

DETERMINANTS INFLUENCING EMPLOYEE INVOLVEMENT ON PERFORMANCE OF AIRLINE INDUSTRY: A CASE OF KENYA AIRWAYS

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# DETERMINANTS INFLUENCING EMPLOYEE INVOLVEMENT ON PERFORMANCE OF AIRLINE INDUSTRY: A CASE OF KENYA AIRWAYS

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#### **ABSTRACT**

Over the years, employee involvement has been identified as one of the organization's most important key ingredient for performance, growth and global competitiveness. It is common cause that every employee in a business should understand the objectives and pull in the same direction to maximize profit and growth thus performance of that business. There is a measure of success stories in this regard especially where employee and productivity issues occupy the center stage; morale, commitment and involvement are positively affected. The general objective of this study was to establish the determinants influencing employee involvement on performance of airline industry in Kenya with Kenya Airways as the study area. The study adopted descriptive survey and target population was 1710 employees in Kenya Airways headquarters and sample of 171 employees or 10% of the target population was used in this study. A stratified sampling technique method was used and data was collected through the use of questionnaires. The secondary data was obtained from published documents such as journals, periodicals, magazines and reports to supplement the primary data. A pilot study was conducted to pretest the validity and reliability of instruments for data collection. The data was analyzed by use of both qualitative and quantitative methods with the help of Statistical Package for Social Sciences (SPSS) version 21 and Excel. The study established that human resource policies, reward management, work environment and leadership influenced positively and significantly performance of Kenya Airways. The correlation and regression analysis showed that reward management was the most significant factor of the independent variables at 5% level of significance and 95% level of confidence.

Key Words: Employees, Performance, Airline Industry

### **INTRODUCTION**

This chapter provides a basis for the study on the analysis of employee involvement on the performance of the airline industry. It provides the background and the setting required to put the research problem in to proper context and understanding.

Employee involvement is encompassed in talent management. Talent management can be defined as the use of an integrated set of activities to ensure that the organization attracts, retains, motivates and develops the talented people it needs now and in the future Armstrong (2006). Employees are very important inputs in the production process and service delivery in any given industry. Their skills, roles and satisfaction at the place of work influence the competitive edge of the firm within the industry. For employees to play their part effectively, it is important that they are satisfied, motivated and managed in a way that enhances their level of involvement with the employer. Firms need to create conducive working environment and institute policies which support employee commitment. Gunnigle and Moore (2004) note that human resource policies are not only derived from business strategy but also that business strategy is likely to be problematic if not properly attached to human resource policy. Human resource strategies and policies that are concerned with the use of labor in firms, Boxall and Purcell (2002) consequently need to be effective.

Good spirit at work and at the personal level reflects a distinct state that involves profound feelings of wellbeing, a belief that one's work makes a contribution, a sense of connection to others and common purpose, an awareness of a connection to something larger than self and a

sense of perfection Kinjerski and Skrypnek (2004). Perceived as beneficial to employees, customers and employers, spirit at work is being promoted by academics and organizational consultants. Organizations are introducing programs to increase spirit at work, however, research identifying organizational characteristics that directly cultivate an individual's experience of spirit at work is lacking. At the organizational level, spirituality in the workplace refers to an organizational culture guided by mission statements, leadership and business practices that are socially responsible and value driven that recognizes the contributions that employees make to the organization and that promotes personal spiritual development and well-being Ashmos and Duchon (2001); Guillory, (2000); Mitroff and Denton (2006).

It is common cause that everyone in business should understand the objectives and pull in the same direction to maximize profit and growth. There is a measure of success stories in this regard especially where people and productivity issues occupy the center stage; morale, commitment and engagement are positively affected. Nevertheless, some organizations have year after year made a concerted effort to address employee commitment and engagement issues and as always, successes have varied from organization to organization Wellins, Bernthal and Phelps (2005).

It takes little persuasion on a theoretical level to convince a business leader, those employees who are more committed or involved, work harder and smarter and will be better for the company than those who turn up and do merely what they are obliged to do, Gallup Research Report (2003). The Gallup Research Report (2003) estimated that actively disengaged workers are 10 times more likely to say they will leave their

organizations within a year than involved staff. Their 2003 survey in the US and Canada of 1000 workers found that only a quarter were actively engaged in their work with a huge group of between 56% and 60% not engaged and 17% actively disengaged. The research estimates that actively disengaged (uncommitted) workers cost US businesses between \$270 and \$343 billion a year due to low productivity.

# **Kenyan Perspective on Employee Involvement**

Wambugu (2010) conducted a study on the relationship between employee commitment and job performance at the Kenya Institute of Surveying and Mapping. Mutunga (2009) did a research on the factors that contribute to the level of employee engagement in the airline industry in Kenya. It was concluded that several factors contribute to employee engagement but, salary and benefits was the largest contributor. Maluti, Warentho, and Shiundu, (2011) carried out a study on the impact of employee commitment on retention in state financial corporations in Kenya. The results indicated that there was no significant impact of employee commitment on employee retention. Mwangi (2011) carried out a research on the utilization of emotional intelligence and transformational leadership for employee engagement in public Universities in Kenya. The results established that emotional intelligence impacts involvement significantly through the self-awareness, competencies in social awareness, self-management and social management.

### **Statement of the Problem**

In today's competitive global business environment, it is becoming clear that a sole focus on satisfaction and stability is not enough to forge the crucial link between individual performance and positive business results; it must expand to include the concept of employee involvement, Sanchez and Maccauley (2006). Involvement, which indicates a more complex alignment and identification with the organization, results in higher achievement, by many measures, on both an individual and enterprise wide basis.

There is limited research on employee involvement in performance of airline industry, yet employee involvement is very critical for business survival and growth of the industry Otieno (2004). A study by Juan(2010); Geal (2009); Mullins(2011); Opel (2010) indicate that the employee involvement has not been effectively manage in many organizations and firms loose between 5%-15% of sales revenue as a result of lack of attention to employee involvement. This suggests that formal employee involvement management systems are important tools contributing to the performance and growth of organizations. According to Ebei (2011), the weakening of trade-barriers, opening of markets to multinational competitors in airline industry to developing countries, such as Kenya have the challenge to implement employee involvement strategies that will make them produce high quality services to enable them face the threats from the liberalized market.

While several studies Ebei (2011; Juan (2010); Mullins (2011); Chapman (2010) have been done focusing on different aspects of performance of airline industry and further appreciating the crisis in performance in terms of revenue increase, profitability, increase in customer base, productivity of employees, competitive advantage, all empirical evidences are in short of actual factors that influences performance of airline industry itself. Hence this study seeks to establish the determinants employee influencing involvement on performance of airline industry in Kenya.

# The objectives of the study

# **General Objective:**

The purpose of the study was to establish the influence of employee involvement on the performance of airline industry in Kenya.

### **Specific objectives**

The specific objectives of the study were to:

- Determine the influence of human resource policies on employee involvement on the performance of airline industry in Kenya.
- II. Establish the influence of reward management on employee involvement on the performance of airline industry in Kenya.
- III. Determine the influence of work environment on employee involvement on the performance of airline industry in Kenya.
- IV. Establish the influence of leadership style on employee involvement on the performance of airline industry in Kenya.

#### LITERATURE REVIEW

### Introduction

This chapter presents the literature review of the study. The other key sub-section contained in this chapter is a theoretical background, theoretical framework and theories tied to the study. The empirical review highlights the past studies on the variables of the study. There is also a section on the critical review, summary and gaps of the study.

### Theoretical Review

The theoretical review is a logically developed, described and elaborated network of associations among the variables deemed relevant to the problem situation identified Sekaran & Bougie (2010). A theoretical framework introduces and describes the theories that attempt to explain the research problem under study with a keen focus on the specific variables being sought in the study, William (2006). Cooper (2011), defines a theory as a set of interrelated concepts which can be used in the study, definitions, prepositions that have been put forth to explain or predict a scenario under study. The relationship depicted by these theories and models is therefore reflected in this section of the literature concerning influence of employee involvement on performance of airline industry in Kenya. The study was guided by the Douglas McGregor (Theory X and Theory Y), Human Capital Theory, Maslow's Hierarchy of Needs Theory and Expectancy Theory.

### **Human Capital Theory**

From an organizational perspective, the human capital theory hypothesizes that in a perfectly operating labor market, organizational productivity increases as individuals become more highly trained. The overall link between training and development to productivity at the workplace is based on a concept referred to as factor pricing, Maglen (2008).

The theory assumes that organization specific training, such as in the events of changes, is likely to increase the organization long term productivity results on their training investment. The employees are more likely to have a better understanding of the structures resulting from the change and will use them appropriately to ensure productivity to the firm Bosworth, Wilson & Assefa (1993). Hence, Maglen (2008) asserts that this leads to employees' satisfaction and will also influence the level of employee engagement performance.

A proper investment in training and development by an organization on its employees increases their understanding of their duties, tasks and obligations. Training also creates a conducive environment for cooperation and collaboration within employees in performing their work. This, based on the human capital theory, results in both individual and firm-wide productivity Juan (2010). The above theory instigated the first study objective that is to establish the influence of human resource policies on employee involvement on the performance of airline industry in Kenya

# **Expectancy Theory**

The expectancy theory puts forth the premise that employees will put forth an amount of work and commitment equal to what they expect to receive in return. Commission compensation structures leverage this theory by allowing employees to earn as much money as they desire, completely based on their performance. Making sure that employees always expect future pay raises and potential job promotions can keep them working hard to achieve personal goals. If employees expect little compensation and no growth opportunities in return for their work, they may put forth only minimal effort until they eventually look to a new employer for new opportunities, Heize (2009). The above theory facilitated understanding of the second study objective that is to establish the influence of reward management on employee involvement on the performance of airline industry in Kenya

# Maslow's Hierarchy of Needs Theory

Abraham Maslow's hierarchy of needs theory places employees' needs into five progressive categories, beginning with basic physical needs

and progressing up to needs for personal growth and career development. Maslow claims that employers must meet each level of employees' needs for employees to truly commit themselves to workplace goals. Failing to meet employees' needs at any level in the hierarchy can create a lack of fulfillment in employees' professional lives, causing them to eventually try to fulfill these needs on their own, possibly by finding a new employer who provides better opportunities to satisfy their needs, Juan (2010). The above theory instigated the third study objective that is to establish the influence of work environment on employee involvement on the performance of airline industry in Kenya

# **Douglas McGregor (Theory X and Theory Y)**

Management style is strongly influenced by someone's beliefs and assumptions about what motivates members of a team: If team members dislike work, a manager will tend towards an authoritarian style of management; On the other hand, if there is an assumption that employees take pride in doing a good job, a manager will tend to adopt a more participative style of leadership Coventry (2007). Theory X assumes that employees are naturally unmotivated and dislike working and this encourages authoritarian style of management. According to this view, management must actively intervene to get things done. This style of management assumes that workers dislike working, avoid responsibility and need to be directed. They also have to be controlled, forced and threatened to deliver on their targets. This therefore means that they need to be supervised at every step, with controls put in place and need to be enticed to produce results; otherwise they have no ambition or incentive to work Sagemo (2006).

