FACTORS AFFECTING EMPLOYEE PRODUCTIVITY IN THE AIR TRANSPORT INDUSTRY IN KENYA: A CASE STUDY OF KENYA AIRWAYS

BY; ADAMS MUSENA KAHINDI
SUPERVISORS; DR. SAMWEL ORESI
DR. GERALD MAJANY
PRESBYTERIAN UNIVERSITY OF EAST AFRICA. (KENYA).

ABSTRACT

The main objective of this paper was to establish factors that affect employee productivity at Kenya Airways headquarters Nairobi Kenya. The paper was guided by four objectives which were; training, wages, motivation, and finally how working conditions affect employee productivity in the air transport industry. The researcher adopted descriptive research design in collecting data from the respondents. The researcher targeted the staff of Kenya Airways. Kenya Airways has employed 3,986 employees. The sampling design adopted was stratified random sampling since it gave an equal chance to all the respondents while questionnaires were used as a data collection tool. The questionnaires contained semi structured and structured questions which were administered and used to collect data. The sample for the study constituted 45 employees of The Kenya Airways. Data was presented by use of tables, charts and bar graphs. Quantitative and qualitative analysis was used to analyze the data. It was found that in training, 85% of the respondents agreed that training affects employee productivity within the organization. In wages, majority of the respondents believed that wages affected employee productivity in the air transport industry.
industry since 79% of the respondents said that they believe it did influence. The study suggests that Kenya Airways should conduct training needs assessment before designing any training manuals in order to have effective training programs.

**Introduction**

This topic provided a basis for the paper which is basically to establish factors affecting employee productivity among employees in Kenya with reference to Kenya Airways as the study case. This topic also outlined the background of the study, statement problem, study objectives, research questions, significance and study scope.

**Background of the Study**

Employees are key resources in all organizations. The skills they possess and the roles they play in organizations give the firms a competitive edge. Organizations have realized that they have to develop unique dynamic characteristics that empower their competitive advantages in order to survive in a constantly changing market environment. (Wright and Snell, 2009)

Thus, they are focusing on the exploitation of their human resources (HR), particularly on Employee productivity, as a source of strategic advantage (Wright and Snell, 2009). According to Denny (2010), the understanding reasons why individuals work it’s a motivation enough to make them perform well. Hence the success of an organization mostly depends on the productivity of the staff. For staff to be effective and efficient there must be an effective and efficient management too.

McFarland defines management as “A process by which managers create, direct, maintain and operate purposive organization through systematic, coordinated, cooperative human efforts”. An important term in this definition is “Process”. This term emphasizes the dynamic or ongoing nature of management, an activity over varying span of time. According to Donally & Ivancevich (2001) “Management is a process by which individual and group effort is coordinated towards group goals”.

According to them, “Management is a process of designing and maintaining an environment in which, individuals, working together in groups efficiently and effectively accomplish group goals”. Management is key in the improvement of quality and productivity of goods and services provided by an organization, it also ensures that the employees’ skills are improved within time.
According to Koontz (2000) for managers to perform the functions of management efficiently they need to play certain management roles and possess certain management skills. There are three wide management roles and these are: interpersonal; figurehead role, leader role, liaison role secondly there is the informational role; disseminator role, informational role and spokesman role and finally decisional roles; entrepreneurial role, disturbance handle role, resource allocation role and negotiator role. Managers should possess the following skills: technical skills, interpersonal skills, conceptual skills, diagnostic skills and political skills.

Fayol (2002) also developed the 14 principles of management based on his experience as a manager. These 14 principles are: division of labor, authority, discipline, unity of command, unity of direction, subordination, remuneration, centralization, scalar chain, order, equity, stability, initiative, and spirited de corps. It’s amazing to note that cooperation towards achievement of organizational goals has been emphasized in the principles. An employee is an individual who works part-time or full-time under a contract of employment, whether oral or written, express or implied, and has recognized rights and duties. They are also called workers. The employee is hired to provide services to a company on a regular basis in exchange for compensation and does not provide these services as part of an independent business.

The principle component of an organization is its human resources or ‘People at work’ or otherwise known as employees. Human resource has been defined as “the knowledge, skills, creative abilities, talents and aptitudes obtained in the population.” Jucius calls these resources ‘human factors’ which refer to “a whole consisting of inter-related, inter-dependent and interacting physiological, psychological and ethical components (Tsui & O’reilly, 1999). Employment is a contract between two parties, one being the employer and the other being the employee. An employee may be defined as: "A person in the service of another under any contract of hire, express or implied, oral or written, where the employer has the power or right to control and direct the employee in the material details of how the work is to be performed.

