

INFLUENCE OF PERFORMANCE MANAGEMENT SYSTEMS ON EMPLOYEE PRODUCTIVITY IN AVIATION INDUSTRY: A CASE OF SKYWARD EXPRESS LIMITED, KENYA

Vol. 6, Iss. 2, pp 854 - 869, April 30, 2019. www.strategicjournals.com, @Strategic Journals

INFLUENCE OF PERFORMANCE MANAGEMENT SYSTEMS ON EMPLOYEE PRODUCTIVITY IN AVIATION INDUSTRY: A CASE OF SKYWARD EXPRESS LIMITED, KENYA

Pamba, P. A.,1* & Juma, D.2

^{1*}Master Scholar, Jomo Kenyatta University of Agriculture & Technology [JKUAT], Kenya ²Ph.D, Lecturer, Jomo Kenyatta University of Agriculture & Technology [JKUAT], Kenya

Accepted: April 28, 2019

ABSTRACT

The study aimed to investigate the influence of performance management systems on employee productivity in aviation industry in Kenya. The specific objective were to investigate the influence of Employee Review system on employee productivity in aviation industry, to investigate the influence of compensation Dashboard system on employee productivity in aviation industry and to investigate the influence of Performance Review System on employee productivity in aviation industry. The study used a case of Skyward Express Limited with a target population of 236 employees and a sample size purposively selected comprised of 51 management personnel in all departments within the organization. The tool used for collecting data was Questionnaire and data analysis was done through the use SPSS version 21.0, the model that was adopted is multiple linear regression model. The study would be of benefit to policy makers in charge of Human resource and the management of Skyward limited. The study found out that a proper system accommodating employee review, Dashboard system among others could be introduced in the organization. In conclusion for the performance management systems to be made successful, the organization should consider the systems that offers the services of employee Review system, compensation Dashboard system, performance review system and the system should be readily available and making the user more flexible and by developing this kind of the system the organization will increase its productivity and promote the performance of employees in aviation industry in Kenya. The study further suggested that a further research should be done specifically on the advancement of the already existing performance management systems to enable organization maximize their outcome from the employee and this should be extended to all the service delivery industries in Kenya rather than the aviation industry only.

Key Words: Employee Review System, Compensation Dashboard System, Performance Review System, Employee Productivity

CITATION: Pamba, P. A., & Juma, D. (2019). Influence of performance management systems on employee productivity in aviation industry: A case of Skyward Express Limited, Kenya. *The Strategic Journal of Business & Change Management*, 6 (2), 854 –869.

INTRODUCTION

In general performance management combine various activities that mutually contribute to a proper management of individuals and teams hence attain high points of organizational performance. The practice is strategic and that it constitutes issues and long-term goals. It is integrated in the sense that it links several aspects of the businesses, people management, individuals and teams (Julnes, 2008)

In history performance management practice is the second oldest profession in the world and the practice has been in existence for since early 20th century. The human feeling to conclude can form thoughtful motivational, ethical and legal problems at workplace. With unstructured management system, there could be very little chance of ensuring that the conclusions made will be legitimate, just, defensible and exact. The systems arose as simple approaches to income justification. This is to say, salaries or wages of each employee was evaluated and approved. As a result, the early emphasis on return outcomes were gradually rejected (Clardy, 2013).

The systems is very important to Human Resource managers as it's concerned with identifying, assessing, influencing and developing job performance of employees in an organization to conform with the conventional rules and standards for a certain period of time basically to realize some purposes. The employees are required to produce full commitment to the desired standards of job performance for a sustainable profit margin growth for an organization and a long-term value creation for customers (Quresh, Akbar, Khan, Sheikh, & Hijazi, 2010). This involves getting optimum use of the available knowledge, skills and abilities in the workforce to optimize employee productivity and give an organization a competitive advantage.

Performance management systems essentially are to assess employees' performance as objectively as possible. The final reports from the PMS are used to give direction to individual performance development by ensuring performance strength and weaknesses are well instilled and therefore creating action plan to enable the desired development (Best, & Kahn, 2016). PMS functions have increased to not only assessing employees but also used to reinforce acceptable behavior and competent performance PMS is one of the most of employees. sophisticated systems ever used in mobilizing employees in a cultured, well-structured and managed organization for optimal achievement of strategic goals (Singh et al, 2010). This phenomenon is universal that serves plain element of effective work performance, which in return is essential for clear management and assessment of staffs. It's main aim is to improve the organizational performance as well as individual development. PMS helps to increase the performance of the employees and the organization to check the progress towards desired goals.

A well designed Performance management systems should develop a standard for successful performance, give performance feedback and enable a more equitable reward system. Performance criteria form the basis of evaluating the employees' performance and their contribution towards the organization goal. It consists of the desired outputs expected of employees. Performance standards should be aligned with goals, relevant to given roles, specific and measurable, under employees control and understood and accepted by participants (Bennett, & Bush, 2013).