X-Type organizations tend to be top heavy with managers and supervisors required at every step

to control workers. There is little delegation of authority and control remains firmly centralized and this never go well with all the staff in an organization. McGregor recognized that X-Type workers are in fact usually the minority and yet in mass organizations, such as large scale production environment, X- Theory management may be required and can be unavoidable Juan (2005).

Theory Y expounds a participative style of management that is decentralized. It assumes that employees are happy to work, selfmotivated and creative. They enjoy working with greater responsibility. It assumes that workers seek and accept responsibility and are motivated to fulfill the goals they are given. They do not need much direction and consider work as a natural part of life therefore solves work problems imaginatively. This participative management style tends to be more widely applicable. In Y-Type organizations, people at lower levels of the organization are involved in decision making and have more responsibility, Nick and Nelson (2007). Therefore, any type of management style used by an organization will influence the level of employee involvement on performance in that organization, Teine (2008). The above theory facilitated the understanding of the fourth study objective that is to establish the influence of leadership style on employee involvement on the performance of airline industry in Kenya

### **Conceptual Frame Work**

Conceptual framework, according to educational researcher Saunders (2007) are structured from a set of broad ideas and theories that help a researcher to properly identify the problem they are looking at, frame their questions and find suitable literature. Most academic research uses a conceptual framework at the outset because it

helps the researcher to clarify his study question and aim Bordens & Abbot (2008). According to Young (2009), conceptual framework is a diagrammatical representation that shows the relationship between dependent variable and independent variables. Mathieson et al (2011) defined a conceptual framework as a virtual or written product, one that explains, either graphically or in narrative form, the main things to be studied- the key factors, concepts, or variables and the presumed relationships among them.

Conceptual framework, according to educational researcher Stratman and Roth (2013), are structured from a set of broad ideas and theories that help a researcher to properly identify the problem they are looking at, frame their questions and find suitable literature. Most academic research uses a conceptual framework at the outset because it helps the researcher to clarify his research question and aim. Miles and Huberman (1994) defined a conceptual framework as a visual or written product, one that explains, either graphically or in narrative form, the main things to be studied. The key factors are concepts or variables and the presumed relationships among them. Here, in broader term of the sense, it refers to the actual ideas and beliefs that you hold about the phenomena studied, whether these are written down or not; this may also be called the "theoretical framework" or "idea context" for the study. It is used to make conceptual distinctions organize ideas. Strong conceptual frameworks capture something real and do this in a way that is easy to remember and apply, Juan (2010).In this study, the conceptual framework will look at the influence of employee involvement on performance of airline industry in Kenya.

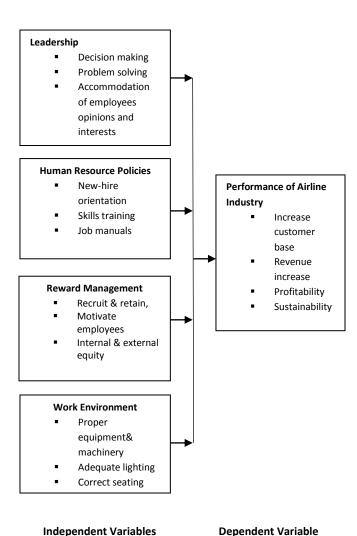


Figure 2.1: Conceptual Frame Work

# Leadership

They are different kinds of leadership styles: autocratic, democratic and laissez faire. These types of leadership will eventually influence the leadership style of the management in an organization and eventually the level of employee involvement on performance. The quality of leadership will also influence the leadership style. Thus poor or good leadership will influence the level of employee involvement on performance of an organization. Hence the

perception of a leader from his followers' point of view is very important in the reduction of the degree of employee involvement on performance.

According to Nwagbara (2011) without shared leadership organizations will not experience high employee involvement. leadership is about collaborative, participatory leadership that takes employees' views and interests on board in decision-making and leadership process. Employee involvement is a workplace approach designed to ensure that employees are committed to their organization's goals and values, motivated to contribute to organizational success and are able at the same time to enhance their own sense of well-being. Thus, he argues that if the interests and opinions employees are not considered organizational decision-making process and leadership, they will feel disenchanted as well as alienated from the organization's leadership which will eventually lead to low employee involvement.

#### **Human Resource Policies**

New-hire orientation and skills training are two required components of job preparation for which employers are responsible. preparation begins with the initial step in training during new-hire orientation hence the need for HR Policies and manuals that support good job orientation. Employees who start new jobs without any kind of orientation or training are often unaware of workplace policies processes that would benefit their performance. Additional training throughout the employment relationship keeps employee skill sets up-to-date and enables a more productive and efficient workforce. When employees lack the training necessary to become

productive, their performance suffers and they will either leave of their own volition for jobs that provide training and employee support or they will be terminated for poor performance, Mullins (2011) thus human resource polices will influence employee involvement on the organizations performance.

### **Reward Management**

Reward Management is concerned with the formulation and implementation of strategies and policies that aim to reward people fairly, equitably and consistently in accordance with their value to the organization. Objectives of reward management includes but not limited to; support the organization's strategy, recruit & retain, motivate employees, internal & external strengthen psychological financially sustainable, comply with legislation and efficiently administered, Juan (2010). Thus reward management has a direct effect to employee involvement on performance and so organizations should endeavor to develop rewards policies that support total rewards systems.

Reward management has an important part to play in the development of cultures in which individuals and teams take responsibility for continuous improvement in an organization. It affects organizational performance because of the impact it has on people's expectations as to how they will be rewarded. Organization must reward employees because in return, they are looking for certain kind of behavior; they need competent individuals who agree to work with a high level of performance and loyalty. Individual employees, in return for their commitment, expect certain extrinsic rewards in the form of salary, promotion, fringe benefits, perquisites, bonuses or stock options, Geal (2009). Individuals

also seek intrinsic rewards such as feelings of competence, achievement, responsibility, significance, influence, personal growth, and meaningful contribution. Employees judge the adequacy of their exchange with the organization by assessing both set of rewards, if they indeed fail to associated themselves with the offer of the organization, they will decide to seek it from another organization, Mullins (2011).

#### **Work Environment**

Employees must have the necessary tools to perform their duties. This includes the proper equipment, machinery and computer technology as well as adequate lighting, work space and ergonomically, correct seating and in compliance with Occupational Health and Safety guidelines. Poor working conditions due to physical elements lead to low productivity and overall job dissatisfaction. The latter, particularly when left unaddressed leaves employees feeling unappreciated and they ultimately leave, Unise (2004).

### **Employee involvement on Performance**

The primary employee retention strategies have to do with creating and maintaining a workplace that attracts, retains and nourishes good people. This covers a host of issues, ranging from developing a corporate mission, culture and value system to insisting on a safe working environment and creating clear, logical and consistent operating policies and procedures. Environmental employee retention strategies address three fundamental aspects of the workplace: the ethics and values foundation upon which the organization rests; the policies that interpret those values and translate them into day-to-day actions and the physical environment in which people work. The overall

goal is to make the organization a place where people want to come to work, stay and prevent the in-out trend of employees, Juan (2010).

# **Empirical Review**

This includes the studies conducted on employee involvement and performance of airline industry. It reviews the aspects of leadership style, work environment, reward management and human resource policies on employee involvement influence performance of airline industry.

# Leadership

Leadership training, employee development and professional seminars and workshops demonstrate employer's interest in tapping current human resources for higher-level roles within the organization through promotion-fromwithin policies and succession plans, Kent (2009). Ineffective leadership results from employers' failure to provide support for employees who demonstrate aptitude and interest promotional opportunities. Promoting employees without the benefit of basic leadership training puts the employer at risk for high turnover and low productivity. It's akin to setting the supervisor up for failure and it jeopardizes employee-supervisor relationships. For example, an employee receiving a promotion based on job competency alone may not have the skills necessary to manage employees who now report to her/him, McCarthy (2012). Leadership training and employee development can help the new supervisor understand how to balance dual responsibilities - managing department functions and managing people. Without leadership training, however, the supervisor can fail because he did not receive the training he needed and employees who report to him suffer because of potentially poor employee-supervisor relationships, Jobber (2008).

Retaining employees is important to the continuing success of a business, especially a small business because of the skills and knowledge that employees accumulate while working for a particular business. A company with a high level of employee engagement faces the costs and effort of recruiting, inducting and training new employees, with the risk of business disruption while new employees get up to speed on the job. Leadership concepts such as respect, engagement and involvement can help fix the problem of employee involvement when business owners and managers put them into action using a leadership style that motivates employees and recognizes their contributions, Sadhard (2009).

#### **Human Resource Policies**

Success in the field of human relationships in the world of work stems from good human resources management (HRM) policy, practice and effective personnel functions, Mullins (2011). Whatever the nature of the work an organization achieves, it results through the work activities of people in the organization that they have been provided for by the policies and practices of HRM guiding their respective activities in a clear and directional manner. Therefore, HRM practices are reflections of policies put in place to guide employees in the course of taking action or decision that will direct the activities which have consequences on the overall behavior in the organization. The personnel functions are compressed in the term HRM. For Kenyan banking industries to survive in a global economy in this present millennium, they need to design effective human resources management (HRM) practices that encourage the retention of high performing employees, particularly among employees with core skills and should develop competitive practices to retain them. This must not be left at the door step of the personnel department only but should be seen as responsibility to be shared by other units in the organization, Daly (2012).

