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Significance in Value Chain Model

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Discovering Thoughts, Inventing Future

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The Implementation of TQM in Higher Education Institutions in Saudi Arabia: Marketing Prospective

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Abstract- This research aimed to reveal the extent of the implementation of total quality management (TQM) in higher education institutions in Saudi Arabia in light of the perceptions of the educational and administrative leaders. A questionnaire have been developed consisting of (70) items distributed in eight areas of TQM. The research applied to a sample of 135 leaders from the educational and administrative leaders in Qassim University. The results of the research showed that the application of the principles of total quality management in higher education institutions in Saudi Arabia was medium from the standpoint of administrative leaders with the exception of the area of Academic Affairs and the field of community service where its application was high. The application of the principles of Total Quality Management was medium from the standpoint of educational leaders with the exception of the area of strategic planning.

Keywords: quality, total quality management, higher education, leadership.

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The Implementation of TQM in Higher Education Institutions in Saudi Arabia: Marketing Prospective

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Abstract- This research aimed to reveal the extent of the implementation of total quality management (TQM) in higher education institutions in Saudi Arabia in light of the perceptions of the educational and administrative leaders. A questionnaire have been developed consisting of (70) items distributed in eight areas of TQM. The research applied to a sample of 135 leaders from the educational and administrative leaders in Qassim University. The results of the research showed that the application of the principles of total quality management in higher education institutions in Saudi Arabia was medium from the standpoint of administrative leaders with the exception of the area of Academic Affairs and the field of community service where its application was high. The application of the principles of Total Quality Management was medium from the standpoint of educational leaders with the exception of the area of strategic planning.

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I. Introduction

The development of higher education institutions meets various links and requires a comprehensive quality management system as a method and style of work in the management of various aspects of educational administration (Tsinidou *et al*. 2010). There are various theoretical foundations that define the concepts of development and concepts of the development of education, both general and higher education, according to the visions and the aspects researchers, theorists and practitioners focus on for the development and modernization process (e.g., Jarvis, 2014). Sometimes they targeted production issues and solving problems and at other times aimed at improving the business climate and the development of the skills of the employees and the rational use of human and material resources (e.g., Hoang *et al*., 2010).

The importance of total quality in the era of globalization seems as a basic premise of excellence and competitiveness and under States' attention to education as a national first project to face the third millennium with all its challenges, education reform operations received with great interest in most countries of the world, and the total quality management (TQM) enjoyed great deal of this interest to the extent that it made thinkers call this era "the era of quality" as one of the main pillars of the new administration model, bringing the global community to look to the total quality and educational reform as two sides of the same coin, so we can say that the total quality is the real challenge that will face the nations in the coming decades (e.g., Altahayneh 2014) .

According to Tarawneh (2011), there is conviction in social and academic circles in the Arab world to the effect that university managements are inefficient, and that the majority of Arab universities suffer from a lack of autonomy, and the magnitude of the regulations and instructions and ambiguity and contradiction, and multiple levels or administrative and hierarchical episodes in writing reports and settings. Decisions are taken at the highest level at the top of the administrative hierarchy, and that means neglecting the role of middle management and executive leadership, the consequent is emergency and crisis management. Most of the university energies are spent on routine matters and there is no administrative control over the performance of employees; academics and administrators, and therefore determine the level of this performance, and often evasive techniques and delay are used to resist reform and change.

While recognizing the importance of access to quality in education, which is considered a main goal most of the educational organizations seek to achieve which have adopted the philosophy of Total Quality Management. It is based on the principles and foundations represented in the participation of administrators in creating an organizational culture that leads to quality and cares with the consciousness of client and his mind, and the constant search for the best (Altahayneh 2014). In order to achieve quality, it must be controlled through monitoring and reduction of poor performance because continuous improvement is the foundation of quality (Tsinidou et al. 2010; Argia and Ismail 2013).

The TQM system is in response to modern shifts and changes in the political, economic, social, scientific, information and technological fields whether at the international, regional or local levels, represented in the emergence of phenomena of globalization, privatization and free trade and control of major companies on global markets and economic competitiveness internationally (Shroff and Dave 2014;

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Jarvis 2014). This means that the application of TQM requires a certain floor in all organizational, administrative and social structures inside and outside the organization, so as to provide a suitable environment for the possibility of application. Costing (1994) confirms that the success of the application of an administrative concept the administrative Leaders are unaware of its importance, there must be full conviction of the senior management of the importance of this concept, and makes quality at the forefront of senior management strategies, and to disseminate this conviction. It also requires leaders who can guide individuals towards achieving their radiant perceptions, and there is no university or institution has made progress within the concept of total quality management without a leadership with high administrative capacity (Dirkse van Schalkwyk*et al* 2013).

In the Arab world, it is difficult to predict the number of universities that apply the principles of TQM, with the knowledge that there are a significant number of Arab universities began to take upon themselves the obligation to apply the concepts of total quality in its programs, policies and educational goals (e.g., Al-alawy, 1998; Alruwaili 2013).

This research aims to identify the perceptions of administrative and educational leadership in higher education institutions in Saudi Arabia to the extent of the application of TQM. To achieve this objective the research responded to the following questions:

1. To what extent is the application of the principles of TQM in higher education institutions in Saudi Arabia from the standpoint of administrative leaders?
2. To what extent is the application of the principles of TQM in higher education institutions in Saudi Arabia from the standpoint of educational leaders?
3. Are the resignificant differences between the perceptions of the educational and administrative leaders to the extent of the application of TQM in higher education institutions in Saudi Arabia.

Employing the principles and ideas of TQM in higher education systems for the benefit of educational institutions, as it lays the foundation stone to see philosophical new goals of the institution and its mission, and raise the morale of employees, and gives them the opportunity to express, and alter their perceptions and attitudes towards the profession, making the educational environment a healthy producing climate (e.g., Alhaqbani 2013; Zabadi 2013) The importance of this research is about what could reveal of insights for the administrative and educational leaders to the extent of the application of total quality management in Saudi universities; especially with the fact that TQM applications within the context of studies the education sector in Saudi Arabia are not sufficient to date and lack better conceptionalization (e.g., *Sahney et al*. 2004; Alruwaili, 2013; Sahu, *et al.* 2013). Furthermore, The importance of this research will be found in its real contributions to scientific research in the field of educational TQM; and in its provision of some practical evidences to educational leaders and practitioners.

II. Theoretical Background

a) *TQM for Public Services is a Marketing Concept*

The term "Total Quality" and "Total Quality Management" expressions common in the contemporary management and d marketing literature. The two terms reflect the global trend dominates the thinking and behavior of business organizations and governing management and marketing decisions in all areas of work (e.g., Hemsley-Brown and Oplatka 2006). Form marketing point view , most of organizations work on improving their products; whether these products are goods or services, in order to maintain market share and increases it , and attract and keep customers, and increase their competitiveness both at the local, regional and international level (e.g., Shroff and Dave 2014).. The majority of organizations are using several strategies to improve the level of sales and production, the most important of these strategies is quality, as the total quality is assumed as strategic entry point to produce the best product or service possible at the lowest possible cost (e.g., Powell 1995; DeShields *et al*. 2005; Zineldin *et al.* 2012). The accurate way of defining quality is marketing way. Marketing definition of quality should be the cornerstone management strategies should be built upon. Form marketing prospective, TQM can be defined as: Administrative system strategically complementary to achieve customer satisfaction through the participation of all employees in the organization and the continued development of each organization's operations and optimal use of resources(e.g., Wilkins *et al*. 2012) , it is a trend or management philosophy in the long-run aim to achieve customer satisfaction and the efficient use of resources and the continued development of all the operations of public organizations(e.g., Sahu *et al.* 2013a).

In the framework of public services, quality means "unity of efforts for the sake of the optimal exploitation of available resources and presenting the service in the time and style that create the customers satisfaction about these services." (Richard*et al*.1992; Shroff and Dave 2014).

Directions were numerous around the dimensions underlying quality in the provision and management of public services (e.g. Sahney et al. 2004). Gronroos (1984), for example, has pointed out that quality has three basic dimensions, they are: technical quality, and it is associated with what is provided of services, and functional quality which is connected with the way it provides these services, but the third dimension is connected with the mental

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impression about the organization that provides these services ,and it depends on the appraisal of customers and their satisfaction about the technical and functional of these services (Gronroos1984;Alhaqbani 2013).

Thus, the TQM should be viewed as "an organizational strategy accompanied by a variety of means, which leads the organization to offer to the beneficiary products and services of high quality." (e.g., Lee *et al.* 1992). It is a "philosophy focuses attention of employees on customer preferences and form a group of methods needed for the organization to build a system and a necessary administrative leadership to make the organization operate according to the philosophy of customer service". (Hoang *et al*. 2010). Therefore, total quality management requires a customer orientation towards continuous improvements in all aspects of the administrative process of production, services delivery procedures, and communications that meet or exceed client's expectations (Jarvis 2014)

b) TQM in Higher Education

Higher education in the current time faces a set of challenges imposed upon it an urgent need to apply the concept of TQM(e.g., Sahney *et al*. 2004; Tsinidou *et al.* 2010; , Wilkins et al. 2012) , which comes in the forefront of it:

1. Rapid growth in the field of knowledge, which has led to the emergence of many discoveries and inventions that made a clear difference in the quality and quantity of knowledge.
2. The great advances in communications systems and tools as the world have become a small village.
3. Information and technological revolution, and the trend towards the use of high-power devices and micro and complex instruments that are expected to turn economic and social systems upside down, and this requires rewriting philosophies and laws in all walks of life.
4. Sudden and rapid changes in the nature of professions in the market due to reliance on modern technology; electronic evolution of computers, for example, required the emergence of a number of professions and related businesses, as well as spread of the concepts of privatization and market economics.
5. The growing interest in regional economic blocs, the European Union and the North American market and Southeast Asia, as well as global corporate alliances to increase their competitiveness, and widening its market share.
6. The new growing interest in the problems of environment; because of their effects and dangers to human life.
7. The new increasing interest in the value of excellence and quality in its comprehensive sense, which reflects the performance of business in the right way from the first time, and then achieves customer satisfaction.

The history of university education has resulted in the fact that is creating a structure resistant to change, and thus the application of the TQM entrance is possible only in the case of being able to realize major problems for this sector, and try to use the administrative entrances consistent with the nature of this system (*Sahu et al*. 2013b). Kelleh (1996) sees the following several steps that must be taken into account when trying to apply the TQM in universities and institutions and educational process:

1. Clearly defined objectives; as enigmatic selection of goals leads to highly decentralized decision-making.
2. Commitment to planning; because the absence of specific plans of action leads to internal competition.
3. Stay away from the complex delegation of authority, which makes it difficult to measure performance.
4. Get rid of the individual nature of the scientific personality that makes character very proud, not preparing for joint action, and therefore must encourage research teams.
5. Prepare an integrated information system; as the total absence of a specific structure to collect performance information so as to become available to different leaders, will hamper the decision-making process.

Therefore and according to many researchers (e.g., Sahney et al. 2004; Harvey and Williams 2010; Tsinidou et al. 2010; Sahu et al. 2013a; Alnaweigah 2013), the choice of TQM, as a working method and curriculum in universities and scientific institutions, to improve the quality of educational services, and improve the level of graduates requires the availability of several factors, including:-

1. The interest of the university administration of quality input of university education process and the educational process itself and its outputs.
2. The importance of the university administration direction to the labor market, so that checking well as regards the needs and expectations of this market of graduates, with the realization that these needs and expectations change from time to time.
3. Determination of the levels of quality in all areas, and performance activities, so that the administration can target its achievement through continuous improvement program.
4. Training and education for all levels of employees.
5. Attention to the safety and quality of educational programs.
6. Shaping the tests in systematic and objective manner at all academic levels.

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In general, the application of TQM principles at the educational institutions requires an accurate understanding of all works and problems that hinder their applications. Schauerman and Peach (1994), for example, pointed out to some barriers that constraint its transfer to educational sector, of which are:

1. Colleges reject the idea that expressing about service receiving students.
2. Academic college's resistance to allow interference in its domestic laws and disciplinary boards and educational experiences.
3. The threat to the freedom granted to academic educators.
4. The cost of training on the application of TQM principles.
5. Inadequate training and lack of understanding of quality circles.

III. Methodology

a) Sample

Research was applied on the educational and administrative leaders in Qassim University, as (60) administrative leaders (deans, department heads, administrative leaders) were chosen and (75) educational leaders, bringing the members of the research to (135) university personals.

b) Instrument

Following many similar research (e.g., Al-Oddadi 2013), a questionnaire is developed to identify the degree of implementing of TQM in Saudi universities., the questionnaire included(70) items distributed over eight principles of TQM: organizational culture (7 items), Strategic Planning (7 items), Administrative leadership (8 items), Academic and Technical Affairs (17 items), Administrative and Financial Affairs (10 items), human resources & student affairs (5 items), faculty affairs (4 items), community service (7 items), and feedback (5 items), each item was given a weight listed on a quintet Likert scale to estimate the degree of implementation of item (very large, large, medium, small, very small), and these paragraphs covered all areas of application of total quality management.

After the development of the initial image of the questionnaire, it was presented to ten arbitrators from professor's specialists for the purposes of the sincerity of the content, to find the suitability of areas and paragraphs for the elements content of TQM in Higher Education Institutions and appropriateness of paragraphs for the areas they represent. Suitability of items formulation from language standpoint. In light of the observations of arbitrators areas and items were adopted that received by agreement percentage (80%) of the arbitrators, items were modified, deleted and transferred that in need to do so, based on their observations and were reviewed for the last time in collaboration with the supervisor, the questionnaire was printed out in its final form by which it was distributed over the research sample individuals consisted of (8) key areas distributed over (70) items after it was initially composed of (85) items.

Coefficient of internal consistency was extracted, using Cronbach's alpha formula for areas of the Instrument and the table shows (1) the values of the internal consistency of the areas of the Instrument where coefficient reliability ranged between (0.82-0.91), these transactions are considered acceptable.

Table 1: Reliability coefficients for instrument

Number	Principles of TQM	Cronbach Alpha
1	Organizational Culture	0.88
2	Strategic Planning	0.87
3	administrative leadership	0.89
4	Academic and technical affairs	0.89
5	Administrative and Financial affairs	0.89
6	Human Recourses	0.81
6 a.	Human Recourses – Student's Affairs	0.83
6.b	HR / faculty affairs	0.84
7	Community Service	0.90
8	Feedback	0.92

c) Statistical Processing

To answer the first and second questions, averages were calculated and standard deviations of the total tool and its various fields. To answer the third question, the t-test to detect the level of significance of the differences in the opinions of the administrative leaders and faculty members for the possibility of the application of TQM in Saudi universities.

IV. Results and Discussion

Arithmetic means and standard deviations of the application of the principles of TQM in Saudi Higher Education Institutions from the standpoint of administrative leadership were extracted, where it is noted from the table (2) the extent of the application of the principles of TQM in Saudi universities from the standpoint of administrative leadership to the areas of

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(Academic Affairs and artistic, and community service) was high, and for the rest of principles of TQM (organizational culture, strategic planning, administrative leadership, administrative and financial affairs, administrative and financial affairs, human resources - Student Affairs, feedback, human resources -faculty affairs) was medium, as those areas came between the arithmetic average (3.88) which relates to dimension (academic affairs and technical) and the arithmetic average (3.28) on the dimension (human resources - faculty affairs), as the eight dimensions came combined (total tool) with an arithmetic mean of (3.60). This refers to the extent of the application of the principles of TQM in higher education institutions in Saudi Arabia from the standpoint of administrative leadership is high.

Similarly, Arithmetic means and standard deviations were extracted of the perceptions of application of the principles of TQM from the standpoint of educational leaders. As noted from the table (3) the extent of the application of the principles of total quality management from the perspective of educational leaders indicated that (Strategic Planning) is high, and the rest of other dimensions (feedback, academic and technical affairs, community service administrative, leadership, human resources - faculty, administrative and financial affairs, and human resources - Student Affairs) were on average medium, as these dimensions came between the arithmetic average (3.77), which relates to the dimension (strategic planning), and the arithmetic average (3.05) on the dimensions of (human resources - Student Affairs). The combined eight dimensions came with an arithmetic average mean of (3.40).

Table 2: The implementation of TQM in higher education institutions in Saudi Arabia from the standpoint of administrative leadership.

No.	Principles of TQM	Mean	Standard Deviation	Level
1	Academic & Technical Affairs	3.88	0.43	High
2	Community Service	3.67	0.60	
3	Organizational Culture	3.64	0.64	Medium
4	Strategic Planning	3.59	0.68	
5	Administrative Leadership	3.55	0.81	
6	Administrative & Financial Affairs	3.49	0.68	
7	Human Recourses – Student Affairs	3.37	0.60	
8	Feedback	3.33	0.86	
9	Human Recourses – Faculty Affairs	3.28	0.62	
Total		3.60	0.65	High

Table 3: The implementation of TQM in higher education institutions in Saudi Arabia from the standpoint of educational leaders.

No.	Principles of TQM	Mean	Standard Deviation	Level
1	Strategic Planning	3.77	0.60	High
2	Feedback	3.49	0.75	
3	Academic & Technical Affairs	3.44	0.90	
4	Community Service	3.42	0.81	
5	Administrative Leadership	3.38	0.84	
6	Organizational Culture	3.37	1.01	Medium
7	Human Recourses – Faculty Affairs	3.27	1.02	
8	Administrative & Financial Affairs	3.25	0.78	
9	Human Recourses – Student Affairs	3.05	1.01	
Total		3.40	0.85	Medium

The test (independent sample t-test) was used to detect the presence of significant differences at the statistical significance level ($\alpha \leq 0.05$ (between perceptions of administrative leadership and of those of faculty members. It is evident from the table (4) The differences in the perceptions of administrative and educational leaders did not reach the level of statistical significance, as all values statistical "t" were not significant at level of 0.05 or less, therefore there are no significant differences between the two perceptions.

Table 4: The differences between the perceptions of the educational and administrative leaders of the implementation of TQM in higher education institutions in Saudi Arabia

Principles of TQM	t	Significant
Organizational Culture	1.32	0.19
Strategic Planning	1.18	0.24
Administrative Leadership	1.08	0.28
Academic and Technical Affairs	1.41	0.16
Administrative and Financial Affairs	0.88	0.38

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Human Recourses – Student Affair	0.78	0.44
Human recourses – Faculty Affairs	1.47	0.15
Community Service	1.35	0.18
Feedback	0.19	0.85
Total Tool	1.01	0.35

V. Concluding

The extent of the application of the principles of TQM in higher education institutions in Saudi Arabia from the standpoint of administrative leadership is high and the academic and technical affairs ranked first meanwhile human resources - faculty affairs ranked last. The possibility of applying all intermediate areas with the exception of two areas (academic and technical affairs, community service); which the degree of possibility of their application from the perspective of administrators is high. And this result indicates that there is still fundamental constituents of the application of the principles of TQM in some aspects such as the academic and technical aspects, and community service while the rest of the aspects addressed by the research, such as strategic planning, organizational culture, finance, and human resources are still needed to provide more of the grounds until concepts of TQM can be applied on them.

The extent of the application of the principles of TQM in higher education institutions in Saudi Arabia from the point of view of educational leaders is medium on average, and the area of strategic planning ranked first while the area of human resources - faculty affairs ranked last. The possibility of applying all areas was medium except the field of (strategic planning). This suggests that faculty members believe that there is only one aspect of TQM that can be applied which is of strategic planning. As for the rest of areas, the faculty members believe that the possibility of its application is still within the average, this result can be accounted for the fact that the TQM implementation requires the availability of range of ingredients, including a clear definition of the objectives that would lead to decentralization in decision-making, but the reality of Saudi universities despite an evolution in management systems still suffers from a centralized decision in some areas, which disrupts the possibility of applying TQM, in addition to the fact that the application TQM also requires a comprehensive information system on students, teachers and university facilities, and in spite of the abundance of information but there are no ways and methods to access those information easily, whether by auto means or manually, which disrupts the predictability and perception of faculty members to the possibility of the application of total quality , in addition, the application of TQM requires that interested university administration inputs educational, but the reality is that university inputs are still suffering from some weakness in a number of aspects, and the need for university attention of labor market and its needs and align it with the academic programs have role in promoting the possibility of the application of TQM, and it has been noted that many of the academic programs offered in Saudi universities are not commensurate with the needs of the market.

The results indicated that there were no statistically significant differences between perceptions administrative and educational leaders of the extent of application of TQM in Higher Education Institutions in Saudi Arabia, which is consistent with previous research.

Based on the findings of this research, the following recommendations for university' leaders can stated:

- Promote the culture of total quality, through conferences, seminars and workshops to identify each university employees, on what TQM and encourage them to discuss the difficulties that they expect during the application.
- The need to work to pay attention to human resources, both faculty affairs and student affairs, in the light of the requirements of total quality management programs.
- Focus on the optimal use of feedback, and get away from the routine in making use from information provided by feedback, and work on the speedy delivery of them to the administrative leaderships in order to make the strategic decisions necessary to modify programs of TQM in a timely manner, thus saving time and effort and money.