Employee performance is usually connected to incentives such as raises and promotion for a worker whose performance is reviewed as high,

and job cuts for a worker whose performance is reviewed as low (Joison, 2001). However, while it should be a standard policy, not every company endeavors to reward proficient employees for their added efforts. As stated by Morsella, Bargh and Gollwitzer, (2009), appraisal results are used in many organizations, either directly or indirectly, to help identify the highly performing employees who should get the majority of the available rewards pay increases, bonuses and promotions.

Performance management systems involves evaluation of employee performance and therefore some employees may be scared of the act of evaluation. The possible explanation for this is the absensce of rewards for properly completed process. Chew, and Chan, (2008) argued that performance management systems can contribute to job dissatisfaction and to the development of negative employee attitudes toward their company hence lowering productivity. The organization's outputs greatly depends on how well and how much the performance of an employee is appraised and evaluated. Hence productivity can therefore be defined as "quality or volume of the major product or services that an organization provides".

The aim of performance appraisal is to define the employees' work expectation, improving employee development, linking pay to the performance and assessing workforce development (Mathus & Jackson, 1998). This therefore contributes to the employees know how of the organizations expectations after performance evaluation which helps them in improving their performance (de Waal, 2004). This is further emphasized by Gabris and Ihrke (2000) who suggests that the main aim of performance appraisal is the provision of periodic and formal feedback to individual staff members.

The management also uses performance appraisal to attempt to control employee behavior and results.

Behn, (2003) suggested that the objective of staff appraisal is to improve planning and service delivery at the general level and also to provide feedback to individual officers. Hence performance appraisal provides information that helps manage employees in such a way that employee performance improves (Denisi & Robert, 2006). The ultimate goal of most performance appraisal systems is to increase employee motivation and productivity.

A number of empirical studies have been done on importance of performance management systems. Najeeb, (2014) studied Performance Appraisal in Habib Bank Limited and concluded that transparent appraisal system is vital to an organization and the results of the appraisal affect the performance of any employee heavily. Warraich, (2011), investigated employees' perception about the outcomes of Performance appraisal and identified factors which can harm the successful implementation of performance appraisal. The sample of 120 employees at management level was selected on the basis of simple random sampling from the plastic furniture manufacturing organization located in the province of Punjab in Pakistan. The findings confirmed that the employees are aware of the usefulness of the performance appraisal but they lack knowledge in implementing an effective performance appraisal. Hence it is notable that there is a significant difference in perceptions regarding the outcomes of the performance appraisal was found among the respondents

PMS rewards excellence by ensuring that the employee achievements are well aligned with the organizations objectives while others maintain that to encourage knowledge sharing. All organizations should design reward and

recognition systems that stimulate sharing of all kinds: goals, tasks, vision as well as knowledge. This will help to bring cohesiveness between team members. Effective performance management system entails ensuring that the system focuses on performance variables as opposed to personal traits (Lawrie, 2004). Whereas experts disagree about whether performance should be measured in terms of the results produced by employees (Garber, 2011) or in terms of work-related behaviors (Sparrow, 2012), they agree that personal traits has several drawbacks. The validity and reliability of traitbased performance appraisals is highly suspect because the rater's perceptions of the traits being assessed are affected by their opinions, biases, and experiences that may have little to do with the particular employee (Varma et al, 2008). Moreover, appraisals based on personal traits have very little value for providing diagnostic feedback to employees or for designing training and development programs to ameliorate identified skill deficiencies (Trakoli, 2011). In addition, based on his review of the findings from several court cases involving performance appraisal, (Wellington, 2011) concluded that, to be legally sound, appraisals should be job-related and based on behaviors rather than traits.

To have an effective management system, employees must believe that they have an opportunity for meaningful input into the appraisal process (Berry, 2004). They should have the freedom to challenge the evaluation they get especially when it's contrary to how the appraise themselves. It is important to allow employees to share their opinion in order to encourage fairness in the appraisal procedure. When this is agreed upon, staff members will agree with the management system that has been put in place as a legitimate and productive way of accessing their performance. (Cooper, 2005) indicates that

without the perception of fairness, "a system that is designed to appraise, reward, motivate, and develop can actually the opposite effect and create frustration and resentment".

The organization should set up clear performance expectations to be communicated to employees. The expectations include results, actions and employee behaviors. Employees will then understand what output is required from them when their terms of reference are clearly stipulated. It also helps to set out standards and outcomes.

