience. Dedication pertains to feelings of significance, inspiration, pride and enthusiasm. Absorption implies being fully immersed in one's work. Schaufeli & Bakker (2001) noted that engaged employees take greater initiative and generate their own positive feedback.

This implies that engaged workers have greater energy and enthusiasm about their work. They also found evidence for a positive relationship between three job resources (performance feedback, social support, and supervisory coaching) and work engagement (vigor, dedication and absorption) among four different samples of Dutch employees. They used structural equation modeling analyses to show that job resources (not job demands) exclusively predicted engagement, and that engagement is a mediator of the relationship between job resources and turnover intentions.

Schaufeli and Bekker developed their own tool for measuring work engagement and the items to be measured included vigor, dedication and absorption. Together with other scholars, they developed the Utrecht Work Engagement Scale (UWES; Schaufeli & Bekker, 2003; Schaufeli, Martinez, Masques Pinto, Salanova, & Bekker, 2002). Using this instrument, Schaufeli and colleagues tested the relationship between employee engagement and job performance on Dutch employees. Schaufeli et al found a positive correlation between work engagement and in-role performance, extra-role performance and innovativeness.

### **Resource-Based View Theory**

This theory was developed by Wernerfelt in 1984. The theory postulates that internal organizational resources that are valuable, rare, inimitable and without a substitute are a source of sustainable competitive advantage (Penrose, 2000), and therefore enhance performance. The Resource-Based View Theory suggests that performance is driven by the resource profile of the firm, whereas the source of superior performance is embedded in the possession and deployment of distinctive resources that are difficult to imitate (Wernerfelt, 2004).

Resource-Based View Theory posits that firms achieve sustainable competitive advantage if they possess certain key resources and if they effectively deploy these resources in their chosen markets (Barney, 2007). O'cass et al. (2004) argue that a company's specific characteristics are capable of producing core resources that are difficult to imitate and which determine the performance variation among competitors. The Resource-Based View Theory further says that the fundamental sources and drivers of a firm's competitive advantage and superior performance are mainly associated with the attributes of their resources and capabilities, which are rare,

valuable, difficult to imitate and not substitutable. The Resource-Based View (RBV) Theory postulates that a firm's performance depends on its specific resources and capabilities (Fotopoulos, Kafetzopoulos & Psomas, 2009).

According to Barney (2011), a firm develops competitive advantage by not only acquiring but also developing, combining, and effectively deploying its physical, human, and organizational resources in ways that add unique value and are difficult for competitors to imitate. The Resource-Based View Theory postulates that competitive advantage comes from the internal resources that are possessed by an organization (Wernerfelt, 1984). The Resource-Based View Theory is an economic tool used to determine the strategic resources available to a firm and that the fundamental principle behind the theory is that the basis for competitive advantage of a firm lies primarily in the application of a bundle of valuable resources at the firm's disposal (Wernerfelt, 1984; Orlando, 2000).

Barney (2007) pointed out that if these conditions hold, the firm's bundle of resources can assist the firm sustain above average returns. This theory is relevant to this study because employee engagement practices are a resource for creating quality image, which an organization uses to improve the firm's performance.

## **REVIEW OF EMPIRICAL LITERATURE**

### **Employee Compensation and Employee Performance of Air Kenya Limited**

Compensation is one factor that determines employee engagement. Compensation motivates an employee to achieve more and hence focus more on work and personal development. It involves both financial and non-financial rewards. Attractive compensation comprises a combination of pay, bonuses, other financial rewards as well as non-financial rewards like extra holiday and voucher schemes. A study by Saks and Rotman (2006) revealed that recognition and rewards are significant antecedents of employee engagement. They noticed that when employees receive rewards and recognition from their organization, they would feel obliged to respond with higher levels of engagement.

Kahn (1990) observes that employee's level of engagement is a function of their perceptions of the benefits they receive. Therefore, irrespective of the type of reward, it is the employee's perception of the same that determines his/ her content and thereby one's engagement in the job. It becomes essential for management to present acceptable standards of remuneration and recognition for their employees, if they wish to achieve a high level of engagement. When an organization or a supervisor rewards or recognizes an employee or team, they are communicating in a powerful way what types of activities and accomplishments the organization values. By granting this recognition, the organization is reinforcing what kind of effort and what types of

behaviors it would like to see repeated by other employees. Recognition and rewards are also a method organization use to make employees feel respected and valued.