Firms that do not select the right employees to begin with may not be able to keep these employees in the long run because of low employee morale arising from poor job fit. Also, firms that do not socialize new employees into their jobs or the organization may not be able to cultivate from them, a sense of loyalty and commitment to the firm because of the lack of attachment demonstrated by the firm to the newcomers, Ray (2009). In the area of selection tools, Kettlitz, Zbib and Motwani (2007) found that firms that used the weighted applications blanks (WABs) to screen job candidates had lower employee engagement. This was because the use of WABs reduced the number of poor candidates selected for employment to begin with which was a proactive approach to reducing turnover among those not suitable for the job. This finding supported Brockner (2008) results which found that job compatibility and employee characteristics predicted employee turnover or tenure. Firms that was able to assess if individuals were compatible for the jobs they applied for, were more able at reducing employee engagement. Specifically, firms that used an application review, reference check and assess job applicants' interview to compatibility had lower employee engagement.

Conversely, employees' perception of the organizational and job fit are also factors that have an effect on employee involvement. For example, McElroy etal (2006) found that voluntary employee involvement was contingent

on the amount of fit or misfit between the individual's values and the predominant organizational structure or management style. Employee involvement was therefore the result of an interaction between personal factors and organizational factors.

### **Reward Management**

Compensation of employees is accounted for on an accrual basis and it is measured by the value of the remuneration in cash or in kind which an employee becomes entitled to receive from an employer in respect of work done, during the relevant accounting period whether paid in advance, simultaneously or in arrears of the work itself, Opel (2010). According to Chapman (2010). Reward management is one of the biggest factors that lead to high level of employee involvement in any organization. This is because many employees would like to be paid the same as a person doing the same job in another organization.

Reward management is about the design, implementation, maintenance, communication and evolution of reward processes which help organizations to improve performance and achieve their objectives. Reward processes are based on reward philosophies and strategies and contain arrangements in the shape of policies and strategies and contain arrangements in the shape of policies, guiding principles, practices, structures and procedures which are devised and managed to provide and maintain appropriate types and levels of pay, benefits and other forms of reward, Chapman (2010). This constitutes the financial reward aspect of the process which incorporates processes and procedures for tracking market rates, measuring job values, designing and maintaining pay structures, paying for performance, competence and skill, and providing employee benefits. However, reward management is not just about money, it is also concerned with those non-financial rewards which provide intrinsic or extrinsic motivation, Byte (2008).

There are other inputs to production which are to be valued at the point when they are actually used. For statistical purposes, the relationship of employer to employee exists when there is an agreement, formal or informal, between an enterprise and a person, normally entered into voluntarily by both parties, whereby the person works for the enterprise, in return for remuneration in cash or in kind. The remuneration is normally based on either the time spent at work, or some other objective indicator of the amount of work done; the amount will always affect the turnover rate in an organization, Byte (2008).

Employee remuneration refers to the reward or compensation given to the employees for their work performances. Remuneration provides basic attraction to an employee to perform job efficiently and effectively. Remuneration leads to employee motivation. Salaries constitute an important source of income for employees and determine their standard of living. Salaries affect the emplovees' productivity and performance. Thus the amount and method of remuneration are very important for both management and employees, Byte (2005). Methods of employee remuneration include time rate method: Under time rate system, remuneration is directly linked with the time spent or devoted by an employee on the job. The employees are paid a fixed pre-decided amount hourly, daily, weekly or monthly irrespective of their output. It is a very simple method of remuneration. It leads to minimum wastage of resources and lesser chances of accidents. Time Rate method leads to quality output and this method is very beneficial to new employees as they can learn their work without any reduction in their salaries. This method encourages employees' unity as employees of a particular group/cadre get equal salaries, Thine (2005). Thus the method of employees' remuneration affects the level of employee involvement in an organization, Kent (2011).

There are some drawbacks of other method, such as; it is not easily computable, leads to deterioration in work quality, wastage of resources, lesser unity of employees, low level of employee involvement, higher cost of production and insecurity among the employees. Piece rate system is more suitable where the nature of work is repetitive and quantity is emphasized more than quality, Juan (2004). A well designed remuneration systems play a strategic role by promoting organizational success in highly competitive markets in which technological change constantly influences how employees perform their jobs. Indeed, some go so far as to argue that there are strong links between remuneration system design and organizational performance. A well-structured remuneration policy of organization influences' how the employees perform and their level of commitment to the organization, Chapman (2004).

### **Work Environment**

Employees involved in workplace conflict, especially when management or human resources fails to investigate or resolve the issues, leave for other employment or simply become disengaged employees whose performance suffers. Unresolved workplace conflict has a detrimental effect on employee morale. Employer precautions include enforcing workplace policies that support fair employment

practices and implementing a process for employees to report incidents that often rise to the level of workplace conflict, such as harassment or bullying, Kent (2004).

Employers who communicate regularly with employees lessen the risk of creating a workforce that feels undervalued and unappreciated. informed Keeping employees organizational changes, staffing plans and fluctuating business demands is one way to ensure employees remain with the company. Neglecting employee concerns about job security through lack of communication or excluding employees from discussions that can affect their job performance, such as policy or procedural changes, negatively impacts the way employees view their employer. Their views transform to dissatisfaction and finally low productivity due to low morale and disengagement, Drucker (2005).

### **Critiques of Literature Review**

The literature review talks about all independent variables being the factors affecting the dependent variable, though it does not highlight the exact Kenyan situation viz a viz turnover in airlines and specifically KQ. In as much as the review is relevant, there is no literature review that touches exactly on KQ. It is also clear that many organizations do not disclose reasons for their high level of employee involvement on performance.

Leadership is an essential part of any organization, though the different kinds of leadership cannot guarantee the level of employee involvement on performance's decline. The literature review affirms that different kinds of leadership styles suits different kinds of organization. Whereas that is right, the review does not give us the exact leadership style to be

used to increase the level of employee involvement on performance at the studied organization.

Human resource policies are vital for any organization human resource management, growth and development. It is evident that policies associated with human resource management affect the level of employee involvement on performance, whereas that is true, the literature does not give us the specific policies that affect the organization under study and hence the review ought to have established this in totality. That said the research has been endeavored to establish whether human resource policies affect high level of employee involvement in the stated organization or similar airlines.

It is clear that rewards affects the level of employee involvement, though we have not been told exactly how much of rewards affects it highly or lowly, then the review does not give us reward management which leads to high rate of employee involvement, leave alone showing us which industry or organizations are highly influenced by reward management and is significantly affecting the level of employee involvement on performance.

Internal and external environment affect the level of employee involvement, whereas that is true, the review does not give us what this kinds of factors affecting the referenced organization are and whether they area internal or external environment.

### Summary

Employee involvement is another important factor in fixing employee involvement on performance, according to Konrad (2006) organizational behaviour is manifested in an

environment in which employees have the power and the knowledge to make their own decisions about working arrangements, we can achieve positive performance improvements in customer satisfaction, profitability and productivity, as well as reduce employee turnover (International Labour Organization, 2006). This is all attained by organization the leadership style the management team decide to implement or use. Employees who are uncertain about the future of their company may decide to leave because they feel that opportunities will be better at another company. To motivate employees and counter that uncertainty, management must communicate a clear vision of the company's future. A visionary leadership style is particularly important if a company is going through a period of change or restructuring. A vision sets out a company's future direction and the employee's place in the company, helping to dispel rumors and other misinformation that can destabilize the workforce, Kelloy (2009). A democratic approach to leadership that features levels of employee involvement and participation creates a work environment that encourages employees to give their best. In contrast, an autocratic leadership style, in which leaders simply issue instructions, does not create the environment for engagement and involvement that helps to fix employee turnover. Thus leadership affects organization's level of employee involvement on performance.

New-hire orientation and skills training are two required components of job preparation for which employers are responsible. Job preparation begins with the initial step in training during new-hire orientation. Employees who start new jobs without any kind of orientation or training are often unaware of workplace policies and processes that would benefit their job performance. Hence the need for a work

induction and orientation policy. Additional training throughout the employment relationship keeps employee skill sets up-to-date and enables a more productive and efficient workforce. When employees lack the training necessary to become more productive, their performance suffers and they will either leave on their own volition for jobs that provide training and employee support or they will be terminated for poor performance. Organizations should have sound training policies, Mullins (2011).

Compensation of employees is accounted for on an accrual basis, it is measured by the value of the remuneration in cash or in kind which an employee becomes entitled to and receive from an employer in respect of work done, during the relevant accounting period whether paid in advance, simultaneously, or in arrears of the work itself, Opel (2010). According to Chapman (2010), reward management is one of the biggest factors that lead to high level of employee engagement in any organization. This is because many employees like to be paid the same as a person doing the same job in another organization. Employees involved in workplace conflict, especially when management or human resources fails to investigate or resolve the issues, leave for other employment or simply become employees whose disengaged performance suffers. Unresolved workplace conflict has a detrimental effect on employee morale. Employer precautions include enforcing workplace policies that support fair employment practices and implementing a process for employees to report incidents that often rise to the level of workplace conflict, such as harassment or bullying, Kent (2004). Thus the variable must be taken with utmost seriousness in any organization. Failure in doing so, Muset (2012) states the rate of level of employee involvement will reduce.

### **RESEARCH METHODOLOGY**

This chapter brings out the research design and methodology used in the study. The section contains the research instruments which the researcher incorporated in the study. In addition to that, the sampling design and the data collection procedures are important components of a research and are also contained in this chapter. This section of the study describes the research design, the target population, sample size and the sampling method, procedure of data collection and data analysis in totality.

### **Research Design**

The research adopted both a descriptive research design on Kenya Airways and also a case study approach. Thomas (2011) refers to a case study as an analysis of persons, events, decisions, periods, projects, policies, institutions or other systems that are studied holistically by one or more methods. It provides a systematic way of looking at events, collecting data, analyzing information and reporting the results. This helps the researcher to gain а sharpened understanding of why the instance happened as it did and what might become important to look at more extensively in future research. It also helps the researcher to critically analyze the case in question with a view of drawing more detailed and specific information about the subject that can be useful to the management. Descriptive research design is a systematic method which involves collecting relevant data subsequently describing the behavior of a subject without influencing it in any way. Most often than not, it is used as a precursor to more statistical research as it gives some valuable pointers as to what variables are worth testing quantitatively. According to Orodho (2003), a descriptive survey design is appropriate as the researcher sets out to study the state of affairs as

they exist in regard to the variables under investigation.

