Factors Influencing Performance Management at National Government of Mumias Sub-County

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Abstract: The prosperity of any public sector depends on the factors influencing performance management; hence factors influencing performance management has been a widely researched area for years. This study sought to investigate the factors influencing performance management at the national government of Mumias Sub-County. The main factors considered were reward management, training and communication. The study adopted descriptive research design. The target population of the study was 108 respondents. Stratified sampling technique was used to select the sample size of 84 respondents. Questionnaires were the main data collection tool. The reliability of the data was arrived at by using the test-retest techniques and the internal consistence of data from the questionnaires was computed by using the Cronbach's alpha coefficient suggesting that the instruments had relatively high internal consistency and also by use of the guidance given by the supervisors. Data analysis was done using both quantitative and qualitative methods. The data collected was edited, coded and then analyzed using both descriptive and inferential statistical tools such as Pearson Correlation Coefficient to establish the relationship between the study variables. The study found out that training, communication and reward management are positively correlated with performance management. The study concluded that training and effective communications helps increase effective performance management among employees whereas appointment on merit and recognition of employees efforts increase performance.The researcher recommends to managers to consider factors influencing performance management as influencers in public sectors growth.

Keywords: communication, Mumias Sub-County, performance management, reward management, training.

1. INTRODUCTION

Performance management has long been established as a very important aspect of any organization. This is because, it is performance which adds value to any organization or nation. The prosperity of any nation therefore depends upon the performance management and productivity of each individual and that of organizations. According to Price (2011) a company/Country can achieve a competitive advantage and reach its goals by adopting an efficient usage of its personnel. Empirical studies suggest that reward management, training and communication contribute significantly to performance management (Wright, 2010).

Pulakos and O'Leary (2011) argued that PM systems are ineffective because they focus more on administrative processes i.e. documentation than on training managers and employees on how to engage in effective performance management behaviours e.g. communicating clear goals and expectations. For example, although managers often provide informal feedback to their subordinates, they are reluctant to document subordinates' low performance because they fear damaging their relationship with them. Similarly, even though employees want guidance from their managers, they do not want it to be documented for fear that it may adversely affect their pay raises or advancements.

According to Pulakos (2010) managers are reluctant to provide candid feedback and have honest discussions with employees for fear of reprisal or damaging relationships with the very individuals they count on to get work done. Employees feel that their managers are unskilled at discussing their performance and in effective at coaching them on how to develop their skills. Many complain that performance management systems are cumbersome, bureaucratic and too time consuming for the value added. This leads to both managers and employees to treat performance management as a necessary evil of work life that should be minimized rather than an important process that achieves key individual and organizational outcomes. In spite of the difficulties, performance management is an essential tool for high performing organizations, and it is one of a manager's most important responsibilities, if not the most important responsibility.

Statement of the Problem:

The prosperity of any nation depends upon the individual work performance and productivity of each individual and that of organizations. Mumias Sub-County aspires to achieve a high and sustained economic growth consistent with the Government's employment, wealth creation and poverty reduction objectives, which is top priority under vision 2030. This aims in the increase of annual GDP growth rate to 10% and to maintain that average until the year 2030 (under vision 2030). Mumias Sub-County has therefore, established Human Resource (HR) departments which are charged with undertaking these roles of performance management by developing HR strategic plans that aims at obtaining and retaining its employees, train, develop and ensure that people are valued and rewarded for their work by coming up with attractive rewards system and to have the desired level of staff (Armstrong, 2009). There has been a decline in labour productivity despite the increased levels of employment Omolo (2010), due to poor performance management being the main reason for the decline in the growth of economy (World Bank, 2013). This study, therefore, sought to fill these gaps by investigating on factors influencing performance management at the National Government in Mumias Sub-County. The objectives of this study is to determine the influence of reward management, training and communication on performance management at National Government in Mumias Sub-County.