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Multimarket Contact and Mergers and Acquisitions: The Cases of Southwest Airlines and Airtran Airways in the US Airline Industry

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Abstract- Many studies have empirically shown that multimarket contact (MMC) has collusive effects in the US airline industry. The US airline industry has recently undergone large changes. For example, some airlines have implemented mergers and acquisitions (M&A), while Low-cost carriers (LCCs) have matured over time and developed according to multiple business models. Few previous empirical studies of MMC have taken these changes into account. Thus, this paper analyzes the impact of M&A on the effects of MMC while taking into consideration the presence of LCCs. We focus on Southwest's "acquisition of Airtran Airways and estimate the simultaneous demand and price equations using unbalanced panel data for the fourth quarters of 2009, 2010, 2011, 2012, 2013 and 2014. We madethree findings. First, MMC has collusive effects on airlines' pricing in the US airline industry. Second, the effect of MMC on Southwest Airlines' pricing did not increase after the acquisition of Airtran Airways. Third, Southwest Airlines' rivals may show more collusive effects of MMC after an acquisition is made by Southwest Airlines.

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MULTIMARKETCONTACTANDMERGERSANDACQUISITIONSTHECASESOFSOUTHWESTAIRLINESANDAIRTRANAIRWAYSINTHEUSAIRLINEINDUSTRY

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Multimarket Contact and Mergers and Acquisitions: The Cases of Southwest Airlines and Airtran Airways in the US Airline Industry

Ryota Asahi[1]

Abstract- Many studies have empirically shown that multimarket contact (MMC) has collusive effects in the US airline industry. The US airline industry has recently undergone large changes. For example, some airlines have implemented mergers and acquisitions (M&A), while Low-cost carriers (LCCs) have matured over time and developed according to multiple business models. Few previous empirical studies of MMC have taken these changes into account. Thus, this paper analyzes the impact of M&A on the effects of MMC while taking into consideration the presence of LCCs. We focus on Southwest's "acquisition of Airtran Airways and estimate the simultaneous demand and price equations using unbalanced panel data for the fourth quarters of 2009, 2010, 2011, 2012, 2013 and 2014. We made three findings. First, MMC has collusive effects on airlines' pricing in the US airline industry. Second, the effect of MMC on Southwest Airlines' pricing did not increase after the acquisition of Airtran Airways. Third, Southwest Airlines' rivals may show more collusive effects of MMC after an acquisition is made by Southwest Airlines.

I. Introduction

Multimarket contact (MMC) refers to a situation in which there are many inter-firm rivalries between a limited number of firms in multiple markets. Many researchers have suggested that MMC leads to mutual forbearance and weakens competition. In particular, MMC has had collusive effects in the airline industry. Some studies have shown empirically that MMC causes increases in airfares and a decrease in the quality of services.

In recent years, the airline industry has experienced many mergers and acquisitions (M&A). M&A decrease the number of airlines and increase market concentration. As a result, many studies have empirically shown that M&A weaken the intensity of competition in the airline industry. On the other hand, airlines may improve their cost efficiency through M&A. Accordingly, some analyses have implied that M&A induce competition in the airline industry. In addition, M&A may extend MMC and may intensify the collusive effect of MMC. The effect of MMC may change through the reinforcement of market power by M&A. However, few studies have analyzed the relationship between MMC and M&A.

In this paper, we empirically analyze the impact of M&A on the collusive effects of MMC. This analysis focuses on the acquisition of Airtran Airways by Southwest Airlines. We estimate the simultaneous equation system of the price and demand function to analyze the changes induced in the effects of MMC by M&A. We made three findings. First, MMC has a collusive effect on airfares. Second, the collusive effect of MMC on Southwest Airlines did not change before and after "its acquisition of Airtran Airways. Third, the collusive effects of MMC on Southwest's rivals became weaker after the acquisition. These have the political implication that full-service carriers (FSCs) may reinforce the collusive effect of MMC through M&A conducted by low-cost carriers (LCCs) [2].

In section 2, we review the literature on MMC, M&A and LCCs. In section 3, we describe the econometric model used in this study and our data. In section 4, we show the empirical results. In section 5, we state our concluding remarks.

II. Literature Review

Researchers have pointed out for a long time that MMC has collusive effects (for example, Bernheim and Whinston (1990)). These effects have been empirically analyzed in diversified firms(Scott(1982), Feinberg(1985), Scott(1991)), the banking industry (Pilloff(1999), DeBonis and Ferrando (2000), Coccorese and Pellecchia(2009), Kasman and Kasman(2015)), the manufacturing industry(Stickland(1985), Hughes and Oughton (1993)), the cement industry (Jans and Rosenbaum(1996)), the cellular phone industry(Parker and Röller(1997), Busse (2000), Dominguez et al(2016)), and others. Many of these studies showed the collusive effects of MMC, which raises prices and decreases the quality of service.

Some studies have focused on MMC in the airline industry. Sandler (1988) showed that MMC intensified the competition in the US airline industry before the industry was deregulated. Evans and Kessides (1994) demonstrated that MMC increased airfares in US airline industry using panel data from 1985 to 1988. Singal (1996) found that MMC caused

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[2] LCCs are airlines which keep operating expenses low and set low airfares.

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significant increases in airfares on long-distance routes. Baum and Korn (1999) showed an inversed-U sharp relationship between MMC and the rates of market entry and market exit. Their results implied that the rates of entry and exit increase as MMC is extended. Gimeno and Woo (1999) suggested that the scope of economic intensify the collusive effect of MMC. Most of these studies showed that MMC had an anti-competitive effect in the US airline industry in the 1980s. In addition, Zhang and Round (2009) found that MMC did not raise airfares in the Chinese airline industry from 2002 to 2004.

There have been many studies on M&A in the airline industry. Most of these indicated that M&A strengthened market power (Borenstein(1990), Kim and Singal(1993), and Morrison(1996)). Although these analyses focused on M&A in the 1980s, there has been an increasing trend in M&A in recent years. As a result, many researchers have been studying recent M&A. Luo (2014) showed that airfares did not increase after the merger between Delta Airlines and Northwest Airlines on routes in which these airlines participated. Hüschelrath and Müller(2015) indicated that the airfareson routes run by Delta and Northwest Airlines increased in the short run after the merger between these airlines. Hüschelrath and Müller(2014) suggested that there were many routes on which airfares increased as a result of the merger of US Airways and America West. In many empirical studies of the airline industry, Bilotkach (2011) identified a relationship between MMC and M&A. Bilotkach (2011) analyzed the relationship between MMC and flight frequencies before and after the merger of US Airways and America West Airlines and suggested that MMC had an effect on frequency and that the merger intensified this effect.

Recent studies have shown have shown a variety of results when assessing M&A. The development of LCCs may be a factor in the variation in the effects of M&A. Many studies have analyzed the impact of LCCs. Dresner et al. (1996) and Windle and Dresner (1999) showed that LCCs caused airlines to significantly decrease their rates. Vowles(2000) found that LCCs had statistically significant airfare-lowering effects. Morrison (2001) also showed that the entry of LCCs influenced airfares on the LCCs' potential routes. Goolsbee and Syverson (2008) found that incumbents significantly decrease their airfares when threatened with the entry of Southwest Airlines. Huse and Oliveira (2012) found that incumbents responded to an actual entry but not to a potential entry, and that product differentiation responded to an actual entry but not to a potential entry, and that product differentiation softened the intensity of the reaction in the Brazilian airline industry. Murakami et al (2015) found that new carriers discounted their prices at the time of an entry and raised their airfares year by year in the Japanese airline industry. Recently, some studies have researched the effects of MMC and LCCs. Zou et al (2011a) researched the impact of MMC between high-cost carriers and LCCs on airfares. They showed that MMC raise yields and that MMC between high-cost carriers and LCCs did not have significant effects. Zou et al (2011b) studied the effect of MMC in the international airline industry. They found that MMC has collusive effects in the international airline industry and that MMC between alliance members has positive impacts on airfares. Murakami and Asahi (2011) indicated that the collusive effect of MMC may be weakened by competition with LCCs.

On the other hand, LCCs have diversified in recent years. Some studies have focused on this change in the strategies of LCCs and FSCs. Dziedzic and Warnock-Smith (2016) indicated that LCCs try to capture business passengers. Dobruszke et al (2017) suggested that LCCs are increasing their routes from major airports. Daft and Albers (2015) showed empirically that the similarity among airlines' business models increases over time.

Airlines have executed M&A and changed their corporate organization and market power. Some LCCs have also tried to transform their traditional strategies into new strategies that include some characteristics of FSCs. Although many studies have focused on MMC in the US airline industry, variations of the airline industry may change previous researches' results. Based on these previous studies, we analyzed the impact of M&A conducted by Southwest Airlines on the effect of MMC in the US airline industry.

III. Econometric Model and Data

To analyze the effect of MMC and the impact of M&A, many studies have used a price function. We estimated simultaneous demand and price equations to determine the effect of MMC on pricing behavior by using unbalanced panel data for the fourth quarters of the years 2009–2014(2009Q4, 2010Q4, 2011Q4, 2012Q4, 2013Q4 and 2014Q4) in the US airline industry. This analysis employs the following model specifications. The demand function is given by:

$$\log q_{ijt} = \alpha_0 + \alpha_1 \log p_{ijt} + \alpha_2 \log Dist_j + \alpha_3 \log INC_{jt} + \alpha_4 \log POP_{jt} + \sum_{t=10}^{14} \tau_t D_time_t + \sum_{k=2}^{9} \varphi_k D_MT_j^k + \nu_{ijt} \quad (1)$$

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The price function is given by:

$$\log p_{ijt} = \beta_0 + \beta_1 \log q_{ijt} + \beta_2 \log MC_{ijt} + \beta_3 \log HHI_{jt} + (\beta_4 + \gamma_1 WF_i^{09} + \delta_1 WF_i^{14} + \gamma_2 WFR_i^{09} + \delta_2 WFR_i^{14} + \gamma_3 WN_i^{09} + \delta_3 WN_i^{14} + \gamma_4 WNR_i^{09} + \delta_4 WNR_i^{14} + \gamma_5 EXFLR_i^{09} + \delta_5 EXFLR_i^{14} + \gamma_6 CWNR_i^{09} + \delta_6 CWNR_{ij}^{14}) \log MMC_{ijt} + \beta_5 LCC_i + \sum_{t=10}^{14} \tau_t D_time_t + \varepsilon_{ijt}, \quad (2)$$

where p_{ijt} and q_{ijt} are the average airfare and output of route j of carrier i in year t, respectively. $Dist_j$ is the distance between a pair of cities on route j, INC_{jt} is the arithmetic per capita income of route j in year t, POP_{jt} is the arithmetic average of the O/D population in year t, D_time_t is the time dummy variable that takes 1 for year t(the benchmark year of this binary variable is 2009Q4), and $D_MT_j^k$ is a binary variable that takes 1 for a market where k carriers compete (the benchmark market of this binary variable is a duopoly). $D_MT_j^k$ is introduced to control the market size in the demand equation.

MC_{ijt} is the marginal cost of route j for carrier i in year t[3]. is the Herfindahl index of route j in year t. Since a high concentration may lead to strong market power, the parameter will be positive. is the MMC of route j for carrier i in year t. In this paper, MMC is defined as followed:

$$MMC_{ijt} = \frac{\sum_{l \neq k}^{n} a_{klt} D_{kjt} D_{ljt}}{f_{jt}(f_{jt} - 1)/2} \quad (3)$$

$$a_{klt} = \sum_{j=1}^{m} D_{kjt} D_{ljt}$$

where n is the number of firms and m is the number of routes. f_{jt} is the number of firms in route j in year t.

We analyze the impact of M&A on the effect of MMC to estimate the coefficients of the binary variables (WF_i^{09}, WF_i^{14}, WFR_i^{09}, WFR_i^{14}, WN_i^{09}, WN_i^{14}, WNR_i^{09}, WNR_i^{14}, $EXFLR_i^{09}$, $EXFLR_i^{14}$, $CWNR_i^{09}$ and $CWNR_i^{14}$) and test the hypotheses regarding whether these coefficients were equal before and after the acquisition (for example, we test the null hypothesis $\gamma_1 = \delta_1$). The superscript numbers in the variables represent years. WF_i^{09} and WF_i^{14} are binary variables that take 1 for Southwest Airlines, in routes where Airtran Airways was present in 2009Q4 and 2014Q4. WFR_i^{09} and WFR_i^{14} are binary variables that take 1 for carriers in 2009Q4 and 2014Q4 which operated on routes where Southwest Airlines competed with Airtran Airways in 2009Q4. WN_i^{09} and WN_i^{14} are binary variables that take 1 for Southwest Airlineson routes where Airtran Airways was not present in 2009Q4 and 2014Q4. WNR_i^{09} and WNR_i^{14} are binary variables that take 1 for carriers that compete with Southwest Airlines and that operated from 2009Q4 to 2014Q4on routes where Airtran Airways was not present in 2009Q4 and 2014Q4. $EXFLR_i^{09}$ and $EXFLR_i^{14}$ are binary variables that take 1 for carriers which operated in 2009Q4 and 2014Q4 on routes where Airtran Airways exited and Southwest Airlines did not enter after the acquisition. $CWNR_i^{09}$ and $CWNR_i^{14}$ are binary variables that take 1 for carriers which operated in 2009Q4 and 2014Q4 on routes from which Airtran Airways had exited and in which Southwest Airlines have operated instead of it after the acquisition.

We used unbalanced panel data from the US airline industry for the fourth quarters of the years 2009–2014. We chose the fourth quarters in order to analyze more competitive behavior in a period when airlines avoided competitive behavior because demand in the fourth quarters is large. These carrier-specific data from scheduled operations in city-pair routes were drawn from Data Base "DB1A". Per-capita individual income and demographic data were obtained from the Regional Accounts Data, Bureau of Economic Analysis. Carriers that did not have a 10% market share in duopoly markets, carriers that did not have a 5% share in triopoly or greater markets and monopoly markets were excluded. Carriers reported as carrier XX (carriers that are not filed in IATA codes) in DB1A were also omitted. We drew cost data from the Air Carrier Financial Reports, Form 41 Financial Data to calculate the marginal cost. Descriptive statistics for the continuous variables are given in Table 1.The number of samples was 26,248.

[3] We used the following equation to calculate marginal cost: $MC_{ijt} = AC_t^i \left(\frac{Dist_j}{AFL_t^i}\right)^{-\lambda} Dist_j$, where AC_t^i is the average cost of carrier i in year t. AFL_t^i is the average distance flown by airline i in year t. This method has been used by Brander and Zhang (1990, 1993), Oum et al. (1993), Murakami(2011a, 2011b), and Zhang et al. (2014). To obtain λ, we estimate the following price equation by the nonlinear least-squares method.

$$p_{ijt} = \frac{\{AC_t^i (Dist_j / AFL_t^i)^{-\lambda} Dist_j\}\eta}{\eta - (1+\theta) s_{ijt}} + \varepsilon_{ijt}.$$

η is the route-specific price elasticity of demand, θ is the conduct variation and s_{ijt} is the market share of route j of carrier i in year t. Previous studies, such as Brander and Zhang (1990, 1993) and Murakami (2011a, 2011b), found that λ ranges between 0.15 and 0.67. This study uses 0.634.

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Table 1: Descriptive statistics

Name	Mean	St. Dev	Minimum	Maximum
p (Airfare)	163.140	54.802	18.020	510.930
q (Passenger)	1,109.200	1,358.000	45.000	15,128.000
HHI(Herfindahl index)	4,244.700	1,548.200	1233.900	9,047.400
Dist(Distance)	1,322.900	730.300	100.000	4,962.000
MC(Marginal cost)	0.205	0.076	0.020	0.505
POP(Population)	4,112,300	2,506,900	250,480	16,324,000
INC(Per-capita income)	40,457.000	4,716.000	24,225.000	57,514.000
MMC (Multimarket contact)	154.140	110.340	0.500	573.000

IV. Empirical Results

The demand and price functions were estimated simultaneously by an iterative three stage least square (3SLS). Table 2 indicates the empirical results and Wald test results. The coefficients in the demand function were significantly reasonable sign. The coefficients of the output, the marginal cost and the Herfindahl index in the price function were also significantly reasonable sign.

The coefficient of MMC was significantly positive. This suggests that MMC raises airfares in the US airline industry. The coefficients of WF^{09} and WF^{14} are not significant. This indicates that the effect of MMC on Southwest Airlines' pricing did not change before and after the acquisition on routes where Southwest Airlines and Airtran Airways were present in 2009Q4. The coefficients of WFR^{09} and WFR^{14} were significantly negative. This result indicated that the collusive effect of MMC on rivals' pricing went down on routes where Southwest Airlines and Airtran Airways were present. The coefficient of WFR^{09} was also significantly lower than that of WFR^{14}. This implied that the acquisition increased the collusive effect of MMC among rivals.

The coefficients of WN^{09} and WN were significantly positive and the coefficient of WN^{09} was higher than the coefficient of WN^{14}. These findings suggested that Southwest Airlines may show a more collusive effect of MMC on routes where Airtran Airways had not been present and may have become more competitive by extending MMC through the acquisition of Airtran. The coefficients of WNR09 and WNR14were significantly negative. This indicated that the anticompetitive effect decreased in routes where Southwest Airlines was present. The value of WNR^{09} was higher than that of WNR^{14}. This implied that the acquisition increases the collusive effect of MMC on rivals' pricing on routes where Southwest Airlines has operated and Airtran Airways has not operated.

The coefficients of CWNR and CWNR were significantly negative and the value of $CWNR^{09}$ was higher than that of $CWNR^{14}$. These results showed that MMC may have a collusive effect by replacing Airtran Airways with Southwest Airlines. We also did not reject the null hypothesis. This implied that the collusive effect of MMC in the US airline industry may depend on the presence of Southwest Airlines.

The value of $EXFLR^{09}$ is significantly negative, and the value of $EXFLR^{14}$ is not significant. These findings indicated that the anticompetitive effect of MMC on rivals became stronger as a result of Airtran Airways' exit. This implied that the collusive effect of MMC might be weakened by competition with LCCs and be reinforced by the exit of LCCs'.

These results characterize the relationship between MMC and M&A. First, Southwest Airlines did not show a more collusive effect of MMC after the acquisition. Southwest Airlines increased its market share in the US airline industry by the acquisition. As a result, Southwest Airlines may have more competitive awareness to prepare forits rivals' competitive behavior as they attempt to retake their market shares. Second, Southwest's rivals showed a more collusive effect of MMC after the acquisition. This may result from the reduction in the number of LCCs resulting from the acquisition. Because Southwest Airlines has superiority, its rivals may attempt to avoid competitive behaviors when taking MMC into account.

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Table 2: Empirical results and Wald test results

Price function			Demand function		
Variable	Coefficient	S E	Variable	Coefficient	S E
q	0.017***	0.004	p	-1.429***	0.046
MC	1.025***	0.009	Dist	0.276***	0.021
HHI	0.054***	0.009	INC	0.557***	0.068
MMC(β_4)	0.039***	0.003	POP	0.613***	0.013
LCC	0.356***	0.007	MT^3	-0.371***	0.018
$WF^{09}(\gamma_1)$	0.009	0.006	MT^4	-0.708***	0.021
$WF^{14}(\delta_1)$	0.008	0.005	MT^5	-0.991***	0.025
$WFR^{09}(\gamma_2)$	-0.030***	0.005	MT^6	-1.377***	0.031
$WFR^{14}(\delta_2)$	-0.008**	0.004	MT^7	-1.652***	0.050
$WN^{09}(\gamma_3)$	0.020***	0.003	MT^8	-2.003***	0.083
$WN^{14}(\delta_3)$	0.010***	0.003	MT^9	-2.037***	0.353
$WNR^{09}(\gamma_4)$	-0.027***	0.002	$time_{10}$	0.043*	0.023
$WNR^{14}(\delta_4)$	-0.012***	0.002	$time_{11}$	0.137***	0.024
$CWNR^{09}(\gamma_6)$	-0.031***	0.006	$time_{12}$	0.053**	0.024
$CWNR^{14}(\delta_6)$	-0.015***	0.005	$time_{13}$	0.143***	0.024
$EXFLR^{09}(\gamma_5)$	-0.021***	0.006	$time_{14}$	0.151***	0.024
$EXFLR^{14}(\delta_5)$	-0.008	0.005	CONSTANT	-3.064***	0.633
$time_{10}$	-0.114***	0.007	System R^2	0.944	
$time_{11}$	-0.200***	0.007			
$time_{12}$	-0.223***	0.007			
$time_{13}$	-0.233***	0.007	Test of overall significance	$\gamma_{(71)} = 75800$	
$time_{14}$	-0.214***	0.008			
CONSTANT	6.182***	0.036			

Wald Test					
Null hypothesis	Statistic	Null hypothesis	Statistic	Null hypothesis	Statistic
$\gamma_1 = \delta_1$	0.001	$\gamma_2 = \delta_2$	14.156***	$\gamma_3 = \delta_3$	6.657***
$\gamma_4 = \delta_4$	25.703***	$\gamma_5 = \delta_5$	3.098*	$\gamma_6 = \delta_6$	3.827*
$\beta_4 + \gamma_2 = 0$	2.591	$\beta_4 + \gamma_4 = 0$	13.156***	$\beta_4 + \gamma_5 = 0$	8.045***
$\beta_4 + \delta_2 = 0$	46.002***	$\beta_4 + \delta_4 = 0$	61.760***	$\beta_4 + \delta_5 = 0$	30.202***
$\beta_4 + \gamma_6 = 0$	1.196	$\beta_4 + \delta_6 = 0$	14.849***		

** ,** and *** show that the null hypothesis is rejected at significance levels 10%, 5% and 1%.*

V. Conclusions

Many studies have shown that MMC has a collusive effect in the US airline industry. However, the US airline industry has undergone a variety of changes. For example, LCCs have grown in size, and many airlines have implemented M&A. In analyses of MMC, a lot of attention has not been paid to these changes. This paper focused on the acquisition of Airtran Airways by Southwest Airlines, which has been enlarging its network, and analyzed the impact of M&A on the effect of MMC. We made three main findings. First, MMC has collusive effects on airlines' pricing. Second, Southwest Airlines' MMC effect did not increase after the acquisition of Airtran. Third, Southwest Airlines' rivals may show more collusive effects of MMC after the acquisition of Airtran by Southwest.