# **Target population**

Population is the totality of elements that has one or more characteristics in common, Berg (2009). The researcher chose the airline industry to efficiently and effectively accomplish an indepth study of the topic understudy. The population included top, middle and lower level of management, Head Office in Embakasi, Nairobi. The Kenya Airways Limited ('the Airline') is incorporated in Kenya under the Company's Act and is also licensed to do the business of airline under the Airline Act.

Table 3.1: Target population of the study

Management cadre	Target	Percentage
	Population	
Top Level Managers	164	10
Middle Level Managers	350	20
General Staff	1200	70
Total	1714	100

Source: KQ (2015)

# Sampling frame, sampling technique and sample size

The sampling frame is a list of elements in the population of interest and generally a list of all members of a population used as a basis for sampling. In this study, the sample frame involved top level managers, middle level managers and general staff to get the divergent views held by the different levels on employee engagement on organizational performance.

Sampling technique refers to a systematic process of selecting individuals to represent the larger group from which they will be selected Mugenda & Mugenda (2003). The researcher used stratified random sampling approach to cover the total population given the nature of the respondents. A sample is a proportion of the target population that is representative of the whole population from which it is drawn in order to generalize the research findings. The main advantage of sampling is that it is difficult to observe the whole population; therefore sampling helps to reduce costs and time related to observing the entire population as is the case in census, Kothari (2004).

Sample size refers to the number of actual respondents of research instruments. Johnson and Christensen (2010) suggest that the sample size should be as large as possible so as to produce the salient characteristics of the accessible population to an acceptable degree. The sample frame of the study includes a representative sample of the individuals living in the informal settlement. According to Kombo and Tromp (2006) a sample size of 10% or 20% of the target population selected using stratified sampling is appropriate. Thus, 10% of the accessible population is enough for the sample size. In this context, the researcher took the minimum accepted because of limited resources.

**Table 3.2 Sample Size** 

Category		Population	Sample ratio	Sample
				Size
Тор	Level	164	0.1	16
Managers				
Middle	Level	350	0.1	35
Managers				

General Staff	1200	0.1	120
Total	1714	-	171

#### **Data Collection Instruments**

For the collection of data, a questionnaire was used. A questionnaire is a set of questions or statements that assess attitudes, opinions, beliefs, biographical information or other forms of information, McMillan and Schumacher (2001). According to research scholars, the questionnaires are preferred for primary data collection because they are economical; they ensure anonymity, permit use of standardized questions ensure uniform procedures, provide time for the subject to think about response and are easy to administer and score, Peil (1995); Mugenda & Mugenda, (2003); Kothari, (2011). For these reasons, therefore and considering that the entire target population will be able to read and write the research used questionnaires as the main instrument for primary data collection.

The responses are gathered in a standardized way, so questionnaires are more objective, certainly more so than interviews. Generally it is relatively quick to collect information using a questionnaire. However in some situations they can take a long time not only to design but also to apply and analyse. Potentially information can be collected from a large portion of a group. This potential is not often realized, as returns from questionnaires are usually low. However return rates can be dramatically improved if the questionnaire is delivered and responded to in class time.

### **Data collection procedure**

The researcher used questionnaires to collect primary data. The questionnaires were selfadministered and distributed to the respondents and reasonable time given before they could be collected. The completed questionnaires were sorted and cleaned of errors. Secondary data was collected by a study of records and documents in various departments in the firm involved in supply chain management; data that was collected concerned written records about variables understudy and reports with documentary evidence

### **Pilot Test**

According to Bordens & Abbott (2008), pilot study is as a small-scale version of the study used to establish procedures, materials and parameters to be used in the full study. According to Cooper and Schindler (2010), pilot test is conducted to detect weaknesses in design and instrumentation and to provide proxy data for selection of a probability sample. Pilot study is an activity that assists the researcher in determining if there are flaws, limitations, or other weaknesses within the interview design and allows him or her to make revisions the necessary prior implementation of the study Kvale (2007). A pilot study was undertaken on 15 respondents to test the reliability and validity of the questionnaire. It is recommended that 10% of the sample should constitute the pilot test Creswell (2003).

### Reliability of the research instruments

Reliability is the extents to which a research instrument yields findings that are consistent each time it is administered to same subjects Mugenda & Mugenda (2003). The measurement of reliability provides consistency in the measurement variables Wanyoike (2013).

Internal consistency reliability is the most commonly used psychometric measure assessing survey instruments and scales Zhang (2000). Cronbach alpha is the basic formula for determining the reliability based on internal consistency Kim & Cha (2002). The standard minimum value of alpha of 0.7 is recommended Malhotra (2004). The theoretical and empirical literature, however, accepts a Cronbach's alpha of 0.4 as minimum Zheka (2006), Beltratti (2005) & Abdulah (2004) in their study adopted the use of 0.4 as the minimum level for item loadings.

### Validity of the research instruments

Validity is the degree to which the sample of the test item represent the content that is designed to measure, that is, the instrument measures the characteristics or trait that is intended to measure Mugenda and Mugenda (2003).Data need not only to be reliable but also true and accurate. If a measurement is valid, it is also reliable Joppe (2000). The research adopted content validity which refers to the extent to which a measuring instrument provides adequate coverage of the topic under study. The content validity was achieved by subjecting the data collection instruments to an evaluation group of supply chains experts who provided their comments and relevance of each item of the instruments and the experts indicated whether the item was relevant or not.. The content validity formula by Amin (2005) was used in line with other previous studies Cull, Deigurc-kunt & Morduch (2007; Lefort & Urzua (2008); The formula is; Content Validity Index = (No. of judges declaring item valid) / (Total no. of items). It is recommended that instruments used in research should have CVI of about 0.78 or higher and three or more experts could be considered evidence of good content validity (Amin, 2005).

# **Data Analysis and Presentations**

Data collected was analyzed using quantitative and qualitative methods with the help of (SPSS) version 2.1 and excel. The findings were presented using tables and graphs for further analysis and to facilitate comparison. This generated quantitative reports through tabulations, percentages, and measure of central tendency. The researcher further adopted correlation analysis and multiple regression model at 5% level of significance and 95% level of confidence to study the strength and direction of the relationship between the independent variables (Human resource policies, reward management, work environment and leadership style) and the dependent variable (performance of airline industry).

# **Multiple Regression Analysis Model**

Performance of airline industry in Kenya Airways was regressed against four variables of employee involvement namely human resource policies, reward management, work environment and Leadership style. The equation was expressed as follows:

 $Y = \beta 0 + \beta 1X1 + \beta 2X2 + \beta 3X3 + \beta 4X4 + \epsilon$ , where,

Y= Performance of airline industry in Kenya Airways,

 $\beta$ 0= constant (coefficient of intercept),

X1= Human resource policies

X2= Reward management

X3= Work environment

X4= Leadership style;

 $\varepsilon$  = error term;

 $\beta$ 1... $\beta$ 4= regression coefficient of four variables.

#### **Correlation Analysis**

The Pearson product-moment correlation coefficient measure the strength of a linear association between two variables Kothari (2004) The Pearson correlation coefficient, *r*, can take a

range of values from +1 to -1. A value of 0 indicates that there is no association between the two variables. A value greater than 0 indicates a positive association, that is, as the value of one variable increases so does the value of the other variable Creswell (2003). A value less than 0 indicates a negative association, that is, as the value of one variable increases the value of the other variable decreases. The correlation of the variables will be tested to establish their significance at the 0.05 level for 2-tailed Kothari (2010).

### DATA ANALYSIS, RESULTS AND DISCUSSION

### Introduction

The main objective of this study was to establish the influence of employee involvement on performance of the airline industry with a case of Kenya airways as the study area. The data was gathered exclusively from the questionnaire as the research instrument. This chapter, therefore, provides analysis, presentation, interpretation and discussion of the findings from the data collected for the research study.

### Response rate

The study targeted a sample size of 171 respondents from which 102 duly filled in and returned the questionnaires making a response rate of 59.65% while 69 that is 40.35 % did not returned return or partially filled questionnaires.This response rate was satisfactory as it was considered credible, sufficient and representative to make conclusions for the study. According to Mugenda and Mugenda (2003), a response rate of 50% is adequate for analysis and reporting; a rate of 60% is good and a response rate of 70% and over is excellent. Based on the assertion, the response rate was considered to be good.

Table 4.1: Response rate

Response	Frequency	Percentage
Responded	102	59.65
Not Responded	69	40.35
Total	171	100

# Reliability analysis

Reliability is the extent to which a research instrument yields findings that are consistent each time it is administered to same subjects Mugenda and Mugenda (2003). Cronbach alpha is the basic formula for determining the reliability based on internal consistency Kim & Cha (2002). The standard minimum value of alpha of 0.7 is recommended, Amin (2005) as the minimum level for item loadings. The findings were as shown in Table 4.2:

**Table 4.2: Reliability analysis** 

Variable	Number	Cronbach's	Cronbach's
	of valid	alpha	Alpha
	items		Comments
Human	5	0.7843	Accepted
Resource			
policies			
Reward	5	0.8756	Accepted
management			
Work	6	0.7774	Accepted
environment			
Leadership style	6	0.8533	Accepted

From the results as shown in Table 4.2; the constructs used in the study werefor every objective which formed a scale. Gliem & Gliem (2003) established the Alpha value threshold at

0.7, thus forming the study's benchmark. The table shows that reward management had the highest reliability ( $\alpha$ = 0.8756), followed by leadership style ( $\alpha$ =0.8533), Human policies ( $\alpha$ =0.7843) and Work environment ( $\alpha$ =0.7774). This illustrates that all the four variables were reliable as their reliability values exceeded the prescribed threshold of 0.7.This infers that the instrument was reliable as emphasized by Gliem & Gliem (2003).