2. CONCEPTUAL FRAMEWORK

Conceptual framework describes study phenomenon accompanied by a graphical or visual depiction of major variables of the study (Mugenda & Mugenda, 2003). The below conceptual framework looks at factors influencing performance management as illustrated in Figure 1.
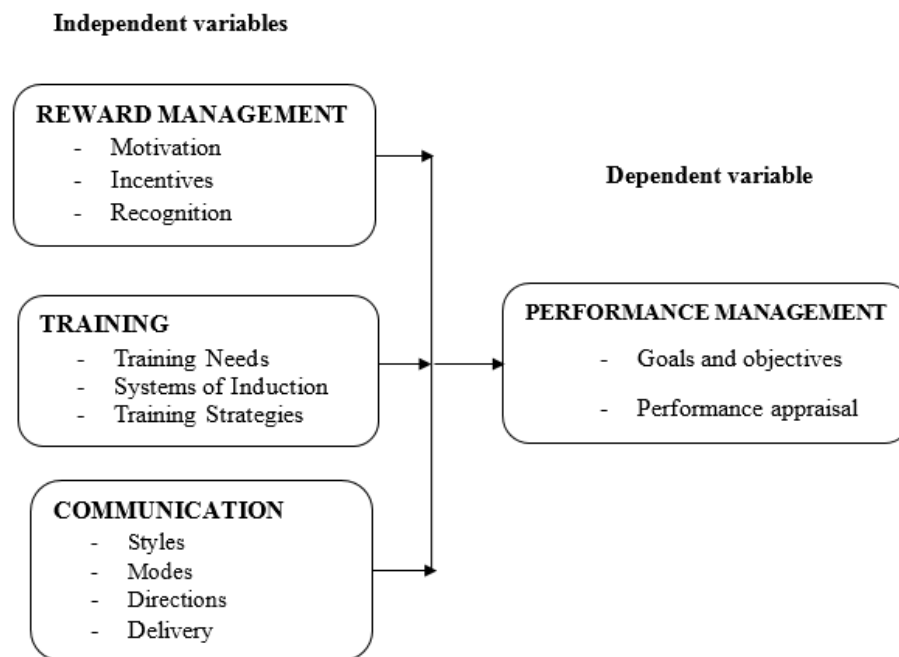

Figure 1: Conceptual Framework

3. RESEARCH METHODOLOGY

Research Design:

This study was guided by qualitative, quantitative and descriptive research design establishes the relationship between variables especially the factors influencing performance management. Qualitative research is a means for exploring and understanding the meaning individuals or groups ascribe to a social or human problem. The process of research involves emerging questions and procedures, data typically collected in the participant's setting, data analysis inductively building from particulars to general themes, and the researcher making interpretations of the meaning of the data (Creswell, 2007). Quantitative research is a means for testing objective theories by examining the relationship among variables. These variables, in turn, can be measured, typically on instruments, so that numbered data can be analysed using statistical procedures (Creswell, 2008). It included surveys and fact finding inquiries of the factors influencing performance management at National Government in Mumias Sub County.

Target Population and sample size:

In this study the target population was 108 as per the 2014 annual report of Mumias Sub County. The study specifically focused on 84 employees. Mumias Sub County was selected owing to its vast fame and long existence in Kakamega County and therefore they are in a position to give reliable information on factors influencing performance management at national government in Mumias Sub County.

The following formula according to Cochran (1963) was used to determine the sample size:

$$N_0 = \frac{Z^2 pq}{\varepsilon^2}$$

Where;

N_0 = Sample size when the population is > 10,000

Z^2 = Standard normal deviant required at confident level of 95% which is 1.96.

p = Proportion of people influenced by performance management which is set at 0.5 each.

q = 1-p, ε= 0.5 error of margin allowed.

$$N_0 = \frac{(1.96)^2 \times 0.5(1 - 0.5)}{(0.05)^2} = 384$$

For Mumias sub- county staff of a total population of 108.

$$= \frac{Sample\ size\ of\ > 10,000 \times Target\ population}{Sample\ size\ of\ population\ > 10,000 + Target\ population}$$

$$= \frac{384 \times 108}{384 + 108} = 84.29 \approx 84\ Employees$$

This was distributed proportionately among the top level, middle level and operation level staff to give the sample sizes as shown in Table 1.