Social identity theory suggests that people’s self-concepts consist in part of the set of social groups to which they belong (Tyler, et al, 1999). In an organization setting, people desire to enhance the status of the groups with which they identify in order to enhance their self-esteem. Hence a salient relationship between the management and the employees results in positive bias in interpersonal perceptions and behavior. Both
the trait and social identification perspectives imply that employees will accept corrective feedback more readily from superiors who share important demographic characteristics. The trait perspective suggests that demographic similarities lead to fewer misunderstandings and more effective communication, which is likely to reduce employees’ resistance to negative feedback. The social identification perspective implies that employees will accept performance evaluations more readily from a similar than a dissimilar supervisor because they will be more likely to make positive attributions about the supervisor’s behavior and will evaluate the supervisor’s behavior more positively.

Managers and employees make up the workforce of an organization. This is also known as the human resource. The relationship between the managers and the employees is determined by the OB and organizational culture of the company. Some manager and/or some employees may possess power to influence their colleagues.

Staff productivity is considered as one of the factors that maintain effective and efficiency in the organization as well as the efforts that ensures an organization becomes competitive in the market level. Organizations cannot be formed without existing staff, for that reason managers have to determine the causes that lead to deteriorating of employee performance. Job performance is both affected by external and internal forces. The internal forces that influence job performance include completion, technology and working environment, while the internal forces include ability, motivation levels, skills and knowledge. Therefore its significant to understand internal forces as well as external forces affects performance of employees (Green & Heywood, 2007).
OBJECTIVES OF THE STUDY

General Objective
The aim of this study was to establish the factors that affect employee productivity among employees in the airline industry in Kenya with reference to Kenya Airways as the study case.

Specific Objectives
a) To determine the extent of training on employee productivity in the air transport industry;

b) To ascertain the influence of wages on employee productivity in the air transport industry;

Statement of the Problem
Robbins and Judge (2012) found that employee productivity approaches are related with life satisfaction and higher work. Increased Changes in business environment has driven strategic options such as restructuring, downsizing, mergers and privatization have rapidly increased conflicts at work place that has affected job performance. Global airlines with enormous resources and global network have not been spared this trial. Kenya Airways has been battling with increased conflicts at work place that has been emanating from new business strategic options aimed at reorganizing its competitive advantage. Ingenuities related to reduction of labor cost, reviewing and renegotiating third party agreement and employing expatriates pilots have been met with stiff resistance from unions. Air flight sections has witnessed go slows where the union representing pilots opposed the hiring expatriates pilots, technical department where engineers opposed job evaluation and in ground services there is continued wrangles over changing shift patterns, these are some of the issues that affect employee productivity in a negative manner at Kenya Airways. Robbins and Judge (2012) found out that most supervisors spent more than 25% of their time on conflict and conflict management while managers spend more than 18% of the time on relational job performance which has double since 2014 this is due to work place demands, modernization and the growing complexity in organizations.

Wambua (2004) studied factors influencing sales force motivation in insurance companies in Kenya and found that structured incentives, training and development, clear communication, recognition and reward were the outstanding factors. Boen (2011) surveyed the relationship between employee participation in decision making and motivations in commercial banks in Kenya.
The study revealed that involvement in decision-making tends to empower employees and was positively related to high motivation levels. From the researcher’s observation, none of these local studies have investigated the factors affecting employee productivity conclusively and in depth, the research will therefore be aiming to fill this gap by investigating factors affecting employee productivity at Kenya Airways Ltd.

**LITERATURE REVIEW**

**Introduction**
Main focus is on the review of literature on factors affecting employee productivity in the transport industry in Kenya, a review of variables such as wages and training. An in depth look at some of the factors that have been highlighted as those that affect employee productivity in the transport industry.

**Review of Theoretical Literature**
The theoretical review is a logically described, developed and elaborated network of associations among variables deemed relevant to the problem situation identified (Sekaran, 2010). Smart companies know if managers are trained and charged with responsibility for the success of their reports, departmental and organizational performance will take care of itself. Companies that do not drive home the importance of this relationship to frontline managers, or to provide the necessary training, eventually pay the price via the loss of good employees and decreases in performance as a result of employee dissatisfaction (Talent management, 2012).