# Validity analysis

If a measurement is valid, it is also reliable Joppe (2000). The content validity formula by Amin (2005) was used in this study. The formula is; Content Validity Index = (No. of judges declaring item valid) / (Total number of items). It is recommended that instruments used in research should have CVI of about 0.78 or higher and three or more experts could be considered evidence of good content validity, Amin (2005). The results were as shown in table 4.3;

**Table 4.3: Content Validity Index** 

Variable	Valid items	Fraction	Comment
Human Resource	8	0.7900	Accepted
policies			
Reward	5	0.7895	Accepted
management			
Work	6	0.7786	Accepted
environment			
Leadership style	7	0.7856	Accepted
Overall	=	0.7859	Accepted

From the results in table 4.3: it illustrates that all the four variables were valid as their CVI values exceeded the prescribed threshold of 0.78. This infers that the instrument was valid as emphasized by Amin (2005) as validity of test yielded an average index score of 78.59%.

# **Demographic Information**

Demographic information provides data regarding research participants and is necessary for the determination of whether the individuals in a particular study are a representative sample of the target population and testing appropriateness of the respondent in answering the questions for generalization purposes. The background information comprised of the gender, age and highest level of education of the respondents.

# **Gender of Respondents**

The research went further to establish the gender of the respondents from the study area. This information is shown in the table 4.4:

**Table 4.4: Gender of Respondents** 

Gender	Frequency	Percentage
Male	56	54.90
Female	46	45.10
Total	102	100

From the results in table 4.5: it was found out that 54.90% of the respondents were male and 45.10% were female. This infers that majority of the respondents were males who are employed and involved in performance of airline in the study area. The high percentage of male respondents may be attributed to the opinions commonly held about gender roles in airline industry are initiated and managed by male and may reflect the impact of advocacy for gender mainstreaming in the sector. This finding is in line with Liaison (2011) who indicated that developing countries are breaking the demand of airline industry especially the employment of employees in top management is no longer the prerogative of the men.

# Age of respondents

The study went further to establish the distribution age of the respondents. The information is shown in the Table 4.5:

**Table 4.5: Age of the respondents** 

Years	Frequency	Percentage
18 - 30	28	27.45
31 - 40	36	35.29
41 – 50	23	22.55
Above 50	15	14.71
Total	102	100

From the findings in Table 4.6: the highest percentage of the respondents 35.29% was 31 to 40 years of age,27.45% for 18 to 30 years, 22.55% for 41 to 50 years and 14.71% above 50 years. The high percentage of respondents aged between 31 to 40 years may be explained that young people are more likely to be employed and involved in airline industry than the old people. Therefore, this finding may also be significant for enhancing growth of airline industry in Kenya airways as established in the study. This infers that age of employee influenced the experience, performance and growth of the airline industry in the study area. The findings are in line with Ebei (2011) who observed that there is a correlation between age of the employee and performance of airline sector in Kenya.

# **Respondents' Level of Formal Education**

The study sought to establish the respondents' level of education in Kenya airways. The findings were as shown in figure 4.1:

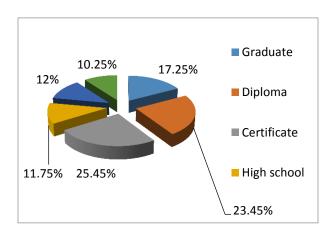


Figure 4.1: Respondents' Level of Formal Education

From the results in figure 4.1: most of the respondents (25.45%) had acquired Certificate level of Education, 23.45% of the respondents stated to have acquired Diploma, 17.25% Bachelors, 11.75% had High School,12% cited to have acquired Primary Level of Education and 10.25% had no formal Education but hands on skills. This is a clear indication that most of the respondents were literate and thus they were in a position to answer all the questions in this study. This implies that the level of education is important factor in understanding performance of airline industry in Kenya airways. The findings agree with literature by Chaddad (2004) that high level of literacy is important which can easily help in understanding and responding to the study. Abushaban (2008) found out that availability of personnel with high qualification lead to better performance and growth of a firm or industry.

### Working experience in airline industry

The research went further to find out on the respondents' length of service in the airline industry. This information is shown in figure 4.2;

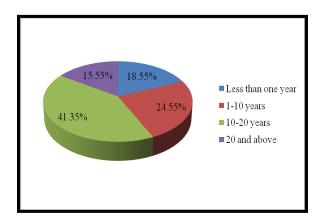


Figure 4.2: Length of service in airline industry

From the findings in figure 4.2 most of the respondents (41.35%) had worked for 10 - 20 years, 24.55% for 1 - 10 years, 18.55% for less than a year and 15.55% for 20 years and above. This implies that the respondents had worked for a relatively long period to give credible information about use of EDI in supply chain performance in the study area. These findings correspond to those by Reagans, Argote and Brooks (2005) that individual experience, experience organizational and experience working together on a team each provide a distinct contribution to performance. According to Enshassi, Mohamed & Abushaban (2008) availability of experienced personnel leads to better performance of quality, time, cost, productivity in a firm. This shows that work experience is an important factor in the performance of airline industry.

### **Study Variables**

The variables of the study included; human resource policies, reward management, work environment and leadership style as the independent variables and performance of airline industry as the dependent variable.

# **Human resource policies**

The first objective of the study was to establish the influence of human resource policies on employee involvement on performance of airline industry in Kenya. The research sought to establish the influence of human resource policies on employee involvement on performance of Kenya Airways. The findings were as shown in table 4.6:

Table 4.6: Human resource policies on performance of airline industry

•	•	•
	Frequency	Percentage
Yes	65	63.73
No	37	36.27
Total	102	100

From the study findings in Table 4.6; the majority (63.73%) of the respondents agreed that human resource policiesdid influence performance of airline industry in Kenya airways while 36.27% posited that human resource policiesdid not influence performance of airline industry in Kenya airways. This infers that human resource policies in employee involvement are an important factor on performance of airline industry in Kenya Airways.

# Extent to which of human resource policies on employee involvement influence performance of Kenya Airways.

The respondents were further asked to indicate the extent to which of human resource policies on employee involvement on performance of airline industry in Kenya Airways. The information is as shown in Table 4.7:

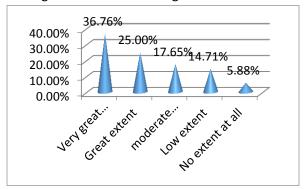
Table 4.7: Extent to which human resource policies on employee involvement influence performance of Kenya Airways.

Extent	Respondents			
	Frequency	Percentage		
Very great extent	43	42.16		
Great extent	38	37.25		
Moderate extent	12	11.76		
Low extent	5	4.90		
Very low extent	4	3.92		
Total	102 100			

From the results of the study in Table 4.7, the majority of the respondents (42.16%) stated that human resource policies employee involvement on performance of Kenya Airways to a very great extent; 37.25% to a great extent; 11.76% to moderate extent; 4.90% to a low extent and 3.92% a very low extent. This infers that human resource policies on employee involvement on performance of airline industry in Kenya Airways to a very great extent. These findings agree with Husband & Mandal (2013) argument that there exists a strong relationship between human resource policies and performance of airline industry.

# Skills training on employees' involvement influence performance of Kenya Airways

The study sought to evaluate the extent to which skills training on employees' involvement influence performance of Kenya Airways. The findings were as shown in figure 4.3:



# Figure 4.3: Extent which skills training on employees' involvement influence performance of Kenya Airways

From the results in figure 4.3, it shows that 36.76% of the respondents indicated that skills training on employees' involvement influence performance of Kenya Airways to a very great extent, 25.00% of the respondents indicated that skills training on employees' involvement influence performance of Kenya Airways to a great extent, 17.65% of the respondents indicated that skills training on employees' involvement influence performance of Kenya Airways to moderate extent,14.71% of the respondents indicated that skills training on employees' involvement influence performance of Kenya Airways to low extent while 5.88% of the respondents indicated skills training on employees' involvement influence performance of Kenya Airways to no extent at all. This infers that skills training on employees' involvement influence performance of Kenya Airways to a very great extent. These findings agree with Daly (2012) argument that skills training employees' involvement are necessary for better performance of an organization.

# New hire orientation on employees' involvement influence performance of Kenya Airways

The study sought to evaluate the extents which new hire orientation on employees' involvement influence performance of Kenya Airways. The findings were as shown in figure 4.4:

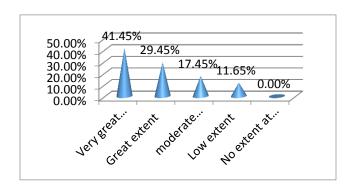


Figure 4.4: New hire orientation on employees' involvement influence performance of Kenya Airways

From the results in figure 4.4; it show that 41.45% of the respondents indicated that new hire orientation on employees' involvement influence performance of Kenya Airways to a very great extent, 29.45% of the respondents indicated that new hire orientation employees' involvement influence performance of Kenya Airways to a great extent, 17.45% of the respondents indicated new hire orientation on employees' involvement influence performance of Kenya Airways to moderate extent, 11.65% of the respondents indicated that new hire orientation on employees' involvement influence performance of Kenya Airways to low extent while zero percent of the respondents indicated new hire orientation on employees' involvement influence performance of Kenya Airways to no extent at all. This infers that new hire orientation employees' involvement influence performance of Kenya Airways to a very great extent. These findings agree with Mullins (2011) that new hire orientation on employees' involvement influence performance of an organization positively.

Job manuals on employees' involvement influence performance of Kenya Airways.

The study sought to evaluate the extent to which job manuals on employees' involvement influence performance of Kenya Airways and results were as shown in figure 4.5:

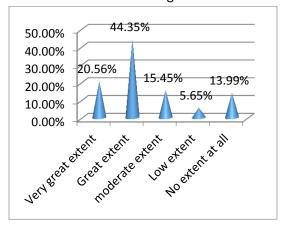


Figure 4.5: Job manuals on employees' involvement influence performance of Kenya Airways.

From the results in figure 4.5; it show that majority (44.35%) of the respondents indicated that Job manuals on employees' involvement influence performance of Kenya Airways to a great extent, 20.56% of the respondents indicated that Job manuals on employees' involvement influence performance of Kenya Airways to a very great extent, 15.45% of the respondents indicated that Job manuals on employees' involvement influence performance of Kenya Airways to moderate extent, 5.65% of the respondents indicated that Job manuals on employees' involvement influence performance of Kenya Airways to a low extent while 13.99% of the respondents indicated Job manuals on employees' involvement influence performance of Kenya Airways to no extent at all. This infers that Job manuals on employees' involvement influence performance of Kenya Airways to a great extent. These findings agree with Brockner (2008) argument that job manuals have a positive influence on employees' performance of a firm.