Performance management is about striking a harmonious alignment between employee and organizational objectives in order to achieve excellence in performance. The Performance Evaluation and Management System (PEMS) is very essential in all sectors, including Airlines, for all staff on fixed-term upon successful completion of the probationary period and continuing contracts. PEMS and effective performance management, embraced by the Organization, its managers and staff leads to the following outcomes: Effective partnerships between team members and their supervisor, Focusing on results, Planning jointly for success, Coaching and supporting the staff member to achieve their objectives, Gaining feedback to continually improve what and how tasks are undertaken.

There are three phases of performance cycle in an operating / working year : Performance Planning, Mid-Year Progress Review and Year-End Appraisal: The first phase is Performance Planning of the PEMS cycle, where staff and supervisors meet, discuss and agree upon the work for the coming year. This is then documented in a PEMS that has three sections: work plan objectives, competencies and developmental objectives.

The second phase is a very formal called the Mid-Year Progress Review phase- the supervisor and staff member meet formally to review and discuss challenges and successes to date and outline how to make further progress towards achieving the established objectives over the remainder of the year as outlined by (Lee, 2006). The third and the last stage is The Mid-Year phase is also an opportunity to revise work plan objectives to reflect any changes that may have arisen. It is an opportunity to provide feedback and discuss strengths and identify areas for improvement.

Feedback is received from multiple sources on objectives and competencies. This includes the self-evaluation from the staff member and feedback from multi-raters. Staff and supervisor then meet, discuss staff performance and the supervisor completes the supervisor evaluation in GRMS based on this discussion. The other category of staff in Skyward Express Limited is the Non staff (Consultant, Personal Service Agreement Personnel and National Project Personnel). Non staffs are required to complete the Quality Assessment Report (QAR) at the end of their assignment

The aviation industry is one of the fastest growing sectors of the Kenyan economy with many staff. Many airlines have made Nairobi their Africa headquarters where they base their operations to connect to European airports and pick-up passengers brought in by local and regional operators. In Kenya, the aviation industry is recording dramatic growth, thanks to expanding regional and global trade. More and more Kenyans can afford air travel today, unlike the past when air transport was associated with expatriates and tourists. Meanwhile, the city of Nairobi is becoming an African hub for air travel with connections to the rest of the world. The aviation industry in Kenya is majorly composed of private owned commercial airlines. The commercial airlines ferry passengers and include Kenya Airways which is the national carrier and third largest airline in Africa others being, Skyward express Ltd, Fly 540, ALS- Aircraft Leasing Services, 748 Air Services, African express, Air Kenya, Delta Connection, Safari link Aviation, Astral Aviation.

Kenya Civil Aviation Authority (KCAA) is a state corporation under the Ministry of transport that is responsible for regulating the aviation industry in Kenya and for providing air navigation services in Kenya. KCAA is the registered regulator for the aviation industry in Kenya. Aviation Industry in Kenya is dominated by Kenya Airways with tight competition from the low cost carriers for the local and east African destination. Aviation Industry in Kenya is expanding with passenger traffic numbers increasing over the years. At the main Airport Jomo Kenyatta International airport 5million passengers were served in the period before 2009 and the figure increased to around 6.5 million (WB, 2012) and for this reason it is good to check the management system that can be put in place to manage the employees in the organization.

Statement of the Problem

Previous research has been silent on the implementation of performance management systems and how the influence of organizational culture can affect the performance of an organization. The relationship of organizational culture and the performance appraisal process and their impact on the organizational citizenship behavior of academic staff was explored by (Bogetoft, 2012). The role of HR in performance management processes was examined by (Hetty et al., 2008). It included the importance of the appraisal process, the different types of appraisals and their effectiveness. Performance management was an important basis for corporate personnel decisions. Omboi and Shadrack (2011) investigated the effectiveness of performance appraisal systems in Kenya Tea

Development Agency with special focus on, Githongo, Imenti Tea Factory, Kiegoi and Miciimikuru Tea factories in Meru County in Kenya.

Richard Bitange Nyaoga (2010) evaluated the effectiveness of performance appraisal system at private universities in Kenya. The capacity of the system to align its functions to help achieve an organization's strategic goals was also examined Thus, by way of examining the employee attitude, this research found the internal factors that affect the performance of an organization. Past literature on the effects of organizational culture implementation of performance management systems on employee attitudes was missing, and thus, this research filled this gap. Therefore, the focus of this study was centered on employees' cognitions of the performance management system used by Skyward Express Limited and found out how employees see, make sense of and interpret their everyday experiences with such a system and its values to Skyward Limited with the aim of developing a suitable improved performance management system.