Table 1: Distribution of sample frame and Sample for the Study

Category	Sample frame	Sample size
Top level management staff	8	6
Middle level staff	20	16
Operation staff	80	62
Total	**108**	**84**

Sampling technique and Research instruments:

The study adopted stratified random sampling technique since the target population involved individuals of different cohorts in Mumias Sub-County. According to Oso and Onen (2009), stratified random sampling technique is used when the population of interest is homogeneous. It breaks the population into groups of similar characteristics. In this study the target population of interest was composed of various carders namely; top level management and other staffs.

The study used questionnaires to collect data from respondents. The structured (closed-ended) and unstructured (open-ended) questionnaires were used to get uniform responses from respondents. Part (A) of the questionnaire captured demographic information which sought respondent's details on gender, age, experience, level of education and position they occupy in the sub county. Part (B) of the questionnaire captured on questions assessing factors influencing performance management .The Likert scale covered four areas of factors influencing performance management that is reward management, training and communication. Part (C) of the questionnaire captured performance management and aimed to evaluate respondent's performance management toward their organization.

Pilot Test:

Cooper and Schindler (2008) assert that a researcher should do a pilot test of data gathering tools before proceeding with the research. The objective of piloting was to detect any ambiguities in the questions, identifying problems in research methodology and data gathering techniques. Pick and drop method was used to administer the questionnaires to 10 respondents who did not take part in the study to evaluate the survey questionnaire for flow of questions, accuracy clarity, readability and understandability of the research instruments to be used in this study. The reliability of the instruments was established using the Cronbach Alpha Coefficient tests. The Cronbach Alpha Coefficients for the questionnaires of employees was (α = 0.839; df= 9), indicating high level of reliability. The researcher also sought voluntary information on improvement of the research instruments from colleagues and the two supervisors. From their comments and the Cronbach Alpha Coefficient results, the instruments were refined through re-wording to ensure validity and reliability.

Data Analysis:

Data analysis was done by grouping data from questionnaires into various categories before being coded and analysed. The researcher collected both quantitative and qualitative data which was analysed using both descriptive and inferential statistics. The descriptive statistical tools helped the researcher to describe the data and determine the extent to be used. The Likert scale was used to analyse the frequencies and percentages. Correlation and regression was used to establish the relationship between the variables under study.The test for significance of coefficient of correlation was determined by the use of F-test.

4. RESULTS AND DISCUSSION

Response Rate:

From the data collected, out of the questionnaires administered all of them were filled and returned, which represents 100%. The recorded high response rate can be attributed to the data collection procedures, where the researcher pre-notified the potential participants (all staff serving at the National government of Mumias Sub county) of the intended survey, utilized a self-administered questionnaire where the respondents completed and these were picked after and made follow up calls to clarify queries as well as prompt the respondents to fill the questionnaires.

Reward management:

As evidenced in Table 2, 36.9% (31) of the respondents strongly agreed that the employer reward managements is transparent and precise for a warm relationship among employees in Mumias sub county (mean=3.79, STD=1.20). Similarly, 33.3% (28) of the respondents strongly agreed that the reward management is written down and well communicated in Mumias Sub County (mean= 3.81, STD =1.10). Besides, 31.2% (27) of the respondents are not satisfied with their salary match on the tasks given goals (mean=3.5, STD=1.16). Also, 36.9% (31) of the respondents strongly agreed that recognition of efforts at workplace makes work harder and meet quality requirements (mean=3.88, STD=1.11). Also, 33.3% (28) of the respondents agrees that merit based pay is the reason for personal effort for high commitment (mean=3.33, STD=1.18). Similarly, 29.8% (25) of the respondents are not satisfied if appointments in this organization are based on merit (mean=3.45, STD=1.19). Besides, 39.9 %(31) of the respondents agreed that the pay and benefits has affected employees turnover or their intention to leave the organization (mean=3.53, STD=1.20). Finally, 38.1% (32) of the respondents agreed that salaries and benefits are based on performance has acted as an incentive to encourage employees to perform at their best in the organization (mean=3.86, STD=1.04). In general, reward managements had a mean of 3.64 and a standard deviation of 0.35.