These results have political implications. The regulatory agency must take into account the possibility that M&A with LCCs result in MMC having stronger collusive effects. M&A by LCCs may increase the number of routes where LCCs are present, and thus airlines may face a more competitive environment. However, airlines may engage in more collusive behaviors as a result of MMC. In the case of M&A that decrease the number of LCCs, the collusive effect of MMC also increases by disentangling FSCs from the pressures of competition with LCCs. When a regulatory

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agency determines whether to approve M&A in the airline industry, it must take into account the change induced by M&A in the effects of MMC.

Further study is required on a number of issues. First, analyses of these topics should be continued over a long term. Airlines may take a long time to optimize their organizations after M&A. We should analyze MMC in keeping with these optimizing processes. Second, we should take account of other M&As. Some airlines have implemented M&As recently. Because this paper did not did not take into account the impacts of these M&As, we have to analyze the effects of MMC after considering them.

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Maturity and Conceptual Dimensions of Supply Chain Management: Establishing a Structural Model

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Abstract- Researches focused on Supply Chain Management – SCM – have increased in relevance since 1990's due to its potential to generate opportunities of adding value to the companies and gaining competitive advantage on today's global market. However, there are still lacks in the literature about the dimensions that promote the maturity and success of SCM and a deeper understanding of their relations. Considering that such knowledge can only be fully achieved through a model that aggregates all known dimensions of the SCM maturity, the present paper brings up thought a systematic literature review the proposal of a framework showing the relationship between Supply Chain Management Maturity and Supply Chain Management Concept. The main contribution of this paper is to present a better understanding of SCM maturity dimensions and SCM concept dimensions proposed on the literature and then show its relations. This framework can also support future field researches aiming to better understand the phenomenon of this relationship and provide a deeper view in terms of SCM theory and application.

Keywords: *supply chain management, maturity, concept, framework.*

GJMBR-A Classification: *JEL Code: M19*

MATURITYANDCONCEPTUALDIMENSIONSOFSUPPLYCHAINMANAGEMENTESTABLISHINGASTRUCTURALMODEL

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Maturity and Conceptual Dimensions of Supply Chain Management: Establishing a Structural Model

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Abstract- Researches focused on Supply Chain Management – SCM – have increased in relevance since 1990's due to its potential to generate opportunities of adding value to the companies and gaining competitive advantage on today's global market. However, there are still lacks in the literature about the dimensions that promote the maturity and success of SCM and a deeper understanding of their relations. Considering that such knowledge can only be fully achieved through a model that aggregates all known dimensions of the SCM maturity, the present paper brings up thought a systematic literature review the proposal of a framework showing the relationship between Supply Chain Management Maturity and Supply Chain Management Concept. The main contribution of this paper is to present a better understanding of SCM maturity dimensions and SCM concept dimensions proposed on the literature and then show its relations. This framework can also support future field researches aiming to better understand the phenomenon of this relationship and provide a deeper view in terms of SCM theory and application.

Keywords: supply chain management, maturity, concept, framework.

I. Introduction

Interest in the concept of supply chain and its management emerged from the 1980s by a few researchers and companies, although some of its fundamental assumptions are even older. In the second half of the 1990s the issue became the focus for various publications and was also the time in which more shimmered companies could get benefits of collaborative relationships within and beyond its internal limits (LUMMUS; VOKURKA, 1999; COOPER; LAMBERT; PAGH, 1997).

Since then, the importance of researches focused on the Supply Chain Management (SCM) have grown significantly due to the increasing comprehension by companies of its potential to generate value adding opportunities to their businesses and competitive advantage gains, which are critical in today's global market.

Jashnsadeh and Fard (2016) have demonstrated that the relationship between supply chain and competitive advantage is significant with 99% of confident, what is proven by the data collected by their research. It is needless to say how important competitive advantage is crucial on nowadays global market.

According Lockamy and McCormack (2004), as the organizations are no longer being viewed as a collection of functional areas and the prospect of integrated processes in a horizontal manner along them have become a strategy, it is necessary to evolve the concept of process maturity for supply chain management.

However, Lockamy and McCormack (2004) claim there are still few studies related to the concept of maturity. According to Oliveira (2009), the existing models for chain management supplies still are in an embryonic stage and some adjustments are needed to improve its explanatory power on this field.

There are various models developed by several authors among which stand out Stevens (1989), Ayers and Malmberg (2002), Lockamy III and McCormack (2004), Daozhi et al. (2006), Performance Measurement (2007), Oliveira (2009) and Frederico (2012)because they are more specific to the Supply Chain Management.

These various models present different dimensions to the analysis of maturity as well as different scales to it. There are also some variables that are repeated in different models, sometimes with alternative nomenclatures but similar meaning.

Frederico (2012) proposed a unique set comprising all dimensions presented by these different authors, as well as one single maturity scale. However, despite this author claims that "As these dimensions evolve over time, the greater becomes the level of integration and skills of supply chain management"), there are still gaps to be better understood since the relationship between the dimensions and SCM's maturity was not the object of that study. One of deployed and opened research question from Frederico (2012) study is about the relationship between SCM maturity dimensions and concepts.

Thus, the aim of this article is to propose a single theoretical model that inter-relates the eleven dimensions identified at the literature and enable a greater understanding of how the maturity of each impacts the resulting maturity of the entire chain.

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II. Methodology

According to Hodgkinson, Herriot and Anderson (2001), applied social science can be divided in four groups (Popularist Science, Pedantic Science, Puerile Science and Pragmatic Science) of which only the 'Pragmatic Science' balances both rigour and relevance. In that type of science resides the systematic literature reviews, serving both for the academic and practice purposes.

Tranfield, Denyer and Smart (2003) states that the systematic literature review is in relative infancy state although there is some consensus about its methodological characteristics. Based on other authors, they make reference of three main stages of the method: planning the review, conducting the review and reporting and dissemination.

The present paper is mainly the result of stage three of a developed systematic literature review and, therefore, aims to produce a pragmatic science. A relative large number of articles have been reviewed, using main electronic databases as major source, aiming to present the SCM conceptual and maturity dimensions and, based on it, a propose have been made for a collection of relationships between those conceptual dimensions of supply chain management and it's maturity, stablishing a potential framework that represents e describes those relations.

III. Supply Chain Management Concepts

Basically, the concepts of Supply Chain found on the literature can be divided in two main groups: (1) supply chain as a set of activities and processes; (2) supply chain as a set of entities. In terms of this article, the concept adopted is a set of organizations involved, working in activities towards the upstream and downstream chain, existing company-focus with the central role within the supply chain, as proposed by Christopher (2005) and Pires (2009).

The dissemination of the notion of supply chain management (SCM) has been promoted by many different areas and it's specifics origins are unclear, although likely emerged from within physical distribution and transport (CHEN;PAULRAJ, 2004).For Chen and Paulraj (2004), SCM has three main groups: driving forces (Environmental uncertainty, Customer Focus and Information Technology), critical elements (Strategic Purchasing, Supply Network Coordination, Logistics Integration and Supply Management) and performance (supplier performance and buyer performance).

According to La Londe and Masters (1994), supply chain management is the major logistics strategy that will endure in the 21th century. Cooper, Lambert and Pagh (1997), states that SCM is the integration of end customers to suppliers, business processes that generate products, services and information, adding value to customers.

Thus, Cooper, Lambert and Pagh (1997) propose a conceptual model for supply chain management, based on three major and related elements: business processes, management components and supply chain structure, as shown in Figure 1.

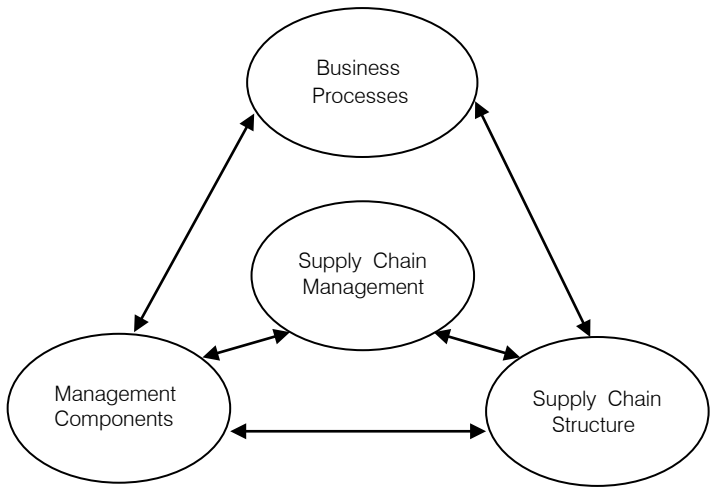

Figure 1: Elements in the Framework of Supply Chain Management. Cooper, Lambert e Pagh., 1997, p.6.

According to these authors, business processes are activities that produce a specific resulted value to the client. The management components are those by which business processes are structured and managed. Finally, the supply chain structure is the setting in which companies form within it.

Lummus & Vokurka (1999) understand that the SCM is the coordination and integration of existing activities in this chain. A key point management is the need to see the whole process as a single system.

Mentzer et al. (2001) understand that the concept has three lines of thought: supply chain management as a philosophy of management, supply

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chain management as a set of activities to implement a philosophy of management and supply chain management as a set of management processes.

On the first conceptual row, Mentzer et al. (2001) stateit comprises three main features. They are: (1) systemic approach to the supply chain view as a whole and not as a set of parts; (2) the strategic orientation toward cooperative efforts in search of an optimization of the entire chain; and (3) focus on customer value generation to the relationship in the entire chain. In the case of conceptual line related to supply chain management as the implementation of a philosophy, these authors point out that it is linked to a set of activities that transforms philosophy into practice. These activities are related to integrated practices, information sharing to, the risks and rewards, the cooperation, the uniform focus to the customer along the chain and long-term relationships between partners.

With regard to the conceptual line related to the supply chain management as a set of processes according to Mentzer et al. (2001), some authors have adopted this approach, in which the supply chain management is carried out through key processes, from the initial point of the chain, related to the integration of the chain of entities, the information flows and the material flow, seeking the service to the end customer with added value.

Mentzer et al. (2001), justifying that there are many definitions on supply chain management, propose a single definition aligned with a conceptual framework presented in Figure 2.

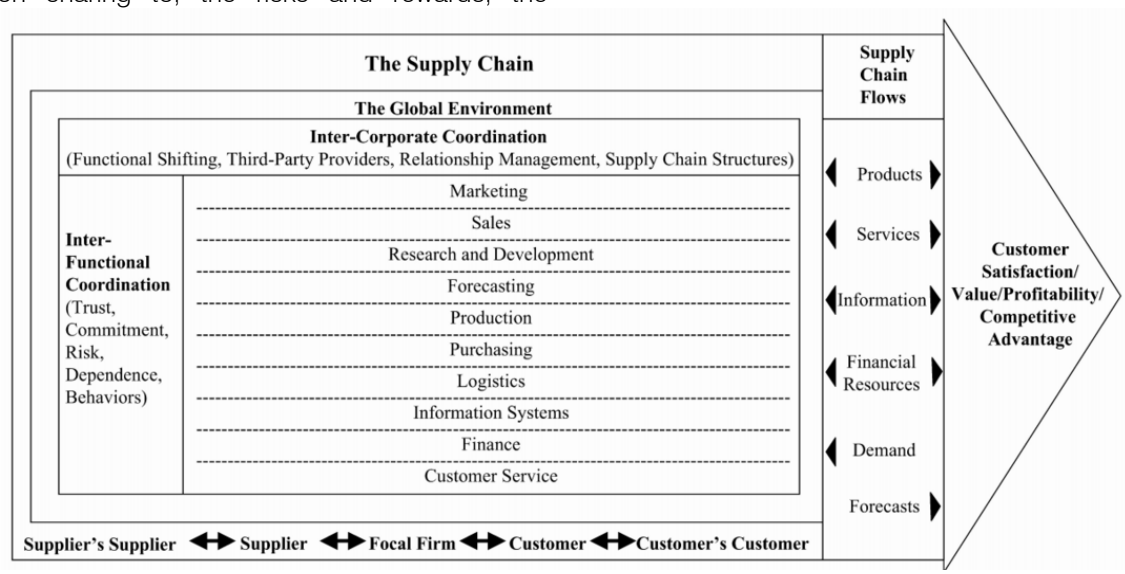

Figure 2: A Model of Supply Chain Management. Mentzer*et.al*.2001, p. 19.

According to these authors, the supply chain management is defined as the strategic and systemic coordination of traditional business functions and the tactics across these functions within a company and own chain in order to improve performance in the long term throughout the supply chain, as well as each company that composes.

For Simchi, Kaminsky and Simchi (2003), SCM is the set of approaches used to efficiently integrate suppliers, factories, warehouses and retail, so that the goods are produced and distributed in the right quantities in the right places at the right time in order to minimize the costs of the entire system and satisfy service levels required by customers.

According to Christopher (2005), supply chain management deals with the company's relationships with suppliers and customers before and after the process of transforming raw materials into products, seeking to generate more value for those customers with the lowest cost for the chain as a whole.

The Council of Supply Chain Management Professionals - CSCMP (2009) defines supply chain management as the planning and management of all activities involved with purchases of resources and raw materials, processing into final products and all activities of logistics management. In this management also would include the coordination and collaboration with channel partners, which can be suppliers, intermediaries, logistics and customer service providers. According to this organization, logistics management is within the supply chain management, and its management comes down to planning, implementation and control of goods and storage of goods flows, services and information between the point of origin to the destination point to bring together all customer requirements.

Stock and Boyer (2009) states that there is a difficulty in havinga single definition for supply chain management. For these authors, some definitions focus on the participating members of the chain and activities,

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while other settings, the physical flow and interorganizational collaboration within the chain.

Stock and Boyer (2009) conducted a study identifying all existing supply chain management on definitions in the literature since 1995. They found that most definitions occurred between 1995-2000.

Identifying the approaches mentioned by all these definitions in literature, Stock and Boyer (2009) proposed a definition, seeking to reach a consensus by the management concept of proposed supply chain of several authors.

According to Stock and Boyer (2009) supply chain management is the management of a network of relationships within an organization and between organizations and interdependent business units composed of suppliers, shopping area, manufacturing facilities, logistics, marketing and systems related to flow downstream and upstream materials, services, financial and information from the original supplier to the end customer, aiming to add value, maximize profitability and meet customers' need.

According to Ballou (2001), supply chain management is a term that encompasses the essence of integrated logistics and even surpasses it, since it highlights the logistical interactions that occur between marketing, logistics and production functions within the framework of an organization.

Therefore, with regard to the concept of supply chain management, the understandings presented in the literature, are that it can be seen as:

- The integration of business processes that generate products and services from suppliers to end customers;
- The coordination and integration of existing activities in the chain;
- The relationship management within an organization and between interdependent organizations;
- The strategic and systemic coordination of the traditional functions of business and tactics of these functions along the chain;
- The set of approaches used to efficiently integrate the entities present in the chain;
- The planning and management of all activities involved in chain;
- A management model that seeks to obtain synergies through integrating processes along the chain.

IV. Maturity in Management

Maturity is a theme extensively explored in recent by researchers in business management area, focusing on a wide variety of areas. Maturity is by definition the state achieved in a process, in which it is better developed and its most advanced state (OXFORD, 2011). The concept of maturity emerged in quality management area, when Crosby (1979) proposed the improvement of quality through five levels of maturity in a model called the maturity grid. The levels are: (1) Uncertainty; (2) Awakening; (3) Enlightenment; (4) Wisdom; and (5) Certainty.

Harter, Krishnan and Slaughter (2000) proposed, based on the Capability Maturity Model - CMM, a model for software development. Kwak and Ibbs (2002) present a model for project management. Attadia and Martins (2003) propose a study suiting performance measurement systems to the stages of evolution of the continuous improvement process, using as a basis the model developed by Bessant et al. (2001).

Venkatraman and Henderson (1998) propose a maturity model that seeks to demonstrate the stages for an organization to reach a level of organization and virtual integration in three dimensions: customer interaction (virtual meeting), asset configuration (search for virtual integration) and (leverage knowledge) virtual excellence.

For each of these dimensions the same authors propose three stages of development, in which the virtual meeting evolves from a remote experience for a fully integrated environment with customers, the configuration of assets, which seeks virtual integration, evolving from separate modules for a total of resources coalition and the monitoring and increased knowledge evolves from a concentration of intellectual capital in work units isolated to an intellectual capital formed throughout the organization.

Another model of well-known and widespread maturity is the Software Engineering Institute (SEI) of Carnegie Mellon University (Vaidyanathan and HOWELL, 2007; HARTER, Krishnan and SLAUGHTER, 2000), which since 1991 started the development of the Capability Maturity Model (CMM) focused on software development.

Currently there are other models, involving a version integrated as software engineering, integrated product development and search for suppliers and a newer version (version 1.2 -Capability Maturity Model for Services). This version is the process of providing services (SEI, 2009).

Regarding organizational processes, Hammer (2007) proposes a maturity model based on two elements: facilitators of organizational processes and skills. According to this author, so that processes become more mature and allow better performance is achieved the following facilitators are needed: project (process design), executors, owner (responsible), infrastructure (information and management system to support) and metrics.

Likewise Hammer (2007) also lists as required to assess the maturity organizational skills that are: leadership (which allows you to create and deploy processes), culture (related to customer focus, teamwork and enthusiasm for change), experience (skill

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and method in relation to the processes) and governance (mechanism to manage complex projects and change initiatives).

With regard to studies involving maturity models, stands out among these, the work of Harter, Krishnan and Slaughter (2000) applied the CMM to product development, specifically software. Another study about maturity models was developed by Kwak and Ibbs (2002) presenting a model for project management. According to these authors the maturity of project management is the level of sophistication that evaluates the practices and processes of project management at the time in which this management is. For these authors, each maturity level comprises the main features, factors and processes of project management.

As shown, the same as in other areas, some studies involving the presentation of maturity models in supply chain management have been developed, which will be presented in the next section of this chapter.

V. Maturity on Supply Chain Management

Specifically for the area of supply chain management, about six major models were found in the literature. Stevens (1989) presented an approach to the concept of supply chain maturity, consisting of a four-stage evolution in relation to its level of integration. According to the author, a supply chain gains greater competitive advantage as its level of integration increases driven by business needs.

Ayers and Malmberg (2002) proposes a maturity model that consists of five stages of evolution in supply chain management. According to these authors, to achieve the stages higher, new skills are required, considering the current stage that the organization is in terms of practices of supply chain management. The stages that make up the model with their respective features are: Dysfunctional, Infrastructure Cost Reduction, Collaboration and Strategic Contribution.

According to these authors, maturity takes into account a process has a life cycle and is measured by the extent to which it is explicitly defined, managed, measured and controlled. Based on these five stages of maturity and relating them with the four basic areas of the SCOR model (plan, source, make and deliver), Lockamy and McCormack (2004) built a model for supply chain management, which has the following characteristics, which are associated with the maturity of process as predictability, competence, control, effectiveness and efficiency: Ad Hoc, Defined, Linked, Integrated and Extended.

Lockamy and McCormack (2004) present a modelof maturity on supply chain management that seeks to find the correlation between the evolutionary stages with the four areas of performance of the Supply Chain Operations Reference model (SCOR). In this study, the authors found a strong correlation between the levels of maturity and performance achieved in the studied supply chains. Their work was based on BPO (Business Process Orientation) maturity model, which was developed from the process maturity concepts, CMM proposed by the Software Engineering Institute (SEI) and SCOR structure.

According to Daozhi et al. (2006), a maturity model allows to support a supply chain in terms of innovation and continuous improvement based on the evaluation of the elements of maturity that compose it. The maturity model of these authors is based on three dimensions: a) Maturity of the management; B) Maturity of the environment, which is related to credit issues in the chain, communication platform; And c) Maturity of resources.

The Performance Measurement Group (PMMG) (2007) belonging to consultancy Pittiglio Rabin Todd & McGrath (PRTM) proposes a model of maturity for supply chain management based on four development levels, starting from a level with functional focus to a level of collaboration between the companies in the chain, with the composite model four maturity levels: functional focus, internal integration, external integration and collaboration.

Oliveira (2009) built the model in three steps. Are they: (1) Use of an international database generated by a survey with professionals working in companies in the areas of supply chain management, in which several variables in relation to this management were related and manipulated statistically; (2) Evaluation and adjustments by a group of experts in the field; and (3) - Final validation through confirmatory analysis and correlation, whereby it was possible to determine the final maturity model. The model, in addition to having maturity levels with their certain characteristics, also has the precedence relationships between the different levels of maturity.

Frederico and Martin (2012) proposed a unique set comprising all dimensions presented by all different authors then found on the literature (therefore considered the then state-of-art on the field), as well as one single maturity scale. However, despite those authors claims that "As these dimensions evolve over time, the greater becomes the level of integration and skills of supply chain management" (Frederico and Martins, 2012), there are still gaps to be better understood since the relationship between the dimensions and SCM's maturity was not the object of that study.

There are other publications associated to maturity in supply chain management which the authors in fact don´t present a framework with dimensions and characteristics of maturity levels but use a maturity model already proposed to verify or test the model in any specific research object as in Childerhouse et al.