Objectives of the study

The general objective of the study was to investigate the influence of performance management systems on employee productivity in aviation industry in Kenya with a case study of Skyward express limited. The sspecific oobjectives were:-

- To investigate the influence of Employee Review system on employee productivity in aviation industry
- To investigate the influence of compensation Dashboard system on employee productivity in aviation industry
- To investigate the influence of Performance Review System on employee productivity in aviation industry

LITERATURE REVIEW

Theoretical framework

Unified Theory of Acceptance and use of technology

The Unified Theory of Acceptance and use of technology is a technology acceptance model formulated by Venkatesh and others in "User acceptance of information technology: Toward a unified view" The UTAUT aims to explain user intentions to use an information system and subsequent usage behavior. The theory holds that there are four key constructs: that is performance expectancy, effort expectancy, social influence, and facilitating conditions.

The first three are direct determinants of usage intention and behavior, and the fourth is a direct determinant of user behavior. Gender, age, experience, and voluntariness of use are posited to moderate the impact of the four key constructs on usage intention and behavior. The theory was developed through a review and consolidation of the constructs of eight models that earlier research had employed to explain information systems usage behavior (theory of reasoned action, technology acceptance model, motivational model, theory of planned behavior, combined theory of behavior/technology acceptance model, model of personal computer use diffusion of innovation theory and social cognitive theory). Subsequent validation by Venkatesh et al., (2003) of UTAUT in a longitudinal study found it to account for an impressive 70% of the variance in Behavioral Intention to Use (BI) and about 50% in actual use. The theory will be helpful in addressing the systems that the organization uses most for the employee review system, where each and every employee are expected to be scrutinized to check the productivity level of individual employee.

Personal Engagement Theory

The theory was developed by Kahn, (1990) who defined personal engagement as the 'harnessing of organization members" to their work roles. He expressed that when people employ and express themselves at their workplaces physically, cognitively and emotionally, then they are able to fit into their roles and their productivity is increased hence employee should be assessed and their performance be reviewed all the time. Kahn identified the three psychological conditions that increase personal engagement meaningfulness, safety and availability and the variation of their engagement based on the employees' perceptions to the safety and resources they perceive to have.

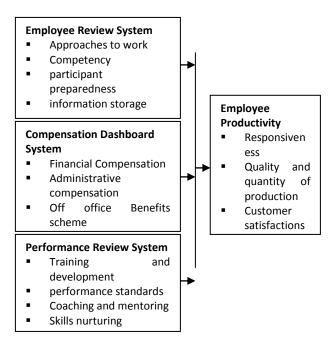
Kahn's personal engagement theoretical framework was helpful in better understanding the concept of employee performance review. According to Kahn's (1990) personal engagement theoretical framework, people express themselves physically, cognitively, and emotionally in the roles they occupy; people are more excited and content with their roles when they draw on themselves to perform these roles; and people vary in their levels of attachment to their roles. Further, Kahn suggested that people vary their levels of personal engagement according to the meaningfulness of a situation (or perceived benefits), the perceived safety of a situation, and their availability based on resources they perceive they have. Conversely, an individual can become disengaged and defend the self (or protect himself or herself) by withdrawing and hiding his or her true identity, ideas, and feelings.

Kahn's study based on performance review noted that personal engagement and work engagement has received more attention from other authors and academics and is becoming a popular topic in business and management circles. Other authors like (Fine, Horowitz, Weigler, & Basis, 2010). Have

defined engagement in many ways and have own perceptions and perspectives of what employee engagement actually is which makes it difficult to trace who first developed the cost of employee engagement and how best to define it.

This personal engagement theory assisted the researcher to be able to understand what makes staff withdraws from giving their best at workplaces and this was achieved by the use of feedback functionality system in order to help these private organizations to curb those factors that cause disengagement. The theory helped to yield some understanding of what types of variables influence employees' productivity through the use of a performance review system.

Conceptual framework



Independent Variables Dependent Variable

Figure 1: Conceptual Framework

Source: Author (2019)

Empirical Review

Employee Review System and employee productivity

For an organization to function well it must have a mission and vision which are well outlined in their strategy and objectives. A mission can be defined as an organization's character, identity, and reason for existence. It can be divided into four inter-relating parts: purpose, strategy, behavior standards and values. In order to maximize on performance, organizations ought to focus on the efforts of the organization on explicit, challenging and realistic aims and objectives. A clear mission answer the question: what business should the company be in, and it should be the guide line for employees and managers behavior and performance. According to Campbell and Yeung (1991a), refer to as creating a sense of mission as employee's personal commitment to the organization's mission. The purpose of the mission statement can be summarized in two simple views: one as suggested by (Klemm, Sanderson & Luffman, 1991) is that it is primarily for external public relations and the other is that it is to motivate staff within the company. Motivation can be simply defines as the capability to change behavior. Many studies have been on employee motivation and performance, however none has addressed employee review system and how it affects the employee productivity in aviation industry.