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Table 2: Reward management

		SD=1	D=2	NS=3	A=4	SA=5	MIN	STD
The employee reward management is transparent and precise for a warm relationship among employees	Freq	3	9	16	31	25	3.79	1.20
	%	3.6	10.7	19.0	36.9	29.8		
The reward management is written down and well communicated in Mumias Sub County	Freq	1	13	15	27	28	3.81	1.10
	%	1.2	15.5	17.9	32.1	33.3		
My salary matches the tasks given	Freq	6	8	27	24	19	3.5	1.16
	%	7.1	9.5	31.2	28.6	22.6		
Recognition of my efforts at the work place makes me work harder and meet quality requirements	Freq	2	10	15	26	31	3.88	1.11
	%	2.4	11.9	17.9	31.0	36.9		
Merit based pay is the reason for my personal effort for high commitment	Freq	9	8	26	28	13	3.33	1.18
	%	10.7	9.5	31.0	33.3	15.5		
All appointments in this organization are based on merit	Freq	5	13	25	21	20	3.45	1.19
	%	6.0	15.5	29.8	25.0	23.8		
Pay and benefits has affected employees turnover or their intention to leave the organization	Freq	2	18	15	31	18	3.53	1.20
	%	2.4	21.4	17.9	39.9	21.4		
Salaries and benefits based on performance has acted as an incentive to encourage employees to perform at their best in your organization	Freq	2	8	16	32	26	3.86	1.04
	%	2.4	9.5	19.0	38.1	31.0		
Reward management							3.64	0.35

Training:

As evidenced in Table 3, 34.5% (29) of the respondents agreed that they are satisfied with policies put in place which provide growth on training (mean=3.75, STD=1.07). Similarly, 34.5% (29) of the respondents strongly agreed that the policies and procedures on training are definitive, clear and easily understood (mean= 3.74, STD =1.17). Besides, 29.8%, (25) of the respondents are not satisfied on how Mumias sub county identified their training needs through a performance management system (mean=3.58, STD=1.14). Also, 363.3% (28) of the respondents agreed that Mumias sub county offers opportunities for employees to discuss training needs with their employer (mean=3.68, STD=1.17). Also, 47.6% (40) of the respondents strongly agreed that the criteria used for selection of employees attended training are fair and just (mean=3.93, STD=1.34). Similarly, 33.3% (28) of the respondents strongly agree that there is formal system of induction for new employees in their jobs (mean=3.52, STD=1.29). Finally, 32.1% (27) of the respondents agreed that Mumias sub county provides training opportunities enabling to extend their range of skills (mean=3.36, STD=1.17). In general, training had a mean of 3.65 and a standard deviation of 0.46 which was similar to reward management.

Table 3: Training

		SD=1	D=2	NS=3	A=4	SA=5	MIN	STD
I am satisfied with the policies put in place which provide opportunity for growth on Training	Freq	2	10	19	29	24	3.75	1.07
	%	2,4	11.9	22.6	34.5	28.6		
The policies and procedures on Training are definitive, clear and easily understood	Freq	3	11	20	21	29	3.74	1.17
	%	3.6	13.1	23.8	25.0	34.5		
Mumias Sub County identifies training needs through a performance management system	Freq	4	10	25	23	22	3.58	1.14
	%	4.8	11.9	29.8	27.4	26.2		
Mumias Sub County offers opportunities for	Freq	5	9	18	28	24	3.68	1.17

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employees to discuss the training needs with their employer								
	%	6	10.7	21.4	33.3	28.6		
The criteria used for selection of employees to attend training are fair and just	Freq	6	14	0	24	40	3.93	1.34
	%	7.1	16.7	0	28.6	47.6		
Formal Systems of Induction are provided for new employees in this job	Freq	5	16	21	14	28	3.52	1.29
	%	6	19	25	16.7	33.3		
Mumias Sub County has provided me with training opportunities enabling me to extend my range of skills and abilities	Freq	5	17	20	27	15	3.36	1.17
	%	6	20.2	23.8	32.1	17.9		
Training							3.65	0.46

Communication:

As evidenced in Table 4, 33.3% (28) of the respondents agreed that Mumias Sub County objectives were effectively communicated to team members through organized workshops (mean=3.51, STD=1.21). Similarly, 29.8% (18) of the respondents are not satisfied with regular communication between management and their staffs on performance management (mean= 3.77, STD =1.11). Besides, 29.8%, (25) of the respondents are not satisfied on how to use internet in enhancing effective communication in Mumias Sub county (mean=3.58, STD=1.14). Also, 33.3% (28) of the respondents strongly agreed that Mumias sub county plan changes are normally communicated to members in time to avoid confusion (mean=3.75, STD=1.16). Also, 47.6% (40) of the respondents strongly agreed that checklists are used to standardize and speed up performance management implementation (mean=3.93, STD=1.34). Similarly, 34.5% (29) of the respondents strongly agreed that horizontal communication with other employees was accurate and free flowing among members (mean=3.57, STD=1.32). Also, 34.5% (29) of the respondents agreed that managers are able to secure information for decisions made and diagnosed various problems faced by employees (mean=3.42, STD=1.54). Finally, 52.4% (44) of the respondents agreed that their management communicates well policy guidelines and specific decisions to their staffs (mean=4.21, STD=0.89). In general, communication had a mean of 3.72 and a standard deviation of 0.28. This was higher than reward management and training.

Table 4: Communication

		SD=1	D=2	NS=3	A=4	SA=5	MIN	STD
Mumias Sub County objectives are effectively communicated to team members through organized workshops.	Freq	5	15	16	28	20	3.51	1.21
	%	6.0	17.9	19.0	33.3	23.8		
There is regular communication between the management and the other staffs on performance management	Freq	2	11	18	26	27	3.77	1.11
	%	4.8	11.9	29.8	27.4	26.2		
Use of internet has enhanced effective communication in Mumias Sub County.	Freq	4	10	25	23	22	3.58	1.14
	%	4.8	11.9	29.8	27.4	26.2		
Mumias Sub County plan changes are normally communicated to members in time to avoid confusion.	Freq	3	11	18	24	28	3.75	1.16
	%	3.6	13.1	21.4	28.6	33.3		
Checklists are used to standardize and speed up performance management implementation.	Freq	6	14	0	24	40	3.93	1.34
	%	7.1	16.7	0	28.6	47.6		
Horizontal communication with other employees is accurate and free flowing	Freq	6	15	17	17	29	3.57	1.32
	%	7.1	17.9	20.2	20.2	34.5		
Managers are able to secure information for decision making and diagnose the various problems faced by employees	Freq	4	17	18	29	16	3.42	1.54
	%	4.8	20.2	21.4	34.5	19.0		
Do managers communicate easily the policy guidelines and specific decisions to staff members	Freq	3	2	2	44	33	4.21	0.89
	%	3.6	2.4	2.4	52.4	39.3		
Communication							3.72	0.28

Correlation Results:

Table 5 present the Pearson correlation results of the study of the dependent and independent variables to assess the association of the variables. This was necessary to detect simple linear relationship and multi co-linearity and because it also act as building block for multiple regression model (Anglim, 2007). Pearson Correlations results in table 4.8 showed that training was positively and significantly correlated to performance management (r=0.946,ρ<0.05). Thus training had 94.6% positive significance with performance management. Communication was the second component that was positively related with performance management (r=0.74,ρ<0.05) an indication that communication has 74% significant positive influence on performance management. Finally, Reward management also exhibited insignificant relationship with performance management(r=0.277, ρ> 0.05). Findings provided enough evidence to suggest that there was linear relationship between training, communication, and reward management with performance management.

Table 5: Correlation analysis

		Performance Management
Reward Management	Pearson Correlation	.277
	Sig. (2-tailed)	.011
Training	Pearson Correlation	.946[*]
	Sig. (2-tailed)	.000
Communication	Pearson Correlation	.740[*]
	Sig. (2-tailed)	.000

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

Regression Analysis:

The linear regression analysis was conducted to model the relationship between the dependent variable (performance management) and independent variables (training, reward management, communication). Regression analysis was necessary to detect simple linear relationship and because it also acts as building block for multiple regression model (Anglim, 2007).

Table 6 illustrates the model summary of multiple regression model, the results showed that the three predictors (training, communication, and reward management) explained 63.6 per cent variation of performance management. This showed that considering the three study independent variables, there is a probability of predicting performance management by 63.6% (R^2 =0.636).