# Respondent rating of statements on human resource policies on performance of Kenya Airways

The study sought to establish the extent to which the respondents agreed or disagreed with the aspects Human resource policies on performance of Kenya Airways. A scale of 1-5 was used. The scores "Strongly agree" and "Agree" were represented by mean score, equivalent to 1 to 2.5 on the continuous Likert scale (1 ≤ Agree≤ 2.5). The scores of 'Neutral' were represented by a score equivalent to 2.6 to 3.5 on the Likert scale  $(2.6 \le \text{Neutral} \le 3.5)$ . The score of "Disagree" and "Strongly disagree" were represented by a mean score equivalent to 3.6 to 5.0 on the Likert Scale  $(3.6 \le Disagree \le 5.0)$ . The results were presented in mean and standard deviation. The mean was generated from SPSS version 2.1 and is as illustrated in Table 4.6:

Table 4.8: Respondent rating of statements on human resource policies influence performance of Kenya Airways

Statement	Strongly agree	Agree	Neutral	Disagree	Strongly Disagree	Mean	Std. deviation
New hire orientation	28	35	15	12	12	1.7	
on							
employees influence							0.29
performance							
of Kenya airways							
Skills training	30	33	14	14	11	1.6	
on							
employees influence							0.28
performance							
of Kenya airways							
Job manuals	29	36	13	14	10	1.5	
for employees							
influence							0.24
performance							
of Kenya airways							
- 1-							

From the results in table 4.8, respondents agreed that new hire orientation on employees influence performance of Kenya airways by a mean of 1.7 while they strongly agreed that skills training on employees influence performance of Kenya airwaysby a mean of 1.6; Job manuals for employees influence performance of Kenya airwaysby a mean of 1.5. The findings show that respondents agreed that skills training, job manuals and new hire orientation, This infers human resource policies influence performance of Kenya Airways.. The findings corroborates with literature review by Mullins (2011), that human policies influence positively the performance of organization.. This is also in tandem with McElory (2006) who observed that states that human resource policies on new hire orientation and staff training for employees are paramount for effective performance of any firm.

# **Reward management**

The second objective of the study was to determine the influence of reward management on employees' involvement on performance of airline industry in Kenya

# **4.7.1:** Reward management influence onperformance of Kenya Airways

The research sought to establish influence of reward management on employees' involvement on performance of KenyaAirways. The findings were as shown in table 4.9:

Table 4.9: Reward management influence on performance of Kenya Airways

	Frequency	Percentage
Yes	89	87.25
No	13	12.75
Total	102	100

From the study findings in Table 4.9, the majority (87.25%) of the respondents agreed that reward management on employees did influence performance of Kenya Airways while 12.75% cited that reward management on employees did influence performance of Kenya Airways. This infers that reward management is an important factor that that influence performance of Kenya Airways. This is in tandem with Chapman (2010) argument that reward management on employees contributes significantly to the performance of an organization.

# Extent to which reward management influence performance of Kenya Airways

The respondents were further asked to indicate the extent to which reward management influence performance of Kenya Airways. The information is as shown in Table 4.10:

Table 4.10: Extent to which reward management influence performance of Kenya Airways

Extent	Respondents			
	Frequency	Percentage		
Very great extent	34	33.33		
Great extent	42	41.18		
Moderate extent	9	8.82		
Low extent	9	8.82		
Very low extent	8	7.84		
Total	102	100		

From the results of the study in Table 4.10, the majority of the respondents (41.18%) stated that reward management influence performance of Kenya Airways to a very great extent; 33.33 citedreward management influence performance of Kenya Airways to a great extent; 8.82% indicatedreward management influence performance of Kenya Airways to moderate extent; 8.82% state3d that reward management influence performance of Kenya Airways to a low extent and 7.84% cited that reward management influence performance of Kenya Airways to a very

low extent. This infers that reward management influence performance of Kenya Airways to a very great extent. These findings agree with Opel (2010) that reward management plays a key role and influence performance and growth of firms positively.

# Recruit and retain influence on performance of Kenya Airways

The study sought to evaluate the extent to which recruit and retain influence on performance of Kenya Airways and the results were as shown in figure 4.6:

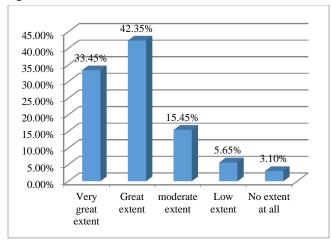


Figure 4.6: Recruit and retain influence on performance of Kenya Airways

From the results in figure 4.10; it shows that 33.45% of the respondents indicated that recruit and retain influence on performance of Kenya Airways to a very great extent, 42.35% of the respondents indicated that recruit and retain influence on performance of Kenya Airways to a great extent, 15.45% of the respondents indicated recruit and retain influence on performance of Kenya Airways to moderate extent, 5.65% of the respondents indicated that recruit and retain influence on performance of Kenya Airways to low extent while 3.10% of the respondents indicated recruit retain and influence on performance of Kenya Airways to no

extent at all. This infers that recruit and retain on employees is an important factor which influence performance of Kenya Airways to a very great extent. These findings agree with Juan (2010) argument that recruit and retain influence on performance of a businesspositively.

# Employee motivation influence performance of Kenya Airways

The study sought to evaluate the extent to which employee motivation influence performance of Kenya Airways and the results were as shown in figure 4.7:

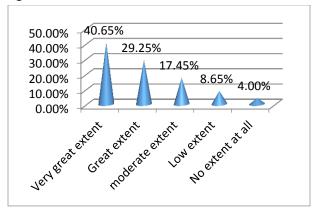


Figure 4.7: Extent to which Employee motivation influence performance of Kenya Airways

From the results in figure 4.11; it shows that 40.65% of the respondents indicated that employee motivation influence performance of Kenya Airwaysto a very great extent, 29.25% of the respondents indicated that that employee motivation influence performance of Kenya Airways to a great extent, 17.45% of the respondents indicated that that employee motivation influence performance of Kenya Airways to moderate extent, 8.65% of the respondents indicated that that employee motivation influence performance of Kenya Airwaysto low extent while 4.00% of the respondents indicated that employee motivation influence on performance of Kenya Airwaysto no

extent at all. This infers that employee motivation is an important factor which influencesperformance of Kenya Airways to a very great extent. These findings agree with Geal (2009) argument that employee motivation such as salary increase, promotion, holidays to mention a few enhance performance of employees thus enhance performance of an organization positively.

# Internal and external equity influence performance of Kenya Airways

The study sought to evaluate the extent to which Internal and external equity influence performance of Kenya Airways and the results were as shown in figure 4.8;

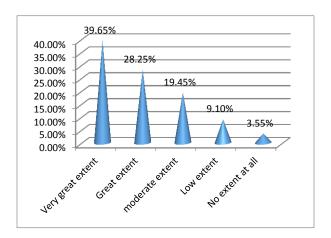


Figure 4.8: Internal and external equity influence performance of Kenya Airways

From the results in figure 4.12; it shows that 39.65% of the respondents indicated that Internal and external equity influence performance of Kenya Airwaysto a very great extent, 28.25% of the respondents indicated that Internal and external equity influence performance of Kenya Airways to a great extent, 19.45% of the respondents indicated that and external equity performance of Kenya Airways to moderate

extent, 9.10% of the respondents indicated that and external equity influence performance of Kenya Airways to low extent while 3.55% of the respondents Internal and external equity influence performance of Kenya Airways to no extent at all. This infers that and external influence Internal equity performance of Kenya Airways to a very great extent. These findings agree with Geal (2009), Mullins (2011) and Juan (2010) argument that internal and external equity influence performance of an organization significantly.

# Respondent rating of statements on reward managementinfluence performance of Kenya Airways

The study sought to establish the extent to which the respondents agreed or disagreed with the aspects reward management on performance of Kenya Airways. A scale of 1-5 was used. The scores "Strongly agree" and "Agree" were represented by mean score, equivalent to 1 to 2.5 on the continuous Likert scale (1 ≤ Agree≤ 2.5). The scores of 'Neutral' were represented by a score equivalent to 2.6 to 3.5 on the Likert scale  $(2.6 \le \text{Neutral} \le 3.5)$ . The score of "Disagree" and "Strongly disagree" were represented by a mean score equivalent to 3.6 to 5.0 on the Likert Scale  $(3.6 \le Disagree \le 5.0)$ . The results were presented in mean and standard deviation. The mean was generated from SPSS version 21 and is as illustrated in Table 4.11:

Table 4.11: Respondent rating of statements on reward management influence performance of Kenya Airways

Statement	Strongly agree	Agree	Neutral	Disagree	Strongly Disagree	Mean	Std. deviation
Recruit and	28	30	20	12	12	2.6	2.1
retain of							
employees enhance							
performance							
of Kenya							
Airways							
Employee	29	30	16	15	12	1.9	1.6
motivation on							
employees is							
necessary for							
performance							
of Kenya							
Airways Internal and	31	34	14	13	10	2.8	1.5
external	31	54	14	15	10	2.0	1.5
equity of							
employees							
influence							
performance							
of Kenya							
airways							

From the results in table 4.11, respondents were neutral that recruit and retain of employees enhance performance of Kenya Airways by a mean of 2.6; the respondents also agreed employee motivation on employees is necessary for performance of Kenya Airways by a mean of 1.9; and they were also neutral that Internal and external equity of employees influence performance of Kenya airways by a mean of 2.8. The findings show that respondents agreed that employee motivation on employees is necessary for performance of Kenya Airways and remained neutral that recruit and retain of employees enhance performance of Kenya Airways and Internal and external equity of employees influence performance of Kenya

airways. The findings corroborates with literature review by chapman (2010), that reward management on employees influence positively the performance of a firm.

### Work environment

The third objective of the study was to examine the influence of work environment on performance of the airline industry in Kenya

# 4.8.1: Work environment influence on performance of Kenya Airways

The research sought to establish influence of work environment on performance of airline industry in Kenya. The findings were as shown in table 4.12:

Table 4.12: Influence of work environment on performance of Kenya airways

	Frequency	Percentage
Yes	75	73.53
No	27	26.47
Total	102	100

From the study findings in Table 4.12; the majority (73.53%) of the respondents agreed that work environment influence performance of Kenya Airways while 26.47% cited that work environment did not influence performance of Kenya airways. This infers that work environment influence performance of Kenya Airways. This is in tandem with Unise (2004) who observed that work environment for employees did influence performance and growth of business positively.