Performance Review System and employee productivity

The activities involved in Performance review system consist include observing employees efforts and accomplishments; provide feedback, coaching and counseling employee regarding their performance. This stage enhances communication within the organization, so that

employees are not only aware of the objectives and the business plan but can contribute to their formulation. Besides, employee communication could be discussed in the narrowly defined context of mediated communication, instance, the impact of internal newsletters or specialized internal communication tactics. According to Cameron and McCollum (1993), employees tended to prefer direct interpersonal communication to mediated communication when they need more information on ongoing issues of their corporations. If labor and capital affect employee output, then the growth of labor productivity depends upon the rate of 'capital deepening' and the growth of 'multifactor productivity' (Christopher Gust& Jaime Marquez, 2004). Capital deepening refers to a rise in the ratio of capital to labor, that is, an increase in the amount of capital which includes machines, structures, and infrastructure. For a given level of technology, capital deepening raises workers' ability to produce more output with the same level of effort. Increases in multifactor productivity may reflect advances in technology, but they may also reflect any other developments that result in greater efficiency, such as reorganization of tasks in a firm or improvements in distribution channels used to deliver goods and services.

Motivation is also a drive that holds one to act because human behavior is directed toward some goal. Grant (2008) established that motivation enforced the employee outcomes such as persistence, productivity and performance. Motivated employees are also found to be more self-driven and more autonomy-oriented than those who are less motivated (Grant, 2008), which suggests that they will take more responsibility when offered developmental opportunities. Highly motivated employees will be more engaged and involved with their jobs

(Vansteenkiste et al., 2007); and are more involved in the work of their colleagues, when compared with employees with very low motivation. It is still very crucial for organizations to set individual performance management targets which relate both to operating-unit and wider organizational objectives (Bevan & Thompson, 1991). The study by Costello (1994), indicates that performance management supports company's а organization's overall business goals by linking the work of each individual employee or manager to the overall mission of the work unit. Individual targets or responsibilities could be the mechanism to enable the performance of individuals within the organization to be aligned with the mission statement and the way of adjusting performance requirements to meet new challenges which may arise.

According to Armstrong and Baron (2004), performance management system is also about ensuring that managers themselves are aware of the impact of their own behavior on the people they manage, and are encouraged to identify and positive exhibit behaviors. The actual performance is compared to the desired performance, so the outcome is evaluated and a development plan is set according to the weakness with reference the strategy. As a result also feedback is also given from managers / supervisors to employees and vice versa.

An organization should also focus on communication within employees and between employees and managers, in order to improve the feedback and update and discuss initial objectives. As indicated by (Marion, 1998), it is of great important for managers to develop a fully integrated strategy which enhance different forms of communication to contribute to the success of the firm's mission or common goal. Moreover, continuous communication or

exchanging information between an organization's strategic managers and its internal stakeholders should be designed to promote commitment to the organization and aware of its changing environment and understanding of its evolving aims (Welch & Jackson, 2007). However, no study has specifically underlined the importance of the feedback functionality systems and its effect on employee productivity in the aviation industry in Kenya.

METHODOLOGY

To achieve the objectives of the study, a case study design approach was employed in order to enable the researcher carry out in-depth investigations of the influence of performance management systems on employee productivity. The target population for the study comprised of 236 employees at skyward express Limited. It constituted of 51 departmental heads according to the figures obtained from the company's HR manual and retrieved in the company website. Questionnaires were used to collect the data developed by the researcher. Correlation analysis was conducted to establish the influence of performance management systems on employee productivity, since the data collected was mainly descriptive.

FINDINGS

The researcher issued 51 questionnaires to the respondents in the organization out of which 46 questionnaires were returned dully filled as was required. The remainder, 5 questionnaires were not returned. This translated to 90% response rate. According to Mugenda (2003), a response rate of above 70% is acceptable in research. Moreover, Orodho (2009) pointed out that a response rate of above 50% contributes towards gathering of sufficient data that could be generalized to represent the opinions of respondents about the study problem.

Employee Review System

Table 1: Opinions on the statements relating to employee review system

| Statement | 1 | 2 | 3 | 4 | 5 |
|--|-----|-----|----|-----|-----|
| When employee develop positive approach to the review systems | 17% | 8% | 2% | 41% | 32% |
| in the organization their productivity improved | | | | | |
| Self-focused evaluation in terms of reviewing moral values, ideals | 6% | 10% | 0% | 53% | 31% |
| and self-assessment leads to improved working standards of | | | | | |
| employee in an organization | | | | | |
| Employee competency should be checked for the employees to | 1% | 10% | 4% | 52% | 33% |
| maximize their productivity in an organization | | | | | |
| When the firm is undergoing some changes, it is certain that it is | 2% | 11% | 3% | 57% | 27% |
| moving from known to unknown. This may boost the employee | | | | | |
| productivity | | | | | |

It was observed from the results that majority of the respondents, as represented by 73% agreed that when employees develop positive approach to the review systems in the organization, their productivity improved positively whereas 2% of the respondents neither agreed nor disagreed with the statement. The minority summing up to 25% were in disagreement with the statement claiming it was hard to develop a positive approach on the system since systems keeps on changing. This study concurred with the finding of Garber, 2011 who found that experts disagree about whether performance should be measured in terms of the results produced by employees.