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(2011), Netland and Alfnes (2011), Aryee, Naim and Lalwani (2008), McCormack, Ladeira and Oliveira (2008), Okongwu, Morimoto and Lauras (2013), Dellana and Kros (2013) and Zanoni, Pinnheiro de Lima and Gouvea da Costa (2008).

VI. Dimensions of Supply Chain Management Maturity

Regarding maturity models of supply chain management eleven different dimensions for its maturity were proposed by Frederico (2012), whose work presents the wider collection of dimension, as it's list was produced based on those dimensions present by other authors and collected through a systematic literature review. As previously stated, the present paper aims to propose a unique model based on them. For that purpose, Table 1 presents the models of maturity on supply chain management crossed with those eleven maturity dimensions, presenting which of them are considered in each model.

Frederico(2012) observed that the model Lockamy and McCormack (2004) is the one with the highest number of dimensions identified among all the models studied. However there are dimensions that these authors did not take into consideration, although being considered by other authors in the literature. Therefore, the adoption of this comprehensive model proposed by Frederico (2012) is justified by the fact that when adopting one or other existing model some dimensions could be left aside by the study.

According to Frederico (2012) the characteristics of each of the dimensions are:

- Costs are associated with the level of costs and inventory in the supply chain;
- Customers are associated with focus given to customers within the chain management as well as the level of customer satisfaction;
- Processes concerns the formalization, integration, structuring of processes within the chain;
- Technology and tools are linked to the existence of information and tools to support supply chain management systems, such as statistical tools for demand forecasting among others;
- Collaboration refers to the sharing of information, earnings and resources among members of the chain, communication and other joint initiatives within the chain such as product development and planning;
- Management is associated with excellence in project management within the supply chain, risk management and also the level of awareness and training of supply chain management;
- Performance Measurement is associated with the extent of the measurement of supply chain management performance;
- Strategic Focus refers to the strategic goals which are given to the supply chain management by the chain's focused company and by its members;
- Responsiveness is linked to the speed with which the supply chain responds to environmental changes, also in terms of volume and mix of products supplied;
- Resources are linked to the types of resources used in the supply chain, being they common (needed for execution of processes within the chain) and competitive (generate competitive advantage and are difficult to be employed by competing chains due to their differential);
- Environment refers to regulatory issues and credit incentives that favor the best performance of the supply chain.

Table 1: Maturity dimensions mentioned on the literature – Adapted from Frederico (2017)

Dimensions	Stevens (1989)	Ayers e Maimberg (2002)	Lockamy e McComack (2004)	PMG (2007)	Daozhi et. Al. (2006)	Oliveira (2009)	Reyes andGiaghetti (2010)
Collaboration	x	X	x	x	x	X	X
Costs	x	X	x		x		
Customers	x		x			x	X
Environment			x		x		
Management	x	X	x	x	x	x	X
PerformanceMeasurement			x	x		x	X
Processes	x	X	x	x		x	X
Resource					x		X

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Responsiveness	x			x	x	x	
Strategic Focus	x	X	x	x		x	
Technology and Tools	x	X	x	x		x	X

Frederico (2012) considered three maturity stages: Beginner, Intermediate and Advanced. Alignment on three levels was necessary due to the difference of the amount of levels between existing models of maturity of supply chain management. For each level, the eleven dimensions of the maturity of supply chain management have different characteristics, that are:

- Initial: prevalence of high costs in the supply chain, low customer satisfaction, unstructured and disintegrated processes, lack of collaboration among members, absence of technologies and tools for demand forecasting and other activities, lack of strategic focus in the chain, little active project management in the supply chain, absence of risk management, performance measurement absence along the chain, lack of regulation and credit lines as support elements for the chain and use of basic and common resources;
- Intermediate: efforts to reduce costs in the chain, average customer satisfaction, documented processes and defined starting a more horizontal focus along the chain, cooperation between related functions at the supply chain management, use of technologies and statistical tools for demand forecasting and other activities, chain as a strategic focus, awareness, vision and competence in managing the supply chain by employees, good project management practices, basic level of risk management, existence of measurement performance, early regulations and lines of credit to assist the supply chain and use of resources, but still without differential in the supply chain;
- Advanced: chain with excellence in costs, overall customer focus and high level of satisfaction, fully integrated processes and structured along the chain, extensive use of information systems, profit sharing and information between the members of the chain, management excellence in projects and risks, wide performance measurement, supply chain seen as a factor of competitiveness in other chains, responsive action before the demand variations caused by customers, comprehensive regulation and credit lines for development of the supply chain.

It is conceivable that a given chain will be classified in the maturity level at which are classified the largest share of its variables, although it is possible to elaborate better this assumption in future research. It is noteworthy that the maturity classification, either for the purpose of dimensions or for the whole chain, can't be established statically since it is fundamentally dynamic, as there is the need of comparison between different chains, potential results and new challenges posed by environmental changes or new strategic objectives.

VII. The Inter-relationship between the Dimensions of Supply Chain Maturity

In order to build a model that reflects the interrelations between the dimensions of supply chain maturity, first there must be established the criteria on the basis of which this analysis will be made.

a) *Classification of Dimensions of the Supply Chain Management Maturity*

Using as a basis the definitions of the models Cooper, Lambert and Pagh (1997) and Mentzer (2000) and the model proposed by Frederico (2012), it was designed a conceptual model that integrates both constructs into a single system.

It is understood, however, that any model or system is a simplification of the reality and, as such, is unable to describe the fullness of a phenomenon, representing what is considered relevant by the observer's perspective which, in the concrete case, is an overview of the interrelations between the dimensions of supply chain maturity.

When studied in a greater detail a particular dimension may contain traces of different classifications within the proposed model and, for the objectives of this study, we sought to analyze the predominant characteristics of each dimension.

Starting from these prerogatives, it was drawn in Figure 3, which graphically represents the model proposed by this study to the relationship between the dimensions of the SCM maturity and SCM concepts.

Thus, it is proposed the classification of the dimensions as follows:

i. *Management Components*

In this group they are classified the dimensions that constitute the administrative elements themselves or tools / data supporting this management.

Thus, among the dimensions of the maturity of the supply chain, are classified in this group: process management, technology/tools, performance measurement and risk management and project.

ii. *Chain Structure*

This group is made up of elements that form the characteristics of a given supply chain, namely: collaboration, strategic focus, responsiveness, environment and resources.

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iii. *Business Process*

Business processes according Cooper, Lambert and Pagh (1997), are activities that produce a specific value to the consumer. In other words, it can be said that are the main activities of its chain, not fitting, therefore, the inclusion of any dimension on the maters of maturity.

iv. *Results*

In this group are the expected results for the supply chain management, materialized by the dimensions of costs and customers (satisfaction).

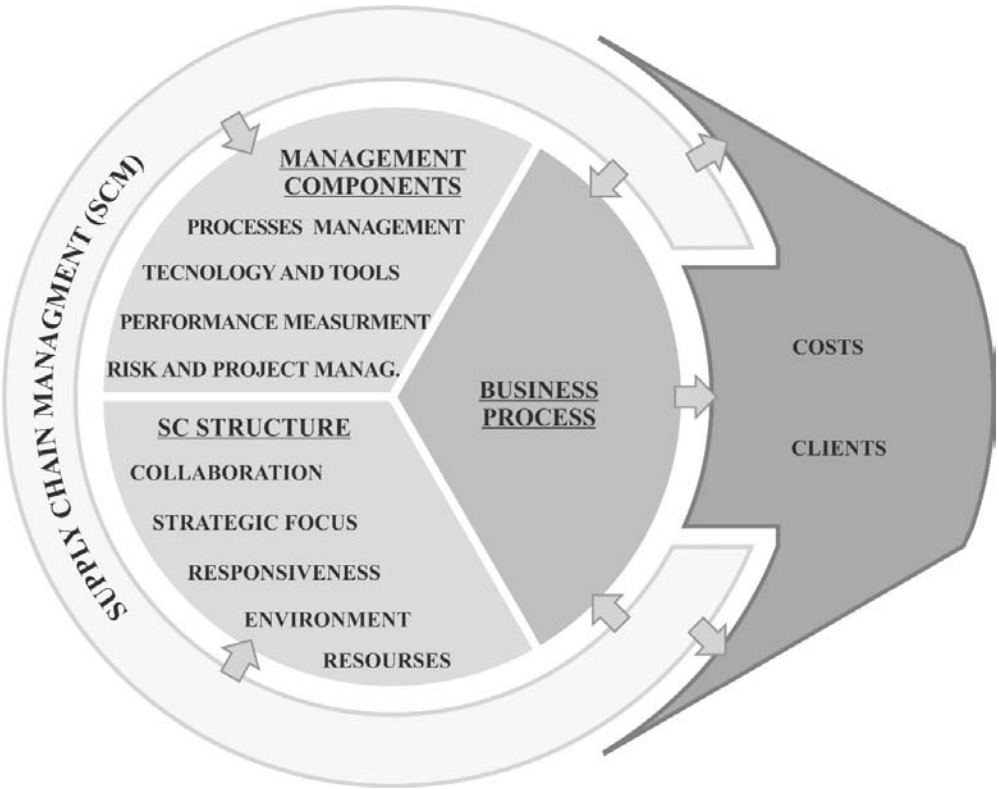

Figure 3: Graphic representation of the Model Inter-relation of Supply Chain Management Maturity dimensions.

Dimensions pertaining to the management and supply chain structure components are the basis for business processes that in turn will determine the resulting dimensions levels (client satisfaction and costs). The higher the maturity level of each of those support dimensions, the greater the potential of the business processes to generate satisfied customers and optimized costs.

Collaboration of information among the entities of a chain contributes to the business processes as it, for example, enables a better forecast of demand, consequently a better accuracy in the sizing of inventories and production planning in the chain, providing, directly and indirectly, greater customer focus and cost savings.

The strategic focus of the chain determines how much the efforts of the various entities are converging towards the same objectives and the level of synergy established. The greater the level of maturity of this dimension, the more concentrated the efforts are and the smaller the waste, generating greater customer satisfaction and lower costs.

The level of responsiveness expresses how fast the chain responds to variations in demand and other changes in the environment. Thus, the more responsive a chain is, the more it will be able to keep its operations close to the optimal level, impacting on customer satisfaction and costs

The environment in which a chain is embedded is critical to it's business processes, since they impact operations in a variety of ways. Organizations generally have little capability to intervene and change aspects of the environmental dimension, but their characteristics impact customer satisfaction and the level of costs that the chain will be able to achieve.

In terms of resources, their availability, quality and costs, among other aspects, have a direct impact on business processes, since they represent the raw material and inputs of the production processes, thus impacting indirectly on levels that can be reached of customer satisfaction and costs.

Process management is closely linked to business processes, since it expresses how entities (internally and with each other) have mapped, organized and optimized processes. The greater the maturity of

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this dimension, the more appropriate will be the business processes with the potential to obtain higher levels of customer satisfaction and cost reduction.

Technologies and tools are increasingly indispensable for us to tackle and analyze a growing universe of data and information. In this way, it is clear that this dimension has a direct impact on business performance and consequently on customer satisfaction and cost reduction.

Performance measurement is a key process by which the organization and the chain can assess how much planning is being accomplished as well as identify problems to be solved. As a result, the higher the maturity level of performance measurement, the better business processes are expected and thus higher customer satisfaction and a lower level of costs.

Finally, the better the level and maturity of risk and project management, the more potential threats will be mitigated or more adequately addressed when they occur. The impact of this dimension is not always visible (although present) in organizations' daily lives, but it is widely noticed when some of the mapped risks are manifested, occasion where negative impacts on business processes are reduced, preserving to the maximum the satisfaction of the Customers and the level of costs.

VIII. Final Considerations

This study proposes a model that integrates the eleven dimensions of maturity of the management of the supply chain in a single inter-relationship model.

As a result of this model, it is expected that the capacity to understand the phenomenon of SCM and its maturity is expanded, with consequences for theory and practice. It remains necessary, however, the development of future field research like surveys and case studies that could prove or disprove the grip of this model to the reality and context of supply chain management.

To this end, it is recommended that those future empirical researches are explored in as much different contexts as possible in order to observe or question the real ability of generalization of this model to any supply chain.

It is also proposed that future research study a deeper understanding on how the performance of each dimension determines the maturity level of the supply chain management as a hole on a giving supply chain.

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Assessment of Procurement Function Significance in Value Chain Model

By Shihabeldin Elawad Abdelhadi

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Abstract- Aim: The purpose of this article is to evaluate the role and contribution of procurement function in achieving firm's competitive advantage within the value chain model whilst also retaining the fundamental principles and philosophy of the Porter's value chain system.

Background: In the increasingly globalised world it is important to conduct business activities that produce a value-based good or service. In a largely globalised commercial environment, the products and services would be homogenous to a large extent. The effects of globalisation have caused substantial changes in the business and commerce operations. The conventional view to conduct business operations has undergone a paradigm change. Hence, it is essential that the fundamental principles that have been established with regards to the conduct of production and service are also revisited in order to assess the need to redefine certain elements of the established business principles.

Keywords: procurement, supply chain management, value chain, porter's value chain, competitive advantage, sustainable procurement.

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Main findings: Whereas, the significance of procurement cannot be diminished, it is however not sufficient to regard it as being a central source of competitive advantage. It is essential that every aspect of the value chain is delivered appropriately in order to add value and create competitive advantage.

Conclusion: Procurement can then not be regarded as a primary value adding activity; not withstanding its necessity in support function for value addition. However, sustainable procurement can be regarded as a source of competitive advantage if it contributes directly in the creation of value.

Keywords: procurement, supply chain management, value chain, porter's value chain, competitive advantage, sustainable procurement.

I. Introduction

The aim of the study is to conduct literature review for the analysis of the procurement function in the Porter's value chain management and its position as a competitive advantage of an organisation. There are primarily two sources of competitive advantage for an organisation. One is the resource-based competitive advantage in which a unique resource which is not available to other competitors is in possession of the organisation. The other is the positioning competitive advantage in which the organisation places itself in such a position in the market due to its strategic manoeuvring, that it achieves an edge over its competitors. Hence, value chain management is strategic to an organisation which can be utilized as a source of positioning competitive advantage.

a) *Background of the study*

In the increasingly globalised world it is important to conduct business activities that produce a value-based good or service. The idea of globalisation is a largely accepted one and there have been several initiatives undertaken to achieve this aspect. The many free trade agreements and establishment of free trade zones and economic unions are the milestones to the complete advent of globalisation. In a largely globalised commercial environment, the products and services would be homogenous to a large extent. This is because globalisation would give rise to intense competitions between businesses. Hence, there is a likely possibility of the customers having complete information about the product they intend to buy and those products being largely similar [1].

In order to market the products in a manner that fulfils the demand criterion of consumers profitably, it is essential that value added products are being produced. In this context, the application of Porter's value chain management is highly strategic. In the many aspects of the value chain, procurement has gained significance in the present globalised scenario. Procurement can be utilised as a strategic aspect of the organisation and can also be developed as a source of competitive advantage over competitors. Therefore, it needs to be analysed whether procurement be placed as a support activity in the Porter's value chain, and how it can be the central source of an organization's competitive advantage [2].

b) *Problem Statement*

The problem with procurement as a support function of value chain management is that at many times it constitutes as a central competitive advantage of the organisation. Hence, if it is to constitute as a central source of the organisation's competitive advantage then it may not necessarily be placed with the support activities in the Porter's value chain management. In order to analyse this aspect, it is necessary to comprehend the entire value chain system so that it can be determined as to how value is created by applying the value system [3].

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A value chain management system is described as the collection of activities that a firm which operates in a given industry undertakes to add value to the product or service in the market. The many activities of the organisation include inbound logistics, operations, outbound logistics, marketing and sales, and services. These activities are regarded as the primary activities. In order to support these activities, there are other elements which would contribute to the efficient delivery of the primary activities and add value to the product or service. These are the firm infrastructure, human resources, technology development and procurement. These are known as the support or secondary activities in the value chain management [4].

c) Significance of the Study

The study is considered unique in the sense that procurement has generally been accepted as a support or secondary activity as a matter of principle in the value chain. The study has taken into perspective the shifts in the commercial and economic practices around the world, particularly the phenomenon of globalisation and its relative impact. It has been observed that the business practices have been redefined in the last half part of century. Therefore, the study seeks to analyse the possibility of redefining primary business philosophies for its compatibility with the latest and ever changing business practices. However, the study seeks to adopt an open-ended method regarding the existence of this possibility, as it would be over-ambitious to deduce that change in business practices is inevitable.

The aspect of supply chain and procurement has also gained central importance and is regarded as a strategic aspect of business operations. Most businesses have employed variety of strategies in order to exploit the different means of procurement and supply chain, and in most cases this element has also emerged as a source of competitive advantage in business operations. Therefore, the study has benefitted from a variety of cases to establish whether the aspect of supply chain and procurement can be regarded as primary activities.

d) Study Aims and Objectives

The world has undergone an overhaul in terms of its trading and commercial activities over the last fifty years. It was once considered that mass production is an essential strategy to gain market share. However, this idea has declined over the period of time and the focus has now shifted to value of the product. The businesses now tend to optimize the quality of the product in the production methods. The quality of the product is the competitive advantage in contemporaneous business world that provides the benefit of competitive advantage.

The purpose of this article is to evaluate the position of procurement and value chain as a support function in the value chain management whilst also retaining the fundamental principles and philosophy of the Porter's value chain system.

- To study the significance of procurement and supply chain in the recent developments in order to place it as a support function.
- To analyse whether sustainable procurement can create competitive advantage for an organisation by its direct contribution in the value chain system.

e) Research Question

- In the perspective of its strategic significance, is it appropriate to include procurement function as one of the support activity in the Porter's generic model of value chain management?
- Is it possible to achieve competitive advantage for an organisation by direct inclusion of sustainable procurement in value creation?

II. Literature Review

In this section literature regarding the value chain management and procurement would be analysed. Additionally, it would also be analysed whether the competitive advantage can be achieved if the organization contributed directly in the value creation.

a) Value chain system

A value chain management system is a cluster of different activities that are undertaken for adding value to the product or service. The activities in the value chain system are categorised into primary and support activities. The primary activities consist of the inbound logistics, operations, outbound logistics, marketing and sales, and services. However, these are the executional activities prior to launching of a product or service. These activities are supported by procurement, technology development, human resources and firm infrastructure. These are called the secondary activities. It is essential that for value addition, both activities need to be delivered in a combined manner. It is a combination of support and primary activities that adds value to the product or service.

A value system consists of suppliers that provide the essential inputs to the organisation along with the value chain. The firm creates the product or service which is then passed through value chains of distributors till the customers. The chain which is initiated from the supplier to all the way to the customer is what is described as the value chain. It is essential that every aspect of the value chain is delivered appropriately in order to add value and create competitive advantage.

b) Literature relevant to procurement and value chain system

Ndanga, Quagraini, Ngugi, and Amadiva [5] conducted a study on the assessment of value chain

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system in the fisheries activities of Kenya. The article has described at great length about the impact of the application of Porter's value chain system and how the fishing industry can benefit from it. It mentions how the supply was strategic in adding value to the fisheries products till its ultimate supply to the customer. The study observed that the supply chain and more specifically procurement of fisheries need to be made further effective to create value. In essence, the procurement element can be utilized to contribute in creating value to the supply chain.

Cheng, Cantor, Grimm, and Dresner [6] also conducted review of how supply chain has gained the central and strategic importance in the United States manufacturing industries. The most pertinent instance of this is that of the Silicon Valley. The strategic aspect of its humungous economies of scale is the supply chain and procurement aspect. It is essentially a facility where the suppliers are located at close proximity, the central aspect of value chain system stands achieved. The primary activities of the firms are well supported by the secondary activities which is evident from the economies of scale it achieves. In a closer assessment, it can be observed that it is in fact the procurement that allows the achievement of the entire elements of the value chain. The case is not different for the other United States manufacturing industries that procurement has a central position in the achievement of economies of scale, which is translated in the form of competitive advantage.

Beheshti, Oghazi, Mostaghel, and Hultman [7] also conducted a similar study based on the analysis of Swedish manufacturing industries. The value chain management is important to the success of the industries. However, the study observed that procurement is effective as a supporting function to the primary activities of the firms. This is essentially because of the fact that procurement is considered as a fundamental or raw form of product. The primary activities consist of those elements that are conducted for the final delivery of the product. Thus, where supply is considered strategic, it is not necessary that procurement would then perform a primary role in the value addition of product or service.

Bharati and Chaudhury [8] also conducted literature reviews to analyze the significance of supply chain and value addition in the value chain system. The study investigated that competitive advantage can be achieved for a firm if the aspect of procurement has direct contribution in the system of value addition. Additionally, the study also outlined the role of technology as a strategic factor in adding value to the products and achieving competitive advantage. However, the study did not obtain significant evidence to conclude that procurement could be considered as a primary function. The study observed that the outsourcing function is an evidence of how it is not necessary that procurement would obtain competitive advantage in the event of its direct contribution in the value chain.

Lengnick-Hall, Lengnick-Hall, and Rigsbee [9] assessed variety of literatures to analyze the significance of sustainable procurement as a source of competitive advantage by its direct contribution. The study observed that the contribution of sustainable procurement is necessary to create competitive advantage; however, this aspect alone is not sufficient. It is essential that the entire support functions contribute directly for the creation of competitive advantage.