**Instinct Theory**
Charles Darwin, in his evolution theory as contained in The Origin of Species (Darwin, 1859), suggests that humans are born with instincts which push them towards certain forms of behavior, most basic, being the instinct to survive.

All human behavior therefore is tethered primarily around the need for survival. Adding weight to this theory was William William James (1890), who suggested that humans are more strongly influenced by instincts because of the psychological and biological influence in them.

These instincts attempted to explain certain behaviors related to the fulfillment of either psychological or biological needs.
This theory is relevant to the study since these instincts can propel one to be productive at the work place.

**Systems Theory**
This theory was advanced by scholars such as David Easton (1950), Peter Senge (1990) and Lawry (2000).

The theory observes that a company is composed of various sub systems operating under it.

The levels of the overall employee productivity and the company’s productivity will be greatly influenced by five issues such as personal mastery, shared vision, mental models, team learning as well as employee identification. This therefore means that if a company is to assess its overall productivity and performance, the company must evaluate its performance, responsibilities as well as functions from systems point of view. Therefore in order for the company to perform better and the levels of productivity to increase, all the departments and the subsystems within the organization must have the same vision, same goal, operate under one command, work as a team, promote team learning of all the employees and the responsibilities of each employee must be properly identified and finally the overall manager of the company must have a proper understanding of the functions of all the departments and the subsystems of organization (Cooper 2001).

This theory was also relevant to the study since Kenya Airways has different departments, which must support each other in achieving its goals.

**2.3. Conceptual Framework**
This section provides the independent variables in relation to the dependent variable, showing the inter-relationship amongst the variables in the context of the research problem.
The amount of wage given to an employee is an extrinsic motivation that ensures that employees stick to their work. These incentives ensure that the employee is productive and loyal to the managers and employers. Basic pay and other bonuses are very influential in ensuring that employee’s well-being is catered for.

Training

Training of employees is very important in order to make employees to understand organizational culture and adapt to market changes in their careers. A good employer should ensure their employees are well trained regularly.

Research Methodology

The paper used descriptive research design where the data was collected and accessed on the factors affecting employee productivity at Kenya Airways in Kenya. According to Gay (1983), descriptive research is a process of collecting data in order to test hypothesis or to answer research questions. This methodology was considered appropriate because it allowed for individual views and opinions concerning...
the issue of the factors affecting employee productivity at Kenya Airways in Kenya. It also described the state of affairs, as it exists without manipulating facts.

**Research Findings**
The study findings indicated that a great majority (74%) of respondents believe that training affected employee productivity. This was further indicated by 74% agreeing that training affects employee productivity very highly while 26% disagreed that training affects employee productivity.

The study findings indicated that a great majority (79%) of respondents believe that wages affect employee productivity. This was further supported by study findings that indicated that 41%, 13%, 15%, and 21% affects employee productivity to a very great extent, great extent, Average Extent, low extent and not at all respectively.

**Conclusions**
The study determined factors affecting employee productivity in the air transport industry in Kenya case study of Kenya Airways. Despite Kenya Airways being the national carrier in Kenya, it faces competition from other airlines and other modes of transport.

**Training**
The results of the study revealed that training is a factor that affects employee productivity. These results only attest to the role that training can play in enhancing efficiency in organizations. This calls for the provision of training programs that are in line with the needs of the employees, with such training programs targeted at both the junior and senior level of management.

**4.1.2 Wages**
It was also found out that motivation of employee productivity can be enhanced by providing effective recognition which provides results to improve the performance of an organization. Employees’ behavior, motivation, and job satisfaction can be intrinsically or extrinsically motivated. The wage paid to an employee goes a long way in identifying the employee with the organization in which they are working in. We can hence see that for workers at Kenya Airways to be productive they must be well compensated and motivated as discussed.
Recommendations

Training

The paper suggests that Kenya Airways should conduct training needs assessment before designing any training manuals in order to have effective training programs. These manuals should include cognitive, interpersonal skills, and psychomotor skills or tasks.

Wages

The study suggests that the employees should be paid commensurate to their qualifications and experience. It is also recommended that reward mechanisms should be put in place to appreciate high performing staff.

This paper recommends that Kenya Airways remains vigilant and alert to the changes in airlines business environment most of which are as a result of globalization. The airline should respond promptly to any changes for it to remain relevant in the competitive airline industry. Kenya airways should also evaluate the extent to which training, wages, motivation and working conditions affect employee productivity in the air transport industry.

KQ should also invest heavily in training of its employees so as to be able to stay competitive in the market.
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