On the statement relating to Self-focused evaluation in terms of reviewing moral values, ideals and self-assessment leads to improved working standards of employee in an organization 84% were in agreement with the statement, 16% were in disagreement claiming that only motivation leads to the improved statements.

The statement relating to employee competency should be checked for the employees to maximize their productivity in an organization majority of the respondents were in agreement adding up to 85% while only few of the respondents were in contrary opinion summing up to 15% claiming that the employee competency are inborn and cannot be checked as stated. On the statement of when the firm is undergoing some changes, it was certain that it was moving from known to unknown. This may boost the employee productivity 84% of the respondents were in agreement, 3% neither agreed nor disagreed, while 13% of the respondents were in disagreement with the statement with the statement. This finding is in line with Klemm, Sanderson and Luffman, (1991) who observed that the purpose of the mission statement can be summarized in two simple views: one is that it is primarily for external public relations and the other is that it is to motivate staff within the company.

Performance Review System

Table 2: Statement relating to performance review system

| Statement | 1 | 2 | 3 | 4 | 5 |
|---|-----|-----|----|-----|-----|
| Before any organization adopt the use of performance review system, it | 16% | 18% | 6% | 32% | 28% |
| is the responsibility of the management to make a proper training for | | | | | |
| the change | | | | | |
| Coaching and mentoring of employee when done frequently, improves | 8% | 20% | 4% | 36% | 32% |
| the productivity level of the employee | | | | | |
| Quality, quantity and timeliness of communication and the levels of | 5% | 21% | 2% | 42% | 30% |
| appropriateness are very vital for the adoption of change in an | | | | | |
| organization. | | | | | |
| Skills nurturing among Employee should always be done in a manner | 11% | 32% | 0% | 29% | 28% |
| that improves employee productivity in an organization by checking | | | | | |
| every aspect that touch on their operational lives in the organization. | | | | | |

To explore more on the statement relating to performance review system several statement were made and different reactions were observed as discussed here in. On the statement relating to when off office compensation was done in a proper way, the employees become happier and their willingness to work outside the office intensify and this leads to increase productivity majority of the respondents were in the agreement with the statement that is 60%, while 6% were neither agreed nor were in agreement with the statement only 34% were in disagreement and this apply that the off job compensation should be done both effectively and in efficient way.

On the statement relating to coaching and mentoring of employee when done frequently, improves the productivity level of the employee 68% of the respondents were in agreement claiming that coaching and mentoring should always be done for the effective and improved productivity in an organization, 4% of the respondents neither agreed nor disagreed with the stamen while remaining percentage that is 28% were in disagreement.

On the statement of Quality, quantity and timeliness of communication and the levels of appropriateness are very vital for the adoption of change in an organization, 72% of the respondents were in agreement with the statement claiming that information given should be of high quality, good quantity and the deliveries should be on good time the productivity of the employees will be realized, 2% of the respondents neither agreed nor disagreed with the statement only 26% of the respondents were in disagreement claiming that the change can still be adopted by the employees as long as there are clear policies guiding the change process in an organization.

On the statement relating to skills nurturing among Employee should always be done in a manner that improves employee productivity in an organization by checking every aspect that touch on their operational lives in the organization different reactions where 57% of the respondents were in the agreement stressing that skill nurturing should be the vital and most important factor that the management of the organization should consider for its employees, and by doing this organization will realized an

improved performance and continuous growth of the employees in an organization, only 43% were in disagreement with the statement. Literature has supported this through studies by Grant (2008) who established that motivation enforced the employee outcomes such as persistence, productivity and performance. Motivated employees are also found to be more self-driven and more autonomy-oriented than those who are less motivated (Grant, 2008), which suggests that they will take more responsibility when offered developmental opportunities.