III. Methodology

The main purpose of the literature review was to determine whether procurement could be considered a primary function in the value chain system. This part would define literature review and its importance for being relevant for the study.

a) *Literature Review*

The literature review is described as a systematic approach for identification and retrieval of the bibliographic material for the management of autonomous studies. The objective for the study was to identify information that can be considered useful for application and defining the future strategic operations. In order to investigate the subject on procurement and value chain system, five peer-reviewed studies have been selected which sheds light on this issue and contains vital information in this aspect. This can be regarded as secondary research on the matter as this would not be first-hand information or input from the field. However, the intellectual input of experts and established studies forms the foundation of effective study and the primary research. The input of these studies have been significant in the contribution of the research paper.

b) *Searching Approach*

In order to evaluate the significance of procurement in value chain and its contribution in creating value for the firm, it was important to conduct inclusive review of most of the studies. In this regard, the databases that were accessed were the ProQuest, EBSCOHOST and Harvard Business Review. The keywords that were applied for this purpose included procurement, value chain management, procurement competitive advantage. The bibliographic references for the articles and studies were also explored from the mentioned databases.

IV. Discussion and Analysis

The aspect of supply chain and procurement has also gained central importance and is regarded as a strategic aspect of business operations. Most businesses have employed variety of strategies in order

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to exploit the different means of procurement and supply chain, and in most cases this element has also emerged as a source of competitive advantage in business operations [10].

In order to market the products in a manner that fulfils the demand criterion of consumers profitably, it is essential that value added products are being produced. In this context, the application of Porter's value chain management is highly strategic. In the many aspects of the value chain, procurement has gained significance in the present globalised scenario. Procurement can be utilised as a strategic aspect of the organisation and can also be developed as a source of competitive advantage over competitors. Therefore, it needs to be analysed whether procurement be placed as a support activity in the Porter's value chain, and how it can be the central source of an organization's competitive advantage. Furthermore, it is also important to analyse how the procurement function can contribute directly into the value chain and create value. It is also important to consider the global trends of outsourcing and how this is also utilized as a source of competitive advantage with regards to procurement.

The Ndanga, Quagraini, Ngugi, and Amadiva [5] assessed that fish industry in Kenya and the method in which the value was added to their products. This is a pertinent instance of how the aspect of procurement and supply was employed as a strategic tool from the Porter's value chain system. However, the study did not elaborate in how the application of procurement can be described as a source of competitive advantage for Kenya's fisheries industries. Cheng, Cantor, Grimm, and Dresner, [6] also conducted review of how supply chain has gained the central and strategic importance in the United States manufacturing industries. The case is not different for the other United States manufacturing industries that procurement has a central position in the achievement of economies of scale, which is translated in the form of competitive advantage. However, the study did not mention how procurement can be regarded as a primary activity as value is added on the products that are not finished. Procurement is an activity that involves extraction process particularly in the case of manufacturing industries. The Lengnick-Hall, Lengnick-Hall and Rigsbee [9] study also stressed upon the significance of sustainable procurement and its utilization as a source of competitive advantage. However, the study observed that it is of micro-strategic importance and that in order to achieve macro-strategic significance, it is essential that all the functions of support activities contribute for adding value to the product or service.

The Bharati and Chaudhury [8] study also delved in length about the supply chain and its strategic significance in adding value to the product. The exclusive contribution of procurement in the value chain has been discussed and how it can create a source of competitive advantage for the business. The study, however, lacked the elaboration of whether this can be regarded as a positioning or resource-based competitive advantage. It is possible that procurement can be regarded as resource-based competitive advantage. In this case, it cannot be taken as a generic principle that procurement serves the primary function in value chain. The Beheshti, Oghazi, Mostaghel and Hultman [7] analysed the role of procurement as a supporting activity in spite of its strategic significance in adding value to the product. The study concluded this from the analysis of the Swedish manufacturing industries. The study explains that the procurement function is primarily the extraction of raw inputs and therefore, does not contribute in the final execution of the product. However, this process is important in supporting the execution process; thus, it cannot be constituted as a primary activity in the value chain system.

V. Conclusion

Value chain has gained much significance in the contemporary commercial and business environment of the globe. Hence, the supply chain has formed strategic importance in the conduct of business operations. In this regard, it is essential to question that in the contemporaneous context, is it necessary to include procurement as part of the support function of the supply chain particularly when the later has gained strategic importance. Whereas, the significance of procurement cannot be diminished, it is however not sufficient to regard it as being a central source of competitive advantage. This would not be compatible with the holistic perspective. Furthermore, the purpose of value chain system is to add value to the product or service. Hence, procurement is a process that is undertaken to provide raw materials to the primary activities which then add value to the product for its final delivery to the customer. Thus, procurement can then not be regarded as a primary value adding activity; not withstanding its necessity in support function for value addition. However, sustainable procurement can be regarded as a source of competitive advantage if it contributes directly in the creation of value.

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The Impact of the Strategies of Resistance to Change Management on the Improvement of Workers Performance (Case Study of the Jordanian Telecommunications Companies)

By Dr. Mohammad Abdelkareem Al- Raggad & Dr. Ayyoub Ahmad Alsawalhah

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Abstract- The study aimed to identify the impact of strategies of change resistance management on the improvement of the performance of workers in the Jordanian telecommunications companies, the study population consists of all the workers of these companies. The questionnaire was distributed to a sample of (225) Single eatery, including staff at the center and branches, (212) of distributed questionnaires which they form the percentage of (95%) of the number has been collected, (205) questionnaire of them underwent statistical analysis, representing (87%) of the number of questionnaires received. There is a statistically significant between the resistance to organizational change management strategies and the improvement of the performance of workers in Jordanian companies, in light of the results of the study the researcher presented some recommendations: the need to satisfy the psychological and physical needs, allow workers to participate effectively in change programs, build a supportive organizational culture processes for organizational change, application of training programs on the importance of managing change.

Keywords: *strategy, change, management of resistance to change, the performance of workers.*

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THE IMPACT OF THE STRATEGIES OF RESISTANCE TO CHANGE MANAGEMENT ON THE IMPROVEMENT OF WORKERS PERFORMANCE CASE STUDY OF THE JORDANIAN TELECOMMUNICATIONS COMPANIES

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Keywords: strategy, change, management of resistance to change, the performance of workers.

I. Introduction

The change management is the managerial administration concerned with the process of transition from a particular state (status quo, which is the problem) to a new position (to switch to the desired mode, which is considered as a solution). There are a range of reasons for the change; a dissatisfaction with the status quo, a sense that change is an inevitability that should be met, reaching better position (such as promotion to another job with a higher salary, for example), and to achieve the aspirations of personal ambitions or self-realization. The reasons for the change process failure are many. The most important among them is workers and staff of institutions and companies resistance to change, and the reasons behind the resistance of individuals to change is the belief that there is no real need to change, or that the change risks outweigh the benefits, and that the process of change is doomed to fail, most researches conducted on the subject of change have reached that institutions cannot retain the outstanding performance of their workers in the long term without having a well-established institutional philosophy that promotes a culture acclimatization or adaptation to a changing work environment. For the change to be successful, it requires the creation of an appropriate open communication with workers, listen to their views and suggestions, get their support at all levels, clarify the importance of change for them and for the company, working to overcome their resistance to change and involving them in all stages of the process of change by making them active partners in this process, the activation of the process of change and making it successful by all measures and standards requires a well thought out strategy and very well studied that taking into account all possible reactions (refusal the process of change fundamentally, especially during the transition phase). Change agents must help workers to make the transition from the old situation to the new one with great satisfaction and confidence and to clarify the desired objectives carefully and transparently reassuring them that the change would not be against their personal interests through building good relationships with them, which requires a high professional level in relationship management.

II. Importance of the Study

The study draws its importance from being related to the subject of the impact of the strategies of organizational change resistance management to improve the performance of workers, which is now seen as the key to the success of organizations and their distinctiveness, making the system more effective and efficient in achieving its objectives and increase its ability to solve the current problems and prediction of potential problems specially in a sensitive environment like the environment of these companies.

III. The Issue of the Study

There are many strategies used in the management of resistance to change in the Jordanian

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telecommunications companies, however, their use in a non-objective, or inappropriate manner may leads to the waste of a lot of resources, and the inability to implement change programs in these companies. From here the issue of the study has emerged in the position of these companies in their actual position in order to adapt their limited resources with the management of resistance to change requirements. Thus, the study's main question is: What is the impact of resistance to change on the performance of workers in the Jordanian telecommunications companies' management strategies??

IV. Hypotheses of the Study

The main hypotheses: There is no statistically significant effect of the strategies of resistance to change management on the improved performance of workers.

From the premise of the main hypotheses the following statements emerge:

- There is no statistically significant effect of the strategies of resistance to change management (learning and communication) to improve the performance of workers.
- There is No statistically significant effect of the strategies of resistance to change management (participation and integration) to improve the performance of workers.
- There is No statistically significant effect of the strategies of resistance to change management (facilitation and support) to improve the performance of workers.

V. Previous Literature

a) Management of Change

The goal of the management of change in organizations is the task of the introduction of new methods of work in more effective way (Al atiyat, 2006). Management of Change is the process in which the conversion of an existing organization from one setting to another in order to increase its effectiveness, which is the extent in which the organization achieves its goals(Al-Sawalhah, Al- Raggad, Aladwan, 2015).

i. *The areas of change*

- Activities and Business: The form of change here for example is to invent new work and activities, or merge activities with other activities, or cancel existing activities.
- The human element: changes in this area take the form of increase in the size of the workforce through the selection and appointment, or downsizing through layoffs and dismissal, or increasing their skills through training and development programs.... Etc.
- Material resources: such as changing machines, raising the technological level of the user, change the type of raw materials ... etc (Al atiyat, 2006).
- Policies: Change here takes the form of cancellation of existing policies, creating new ones, modifying policies in place.... etc (Alsawalhah, 2016).
- Methods and procedures: Change here takes the form of simplifying them to achieve speed in performance, or the introduction of new ways.... Etc (Al atiyat, 2006).
- Structure: Change here comes in the form of restructuring of the administrative units, the creation of new departments, or merging departments with other.... etc.

ii. *Causes of resistance to change (Alsawalhah, 2016)*

- Personal and political interest: the outcome of change on personal level associated with personal loss, such as loss of career, and the possibility for loss of promotion and keeping away from co-workers (Kinicki, Kreitner, 2007).
- Psychological reasons: They are related to areas such as fear of the unknown or fear of failure and also the fear from the inability to develop the skills required in the new situation, or a decrease in the ability to generally adapt and change (Al atiyat, 2006).
- Emotional reasons: include loss of motivation necessary to adapt to the new situation and the denial of the need for change as well as the uncertainty of the benefit of the change in relation to the individuals (Abuhamdih, 2002).
- The trend followed in the implementation of the change and applying it: Includes weakness in the personnel contribution and participation in the process, as well as weakness in the process of connection and communication (Kinicki, Kreitner, 2007).
- Individuals recognition of change: By a lack of individuals awareness about the need for change, and to what it indicates? What must be done and the potential of the proposed changes.
- History and culture of the company: the company failure in previous change projects leaves a great impact among staff towards change and other new change projects.

iii. *Methods to reduce the resistance to change (Kinicki, Kreitner, 2007)*

- Contact for persuasion: where the targeted group by the change haven't got the accurate information about the objectives and results of the change.
- Participation in the change: involvement in the change contributes to their access to more information about the change and will they will have the opportunity to make an impact on the process through their personal ideas as well as it reduces the associated anxiety with the change and gives

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them the sense that they are part of the change thus they become more committed to work and change.

- Provide incentives for change: The change goal expansion to incorporate the needs and desires of the workers, including what it offers of positive incentives for them will reduce their resistance to the process of change (Alsawalhah, 2016).
- Work through informal leaders: if the director was able to obtain the cooperation and commitment of the unofficial leaders then the resistance to change by the Group can be greatly reduced (Abuhamdih, 2002).

iv. *Possible advantages for resisting change*

- Resistance to change may encourage the management to examine its proposals to change in depth and infinite seriousness to make sure they are suitable (Kinicki, Kreitner, 2007).
- Resistance to change can help in discovering some areas and problems spots that likely to be caused by the change (Alsawalhah, 2016).
- Resistance provides the management with information on the severity and intensity of the feelings of individuals on a certain issue, it also provides an outlet for individuals to express their feelings, and can encourage individuals to think and talk about change in greater scope so they may understand it in a better way (Landy, 1985).

v. *There are many strategies pursued by organizations to deal with resistance to change, some of those strategies are (Kinicki, Kreitner, 2007)*

- Education and communication: this strategy will help workers to see the need for change and the logic behind it. That may take several forms including individual chat, presentation to groups or notes and reports.
- Participation and Integration: Research and studies have confirmed that participation in change programs by individuals lead to obedience and commitment to the implementation. This method is used when the individuals working with; or affected by the change have a high potential for resistance. One of the most positive aspects of this method is that participants will adhere to applying the change. The drawbacks are that it takes a long time.
- Facilitation and support: This way is based on training workers on new skills, and provide the necessary support to them and give them a rest period after the change .positive outcome of this way is there is no other way better than it. The drawbacks are; it requires a long time in addition to its high cost (Abuhamdih, 2002).
- Negotiation and agreement: This method is used when there is a side to sustain significant and clear damaged of the process of change, and at the same time this side possesses the ability to resist change, for example, giving the union higher pay rate for its members of the individuals working in the organization in return for agreeing to change the work instructions .Its positive side is represented in it being relatively easy way to avoid resistance. The drawback is the possibility of higher costs (Alsawalhah, 2016).
- Exploitation and selecting members: Under this method a chosen member by the working personnel is placed at an important position in the design process of change in order to ensure his / her endorsement of the process of change .Most positive aspects of this method are: it is fast and fairly inexpensive. As for drawback, it may cause problems in the future if the workers felt that they had taken advantage of.
- Apparent and hidden coercion: Under this method workers are forced to accept this change so they are threatened secretly or openly with losing their jobs or denying them promotion. Resorting to this method happens in the event that speed is of paramount importance, and also when the creators of change has great power (Abuhamdih, 2002).

b) Workers Performance

The concept of performance refers to the outputs and objectives the organization is trying to achieve through its workers, that is, the concept of linking the activity and the objectives pursued by all organizations through the tasks and duties performed by workers within those organizations (Ameri, Ghalibi, 2008). Andrewd defined performance as a reaction of the behavior of the workers, and that behavior is determined by the interaction of effort and abilities of the workers in the organization (Ameri, Ghalibi, 2008). As for Haynes; she defined performance as the output achieved by the workers when carrying out any of the works of the organization (Ameri, Ghalibi, 2008).

Performance is also defined as the workers ability to achieve the objectives of the job that he / she holds in the organization (Abuhamdih, 2002). There is a difference between behavior, achievement and performance, as behavior is what people are doing relating to the work of the organization they work for, as holding meetings and the performance of activities and tasks assigned to them and all the work that they do to achieve the work assigned to them, as for the achievement; it is what remains of the impact or results after the individuals stopped working, it is like the final outputs for their works and activities, while the performance is the interaction between behavior and achievement, behavior alone is not a unit neither achievement by itself, but being integration together. Improving performance is a systematic and comprehensive method to treat the problems of the organization; it is an organized method that starts by comparing the current situation with the desired outcome and determine the performance gap (Landy,

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1985). When the performance gap is identified; actions and the appropriate steps to enhance the performance will be taken, and could include an extensive review of the system, or the introduction of new tools and equipment, or modifying the rewards system, or managing those resistant to work change, and when choosing one procedure or more they should be applied effectively, and after the application evaluation is to be conducted (Abuhamdih, 2002).

i. *Staff performance indicators*

Performance represents a baseline for judging the effectiveness of individuals, administrative units and organizations through a set of indicators, the most important ones (Landy, 1985):

- Productivity.
- Work: the morale of the personnel involved and rates of absence from work.
- The extent of the tasks and duties precision, speed and mastery achievement.
- Innovation and creativity.
- The degree of discipline and respect for the system and the way of dealing with workers;
- The cooperation level among the work team, flexibility and the ability to make decision

ii. *Factors affecting the performance of workers*

Individual performance is influenced by multiple host of different and interrelated factors that are difficult to be practically identified and distinguished, as besides the many different factors affecting the performance, they vary depending on the time, place and stage of life of the individual as well as physical factors, the difference is observed in the severity of its impact as some of these factors lead to increased performance, while others lead to lowering it, and some of them have a direct impact on performance while others an indirect influence on it (Lang, 1992) .

iii. *For the purpose of simplicity we can divide these criteria into two types*

a. *First, internal factors*

Combination of factors that are subject to the control of management and organization which are many and varied, and according to previous studies, the factors that affect the performance of workers are made up of (Landy, 1985):

- Human element: Considered the most important resource in the organization as a dynamic factor affecting all administrative processes, and is the master of all other factors, as decisions taken by the individual in the organization are the basis in determining the quality and quantity of production and cost.
- Management: The management is responsible for the effective use of all substances that fall under the control of the organization, management style is a procession consists of several behaviors and procedures for achieving the objectives of the organization, which is measured by the perception of individuals for the authorities granted to them, and the pressures put on them by Higher Management.
- Regulation: It includes the distribution and the determination of assignments, responsibilities and division of labor according to the disciplines, control and coordination.
- The degree of balance in the system and making the necessary changes according to the new developments in the systems and methods of work, employment and the system of incentives, training and development, all of that would affect the performance of workers and achieve goals efficiently.
- The nature of the work: It points to how important the function of the individual is, and the amount of growth opportunities and promotions available for the incumbent and the level of fulfillment associated with the job, as the higher the degree of consensus between the individual and the work performed by the individual, the more enthusiast and loyal will be and thus his / her performance.
- Working environment: or what is known as the internal components of the environment (that surrounds the individual during his/ her job performance) of social and organizational ties, communication, wages system, incentives and other factors that have a critical impact on the per formative behavior of the human factor positively and negatively.

b. *Second, external factors (Mamoria, 1995)*

The external factors are those factors outside the control of the organization and there are many external factors that affect performance, including:

The social and cultural environment, political and legal environment and economic environment.

- Social environment: includes community and class composition, and the possibility of ascending to a higher class, the definition of social roles and the nature of the social system and the development of social institutions. .
- The cultural environment: Includes the background of the historical society and its beliefs, values and rules of conduct in it, and placed the cultural components of different views on the relations of power and driving patterns, and relationships between individuals and rationality, knowledge and technology and the nature of social institutions
- The cultural environment: Includes the background of the historical society, its beliefs, values and rules of conduct in it, the cultural components set different views on the relations of power and leadership patterns, and the relationships between

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individuals and rationality, knowledge and technology and the nature of social institutions

- Political and legal environment: The political environment means the general political climate in society and the degree of political power concentration and the nature of political system and the system of political parties, as for the legal environment; it means the constitutional aspects, laws and regulations which relate to the establishment of institutions, taxation and control.
- Economic environment: These include the type of economic regulation and private property or public, centralized or decentralized economic planning, the banking system, financial policies, the level of investment and consumption characteristics.

iv. *The importance of improving the performance of workers*

Improving the performance of worker has significant important in light of the economic, social, technological and governmental changes that affect to large extent the objectives and strategy of the organization, on the other hand, these changes could lead to the obsolescence of skills borne in a short time. The importance of improvement lies in the following main aspects (Abuhamdih, 2002):

The importance of improved performance for the organization (Mamoria, 1995).

This importance appears as follows:

- Increased productivity and organizational performance.
- Organization gaining a competitive advantage
- Helps in connecting workers to the objectives of the organization.
- Increase job satisfaction among workers
- Helps creating positive internal and external trends toward the Organization
- Helps in opening up the regulations on society.
- Leadership development methods and the rationalization of administrative decisions
- Defining and clarifying the regulated general announcements
- Importance to the personnel (McMeyer, Smith, 2000)
- Help workers to perform their work in the correct way from the first time
- Helps individuals to improve their understanding of the organization and to follow their role in it.
- Helps individuals to improve their decision and solve their problems at work.
- Considered as a motivation for better performance
- Helps communication skills among individuals.
- Importance for the development of human relations (Mamoria, 1995).
- The development of social interaction among staff.
- Develop the ability of individuals to accept the adaptation to ongoing changes.
- Strengthening the relationship between management and personnel.

VI. Testing the Hypotheses of the Study

In this part of the study the hypotheses of the study will tested as the main hypotheses was subjected to the multiple regression analysis, while the Sub-hypotheses were subjected to simple linear regression. The study seeks to test the following hypotheses:

The main hypotheses: There is no statistically significant effect of the strategies of resistance to change management on the improved performance of workers

Sub-hypotheses will be analyzed using simple linear regression

First Sub-hypothesis: There is no statistically significant effect of the strategies of resistance to change management (learning and communication) to improve the performance of workers.

Table 1: First Sub-hypothesis Simple regression analysis

Dependent variable	Model Summary		Analysis of variance			Transaction table				
	Correlation	Limiting factor	F	Freedom degree	Indication level	Report	β	Standard error	T	Indication lvl
Improving worker performance	0.321	0.288	38.021	201-3	0.000	Learni-ng and Comm.	0.288	0.042	10.215	0.000

From the table above we see that there is a strong correlation between the variable relationship (learning and communication) and the improvement of staff performance in the Jordanian telecommunications companies, learning and communication has explained what amount to 28.8% of the variance in improving worker performance, as evidenced by the value (F) on the moral test. Based on the results we accept the alternative hypothesis that says:

There is statistically significant effect of the strategies of change resistance management (learning and communication) to improve the performance of workers.

Sub-second hypothesis: There is no statistically significant effect of the strategies of resistance to change management (participation and integration) to improve worker performance.