### **Work Environment and Employee Performance of Air Kenya Limited**

Work environment is another significant factor that determines the engagement level of an employee. Engagement requires a work environment that does not just demand more but promotes information sharing, provides learning opportunities and fosters a balance in people's lives, thereby creating the basis for sustained energy and personal initiative (Macey et al 2009). Studies by Harter et al. (2002), show that employee engagement is the result of various aspects of the workplace. Management which fosters a supportive working environment typically displays concern for employees' needs and feelings, provides positive feedback and encourages them to voice their concerns, to develop new skills and to solve work-related problems. Therefore, a meaningful workplace environment that aids employees for focused work and interpersonal harmony is considered to be a key determinant of employee engagement.

### **Training and Career Development and Employee Performance of Air Kenya Limited**

Training and Career Development is another important dimension which is to be considered in the process of engaging employees since it helps the employees to improve knowledge and skills hence enhance performance and productivity in an organization. Training improves service accuracy and thereby impacts service performance and employee engagement (Paradise, 2008). When the employee undergoes training and learning development programs, his/her confidence builds up in the area of training that motivates them to be more engaged in their job.

Alderfer (1972) even suggested that when an organization offers employees a chance to grow, it is equivalent to rewarding people. The study emphasized that "satisfaction of growth needs depends on a person finding the opportunity to be what he or she is most fully and become what he or she can". The career path ladder through training and development needs to be given importance by management which would lead to timely opportunities for growth and development. This improves automatically the level of engagement.

### **Involvement and Participation and Employee Performance of Air Kenya Limited**

Involvement and Participation determines employee engagement. Many organizations are faced with the challenges of managing and empowering their employees to actively participate in decision making. In this current economic environment, organizations require creative and innovative employees who can take initiative, embrace change, stimulate innovation and cope with high uncertainty in the market. The idea of empowerment involves the employees being provided with a significant degree of freedom and flexibility to make decisions relating to work without direct involvement of the top management.

Employee's involvement and participation thus contribute greatly to how organizations make decision and run their businesses. Managers should therefore have an influence power to get employees to involve in making decision and completing the daily up-to-date organization progress and objectives to build employee's confidence. It is very important that the organization create an environment to all employees with the open feedback to make sure that employees are treated with equal opportunities.

## **RESEARCH METHODOLOGY**

### **Research Design**

The research design used was descriptive census survey where all members of the population were included in the study. Descriptive research design defines a subject, often by creating a profile of a group of problems, people or events through collection of data and tabulation of frequencies on research variables or their interaction (Cooper and Schindler, 2003). The design was used because it allows analysis of qualitative data which cannot be quantified on figures. The design involved systematic collection of data from members of a given population through questionnaires.

### **Population of Study**

The population for this study comprised all employees of Air Kenya Limited. The organization has a total staff establishment of 191 based at the Head Quarters in Nairobi County Kenya. The structure in Air Kenya Limited has put staff in five departments which include; administration, engineering, finance, marketing and PR and Communications departments.

### **Sample Design**

The sampling plan describes how the sampling unit, sampling frame, sampling procedures and the sample size for the study. The sampling frame describes the list of all population units from which the sample was selected (Cooper & Schindler, 2003). Stratified random sampling technique was used since population of interest was not homogeneous and could be subdivided into groups or strata to obtain a representative sample. From the above population of one hundred and ninety-one, a sample of 25% was selected from within each group in proportions that each group bore to the study population. According to Kothari (2004) a sample of between 25-30% of the target population is statistically adequate and significant representative of the sample. This sample of 48 was appropriate because the population was not homogeneous and the units were not uniformly distributed.

## **Data Collection Instrument**

The study used a semi-structured survey questionnaire administered to each member of the sample population. The questionnaire was carefully designed and tested with a few members of the population for further improvements. This was done in order to enhance its validity and accuracy of data to be collected for the study.