# 4.8.2: Extent to which Work environment influence performance of Kenya Airways

The respondents were further asked to indicate the extent to which work environment influence performance of Kenya Airways. The information is as shown in Table 4.13;

Table 4.13: Extent to which work environment influence performance of Kenya Airways

Extent	Respondents			
	Frequency	Percentage		
Very great extent	32	31.37		
Great extent	20	19.61		
Moderate extent	24	23.53		
Low extent	14	13.73		
Very low extent	12	11.75		
Total	102	100		

According to the results of the study in Table 4.13, majority of the respondents (31.37%) cited that work environment influence performance of Kenya Airways to a very great extent; 19.61% indicated that work environment influence performance of Kenya Airways to a great extent; 23.53% posited that work environment influence performance of Kenya Airways to moderate extent; 13.73% indicated that work environment influence performance of Kenya Airways to a low extent and 11.75% cited that work environment influence performance of Kenya Airways to a very low extent. This infers that work environment is an important factor that performance of Kenya Airways to a very great extent. These findings agree with Drucker (2005) who observed that work environment influence employee involvement which has positive significant impact performance of an organization.

# Influence of equipment and machinery on performance of Kenya Airways

The study sought to evaluate the extent to which equipment and machinery influence performance of Kenya Airways and the results were as shown in figure 4.9:

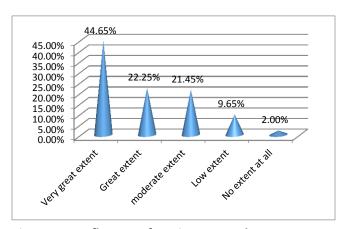


Figure 4.9: Influence of equipment and machinery on performance of Kenya Airways

From the results in figure 4.9; it shows that 44.65% of the respondents indicated that equipment and machinery influenced performance of Kenya Airwaysto a very great extent, 22.25% of the respondents indicated that equipment and machinery influenced performance of Kenya Airwaysto a great extent, 21.45% of the respondents indicated that equipment and machinery influenced performance of Kenya Airways to moderate extent, 9.65% of the respondents indicated that equipment and machinery influenced performance of Kenya Airwaysto low extent of the respondents posited while 2.00% equipment and machinery influenced performance of Kenya Airwaysto no extent at all. This infers that equipment and machinery influenced performance of Kenya Airwaysto a very great extent. These findings agree with Kent (2004) argument that work environment for employees is essential and influence performance of an organization positively.

# Rating of statements on work environmentinfluence performance of Kenya Airways

The study sought to establish the extent to which the respondents agreed or disagreed with the aspects of work environment on performance of Kenya Airways. A scale of 1-5 was used. The scores "Strongly agree" and "Agree" were represented by mean score, equivalent to 1 to 2.5 on the continuous Likert scale ( $1 \le \text{Agree} \le 2.5$ ). The scores of 'Neutral' were represented by a score equivalent to 2.6 to 3.5 on the Likert scale ( $2.6 \le \text{Neutral} \le 3.5$ ). The score of "Disagree" and "Strongly disagree" were represented by a mean score equivalent to 3.6 to 5.0 on the Likert Scale ( $3.6 \le \text{Disagree} \le 5.0$ ). The results were presented in mean and standard deviation. The mean was generated from SPSS version 21 and is as illustrated in Table 4.14;

Table 4.14: Respondent rating of statements on work environment influence performance of Kenya Airways

Statement	Strongly agree	Agree	Neutral	Disagree	Strongly Disagree	Mean	Std. deviation
Equipment and machinery for employees enhance performanc e of Kenya Airways Occupation al and	29	29	19	13	12	2.5	2.2
health guidelines on employees are necessary for performanc e of Kenya Airways							
Adequate lighting and seating influence performanc e of Kenya airways	31	34	14	13	10	2.8	1.5

From the results in table 4.14, respondents were neutral that Adequate lighting and seating influence performance of Kenya airways by a mean of 2.8; the respondents also agreed Occupational and health guidelines on employees are necessary for performance of Kenya Airwaysby a mean of 1.8; and equipment and machinery for employees enhance performance of Kenya Airways by a mean of 2.5. The findings show that respondents agreed that occupational and health guidelines, equipment and machinery and adequate lighting and seating are necessary for performance of Kenya Airways. The findings corroborates are in agreement with literature review by Drucker (2005) and Kent(2004) that work environment for employees influence positively the performance of an organization.

### Leadership

The fourth objective of the study was to establish influence of leadership on employee involvement on performance of Kenya Airways.

# **4.9.1** Influence of leadership on performance of Kenya Airways.

The research sought to establish influence of leadership style on performance of Kenya Airways.

The findings were as shown in table 4.15;

Table 4.15: Influence leadership on performance of Kenya Airways.

	Frequency	Percentage
Yes	91	89.22
No	11	10.78
Total	67	100

From the study findings in Table 4.15; the majority (89.22%) of the respondents cited that leadership style influence performance of Kenya Airways while 10.78% cited that leadership style did not influence performance of Kenya Airways. This infers that leadership influences performance of Kenya Airways to a very great

extent. This is in tandem with Nwagbara (2011) who states that leadership style influence employee performance significantly in an organization.

# Extent to which leadership influence performance of Kenya Airways

The respondents were further asked to indicate the extent to which leadership influence performance of Kenya Airways. The information is as shown in Table 4.16:

Table 4.16: Extent to which leadership style influence performance of Kenya Airways

Extent	Respondents			
	Frequency	Percentage		
Very great extent	42	41.18		
Great extent	23	22.55		
Moderate extent	22	21.57		
Low extent	13	12.75		
Very low extent	2	1.97		
Total	102	100		

According to the results of the study in Table 4.16, majority of the respondents (41.18%) cited that leadership influence performance of Kenya Airways to a very great extent; 22.55% indicated that leadership influence performance of Kenya Airways to a great extent; 21.57% posited that leadership influence performance of Kenya Airways to moderate extent; 12.75% indicated that leadership influence performance of Kenya Airways to a low extent and 1.97% cited that leadership influence performance of Kenya Airways to a very low extent. This infers that leadership is an important factor of employee involvement that influence performance of Kenya Airways to a very great extent. These findings agree with McCarthy (2012), Jobber(2008) and Sadhard (2009) argument that leadership influence performance of a firm positively.

# Extent to which Leadership influence performance of Kenya Airways

The study sought to evaluate the extent to which market leadership influence performance of Kenya Airways and the results were as shown in figure 4.10:

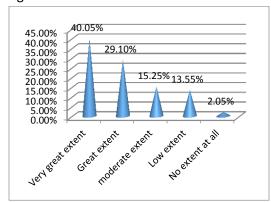


Figure 4.10; Extent to which Ileadership influence performance of Kenya Airways

From the results in figure 4.10; it shows that 40.05% of the respondents indicated that leadership influence performance of Kenya Airways to a very great extent, 29.10% of the respondents indicated that lleadership influence performance of Kenya Airways to a great extent, 15.25% of the respondents indicated that lleadership influence performance of Kenya Airways to moderate extent, 13.55% of the respondents indicated that lleadership influence performance of Kenya Airways to low extent while 2.05% of the respondents cited that lleadership influence performance of Kenya Airways to no extent at all. This infers that leadership influence performance of Kenya Airways to a very great extent. These findings agree with Nwagbara (2011) argument that leadership style on employee involvement is important in facilitating performance of business.

# Rating of statements on leadership influence on performance Kenya Airways

The study sought to establish the extent to which the respondents agreed or disagreed with the aspects of leadership style on performance of Kenya Airways. A scale of 1-5 was used. The scores "Strongly agree" and "Agree" were represented by mean score, equivalent to 1 to 2.5 on the continuous Likert scale ( $1 \le \text{Agree} \le 2.5$ ). The scores of 'Neutral' were represented by a score equivalent to 2.6 to 3.5 on the Likert scale ( $2.6 \le \text{Neutral} \le 3.5$ ). The score of "Disagree" and "Strongly disagree" were represented by a mean score equivalent to 3.6 to 5.0 on the Likert Scale ( $3.6 \le \text{Disagree} \le 5.0$ ). The results were presented in mean and standard deviation. The mean was generated from SPSS version 21 and is as illustrated in Table 4.17;

Table 4.17: Respondent rating of leadership styleinfluence performance of Kenya Airways

Statement	Strongly agree	Agree	Neutral	Disagree	Strongly Disagree	Mean	Std. deviation
Decision making skills for employees involvement facilitates	31	29	13	12	19	2.2	2.2
performance of Kenya Airways							
Problem solving skills on employees are necessary for performance of Kenya Airways	35	24	17	16	11	1.7	1.4
Adequate management skills influence performance of	34	31	15	12	10	2.4	1.3
Kenya airways							

From the results in table 4.17, respondents agreed that decision making skills for employees involvement facilitates performance of Kenya Airways by a mean of 2.2; the respondents also agreed problem solving skills on employees are necessary for performance of Kenya Airways by a mean of 1.7; and adequate management skills influence performance of Kenya airwaysby a mean of 2.4. The findings show that respondents agreed that problem solving skills, decision making skills and management skills are necessary for performance of Kenya Airways. The findings corroborates with literature review by Drucker (2005) that leadership style for employees influence positively the performance of an organization.

# **Performance of Kenya Airways**

The research sought to establish influence of employee involvement on performance of Kenya Airways. The findings were as shown in table 4.18;

Table 4.18: Employee involvement on performance of Kenya Airways.

	Frequency	Percentage
Yes	88	88.06
No	14	11.94
Total	102	100

From the study findings in Table 4.18; the majority (88.06%) of the respondents indicated that employee involvement on performance of Kenya Airways while 11.94% cited that employee involvement did not influence performance of Kenya Airways. This infers that employee involvement is an important factor and it influence performance of Kenya Airways This is in tandem with Garro (2011) who observed that key processes areas that need to be addressed to ensure employee management is managed effectively for performance of a business.