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Table 2: Second sub- hypothesis Simple regression analysis

Dependent variable	Model Summary		Analysis of variance			Transaction table				
	Correlation	Limiting factor	F	Freedom degree	Indication level	Report	β	Standard error	T	Indication lvl
Improving worker performance	0.521	0.605	21.056	201-3	0.000	Learning and Comm.	0.605	0.021	13.02	0.000

From the table above we see that there is a strong correlation between the variable relationship (participation and integration) and the improvement of staff performance in the Jordanian telecommunications companies, it has been interpreted (participation and integration) accounted for 60.5% of the variance in improving worker performance, as evidenced by the value (F) on the moral test .Based on the results we accept the alternative hypothesis that says: There is a statistically significant effect of the strategies of resistance to change management (participation and integration) to improve workers performance.

Sub-third hypothesis: There is no statistically significant effect of the strategies of resistance to change management (facilitate and support) to improve workers performance.

Table 3: Second sub- hypothesis Simple regression analysis

dependent variable	Model Summary		Analysis of variance			Transaction table				
	Correlation	Limiting factor	F	Freedom degree	Indication level	report	β	Standard error	T	Indication lvl
Improving worker performance	0.652	0.529	220.152	201-3	0.000	Learning and Comm.	0.529	0.036	17.256	0.000

From the table above we see that there is a strong correlation between the variable relationship (facilitation and support) to improve worker performance, the variable (facilitation and support) has interpreted to what accounted for 52.9% of the variance in improving worker performance, as evidenced by the value (F) on the moral test. Based on the results we accept the alternative hypothesis that says: There is a statistically significant effect of the strategies of resistance to change management (facilitation and support) to improve workers performance.

To test the main hypothesis; the multi-use standard regression analysis was used and the results were as follows:

The main hypothesis: There is no statistically significant effect of the resistance to change strategies to improve the performance of personnel management.

Table 4: Main hypothesis multi-use standard regression analysis

Dependent Variable	Model Summary		Analysis of variance			Transaction table				
	Correlation	Limiting factor	F	Freedom degree	Indication level	report	β	Standard error	T	Indication lvl
Improving worker performance	0.635	0.509	28.05	201- 3	0.000	Learning and Comm.	0.220	0.019	5.231	0.000
						Participate & Integrate	0.171	0.036	4.425	0.000
						Facilitate & Support	0.118	0.022	3.045	0.000

From the table above we see that the correlation coefficient (0.635), which indicates a strong correlation, and that the impact of resistance to organizational change on the dependent variable management strategies that improve worker performance in the Jordanian telecommunications companies is statistically significant, according to data value F, and the coefficient of determination that accounted for 50% of the change in improving worker performance but due to resistance to organizational change management strategies.

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VII. Results

- Change is a normal feature to all personnel and is part of human instinct.
- Change imposed on all organizations in all forms and sizes
- All organizations must deal in scientific way with the subject of personnel resistance for change
- There is a statistically significant effect of the resistance to change management strategies to improve the personnel's performance in the Jordanian companies (Telco's case study)

VIII. Recommendations

- Dealing with workers resistance to change as it is normal.
- Develop the workers capabilities.
- Review work procedures and involve the workers in the development measures.
- Improve the working environment by spreading the culture of cooperation between management and workers
- Good listening to the problems of workers and work to resolve them.
- The need to satisfy the psychological and physical needs.
- Allow workers to participate effectively in change programs.
- Build a supportive organizational culture supporting for organizational change.
- Applying training programs about the importance of managing change.

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The Effects of Rewards and Recognition on Employee Performance in Public Educational Institutions: A Case of Kenyatta University, Kenya

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Abstract- Various studies have explored the concept of staff reward and recognition schemes and the effect they have on staff motivation and performance. Attention has also been given to how these programs contribute to the overall realization of organizational goals. This study was conducted to determine the effects of reward and recognition on employee job performance in Kenyatta University. Moreover, the relationship between other factors affecting performance (working environment and leadership styles) and performance was also explored with the help of responses collected from employees working in Kenyatta University main campus, Nairobi. A descriptive research design was used in the investigation of the effects of rewards and recognition on Kenyatta University staff performance. Stratified random sampling and purposive random sampling were used in sampling design.

Keywords: *attitudes, compensation, productivity, recognition, performance, motivation.*

GJMBR-A Classification: *JEL Code: J54*

THEEFFECTSOFREWARDSANDRECOGNITIONONEMPLOYEEPERFORMANCEINPUBLICEDUCATIONALINSTITUTIONSACASEOFKENYATTAUNIVERSITYKENYA

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The Effects of Rewards and Recognition on Employee Performance in Public Educational Institutions: A Case of Kenyatta University, Kenya

Daniel Njoya Ndungu

Abstract- Various studies have explored the concept of staff reward and recognition schemes and the effect they have on staff motivation and performance. Attention has also been given to how these programs contribute to the overall realization of organizational goals. This study was conducted to determine the effects of reward and recognition on employee job performance in Kenyatta University. Moreover, the relationship between other factors affecting performance (working environment and leadership styles) and performance was also explored with the help of responses collected from employees working in Kenyatta University main campus, Nairobi. A descriptive research design was used in the investigation of the effects of rewards and recognition on Kenyatta University staff performance. Stratified random sampling and purposive random sampling were used in sampling design. Questionnaire as research instrument was used and was distributed to 360 employees of Kenyatta University. In total, 332 usable responses were received which were analyzed through SPSS 20.0. Standard procedures were used to process and represent findings. Inferential statistics (person correlation analysis) and multiple regressions were then applied. Results showed significantly positive relationship between reward and recognition, with employee performance. In addition a very positive and significant relationship was also observed between job performance and the independent variables (extrinsic rewards, intrinsic rewards and financial rewards, recognition rewards, working environment and leadership styles). Results also showed that salaries and fringe benefits as well as job security to be weak in Kenyatta University and caused dissatisfaction and affected employee performance. Furthermore, there are low levels of team work, communication and participation. Kenyatta University employees have very low satisfaction with responsibilities assumed and promotional opportunities available. Implications of the study for Kenyatta University management and policy makers in the context of human resource practices include making sure those employees who demonstrate increasing levels of ability are given increasing levels of responsibility, providing employees with more organizational freedom and autonomy and engaging employees in decision making so that they feel that their opinions are important for development of Kenyatta University.

Keywords: attitudes, compensation, productivity, recognition, performance, motivation.

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Chapter One

I. Introduction

a) Background to the Study

According to Boeuf (2010), the only way the employees will fulfill a dream is in sharing it. Above all, reward schemes provide mechanisms for this to happen. Likewise, you get more of the behavior you reward. You don't get what you hope for, wish for or beg for. You get what you reward. Reward Systems (2008). This means that the main aims of the reward schemes are to attract new employees to that specific institution, elicit good work performance and to maintain commitment to that organization. Torrington et al. (2005) correspondingly observe that reward schemes help to maintain the "psychological contract". Furthermore, it indicates what behavior the organization values coupled with what is paid for, Reward Systems (2008). Comparatively, if an institution values team work, then a team bonus of some kind is provided. This psychological contract will somehow determine what the employees perceive to be "fair" in terms of the reward for the work they do, Reward Systems (2008).

Deviant behaviors like theft in the work place are often due to an attempt to restore "fairness", to the remuneration, Torrington et al. (2005). Violation of the psychological contract is likely to cause problems with employees more than any other single factor, Reward Systems (2008). This can be supported by The Porter and Lawler Model which suggests that the actual performance in a job is primarily determined by various factors: the effort spent by a person's ability to do the job and the individual's perception of what the required task are Shah and Shah (2007). Kelly (1999) for instance suggests that a movement to school based reward schemes can increase the precision at which resource are allocated by encouraging the alignment from top-down setting organizational goals and from bottom-up setting since the teachers are gaining feedback and benefit from better resource allocation and policy coherence.

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Victor (2006) reiterates that in the last ten years many countries have been able to adopt pay for performance strategies to improve on the more traditional salary scales. Correspondingly, (UNDP, 2006) illustrates that motivation is a critical dimension of capacity, defined as the ability of people, institutions and societies to perform functions, solve problems and set and achieve objectives. In the same way, (UNDP, 2006) endorses the factor of whether sanctions exist in case of poor performance. Many analysts have put the argument forward that performance based pay systems improve administration of schools. Little, Goe, and Bell (2009) in turn claims that under the system of performance based pay, administration has knowledge of the quality of teachers in all the classrooms. In that case, they argue that it's possible to evaluate teachers, rather than the formative mode generally used and so more objective decisions about the teacher quality are made.

Reference for Business: Encyclopedia of Business (2009) proposes that it is therefore essential for the success of the organization to reward innovators for their various contributions. However, most profit-sharing programs require an employee to have taken part in the program for a number of years before receiving any monies. Kerr and Slocum (1987) point out that its main shortcoming is that it is awarded to all employees and that this tends to dilute individual contributions. Emerson (2007) proposes that a recognition scheme may have monetary value for example luncheon, gift certificates or plaques. He however insists that money in itself is not given to recognize performance. Reward and incentive systems are therefore fundamental in developing capacities and translating developed capacities into better performances says (UNDP, 2006). The paper argues that a performance based policy which involved some monetary component would attract teaching talent by providing rewards that motivate a larger group of people.

These rewards can be given in various forms which include profit sharing schemes, stock options and recognition programs among others. Lusthaus (2002) says that profit sharing is a strategy of creating a pool of monies to be disbursed to employees by taking a stated percentage of a company's profit. The idea behind this scheme is to reward employees for their contributions to a company's achieved profit objective. Bennel and Acheampong (2007) reiterate that there are increasing hours of work, large class sizes, more subjects and a constantly changing curriculum are also major de-motivators. They argue that work and living environments for many teachers are poor, which leads to development of a sense of low-esteem and general de-motivation. Housing is a major issue for nearly all teachers. Individual teacher characteristics have also impacted motivation levels. These characteristics include such factors as age profile of teachers, Bennel and Acheampong (2007). The age profile of teachers has become younger due to the boom of primary and currently secondary school enrollments and/or higher levels of teacher attrition. Bennel (2004) add that the failure in providing additional incentives to work in remote rural schools has been a major de-motivator.

Bennell and Acheampong (2007) observe that relationships between many African governments and teachers are strained and turning sour. The teachers as a group have been occasionally targeted by governments. A good example is Zimbabwe. Teachers' union leaders have also been imprisoned and tortured; examples are Burundi, Zimbabwe and Ethiopia. According to a Speech delivered by Francis Okoma-Okello, Chairman of Barclays Bank Kenya Limited (2008), reward schemes have also been used to ensure good governance in Africa. An example is The Mo Ibrahim Foundation which was launched in October 2006 to support good governance and great leadership in Africa. Its main aims are to recognize excellence in African leadership and also to provide a practical way in which leaders can build positive legacies when they leave national office. The foundation I also meant to stimulate debates on quality of governance and major governance issues in Africa and develop leadership and governance capacity in Africa Mo Ibrahim Foundation, (2006)

i. *Rewards Schemes in Higher Institution in Kenya*

Kenya has experienced fast growth in the last three years. This has been done through strict follow-up of the *Kenya vision 2030,* (2008) policy document. The policy was created under the guidance of Economic Recovery Strategy for Wealth and Employment creation. According to the policy document, Kenya has railed back to rapid growth and development. *Kenya vision 2030,* (GoK, 2008), covers period 2008-2030 and its objectives are to transform Kenya into industrializing middle- income country providing high quality life to all its citizens by the year 2030 GoK (2007).Riechi (2010) observes that effective labor and Human Resource Development (HRD) is an important ingredient for national economic competitiveness, social well-being and political democracy for any developing economy. Currently, Kenya has seven public universities and twenty three private universities (Ministry of Education, 2009). It also possesses other public institution which includes the country's higher education and training institutions like polytechnics which impart industrial and technical skills into the country.

Equally important is the research by Universities and Economic Development in Africa, (2011) who notably claim that Kenyan Higher education sub-sector has serious flaws which need to be addressed. These issues are improving access and equity at all levels. The document argues that quality, internal efficiency, gender

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equity and responsiveness to labor market are holes in the higher education linen which need to be mended. However, according to Universities and Economic Development in Africa (2011), in the last two decades Kenyan Higher education systems have taken drastic measures in order to counter financial instability. This has been done through such strategies as cost sharing through fees and student loan systems. They argue that the measures have increased equity gap and the effective cost recovery modules instituted have enabled the government to build a suitable be for financing Higher education through provision of student loans. Because of financial instability, let alone the basic pay, incentive and reward schemes are not well instituted and coordinated. In fact, most causes of industrial unrests by University Staff are cited as low salaries and poor welfare, Waswa and Katana (2008). This seriously affects motivation, innovation and quality of service delivery levels. Strikes of staff in all public universities are controlled by the same body, University Academic Staff Union (UASU).

Other players in management are Inter Public Universities Council Consultation Forum (IPUCCF). The basic pay of the Public University teaching staff is bench marked with the civil service salary structure. However, the staff view the civil servants as their "unequal" and so the aspect of being undervalued arises and hence being underpaid. This lowers the motivation levels drastically and can lead to brain drain and so another blow to capacity building in the country, Waswa and Katana (2008). Waswa and Katana (2008) conducted an opinion survey to collect data from Kenya's Public University academic Staff. The staffs who were involved in the survey were those who attended the VicRes Conference in Jinja, Uganda, in March 2008. Some data was also collected from the authors host institution. Up to 76% of the respondents singled- out in the survey said that improvements in salaries and benefits are most important in preventing industrial actions. If this could be achieved, then there would also be enhancement of performance and productivity of academic staff.

According to the Government of Kenya (GoK, 2010) report on Evaluation of Performance and Contracting, proposals were put across that the Government introduces reward and sanctions scheme to boost the impact of Performance contracting in the public service. These proposals have been informed by the fact that public officials would feel more enthusiastic participating in an exercise that promises some reward. Further, 92% of the institutions sampled would want performance contracting to be linked to some system of reward/sanction so long as the reward scheme is objectively and transparently agreed upon at the beginning of the year. Rewards will also ensure that employees are motivated. It is on this basis that examination of how reward schemes contribute to staff motivation and output become necessary.

b) Statement of the Problem

In the last decade, staff reward and recognition schemes in public service have received much attention. However, their utilization remains questionable since some have not yet been effectively implemented. According to Evaluation of Performance Contracting Report (March, 2010) from the office of the prime minister, a culture of professionalism, competitiveness, innovation and target setting is being inculcated into the public sector. This, they plan to do through Performance Contracting (PC).

Waswa and Katana (2008) demonstrate that pay for performance system has two advantages in the organizations practiced; attracting high-quality employees and secondly motivating employees to exert more effort at their jobs. Is there any evidence that the schemes have the capability to complement quality of service delivery in terms of staff work output? What types of rewards and recognition are offered in Kenyatta University? How do they contribute positively to job performance and motivation? This study therefore, seeks to fill this knowledge gap by investigating the effects between rewards and recognition on employee performance in educational institutions with special focus on Kenyatta University, Kenya.

c) Objectives of Study

i. *General Objective*

The study's main objective was to investigate the effect of rewards and recognition on employee performance in educational institutions with special focus on Kenyatta University, Kenya.

ii. *Specific Objectives*

The specific objectives of the study were;

i. To investigate the effects of intrinsic rewards on performance of Kenyatta University employees.
ii. To investigate the effects of extrinsic rewards on performance of Kenyatta University employees.
iii. To determine whether recognition rewards affects job performance of employees in Kenyatta University.
iv. To determine whether financial rewards affects job performance of employees in Kenyatta University.
v. To investigate the effects of work environment on performance of Kenyatta University employees.
vi. To determine the effects of Leadership styles on performance of Kenyatta University employees.

d) Research Questions

The following research questions guided the study:

i. How do intrinsic rewards affect performance of Kenyatta University employees?
ii. How do extrinsic rewards affect performance of Kenyatta University employees?
iii. How do recognition rewards contribute positively to job performance in Kenyatta University?
iv. How do financial rewards contribute positively to job

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performance of employees in Kenyatta University?

v. How does the work environment affect performance of Kenyatta University employees?

vi. How do leadership styles affect performance of Kenyatta University employees?

e) Significance of Study

University Academic Staff Union (UASU) has increasingly called for strikes and other industrial measures when the employees, University administration and the government fail to agree on issues especially those related to pay. The measures happen at the same time in all public universities leading to loss of academic hours, poor student performances, low job satisfaction, poor staff motivation and other last resort actions from employees like brain drain. In any organization, there is a strong and positive effect of rewards and recognition on job motivation and satisfaction and this study will contribute to the understanding of how the management of an organization can stimulate creativity and foster in its staff the desire to succeed and to achieve self-fulfillment through their work. The study will provide knowledge in the role of rewards in determining significant job performance and how they are positively associated with the process of motivation and hence lead to better understanding of problems in achieving job satisfaction. Specific knowledge in how to determine the balance between employee commitment and performance in Kenyatta University is needed by management in order to make reward and recognition programs more relevant and effective. By doing this, the management can improve planning and delivery and ensure that benefits, rewards and recognition are properly aligned. The study provides insight on how the management can find fresh ways of motivating employees with relevant benefits and rewards.

The findings of this study hopefully will enable academicians and researchers to understand how incentives, rewards and recognitions impact employee motivation in an organization. It is in this light that I decided to undertake a survey which would provide insight on some issues which underlie reward and recognition schemes in Kenyatta University. With this research, it is possible to improve levels of understanding of the role of reward schemes in Kenyatta University, improve available literature on the effects of reward scheme on staff motivation and moreover, fulfill MBA requirements of Kenyatta University. The study also offers recommendations which can be used to make the Scheme more performance based and increase motivation and innovation.

f) Scope of the Study

My target groups in scope for reward and recognition programs were teaching and non-teaching staff of Kenyatta University. The area of residence targeted was Kenyatta University main campus, Nairobi. This is for its possession of the main Human Resource Office and staff registry where relevant employee data of the whole of the Kenyatta University and its fraternity campuses can be found. Data was collected by use of questionnaires administered to teaching and non-teaching staff of Kenyatta University. The fifteen questions asked were deliberately tailored to expand areas of knowledge from target questions poised. Eight of the questions were related to demographic information, twelve questions collected information on extrinsic rewards, twelve questions on intrinsic rewards, six on financial rewards, six on recognition rewards, eight on working environment, eight on leadership styles and the final twelve questions which collected information on performance. The questions were as general as possible so that the areas of enquiry could be amplified in another more specific questionnaire. A copy of the questionnaire to be used can be found in the appendix.

g) Limitation of study

The major limitation the study envisaged regarded the possibility of some employees being reluctant to provide information for fear of victimization in case they were critical of the reward program. However, the study strived to fully explain the intention of the study and assured confidentiality.

h) Organization of the Study

The first chapter of the project describes the importance of the research providing the basic background information of the problem. This also includes statement of the problem which is the question the study wants to answer. Subsequently, the first chapter also provides the research questions, objectives, scope and the limitation of the research. The second chapter was the literature review. The researcher clearly reviews major works on the topic and indicate what the arguments are. The researcher in this section shows an awareness of what has been written on the project, what evidence was used, what theories were applied and besides that what arguments were made. In short, it will explain the theory used and why.

The third chapter is methodology which presents an overview of the methods which were used in the research. It covers such areas as sampling design, how the sample size is calculated or selected, the sampling procedure used and of course data collection and analysis. The next part was the reference part which contains the bibliography to the major sources the researcher used in the study. The appendices part comes last and contains the letter of introduction to the respondents, the draft questionnaire used, estimated research financial budget and indeed the research proposal time frame. The questionnaire was structured with closed-ended questions. Respondents were asked to mark the appropriate boxes

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matching the correct answer. The other questions however required the respondents to give opinions.

Chapter Two

II. Literature Review

a) Introduction

This section reviews literature related to the study. These include: Motivation theories and issues in general rewards and recognition schemes, types of rewards and recognition schemes and motivational aspects of reward and recognition schemes in work environments.

b) Theoretical Review

Rewards and recognition are used either to reward an employee for eliciting desired behavior or recognize an employee for exemplary results, Pruden (n.d.). Subsequently, the purpose of many rewards and recognition programs are multi- layered but motivation of employees to increase performance is the key objective in reaching corporate goals. This is because motivated employees perform. So, what is motivation? Duorojaiye (2002) claimed that motivation is a general term for factors that make one's intent on a particular behavior. He provides the factors as needs, drives, motives, incentives, urges and goals. He insists that motivation satisfaction depends solely on the demands of the situation. Morris (2006) postulates that staff individual performance is shaped by the nature of the rewards, attitude of the staff and knowledge of reward schemes.

What is employee motivation? Donata (2011), states that there are two types of motivation; intrinsic motivation and extrinsic motivation. He defines employees motivated by incentives and external rewards as extrinsically motivated and those who simply self motivate as intrinsically motivated employees. However, he suggests that it should not give way to the assumption that intrinsically motivated employees do not want rewards for their performance nor that extrinsically motivated workers have no job satisfaction. Various theories have been used to advance employee motivation. Maslow argued that people are motivated by a series of five universal needs. Carlson (2000) observes that Maslow`s needs are ranked in a hierarchical manner. The basic needs were classified as physiological, safety, belonging and love, esteem, and self-actualization needs. Physiological needs are deemed as the lowest of all the needs. Maslow observed that the lower needs must be satisfied before moving upward to the higher need. The highest need is that of self-actualization; that is the need for continuous self development, and becoming all that a person is capable of becoming.