On the question of does the management involve the employees in decision making concerning development of performance Review system? The question received different reactions where 32% of the respondents were in agreement claiming that decision making in the organization is involving and managers usually involves employees either indirectly or directly by simply asking them the most preferred software to use in an organization for the performance review, 14% were not sure or lack idea of the performance review system since they have been in the organization for a shorter period of time, 54% who are the majority had not been confronted by managers on the performance review system and stress that they should be involved for the successful completion and utilization of the performance review system in an organization as shown in the figure below;

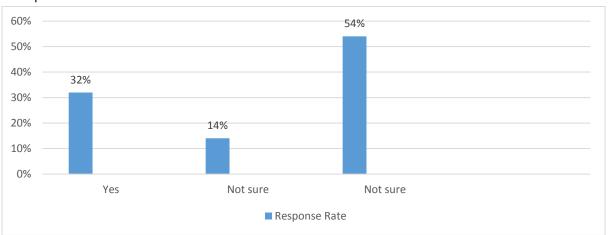


Figure 2: Employee involvement in the performance review system

Employee Productivity

Table 3: Statement relating to employee productivity

| Statement | 1 | 2 | 3 | 4 | 5 | | | |
|--|-----|-----|----|-----|-----|--|--|--|
| The behavior of employee need relate to the objective of the | 13% | 33% | 0% | 32% | 22% | | | |
| organization such as increase the sales of the organization and | | | | | | | | |
| making profit. | | | | | | | | |
| The importance of employees' performance must be understood by | 14% | 33% | 2% | 29% | 22% | | | |
| the management and taking steps to develop and motivate | | | | | | | | |
| employees to perform well. | | | | | | | | |
| Having effective employee performance can be affect the productivity | 10% | 28% | 8% | 38% | 16% | | | |
| of the organization, sales, profit and market position of the | | | | | | | | |
| organization in the market. | | | | | | | | |

On the statement relating to the behavior of employee need should relate to the objective of the organization such as increase the sales of the organization and making profit the statement was supported by the majority of the respondents where 54% of the respondents were in agreement stating that the need should be congruent to the organization need and further explained that if they are not related and does not tally them the employee of the organization can apportion the unjustified packages to themselves leaving the organization in a worst state, 44% of the respondents were in contrary opinion stating that need of the employee are too many and cannot be compared to that of the organization only those that are inline of the organization should tally up.

On the statement on the importance of employees' performance must be understood by the management and taking steps to develop and motivate employees to perform well was also viewed differently by the respondents where majority of the respondents adding up to 51% were in support of the statement claiming that when employees are motivated the performance seems to be improving as opposed to situations where employees are motivated, 2% of the respondents neither agreed nor disagreed with the statement and further asserts that they have no idea for the same enquiry, 47% of the respondents were in contrary opinion and stressed that employees need not to be motivated for the improved profitability of the organization.

Last but not least the researcher proceeded by making a statement on whether having effective employee performance can affect the productivity of the organization, sales, profit and market position of the organization in the market different reaction was observed where 54% of the respondents were in agreement, 8% of the respondents neither agreed nor agreed with the statement and the remaining respondents were in contrary opinion that is the remaining 38% of the remaining respondents.

Correlation Analysis Findings

The study used correlation analysis to determine the relationship between the independent and the dependent variables of the study. Correlation describes the degree of relationship between two variables. The researcher performed Pearson's product correlation to determine the degree of relationships between the explanatory variables. The correlation was done using a 5% significance level in a 2-tailed test and therefore the significance value was set at 0.05 above which the relationship is deemed insignificant. The study found out that between Employee Review system and employee productivity had a weak positive correlated, r (46) = .836, p< .000. The results for correlation analysis compensation Dashboard system and employee productivity indicated that the two variables had weak positive correlation r(46) = .643, p < .000. Further, the study determined that Performance Review System and employee productivity had a weak positive correlation correlated, r(46) = .687, p< .000. as shown in table 4 below.

Table 4: Correlation Analysis Matrix

| ERS | CDS | PRS | EP |
|---------------------------|-----|-------|--------|
| | | Pears | on |
| Employee Review system | | Corre | lation |

| | Sig. (2-tailed) | | | | | |
|------------------------------|-----------------------------|----------------|--------------|--------------|--------------|---------|
| | N | | 27 | | | |
| Compensation | Pearson | | .727** | 1 | | |
| Dashboard system | Correlation | | | | | |
| 3y3tem | Sig. (2-tailed) N | | .000 27 | 2 | | |
| | Pearson | | 27 | 2 | | |
| Performance Review System | Correlation | | .690** | .792** | 1 | |
| | Sig. (2-tailed) | | .000 | .000 | | |
| | N | | 27 | 27 | 27 | |
| Employee | Pearson Correlation N | Sig (2-tailed) | .836** 27 | .643** 27 | .687** 27 | 1 27 |

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

Correlation between Employee review system and employee productivity

As indicated in Table 4, a weak positive correlation was found between employee review system and employee productivity had the highest relationship (.836, p<.01). This implied there is a positive correlation to the way the employees approach work and also to work in their area of competency and interest. Therefore Skyward express found it important to change their approach to work and to raise the performance standards to encourage employees to participate more and feel able to delivery in their various capacities. Also team managed groups were encouraged among employees to have a wholesome approach to have a winning together spirit.