## **Data Collection Procedure**

The study administered the questionnaire individually to all respondents of the study. The study exercised care and control to ensure all questionnaires issued to the respondents are received and achieve this, the study maintained a register of questionnaires, which was sent, and which was received. The questionnaires were administered using a drop and pick later method.

## **Data Analysis and Presentation**

Descriptive statistics such as means, standard deviation frequencies, and tables were used to analyze the data. Descriptive statistics provide an efficient summary to the data collected making it easier to draw meaningful conclusions. The completed questionnaires were edited for completeness and consistency. The data was coded to enable the responses to be grouped into various categories. The SPSS software was used to analyze the coded data from questionnaires. In addition, the researcher carried out a multiple regression analysis so as to determine the relationship between employee engagement and employee performance Air Kenya Limited. The regression equation ( $Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \varepsilon$ ):

Where: Y = Employee Performance of Air Kenya Limited;  $X_1$  = Employee Compensation;  $X_2$  = Work environment;  $X_3$  = Training and Career Development;  $X_4$  = Employee involvement and participation;  $\beta_1, \beta_2, \beta_3, \beta_4$  = Regression Coefficients;  $\varepsilon$  = Error term

## **RESEARCH RESULTS**

The study was to investigate the relationship between employee engagement strategies and employee performance at Air Lines in Kenya. The study was guided by the following specific objectives include; to establish how employee compensation influences employee performance at Air Kenya Limited. To determine work environment influences employee performance at Air Kenya Limited. To assess how training and career development influences employee performance at Air Kenya Limited To establish how employee involvement and participation influence employee performance at Air Kenya Limited. Descriptive research design was used, the population comprised all employees of Air Kenya Limited. The study relied on primary data collected by use of structured questionnaires. Descriptive and inferential statistics was used.

In regard to employee compensation the study found that majority of the respondents agreed that there were incentives to motivate majority of respondents agreed that employees were given bonuses for targets attained. Majority of respondents agreed that the company motivated staff with pay increments for mission or vision attained. Majority of the respondents agreed that volume of clients who rely on Air Kenya limited m-commerce platform were many also majority of the respondents agreed that extra sales made attract commissions for staff. Majority of the respondents moderately agreed that company has a standard payment system for all staff.

In regard to work environment the study found that majority of respondents agreed that the working environment was always realistic. Majority of the respondents agreed that employees were given a free climate to learn and innovate solutions also majority of the respondents agreed that the firm embraced a conducive working environment for all staff. Majority of the respondents agreed that management of employees is an investigative approach to staff monitoring. Majority of respondents moderately agreed that the employees were given a chance to come up with new ideas and implement them.

In regard to training the study found that majority of the respondents agreed that training programs were customized according to employee need also majority of the respondents moderately agreed that the firm had training programs for staff for each level. Majority of respondents agreed that trainings were evaluated to establish their influence on staff performance and output. Majority of the respondents agreed that there were both internal and external training. Majority of the respondents agreed that the firm encouraged mentorship programs. Majority of respondents agreed that the firm outsourced experts to train staff.

In regard to employee involvement the study found that majority of the respondents agreed that the firm involved staff in decision making. Majority of the respondents agreed that management upholds staff potential and abilities. Majority of respondents agreed that staff had their own union to air their grievances. Majority of respondents moderately agreed that there were staff involvement in service quality improvement. Majority of the respondents agreed that employees were always represented in management meetings.

## **REGRESSION ANALYSIS**

The study conducted regression analysis to establish the relationship between employee engagement strategies and employee performance at Air Lines in Kenya. The findings of coefficient of correlation and coefficient of determination are as indicated in Table 1.

According to Table 1, coefficient of correlation  $R$  was 0.847 an indication of strong positive correlation between variables. Coefficient of adjusted determination  $R$  Squared was 0.706 which translates to 70.6%. This means that 70.6% variation in dependent variable can be attributed by

the following; employee compensation, employee involvement, training and work environment. The residual of 29.4% can be attributed to other factors beyond the scope of the current study.

**Table 1: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.847 <sup>a</sup>	.717	.706	1.57292

a. Predictors: (Constant), Employee Compensation, Employee Involvement, Training, Work Environment

An ANOVA was carried out at 5% level of significance. A comparison between  $F_{\text{Calculated}}$  and  $F_{\text{Critical}}$  was carried out. The findings are as indicated in Table 2.