Maslow proposed that people who were self-actualized had needs such as truth, justice, wisdom and meaning. Maslow observed that these actualized persons had sessions of energized moments of profound happiness. He pointed out that satisfying human needs is a step by step process starting from the lowest level to the highest. The catch is that only one level of needs can be satisfied at one particular time. According to Mihyo (2007), a manager should recognize which need is dominant in an individual so that he knows which ways to motivate each of the employees. All the discussed content theories are based on the fact that in order to motivate employees, their needs have to be satisfied first. However, since individual needs are different from one person to the other, it's imperative to understand these theories in order to motivate employees effectively.

c) Empirical Review

Various studies have explored the concept of staff reward programs and the effect they have on staff motivation and performance. Attention has been given to how these schemes contribute to overall realization of organizational goals.

i. Extrinsic and Intrinsic Rewards

Every organization needs a reward and recognition system which exhaustively addresses four main areas. They are compensation, benefits, recognition and appreciation; the entrepreneur (2003). The system should also aim to reward two types of employee's activities: performance and behavior. There are two kinds of rewards: Extrinsic and Intrinsic Rewards. Extrinsic rewards are actually tangible rewards presented to the employees by the management. They could be in various forms like pay rises, promotion, bonuses and respective benefits. The rewards are termed as extrinsic because they external to the work itself, Thomas (2009). This means that other people namely the management has the ability to control the size and whether or not they are granted. These kinds of rewards had played a dominant role in earlier eras whereby the job employees were involved in was routine and bureaucratic. This involved complying with rules and regulations, Morris (2006). The work at this era offered employees with few intrinsic rewards and therefore there were the only available motivational tools. The extrinsic rewards bring about extrinsic motivation. Extrinsically motivated employees tend to focus on performance outcomes. Stephanie, Danielle and Jennifer (n.d.) postulate that different behaviors are elicited by employees when different motivational tools are exercised. They argue that motivation based on extrinsic rewards leads to less interest, value, and effort towards achievement. Subsequently, motivation based on avoiding punishment or guilt leads to anxiety in an employee. Furthermore, motivation which is based on "should do" something leads to difficulty coping with failure.

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On the other hand intrinsic rewards come from verbal rewards such as positive feedback and praise which lead to job satisfaction. Intrinsically motivated employees participate eagerly in their jobs for internal reasons. This is from pure enjoyment and satisfaction, Jansen (2011). Behaviors brought about by intrinsic motivation can be better task – relevant focus, less distraction, less stress when mistakes are made and improved confidence. According to Mcrill (2011), there are two kinds of rewards: extrinsic rewards which provide extrinsic motivation which in turn encourage better performance and intrinsic rewards which likewise promote intrinsic motivation which lead to better performance. However, she proposes that the most beneficial for maximum employee satisfaction and organizational productivity might be combination of both styles. Hertzberg (1959) also called "father of job enrichment" introduced the Two Factor Theory also termed as Motivation- Hygiene Theory of Motivation. According to Silva (2009), Hertzberg introduced two separate groups which have strong impact on motivation of employees. He suggested that job satisfaction and dissatisfaction appeared to be caused by a set of two factors. He called the first set Motivation factors or intrinsic factors which he said related to the job itself. Hertzberg's two factor theory provided motivational factors and their consecutive hygiene factors. They are shown in the table below:

Table 2.1: Hertzberg's Satisfiers and Dissatisfiers

Motivational Factors (Satisfiers)	Hygiene Factors (Dissatisfiers)
Achievement	Status
Recognition	Salary and Fringe Benefits
Work Itself	Company Policy and administration
Responsibility	Relationships with co-workers
Promotion	Supervision
Growth	Job security

Source: Survey, 2012.

Wikipedia (2010) suggests that hygiene needs are cyclical and tend to come back to the starting point. The hygiene factors are therefore needed to ensure an employee is not dissatisfied. Motivational factors are needed to motivate an employee to a higher performance.

ii. *Financial and Recognition Rewards*

According to Silva (2009), employee compensation includes all forms of pay or reward going to employees arising from their employment. Nonetheless, some employee benefits are mandated by organizational laws throughout the world. This includes such items like minimum wage, over time, leave under medical leave act, Unemployment, workers compensation and disability. Doyle (2010) on the contrary proposes that there are types of employee benefits provided by the company but the employer is not required to offer them and likewise the employee is not entitled to receive them. They are offered at the discretion of the employer and covered in labor agreement. They vary from one organization to the other. These may include hazard pay, health care, maternity, paternity and adoption leave, paid holidays, pay raise, severance pay, sick leave, termination, vacation leave, work breaks and meal breaks.

Gale (2002) suggests that employees who are injured or become ill in the job are covered by the organization compensation laws. Subsequently, the employers should possess workers compensation insurance. The benefits include payment for lost wages and medical bills. These are paid in portion, normally two- thirds of salary. The organization should also have sponsored disability program. It should provide additional disability coverage. Donata (2011) proposes that some organizations have social security disability. However, one must have worked in jobs covered by social security.

Notwithstanding, Donata (2011) suggests that extrinsically motivated individuals seek to be rewarded for doing what is expected of them. On the contrary, intrinsically motivated employees get pleasure out of completing a task, recognition or the job itself. Shah and Shah (2007) state that recognition is a leadership tool that sends a message to employees about what is important to the leaders and the behaviors that are valued. According to Kendra (1996), an award is that which follows an occurrence of a specific behavior with intention of acknowledging the behavior in a positive way. The award therefore has the intent of encouraging the behavior to happen again.

Recognition may have monetary value e.g. luncheon, gift certificate or plaques. However money itself is not given to recognize performance, Gale (2002). Additionally, every action which supports a company's goal is recognized whether through informal feedback or formal organization-wide recognition. The management should remain flexible in its methods of recognition, since employees are motivated by different forms of recognition. Siegrist (1996) brought about the Effort-Reward Imbalance (ERI) model. The model puts its emphasis on the reward rather than the control structure

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of the work. In Siegrist`s (ERI) model, rewards are distributed to employees by three transmitter systems which a (1) Money- Includes among other things adequate salary, (2) Esteem- includes respect and support and finally (3) Security or career opportunities- includes such aspects as promotion aspects, job security and status consistency.

The model argues that high effort low reward conditions has the ability to cause a state of emotional distress which can lead to cardiovascular risks and other strain reactions like poor health and sickness absence. By employees having a demanding but unstable jobs, high achievements without being offered any promotional aspects are good examples of stressful imbalance. The models best quality is that it makes a distinct demarcation between extrinsic (situational) and intrinsic (personal) components of Effort Reward Imbalance. Extrinsic components are mainly psychological and physical demands at work. The number of published empirical studies with ERI model is growing fast and combination of high effort and low reward at work was found to be a risk factor for cardiovascular health, subjective health and mild psychiatric disorders. Based on this model, if the management fails to reciprocate the efforts of its employees i.e. low rewards provided for high efforts, the employee may suffer from emotional distress and other health problems lowers motivation and hence lower performance.

iii. *Working Environment*

Work environment plays a big role in performance issues because it influences how engaged employees are with their jobs, Norton (2012). According to Wikipedia the free encyclopedia, an "engaged" employee is the one who is fully involved in and enthusiastic about their work. Hynes (2008) developed dimensions of working environment in terms of physical as well as behavioral components. The physical components of the environment were classified as: (1) Comfort level- This includes ventilation, heating, natural lighting, artificial lighting, décor, cleanliness, overall comfort, physical security. (2) Office layout- This includes informal meeting areas, formal meeting areas, quite areas, privacy, personal storage, general storage, work area- circulation place. The next set of components is Behavioral in nature. Includes (1) Level of interaction- This component is more interested in social interaction, work interaction, creative physical environment, overall atmosphere, position relative to colleagues, position relative to equipment, overall office layout and refreshments. (2) Level of distraction- includes interruptions, crowding and noise. Recent scientific research undertaken by Roelofsen (2000) came to the conclusion that improving the working environment results in decreased number of absenteeism, complaints and boosted employee productivity through improving the performance level of employees.

iv. *Leadership Styles*

There are many factors which influence leadership, and no one leadership style is able to fit to all situations, Garud (2012). Likert and his associates after studying patterns and styles of managers developed the four leadership styles or systems. The first was exploitative authoritative. In this case, responsibility lies in individuals in the upper ranks of the organization, Wilson (2010) reiterates that the leader has centralized power and has no trust on the employees. Essentially, this leadership has the following traits: Provide detailed instructions to employees, give staff specific goals and objectives, check frequently with staff to keep them on track and demonstrate the steps involved in doing the job. In this leadership style, there is also little motivation which is mainly based on threats. Secondly, Likert came up with benevolent authoritarian leadership style. This is mainly characterized by responsibility lying at the managerial levels but not at lower levels of the organization. Decisions are imposed on the employees and team work is very little. The main traits of this leadership style are: Represents management's position in a convincing manner, try to motivate with monetary and non-monetary rewards, sell staff in their own ability to do the job, Praise staff for their good work and provides staff with a lot of feedback on how they are doing. However, motivation is based on rewards, Kumar (2011).

Thirdly; there was consultative leadership style which was basically characterized by responsibility being spread through the organizational ladder, the leader having partial confidence in employees and availability of discussions about job related issues between the leader and the employees. Consequently, consultative leadership style has the following traits: Involves staff in making the decisions which will affect their work, make staff feel free to ask questions and discuss important concerns, hold frequent tam of staff meetings, help staff locate and support their own developmental activities and listens to staff problems and concerns without criticising or judging.

Finally, Likert and his associates came up with participative leadership style which meant that responsibility was spread widely through the organization ranks; leader has high level of confidence in the employees, regular discussions about job related issues between the leader and his sub-ordinates. Here, motivation is not only based on rewards but also in job involvement, increasing employee engagement. This type of leadership involves delegating broad responsibilities to staff and expect them to handle the details and also expects staff to find and correct their own errors.

d) Summary of Literature and Research Gap

This study was conducted at individual level rather than organizational level in view of performance of

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staff of Kenyatta University. The research adapted employee performance as the dependent variable. This variable was measured from the feedback derived from teaching and non-teaching staff of Kenyatta University through a questionnaire. The elements or indicators used to measure these dimensions with relevant sources from which they were adopted are (1) Quality work (2) Initiative (3) Team work (4) Problem Solving (5) Response to stress and conflict (6) Productivity (7) Employee performance Development.

These dimensions have been adopted from Profiles International a leading employee engagement expert in United States. They developed profiles performance indicator which assists organizations to be able to manage employee's performance in order to make employees more valuable and productive. Profiles performance indicator is used to understand employees' characteristics and to use this knowledge to increase performance of employees. Extrinsic and intrinsic rewards, recognition (which involves non-cash awards and social benefits), financial rewards (like performance bonus), the work environment and the leadership styles are taken as independent variables. The researcher assumed that organizational size, the sample and organizational type to be the control variables. Politics, social cultural practices, organizational culture and industrial relations climate were taken as intervening variables.

e) Conceptual framework

Figure 2.1 shows relationships between the various key independent variables and the criterion variable as discussed in the literature review. Some relationships are already studied. Katou (2008) conducted a study that measured the impact of HRM on organizational performance in the context of Greece. The results indicated that the relationship between HRM policies (Resourcing and development, compensation and incentives, involvement and job design) and organizational performance was facilitated by employee attitudes and behaviours. In this case, performance was judged through the behavioral dimensions of the employees (Satisfaction, motivation, knowledge, collaboration with colleagues, dedications, holding and participation). These dimensions were in order of importance of Human Resource Management survey results.

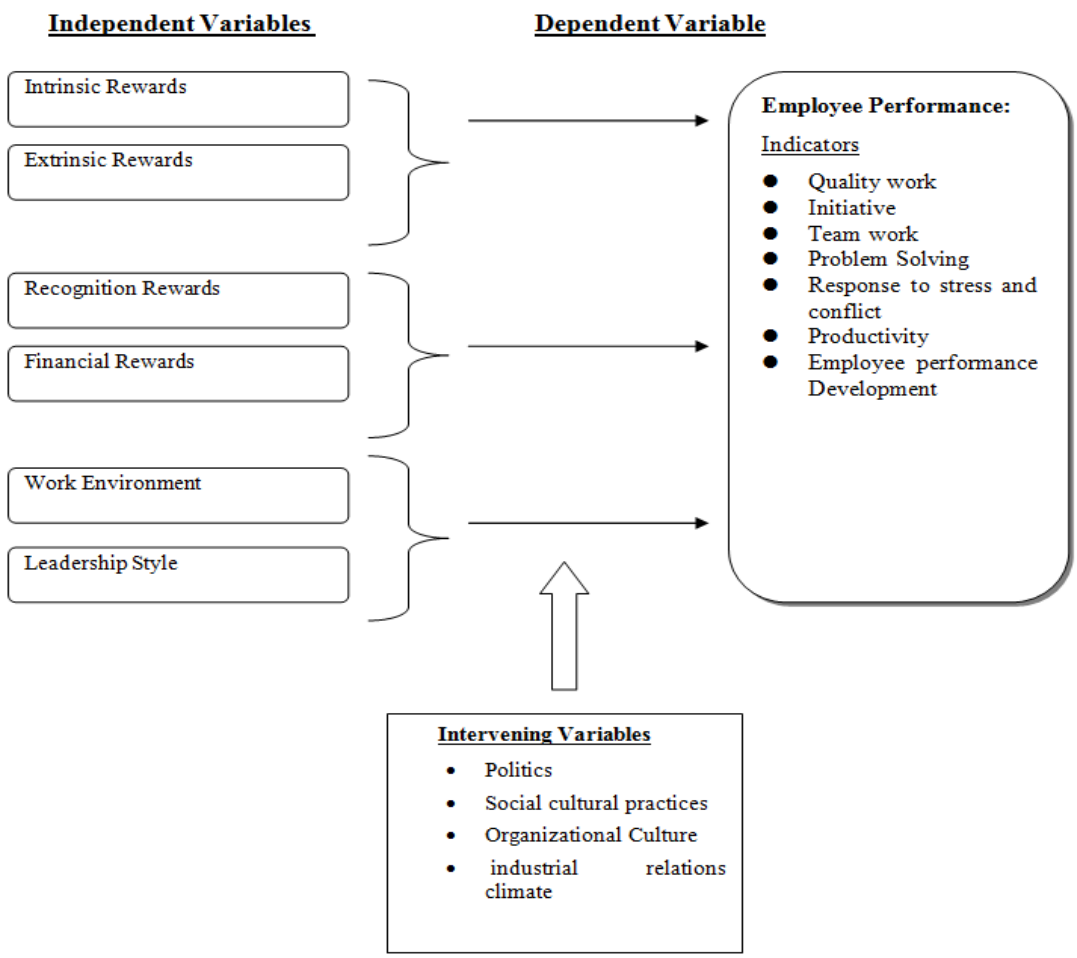

Figure 2.1: Conceptual Framework

Source: Survey (2012)

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The conceptual framework of the study was developed from reviewed literature and relevant research objectives. The frame work shows that a relationship exists between the independent variables (Extrinsic and intrinsic rewards, recognition and financial rewards, working environment and leadership styles) and dependent variable (Employee performance) which can be measured using the following employee performance indicators: quality work, initiative, team work, problem solving, response to stress and conflict, productivity and employee performance development.

Chapter Three

III. Research Methodology

a) Introduction

This chapter describes the research design and research methodology employed in investigating the effect of reward schemes on individual employee performance in Kenyatta University. It details among other things, study design, location of the study, sample size, sampling procedure, instrumentation, data collection and analysis.

b) Research Design

A descriptive research design was used to collect data from Kenyatta University teaching and non-teaching staff. Descriptive research studies are those studies which are concerned with describing the characteristics of a particular individual, or of a group. It is the conceptual structure within which research is conducted, Kothari (2004). It often uses visual aids such as graphs and charts to aid the reader in understanding the data distribution. The descriptive design as applied in this study was used to analyze and describe the effect of Kenyatta University staff reward scheme on individual staff performance.

c) Target Population of the Study

Cooper and Schindler (2003) define target population as the list of all the elements from which the sample is actually drawn. According to Kenyatta University Staff registry, as of 24th February 2012, the total number of employees in its payroll was 2,712. The figures change per day because of employee suspensions, dismissals, layoffs, quitting, sackings and other activities from the University Human resource department based in main campus. Kenyatta University is basically divided into various campuses. The table below represents all the campuses and the number of employees working in them. The main campus carried the bulk of all the employees. Kenyatta University Human resource department handles employees' affairs in the campuses presented in the table below.

Table 3.1: Kenyatta University Campuses

Kenyatta University Campuses	Total Population	Percent (%)
Main Campus	2,679	98.78 %
Ruiru Campus	10	0.37%
Parklands Campus	7	0.26%
City Centre Campus	5	0.18%
Nyeri Campus	3	0.11%
Kitui Campus	3	0.11%
Mombasa Campus	3	0.11%
Nakuru campus	2	0.08%
Total	2,712	100%

Source: Human Resource Department, Kenyatta University (2012)

Out of all 2,712 (100%) employees 2,679 (98.78%) are based in main campus. All the employees from Kenyatta University constituted the population. The target population included teaching and non-teaching staff of Kenyatta University. Kenyatta University Human Resource office provided a directory listing from which the sampling frame from the sample was selected. The categories of employees included: lecturers, administrators and chair persons of departments, secretaries, drivers, clerks, cleaners, messengers, plumbers, gardeners, security officers, cashiers, and others.

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Table 3.2: Total Population and Sample

	Total Population			Total Sampled Population		
School and Departments	Teaching staff	Non-Teaching staff	Total	Teaching staff	Non-teaching staff	Total
Humanities and social Sciences	222	41	263	23	4	27
DVC (Academic)	0	247	247	0	25	25
Education	145	57	202	15	6	21
Pure and Applied Sciences	143	98	241	15	10	25
Engineering and Technology	55	51	106	6	5	11
DVC (Administration)	0	434	434	0	44	44
Applied Human Sciences	56	66	122	6	7	13
Public and Health Sciences	74	45	119	7	5	13
Business	46	16	62	5	2	7
Economics	29	8	37	3	1	4
Agriculture and Enterprise	32	5	37	3	1	4
Law	9	3	12	1	1	2
Hospitality and Tourism	18	8	26	2	1	3
DVC (Finance)	0	569	569	0	57	57
Visual and Performing Arts	41	25	66	4	3	7
Environmental studies	35	15	50	4	2	7
VC	0	63	63	0	6	6
Extra-departments	0	33	33	0	4	4
Total	921	1,791	2,712	92		

Source: Human Resource Department, Kenyatta University (2012)

When sampling Kenyatta University employees, the researcher considered teaching staff to be professional personnel who are actually involved in teaching students. This could be classroom teachers, special education teachers, and others who conduct teaching in classroom setting, resource rooms or can be one-to-one teaching inside or outside a regular classroom. Subsequently, teaching staff also included chairpersons of departments whose duties included some amount of teaching, but did not include non-professional personnel who supported teachers in providing instruction to students, such as teachers' aides and other paraprofessional personnel. Consequently, the researcher considered the rest of the employees in Kenyatta University like those in management, clerks, drivers, secretaries, cleaners, accountants, and others to be non-teaching staff members.

According to Kenyatta University Staff registry, as of 24th February 2012, the total number of teaching and non-teaching staff was 2,712. The teaching staff numbered 921 and the non-teaching staff numbered 1,791. However, Kenyatta University graduate school had no teaching staff but only non- teaching staff and employees based on the university fraternal campuses were very few. The respondent numbers were extremely low to be classified each as a single stratum and therefore merged with graduate school to increase variability and formed one single stratum known as Extra-departments.

d) Sampling Technique

The total sample consisted of all strata (sub-groups) of employees; teaching and non-teaching staff. There were two strata consisting of teaching and non-teaching staff. Each employee stratum was sub-divided further on basis of school or department. With each of the stratum, individual school and department was then numbered.

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Table 3.3: Sampling Technique

No	School and department	selected	No	School and department	Selected
00	Humanities and Social sciences	✓	00	Humanities and Social sciences	
01	DVC (academic)		01	DVC (academic)	✓
02	Education		02	Education	
03	Pure and Applied sciences		03	Pure and Applied sciences	
04	Engineering &Technology		04	Engineering &Technology	
05	DVC(administration)		05	DVC(administration)	
06	Applied human sciences		06	Applied human sciences	
07	Public & Health sciences		07	Public and Health sciences	
08	Business		08	Business	
09	Economics		09	Economics	
10	Agriculture & Enterprise	✓	10	Agriculture & Enterprise	
11	Law		11	Law	✓
12	Hospitality & Tourism		12	Hospitality & Tourism	
13	DVC (Finance)		13	DVC (Finance)	
14	Visual & Performing Arts		14	Visual & Performing Arts	
15	Environmental Studies		15	Environmental Studies	
16	Extra-departments		16	Extra-departments	
17	VC		17		

Source: Human Resource Department, Kenyatta University (2012)

Cooper and Schindler (2003) posit that there are three reasons why a researcher chooses a stratified random sample; to increase a sample statistical efficiency, provide adequate data for analyzing the various sub-populations and enable different research methods and procedures to be used in different data. A systematic random sample was then drawn from each of the strata. Castillo, J. (2009) proposes that in systematic sample, the size of each stratum is proportionate to the population size of the stratum when viewed against the entire population. Saunders, Lewis and Thornhill (2009) extrapolate the advantages of proportionate stratification which include reduced standard error , ensure sample sizes for strata are of their expected size and also split the total variance in a way that maximizes the between strata variance. Kothari (2004) suggests that in adopting a proportional allocation, the researcher can be able to calculate sample sizes of the two strata; teaching staff stratum and non-teaching staff stratum.