Correlation between Performance review system and employee productivity

Also there was a weak positive correlation was found between performance review system and employee productivity (.687, p<.01). This implied there was a positive influence on training and development, coaching and mentorship and the importance on nurturing employees skills in order to retain talent in an organization. Skyward express decided to adopt the performance review system in order retain their best talents in the organization.

CONCLUSION

In conclusion for the performance management systems to be made successful, the organization should consider the systems that offers the services of employee Review system, compensation Dashboard system, performance review system and feedback functionality system in build and the system should be readily available and making the user more flexible and

by developing this kind of the system the organization will increase its productivity and promotes the performance of employees in aviation industry in Kenya

RECOMMENDATIONS

The study recommended development of positive approach to the review systems in the organization and this would improve the productivity of employee since systems keeps on changing. The study also recommended Selffocused evaluation in terms of reviewing moral values, ideals and self-assessment leading to improved working standards of employee in an organization and competency should also be checked for the employees to maximize their productivity in an organization.

The study recommended that an off office compensation should be done in a proper way and this will lead to a scenario where employees become happier and have willingness heart to work outside the office. Coaching and mentoring of employee should also be done more frequently last but not least Quality, quantity and timeliness of communication should be done in a good

manner. Lastly skills nurturing among Employee should always be done in a manner that improves employee productivity in an organization by checking every aspect that touch on their operational lives in the organization different reactions

Suggestions for further Research

The issue of performance management systems on employee productivity has call for enquiries in most organization in Kenya and most scholars upon considering findings from this study will be in a position to solve problem related to the kind of the performance management systems that an organization should adopt for the continuous improved productivity in their respective organization hence it is of great importance to suggest that a further research should be done specifically on the advancement of the already existing performance management systems to enable organization maximize their outcome from the employee and this should be extended to all the service delivery industries in Kenya rather than the aviation industry only.

REFERENCES

- Baruch, Y. (1996). Self-performance appraisal vs direct-manager appraisal: A case of congruence. *Journal of Managerial Psychology*, *11*(6), 50-65.
- Behn, R. D. (2003). Why measure performance? Different purposes require different measures. *Public administration review*, *63*(5), 586-606.
- Wahyuni, D. (2012). The research design maze: Understanding paradigms, cases, methods and methodologies.
- Mugenda, O. M., & Mugenda, A. G. (2003). Research methods. Quantitative and qualitative approaches.
- Mugenda, A. (2003). Research methods Quantitative and qualitative approaches by Mugenda. *Nairobi, Kenya*.s
- Kruskal, W. H., & Wallis, W. A. (1952). Use of ranks in one-criterion variance analysis. *Journal of the American statistical Association*, 47(260), 583-621.
- Singleton, S. Straits (1993) Singleton, R., Straits, B., & Straits, M.(1993). Approaches to social research.

- Saunders, L. (2012). Thornhill (2012) Saunders, M. Lewis, P., & Thornhill, A.
- Cohen, J., Cohen, P., & Stephen, G. (2003). West, and Leona S. Aiken (2003). *Applied multiple regression/correlation analysis for the behavioral sciences*, 3.
- Bennett, J. L., & Bush, M. W. (2013). Coaching for change. Routledge.
- Chew, J., & Chan, C. C. (2008). Human resource practices, organizational commitment and intention to stay. *International journal of manpower*, *29*(6), 503-522.
- De Lancer Julnes, P. (2008). *Performance-based management systems: Effective implementation and maintenance*. Routledge.
- DeNisi, A. S., & Pritchard, R. D. (2006). Performance appraisal, performance management and improving individual performance: A motivational framework. *management and Organization Review*, *2*(2), 253-277.
- Gist, M. E. (1987). Self-efficacy: Implications for organizational behavior and human resource management. *Academy of management review*, *12*(3), 472-485.
- Joinson, A. N. (2001). Self-disclosure in computer-mediated communication: The role of self-awareness and visual anonymity. *European journal of social psychology*, *31*(2), 177-192.
- Malik, M. S., & Aslam, S. (2013). Performance Appraisal and Employee's Motivation: A Comparative Analysis of Telecom Industry of Pakistan. *Pakistan Journal of Social Sciences (PJSS)*, 33(1).
- Morsella, E., Bargh, J. A., & Gollwitzer, P. M. (Eds.). (2009). *Oxford handbook of human action* (Vol. 2). Oxford University Press.
- Najeeb, A. (2014). Institutional theory and human resource management.
- Quresh, T. M., Akbar, A., Khan, M. A., Sheikh, R. A., & Hijazi, S. T. (2010). Do human resource management practices have an impact on financial performance of banks?. *African Journal of Business Management*, *4*(7), 1281-1288.
- Warraich, N. F. (2011). Human resource management in university libraries of the Punjab. *Pakistan Journal of Information Management & Libraries*, (12), L1.