**Table 2: ANOVA**

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	645.837	4	161.459	20.275	.000 <sup>b</sup>
Residual	254.830	32	7.963		
Total	900.667	36			

a. Dependent Variable: Firm Performance  
 b. Predictors: (Constant), Employee Compensation, Employee Involvement, Training, Work Environment

From the findings,  $F_{\text{Calculated}}$  was 20.275 and  $F_{\text{Critical}}$  was 2.4599. Since  $F_{\text{Calculated}} > F_{\text{Critical}}$ , (20.275 > 2.46) this indicates that the overall regression model significantly influenced the study. The p value was  $0.00 < 0.05$  an indication that at least one variable influenced firm performance of Air Kenya Limited.

To determine the individual factor influencing performance of non-governmental organizations in Kenya, the following coefficients were generated.

**Table 3: Coefficients**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	2.732	1.246		2.193	.031
Employee compensation	.150	.058	.206	2.568	.012
Employee involvement	.475	.086	.487	5.506	.000
Training	.182	.084	.170	2.151	.034
Work environment	.272	.082	.091	3.318	.000

a. Dependent Variable: performance

The resultant equation becomes;

$$Y = 2.732 + 0.150 X_1 + 0.475 X_2 + 0.182 X_3 + 0.272 X_4$$

Where: Y = Performance,  $X_1$  = Employee Compensation,  $X_2$  = Work environment,  $X_3$  = Training and Career Development and  $X_4$  = Employee involvement and participation

From the findings, if all factors were held constant (employee compensation, employee involvement, training and work environment) performance of Air Kenya Limited would be at 2.732. An increase in employee compensation would lead to increase in performance of Air Kenya Limited by 0.150. An increase in employee involvement would lead to increase in performance by 0.475. An increase in training would lead to an increase in performance by 0.182. An increase in work environment would lead to increase in performance by 0.272.

The study further established that the p value of leadership networking, employee compensation, employee involvement, training and work environment were less than 0.05 an indication that the variables significantly influenced performance of Air Kenya Limited.

## **CONCLUSIONS**

The study concludes that incentives and bonuses were useful to motivate for targets attained. Motivations of staff by company with pay increments for mission or vision attained contributed a lot and that volume of clients who rely on Air Kenya limited m-commerce platform were many in addition extra sales made attracted commissions for staff and the company has a standard payment system for all staff.

The study concludes that the working environment was always realistic also that employees were given a free climate to learn and innovate solutions. The firm embraced a conducive working environment for all staff. Management of employees is an investigative approach to staff monitoring giving employees' chance to come up with new ideas and implement them.

The study concludes that training programs were customized according to employee need also that the firm had training programs for staff for each level. Trainings were evaluated to establish their influence on staff performance and output. The training was internal and external training in addition the firm encouraged mentorship programs and outsourced experts to train staff.

The study concludes that the firm involved staff in decision making while management upholds staff potential and abilities. Staffs had their own union to air their grievances and they were involved in service quality improvement. Employees were always represented in management meetings.

## **RECOMMENDATIONS**

The study recommends that incentives and bonuses ought to be given to motivate. Their staffs ought to be motivated by the company management team. The company ought to pay increments for mission or vision attained. The company ought to have an m-commerce platform for clients to rely on it. There is need to increase extra sales since it attracts commissions for staff and the company ought to have a standard payment system for all staff.

The study recommends that the firm ought to have a realistic working environment. The company ought to give employees a free climate to learn and innovate solutions. The firm needs to embrace a conducive working environment for all staff. Management of employees ought to be investigative approach to staff monitoring and ought to give employees chance to come up with new ideas and implement them.

The study recommends that training programs ought to be customized according to employee needs. The firm needs training programs for staff for each level to increase their competent levels. Trainings ought to be evaluated to establish its influence on staff performance output. The training needs to be both internal and external training. The firm ought to encourage mentorship programs and outsource experts to train staff.

The study further recommends that the firm ought to involve staff in decision making while management need to upholds staff potential and abilities. Staffs ought to have their own union to air their grievances and need to be involved in service quality improvement. Employees ought to be always represented in management meetings.

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