Table 6: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.0.797[a]	0.636	0.566	.18309

a. Predictors: (Constant), Reward Management, Communication, Training

Study findings in ANOVA Table 7 indicated that the above discussed coefficient of determination was significant as evidence by ratio of 240.21 with p-value 0.000<0.05 (level of significance).Thus, the model was fit to predict performance management using training, communication and reward management.

Table 7: ANOVA Model

Model		Sum of Squares	df	Mean Square	F	Sig.
	Regression	24.158	3	8.053	240.210	.000[b]
	Residual	2.682	80	.034		
	Total	26.840	83			

a. Dependent Variable: Performance Management
b. Predictors: (Constant), Reward Management, Communication, Training

The results indicate that reward management, communication and training are influential in predicting performance management in Mumias Sub-County. Nkomo (2004) indicate that organizations with employees having the right skills tend to perform better than those without the skills. Wright (2010) indicate that performance management is influential in forecasting the desired staff levels as well as knowledge, competences and skills required by an organization in future. Woodall and Winstanley (2001) also points out those organizations should have the right numbers and skills in order to improve on performance management

A linear regression model $Y=\alpha+ B_1X_1+ B_2X_2+ B_3X_3 + \varepsilon$ regression analysis was fitted to determine whether independent variable (training, reward management, communication) predict dependent variable (Performance management). Table 8 below shows the amount of variation of dependent variable explained by independent variables. The result showed R value of 0.319 and R^2 value of 0.102 which means that 10.2% of the correspondent variation in performance management can be explained or predicted by all the independent variables in this study. This means that the remaining 89.8% will be explained by other factors not included in this study. However $F_{(1,106)} = 3.930$, $p < 0.001$ in Table 8 shows the model of goodness of fit in explaining the variation. This validates the fact that the independent variables in this study influence performance management.

Table 8: Overall Regression Analyses

Model	R	R^2	Adj. R^2	S.E	F	df	β	t	sig
Constant				0.907				5.866	0.000
Training	0.319[a]	0.102	.076	0.081	3.930	3, 104	0.208	2.164	0.033
Reward Management				0.106			0.145	1.531	0.129
Communication				0.074			0.114	1.181	0.240

a. Dependent Variable: Performance Management

b.Predictors: (Constant), training, reward management, Communication

The overall results show the regression model below:

$Y=Bo+ B_1X_1+ B_2X_2+ B_3X_3 + \varepsilon$

Where:

$Y=0.907+0.208X_1 + 0.145 X_2 + 0.114 X_3 + \varepsilon$

From the results in table 4.9.3 above, it is clear that other variables not included in the study lead to increased performance management. This may include these other factors such as recruitment, human resource development, work environment, management support and organization culture.

5. CONCLUSION, AND RECOMMENDATIONS

This study has revealed a positive relationship between the reward management and   performance management. The findings of the study revealed that reward management has a lot of importance to staff retention and also recognized the importance of having a motivated workforce. Also training is positively and significantly correlated to performance management. There is a high positive relationship between training and performance management at Mumias sub-county. This implies that the role of training is very critical since it facilities the transfer of acquired knowledge and skills as well as innovative ideas. Communication is positively and significantly related to performance management.

Based upon the findings and conclusions of this study, the researcher recommends a consistency in training and development activities. The management should give employees an opportunity to discuss their training and development needs with their employer periodically so as to organize specific training programmes for improving skills, competence and performance management. Mumias Sub-County had challenges of staff retention. It is, therefore needed to align their reward management with those of other comparable public sectors. Communications styles, modes, directions and delivery were very important as it ensures the tracking of performance management activities and helped Mumias Sub County to keep track of their work thus improving the delivery of performance management activities. The employees

should be made aware of performance appraisal systems in Mumias Sub County. The performance management appraisals should be carried out annually and feedback given to employees. The management should also set goals to employees since these practice help improve performance and boost job performance. Similarly the management should put emphasis on factors influencing performance management practices to maintain the positive correlation seen between them and performance. Finally on practices in general, management should consider the relationship between influencing factors and performance management.

Factors influencing performance management in other public or private sector forms one area for further research. The impact of employee selection criteria for choosing training attendant on performance management in public sectors forms another area for further research.

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