### Inferential statistics

# **Correlation analysis**

To quantify the strength and direction of the relationship between the variables, the study used Karl Pearson's coefficient of correlation, Cooper & Schindler (2003). The Pearson productmoment correlation coefficient measure the strength of a linear association between two variables, Kothari (2004) The Pearson correlation coefficient, r, can take a range of values from +1 to -1. A value of 0 indicates that there is no association between the two variables. A value greater than 0 indicates a positive association, that is, as the value of one variable increases so does the value of the other variable, Creswell (2003). A value less than 0 indicates a negative association, that is, as the value of one variable increases the value of the other variable decreases. The correlation is significant at the 0.05 level for 2-tailed, Kothari (2010). The results were as follows in table 4.19:

**Table 4.19: Correlation analysis** 

		Performance of Kenya Airways	Human resource policies	Reward management	Work environment	Leadership
Performance	R	1.000				
	ig. (2-tailed)					
Airways	N					
Human	R	.776	1.000			
resource	Sig. (2-tailed)	.006				
policies	N	102				
Reward	R	.885	.414	1.000		
management	Sig. (2-tailed)	.001	.004			
	N	102	102			
Work	R	.873	.445	.331	1.000	
environment	Sig. (2-tailed)	.003	.033	.020		
c	N	102	102	102		
	R	.783	.251	.216	.302	1.000
Leadership	Sig. (2-tailed)	.004	.024	.044	.002	
	N	102	102	102	102	

According to the findings in table 4.19, there is a positive relationship between performance of Kenya Airways and human resource policies (0.776), reward management (0.885), work environment (0.873) and leadership magnitude 0.783. It was established that all the independent variables had a significant p-value (p<0.05) at 95% confidence level. The significance values for relationship between performance of Kenya Airways and human resource policies, reward management, work environment and leadership were 0.006, 0.001, 0.003 and 0.004 This respectively. implies that management was the most significant factor, followed by work environment, leadership and human resource policies respectively. The findings are in line with Kinte (2004), who indicated that in light of this, it is vital for firms to develop or adopt an effective employee involvement management practices associated with leadership, reward management to motivate employees and important of all is also creating enabling working environment to facilitate performance of an organization.

### **Multiple Regression Analysis**

The study adopted a multiple regression analysis so as to establish the performance of Kenya Airways. The study applied SPSS version 21 to code, enter and compute the measurements of the multiple regression. According to Green & Salkind (2003) regression analysis is a statistics process of estimating the relationship between variables. Regression analysis helps in generating equation that describes the statistics relationship between one or more predictor variables and the response variable. The results are shown in table 4.20:

Table 4.20: Model summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.881ª	.776	.721	.2302

a. Predictors: (Constant), Human resource policies, reward management, work environment, Leadership

The coefficient of determination (R<sup>2</sup>) explains the extent to which changes in the dependent variable can be explained by the change in the independent variables or the percentage of variation in the dependent variable (performance of Kenya Airways) that is explained by all four independent variables (Human resource policies, management, work environment, reward Leadership). According to the four independent variables studied, they explain only 72.10% of the performance of Kenya Airways as represented by adjusted R<sup>2</sup>. This therefore means that other factors not studied in this research contribute 37.90% of the performance of Kenya Airways. Therefore, a further study should be conducted to investigate the other factors (37.90%) that influence the performance of Kenya Airways. The findings are in line with Becheikh et al., (2006); Harrison &Watson (2008); Castijello (2008); who states that economic performance of a firm, is influenced by reward management, working environment, human resource issues and leadership of employees.

### **Analysis of Variance (ANOVA)**

Table 4.21: Analysis of Variance<sup>a</sup>

	Model	Sum of Squares	돠	Mean Square	F	Sig.
1	Regre	95.	4		104.	.000
	ssion	654		23.91	0622	2 <sup>b</sup>
				35		
	Resid	14.	97	.2298		
	ual	247				
	Total	109	10			
		.90	1			
		1				

- a. Dependent Variable: Performance of Kenya Airways
- b. Predictors: (Constant), Human resource policies, Reward management, Work environment, leadership

The reports summary ANOVA and F statistic (104.062) is significant at 0.05 confidence level. The significance value is .0002 and the value of F is large enough (104.0622) to F critical (24.774). We therefore conclude that the set of independent variables; Human resource policies, Reward management, Work environment, leadership influence performance of Kenya Airways. The table shows that the independent variables statistically significantly predict the dependent variable, F(4, 97) = 104.062), p < .05, this shows that the overall model was significant an indication that the data was ideal for making a conclusion on the population.

# Coefficients<sup>a</sup>

Table 4.22: Coefficients<sup>a</sup>

	_	Unstandardiz ed Coefficients		Standar dized Coeffici ents	Т	Si g.
	Model					
		В	Std	Beta		
			Err			
			or			
1	(Constant)	19.5	2.0		2.	.0
		78	65		33	0
					9	1
	Human Resource	.544	.48	.002	2.	.0
	Policies		5		45	0
					5	5
	Reward	.853	.15	.235	3.	.0
	management		6		36	0
					6	1
	Work environment	.655	.48	.015	2.	.0
			7		21	0
					1	3
	Leadership style	.651	.33	.309	2.	.0
			6		26	0
					9	4

a. Dependent Variable: Performance of Kenya Airways

The general form of the equation was to predict performance of Kenya Airways from human

resource policies, reward management, work environment and leadership is:

Y = β0 + β1X1 + β2X2 + β3X3 + β4X4 + ε Where Y= Performance of Kenya Airways; β0 = Constant Term;  $\beta$ 1,  $\beta$ 2,  $\beta$ 3 and  $\beta$ 4 = Beta coefficients; X1= Human resource policies; X2= Reward management; X3= work environment; X4 = leadership and  $\varepsilon$  = Error term. The model equation would be; Y=19.578 + 0.544X1 + 0.853X2 + 0.655X3 + 0.651X4. The predicted performance of Kenya Airways = 19.578 + (0.544 x Human resource policies) + (0.853 x Reward management) + (0.655 x Work environment) + (0.651 x Leadership). From above regression equation; the study found out that when all independent variables (Human resource policies, Reward management, Work environment and Leadership) are kept constant at zero the performance of Kenya Airways will be at 19.578. At one unit change in Human resource policies will lead to 0.544 increases in performance of Kenya Airways. Also a one unit change in Reward management will lead to 0.853 increases in the performance of Kenya Airways. Further, a one unit change in Work environment will lead to 0.655 increases in the performance of Kenya Airways and one unit change in Leadership will lead to 0.651 increases in performance of Kenya This concludes Airways. that Reward management contributes more to performance Airways followed of Kenya by environment, Leadership and Human resource policies respectively. This can be used to conclude also that there is a positive significant relationship between Human resource policies, Reward management, Work environment and Leadership and performance of Kenya Airways

To test for the statistical significance of each of the independent variables, it was necessary to test at 5% level of significance and 95% level of confidence of the p-values and from the table 4.23 the Human resource policies had a 0.005; Reward management showed a 0.001 level of significance, Work environment showed a 0.003 level of significance and Leadership had a 0.004 level of significance; the t-values were greater than 2. Therefore, the most significant factor is Reward management followed by Work environment, Leadership and Human resource policies respectively. The findings are in line with McElory (2006) who considered employee involvement as a process through which a business seeks to ensure that employee engagement is maintained or improved, which in turn leads to improved productivity, which enables a firm to capture more of the market share, which enables the firm to stay in business and grow successfully, Summers (2006). It can be applied to all business sectors and sizes of companies as it identifies the key process areas that need to be addressed to employee management and is managed effectively for firm performance and growth, Garro (2011). The findings are also in line with Rohitratana & Boon-Itt (2001), who indicated that for firms to develop or adopt an effective employee involvement it must be associated with Human resource policies, Reward management, Work environment and Leadership that eventually influences the performance of a business.

### **RECOMMENDATIONS**

The study sought to answer the four questions relating to how each independent variable influenced the dependent variable that is performance of Kenya Airways. This chapter presents a summary of the findings, conclusions and recommendations. It also gives suggestions for areas of further research arising from the gaps identified.

# **Summary of the findings**

The main objective of this study was to establish the determinants influencing employee involvement on performance in the airline industry in Kenya. The study found out that employee involvement influenced positively and significantly performance of Kenya Airways. The study established that the major factors of employee involvement influenced the performance of Kenya Airways included; Human resource policies, Reward management, Work environment and Leadership Style.

#### **Conclusions**

The study concludes that human resource policies, reward management, work environment and leadership style influences the performance of Kenya Airways. The study found out that all the independent variables influenced the dependent variable positively and reward management was the most significant factor followed by work environment, leadership and human resource policies respectively at 5% significance level and 95% confidence level. The study also established that 72.10% of the performance of Kenya Airways was explained by Human resource policies, Reward management, Work environment and Leadership style.

#### Recommendations

The study established that user human resource policies influenced the performance of Kenya Airways to a great extent. In this regard, the study recommends that government and other supporting partners to undertake a research to come up with the best methods of human resource policies to increase the performance of Kenya Airways. This can be done by paying particular attention by involving the entrepreneurs and employees through influence of skills training, job manuals and continuous

new hire orientation in all stages as they facilitate the performance and growth of Kenya Airways. Additionally, the study established that reward significantly management positively and influenced the performance of Kenya Airways to a great extent. In this regard, the study recommends that top management of Kenya Airways should come up with the best methods of rewarding employees in order to increase and to foster performance of Kenya Airways. This can be done by paying particular attention by involving employees through better management and ensuring there is employee motivation both internal and external for equity.

Further, the study established that work environment positively and significantly influenced the performance of Kenya Airways to a great extent. In this regard, the study recommends that top management to provide a conducive working environment for their employees to increase the performance. This can be done by paying particular attention to provision of better and adequate lighting, comfortable seating and existence of occupational and health guidelines.

Finally, the study established that leadership style significantly influenced the performance of Kenya Airways to a great extent. The study recommends for efficient and effective leadership style in the process of decision making, problem solving and accommodation of employee interests and opinions to enhance performance and growth of Kenya Airways.

# Suggestions for further research

Since this study was on the determinants influencing employee involvement on performance of airline industry in Kenya and Kenya Airways as the study area; the study recommends that similar and other studies

should be conducted in other airline firms for comparison purposes and to allow for generalization of findings of this study on performance of airline industry in Kenya. There is also a need to carry out a further study on the other factors (37.90%) not studied in this study that influence performance of airline industry in Kenya.

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