A sample size (n) of 272 respondents was drawn from a population (N) of size 2,712 which was divided into two strata of sizes N_1 (Teaching staff) = 921 and N_2 (Non-teaching staff) = 1,791.

If P_i represents the proportion of population included in stratum i, and n represents the total sample size, then, (n) in the study was 272 respondents and total population (N) was 2,712.

Assuming proportional allocation, the sample sizes for the different sizes was calculated as follows; for strata with N_1 (Teaching staff) = 921, then $P_1 = 921/2{,}712$

$$n_1 = n^* P_1 = 272\ [921 / 2{,}712]$$

$n_1 = 92.37$

$n_1 = 92$ respondents.

For strata with N_2 (Non-teaching staff) = 1,791, then $P_2 = 1{,}791/ 2{,}712$

$$n_2 = n^* P_2 = 272\ [1{,}791 / 2{,}712]$$

$n_2 = 179.628$

$n_2 = 180$ respondents.

Dooley (2004) observes that systematic sampling draws every *n*th element from an existing list beginning at a randomly chosen person on a randomly chosen page. The sampling fraction was calculated by dividing actual sample size (n) by the total population (N). This translated to 2,712/272 which is 9.97 or the systematic sample selected every tenth school and department. However, the population was not evenly divisible. In this case therefore, the random starting point was selected as a non- integer between 0 and 9.97 (which was inclusive on end point only) to ensure that every school and department has equal chance of being selected. Random numbers were used to select the first case. Humanities and Social sciences (00) and

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DVC (academic) (01) strata served as the first case. Subsequently, every tenth school and department in each stratum was selected. This was repeated until the whole sample of 272 respondents had been covered.

i. *Sample Size*

Kothari (2004) defines sample size as the number of items to be selected from the universe to constitute a sample. A sample of study is necessary because according to Welmen (2001) the size of the population usually makes it impractical and uneconomical to involve all the members of the population in research project. Therefore, we have to rely on the data obtained from a sample of the population. The minimum sample size was calculated to increase precision, confidence and variability. The researcher worked at a 95% confidence level and a margin error of 5%. This corresponds to Z-score of 1.96. According to (Saunders et.al. 2009, p.581), the following formula can be used to calculate the minimum sample size.

$$n = p\% * q\% * [z / e\%]^2$$

Where:
n is minimum required sample size
p% is proportion belonging to the specified category
q% is proportion not belonging to the specified category
z is z value corresponding to confidence required
e% is margin of error required.

Therefore, the minimum required sample size was calculated by first knowing the values of both p and q. The total number of employees was 2,712. Teaching staff numbered 921 while non-teaching staff numbered 1,791.
p% = 921 / 2,712 equaled to 0.34 or stood at 34%. Therefore teaching staff belongs to this specified category. Therefore, 66% is the proportion not belonging to the specified category; q%.
Thus;

$$n = p\% * q\% * [z / e\%]^2$$

$$n = 34*66* [1.96/5]^2$$

$$= 2{,}244*0.154$$

$$= 345.576$$

The minimum sample size therefore required was 345.5 respondents. (Saunders et.al, 2009, p.582) observes that where the population is less than 10,000, a smaller sample size can be used without affecting the accuracy using the adjusted minimum sample size. This can be calculated using the following formula.

$$n` = n / 1 + \{n/N\}$$

Where;
n` is the adjusted minimum sample size
n is the minimum sample size already calculated
N is the total population

Thus;

$$n` = n / 1 + \{n/N\}$$

$$n` = 345.576/ 1 + \{345.576/2{,}712\}$$

$$= 345.576/1 + 0.127$$

$$= 306.294/1.127$$

$$= 271.778$$

$$= 272$$

Because of the small total population of 2,709, the researcher needed a sample size of only 272 respondents. However the response rate was assumed to be a hundred percent.

e) *Data Collection Methods and Research Procedures*

Secondary data was used as source data. Information from Kenyatta University Human Resource Department staff registry, journals, reports, book archives, newsletters, government documents, papers presented as conferences and workshops was very useful in data mining. Information on the number of academic staff, number of their peers in management, total number of the employees and the available reward schemes was collected from Kenyatta University human resource department. Secondary data was also obtained from official records from within and outside the university.

A cross sectional survey design using a quantitative method was conducted in Kenyatta University. The study adopted a standard structured questionnaire form. A seven paged questionnaire was used to collect data from the field. The structure of the questionnaire was as follows: Section A dealt with demographic characteristics about respondents gender, age, education level, terms of employment, number of years worked, employees` department and annual income. Section B tested independent variables (extrinsic rewards, intrinsic rewards, financial rewards, recognition rewards, working environment and leadership styles) and section C tested the dependent variable (Employee performance). The five point Likert scale assigned points 1, 2, 3, 4 and 5 to terms strongly disagree, disagree, neither agree nor disagree, agree and strongly agree as in the order of the numbers. Two research assistants were recruited to help in the pilot survey for testing the questionnaires and final distribution to the respondents. The pre-test of the questionnaire assisted the researcher to spot weaknesses of the questionnaires and the survey techniques used in the main study. The pilot survey made sure that the questionnaire was clear to respondents and was completed as the researcher's wished. It was used to train field workers and helped estimate response rates and completion times.

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f) Data Analysis Methods

The data was collected, coded and analyzed. Descriptive statistical methods were then used to analyze the coded data. This included such measures as central tendency, frequency distribution tables and also percentages. The individual responses from the questionnaires were then data cleaned and coded.

Employee job performance, the dependent variable was operationalized into seven dimensions namely:(1) Quality work (2) Initiative (3) Team work (4) Problem Solving (5) Response to stress and conflict (6) Productivity (7) Employee performance Development. An instrument containing twelve question items that tapped the dimensions and elements of employee performance was then developed. Two sample statements are: (1) my workload is reasonable. (2) Individual initiative is encouraged. Responses were then elicited into a five point Likert type scales of strongly disagree, disagree, neutral, agree and strongly agree. Values of 1,2,3,4 and 5 will be given to the scales taking the direction of the question items into account.

Extrinsic reward, which was the first independent variable, was measured using a self developed questionnaire. This was based on Hertzberg's two factor theory. This included motivational and hygiene factors. Twelve questions were used to measure extrinsic rewards. Respondents were asked to indicate their degree of agreement or disagreement about extrinsic rewards according to a five point scale. (1= strongly disagree, 5= strongly agree). Two sample items used were: (1) I believe my job is secure. (2) I consult a variety of people when making decisions in my work.

Intrinsic reward, which was the second independent variable, was measured using an instrument developed by self. This also used dimensions based on Hertzberg's two factor theory. This included motivational and hygiene factors. These dimensions were measured by using twelve questions from which responses were elicited on a 5 point Likert scales ranging from strongly disagree to strongly agree. Weightings of 1, 2, 3, 4 and 5 were given to responses considering the direction of the question items. Two sample questions were used: (1) The people I work with cooperate to get the work done. (2) I feel free to contact my Manager / Supervisor/ superior as and when needed.

Financial reward was another independent variable which was operationalized into three dimensions based on model developed by Siegrist (1996) and they included money- (particularly adequate salary), esteem-(includes respect and support) and security or career opportunities. Six questions items were used to measure the financial rewards. The respondents were asked to indicate their degree of agreement or disagreement about the university financial rewards according to a 5 point scale. (1= completely disagree, 5 = completely agree). Two sample items used were: (1) My co-workers are supportive (2) My salary matches up my job responsibilities.

Recognition Rewards, an independent variable was measured with a self developed instrument. The dimensions were also based on model developed by Siegrist (1996). These dimensions were measured using six questions from which responses were elicited on a 5 point Likert scale. It tested to what extent the respondents agreed with given statements. Weightings of 1, 2, 3, 4 and 5 were given to responses, considering the direction of the question items. Two sample questions used were: (1) I do not have a friend at work. (2) My supervisor/superior cares about me as a person. Working environment was another variable which was operationalized based on two dimensions developed by Hynes (2008) which included physical components (comfort level and office layout) and behavioral components (level of interaction and distraction). An instrument containing eight questions was developed. Two sample statements were: (1) the common areas (e.g. toilets) are kept clean (2) I have all the necessary tools relevant in doing my work. Responses were then elicited into a five point Likert type scales of strongly disagree, disagree, neutral, agree and strongly agree. Values of 1,2,3,4 and 5 were given to the scales taking the direction of the question items into account.

Leadership style was measured using a self developed questionnaire. The dimensions considered were based on leadership styles developed by Likert and his associates. They included Exploitative authoritative, Benevolent authoritarian, Participative and Consultative leadership styles. The instrument contained eight statements and the respondents were asked to indicate their degree of non agreement on a 5 point Likert scale. The sample questions used were; (1) My supervisor demonstrates each task involved in doing the job (2) My supervisor makes staff report back to him/her after completing each step of the work done.These responses were then fed into a Statistical Package for Social Sciences (SPSS) version 20.0 spreadsheet for descriptive statistical analysis that focused on frequency distributions, tables, bar charts, pie charts and graphs. Inferential statistics (person correlation analysis) and standard multiple regressions were then be applied.

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Table 3.3: Results of Pilot Test

The Cronbach's alpha reliability coefficients for the sub-sections of employee job performance questionnaire are represented in the table below.

Factor	Variable	Number of items	Cronbach's Alpha
	Extrinsic rewards	20	0.868
	Intrinsic rewards	25	0.900
	Financial rewards	11	0.956
	Recognition rewards	11	0.820
	Working Environment	13	0.668
	Leaderships styles	16	0.825

Source of data: Survey (2012)

According to biographical and work motivation questionnaire administered to respondents by De Beer (1987) to 184 respondents, it possesses a good internal consistency of more than 0.6. The current study Cronbach's alpha as can be seen in the table is well past and above that value. In the corrected-Total Correlation, items that were less than 0.7 were removed. The questionnaire lacked internal consistency in some variables that had Cronbach's alpha of less than 0.6 and therefore a total of 39 items were deleted.

Chapter Four

IV. Research Findings

a) Introduction

In this chapter, the results of the empirical analysis are reported and presented. It details among other things, demographic characteristics of the respondents. Descriptive statistics, Inferential Statistics (Pearson Product Moment Correlation) and standardized multiple regressions were employed to analyze collected data.

b) Analysis of the Response Rate and Descriptive Statistics

A total of 332 questionnaires were returned out of the 360 questionnaires distributed to respondents which made the response rate 92.2%, an acceptable figure to make the study rigorous and generalizable. Demographic data was collected from eight questions relating to employees profile. This is presented in table 4.1. The results show that majority of the sample (n=161) or 51.6% were males while the remaining (n=151) or 48.4% were females. This shows roughly equal opportunity employment practices for both genders by Kenyatta University.

The results show that the highest frequency 183 (56.8%) respondents had worked for less than 5 years followed by respondents who have worked for 5 to 10 years at 100 or 30.1%. Informants who had worked for 16 to 20 years came next with a frequency of 14 (4.3%) and respondents who have worked for 11 to 15 years towed closely at 13 (4%). The lowest frequency reported was from those respondents who have worked for 21 years and above at 12 (3.7%)

Table 4.1: Demographic Data

Measures	Items	Frequency	%
Gender	Male Female	161 151	51.6% 48.4%
Total		312	100.0%
Age	<20 years 21 to 25 years 26 to 30 years 31 to 35 years 36 years or above	7 50 107 44 124	2.1% 15.1% 32.2% 13.3% 37.3%
Total		332	100.0%

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Highest Level of Education	O' Level Diploma First Degree Post Graduate Other (A Level, Certificate)	58 108 69 74 8	18.3% 34.1% 21.8% 23.3% 2.5%
Total		317	100.0%
Teaching or non-teaching staff	Teaching Non-Teaching	85 234	26.6% 73.4%
Total		319	100.0%
Years with the Institution	<5 years 5 to 10 years 11 to 15 years 16 to 20 years 21 years or above	183 100 13 14 12	56.8% 31.1% 4% 4.3% 3.7%
Total		322	100.0%
Distribution within the organizational Schools and Departments	Humanities and Social Sciences DVC (Academic) Education Pure and Applied sciences Engineering and Technology DVC (Administration) Applied Human Sciences Public and Health Sciences Business Economics Agriculture and Enterprise Law Hospital and Tourism DVC (Finance) Visual and Performing Arts Environmental Studies Extra Departments Vice- Chancellor Office	27 25 25 47 12 47 14 17 14 4 10 3 4 50 5 4 4 7	8.5% 7.8% 7.8% 14.7% 3.8% 14.7% 4.4% 5.3% 4.4% 1.3% 3.1% 0.9% 1.3% 15.7% 1.6% 1.3% 1.3% 2.2%
Total		319	100%
Monthly Earning	<25,000 Kshs. 26,000 to 50,000 Kshs 51,000 to 75,000 Kshs 76,000 to 100,000 Kshs 101,000 Kshs or above	164 72 28 48 12	50.6% 22.2% 8.6% 14.8% 3.7%
Total		324	100.0%
	Permanent Employee Casual Employee Probationary Employee Trainee Other- (Temporary, tutorial fellow, Part time and Contract employees)	103 146 14 6 56	31.7% 44.0% 4.2% 1.8% 16.9%
Total		325	100.0%

Source of data: Survey (2012)

From the results, it can be empirically observed that Kenyatta University has more employees who have worked for a short period of time. This means that as the number of years of working in Kenyatta University increases, the number of employees reduces. This shows that employees are leaving Kenyatta University as there are fewer respondents as the number of years of working in Kenyatta University increases. Another explanation could be because there may have been a slight tendency for younger members of the profession to be quicker in returning their answers.

The major portion of the respondents 124(37.3%) was in the range of 36 years and above, 107(32.2%) of the respondents were in the range of 26 to 30 years while 50(15.1%) in the range 21 to 25 years. 44(13.3%) were in the range 31 to 35 years whilst the

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lowest frequency was 20 years and below with 7(2.1%). Considering that most of the staff has worked for less than five years and the major portion of respondents is 36 years and above, it can safely be deduced that most of the staff have come from other institutions to be employed at Kenyatta University and hence possess the necessary experience in their relevant fields.

The education qualifications of the respondents were as follows: the highest number of respondents 108 (34.1%) had diploma followed by postgraduate at 74 (22.3%) then first degree at 69 (21.8%) respondents. The "Other" option which represented a level and Certificate stood at 8 or 2.5%. Diploma level of education seems to be the reasonable entry point for training and placement into management and responsibility positions. Post-graduate employees are mainly teaching staff and first degree employees are preferred for administration positions.

The results show that majority of the sample (n= 234) or 70.5% were non- teaching staff while the remaining (n=85) or 25.6% were teaching staff. The respondents were divided into 18 groups of different Kenyatta University Schools and Offices. The majority of the respondents were from DVC (Finance) office with a frequency of 50 (15.7%), closely followed by DVC (Administration) office with 47 (14.7%) and School of Pure and Applied sciences with 47 (14.7%) informants. Table 4.1 shows the frequency distributions of respondents with respect to department, office or school.

Humanities and Social Sciences had 27 (8.5%) respondents; DVC (Academic) had 25 (7.8%) while Education had 25 (7.8%). Public and Health Sciences followed with 17 (5.3%), Applied Human Sciences 14 (4.4%), Business 14 (4.4%), Engineering and Technology 12 (3.81%), Agriculture and Enterprise 10 (3.1%), Vice- Chancellor Office 7 (2.2%), Visual and Performing Arts 5 (1.6%), Environmental Studies 4 (1.3%), Extra- departments 4 (1.3%), Hospitality and Tourism 4 (1.3%), Economics 4 (1.3%) and finally law with 3 or 0.9% respondents. 13 respondents did not respond to the question and hence treated as missing data.

Frequency distribution of the respondents' monthly income is shown in table 4.1. It can be seen that most of the respondents' 164 (50.6%) receive below Kenya Shillings 25,000 including allowances. This is followed by 72 or 22.2% who indicated that their monthly income is and between Kenya Shillings 26,000 and 50,000. The data also shows that 48 (14.8%) of the respondents earn between Kenya shillings 76,000 and 100,000. This is followed by 28 (8.6%) respondents who indicated that they earn Kenya shillings 51,000 up to 75,000. Finally, 12 (3.7%) of the informants indicated that they earn above Kenya shillings 100,000 including allowances.

The distribution of salary is consistent with a casualised profession i.e. in which there are lots of part time workers. Such an explanation is consistent with a high number of employees in the lowest category and then a shift in the Kshs. 26,000- 50,000 range, as one moves from the part-timers (below 25,000 shillings range) to low paid full-timers with a lot of paid hours. In other words, the Kshs. 51,000-75,000 range is taken up with particularly low paid full-timers or part-timers with a lot of paid hours.

The employment status of the respondents were as follows; the highest number of respondents 146 (44.9%) were casual employees followed by 103 (31.7%) respondents who were permanent employees. The "Other" option which included temporary employees, tutorial fellows, part time and contract employees had 56 (16.9%) respondents. Probationary employees followed with 14 (4.3%) informants and finally trainees who had a frequency of 6 (1.8%) respondents.

Descriptive statistics were used in determining the central tendency of the data and trend of variables involved in Hertzberg's Two Factor theory. The outcome explained the intensity of Motivation- Hygiene factors of motivation for point of view of employees who work in Kenyatta University.

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Table 4.2: Motivational and Hygiene Factors

Descriptive Statistics			
Motivational Factors	N	Mean	Standard Deviation
Achievement	325	5.89	1.873
Recognition (verbal)	325	6.58	1.722
Work Itself (challenging)	327	7.06	1.658
Responsibility	328	5.26	2.311
Promotion	325	5.39	2.048
Growth	327	5.57	2.038
Hygiene Factors			
Status	328	6.68	1.628
Salary and fringe benefits	317	4.62	1.658
University Policy and administration	327	6.52	1.753
Relationships with co-workers	328	7.27	1.753
Supervision (technical quality)	323	6.86	1.763
Job Security	328	5.55	1.720

Source of data: Survey (2012)

Motivation hygiene theory proposes that certain motivator and hygiene factors can effect job satisfaction and dissatisfaction. Motivators primarily contribute to satisfaction alone while hygiene factors contribute to dissatisfaction alone. The theory hypothesizes that satisfaction and dissatisfaction are separate and independent feelings. Considering motivators, a better on- the-job performance may increase motivation.

Table 4.2 indicates that the means for achievement, recognition, work itself, responsibility, promotion and growth ranged from a low of 5.26 to a high of 7.06. It appears therefore that the staff in the sample is relatively motivated. The results show that the highest rated concerns work itself (7.06) followed by recognition with (6.58), then achievement (5.89) and growth with (5.57). The lowest, interestingly concerns responsibility with a mean value of (5.26). Promotion possesses also a low mean value of (5.39) indicating a low level of satisfaction. Kenyatta University employees have very low satisfaction with responsibilities assumed and promotional opportunities. The management should make sure that employees who demonstrate increasing levels of ability should be given increasing levels of responsibility. If the employees cannot be fully utilized, then there is a motivation problem.

Considering dissatisfiers, the means ranged from a low of 5.55 to a high of 7.27. The results show that the most agreed with concerns relationship with co-workers (7.27). The lowest means concerns salary and fringe benefits (4.62) and that of job security. University policy and administration, status and supervision values are in the 6_s and shows average dissatisfaction. The picture which emerges in other words suggests that, since hygiene factors serve to remove dissatisfaction and improve performance to a certain point, they should be provided but will yield benefit up to a certain point. Salaries and fringe benefits (4.62) and job security (5.55) in Kenyatta University are very weak causing job dissatisfaction affecting employee performance which affects job performance because they are extrinsic to the work itself. The management should scale up salaries and improve job security to improve employee commitment and motivation. Supervision, status, university policies and administration provision by Kenyatta University ranges average but relationship between co-workers is very high (7.27) give positive satisfaction, arising from intrinsic conditions of the job itself.

Siegrest's Effort- Reward Imbalance (ERI) model claims that stressful experience is most likely to result from an imbalance between (high) extrinsic effort and (low) extrinsic reward in combination of a high level of over- commitment. Descriptive statistics inform of standard deviation and arithmetic means for the extrinsic low rewards were determined in the table below.

Table 4.3: Financial and recognition rewards

Descriptive Statistics			
	N	Mean	Standard Deviation
Money rewards	319	8.27	3.474
Security rewards	316	9.87	3.787
Esteem rewards	311	14.16	2.886

Source of data: Survey (2012)

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The results in the table above indicate that esteem low reward which includes respect, adequate support and unfair treatment has the highest mean of (14.16). Provision of the above esteem rewards decreases the risk of reduced health while money reward which includes salary and efforts has the lowest mean of (8.27). This reward exponentially provides the highest risks of reduced health in Kenyatta university employees. This is because over- committed employees suffer from inappropriate perceptions of demands and their own coping resources and this prevents them from accurately assessing their own cost-gain relations making them demotivated. In short, the employee under estimates challenges and over-estimates one's coping ability.

Security and career opportunities which include promotion prospects, undesirable change, job insecurity and status inconsistency had a mean of (9.87) which is also very low. Management should create reciprocity between "costs" and "gains" i.e. high cost/low gain condition. If this is not taken into consideration, employees will develop a state of emotional distress which can lead to arousal of strain reactions.

Consequently, having a demanding but unstable job, achieving at high levels without provision of promotion prospects are examples of high/low gain conditions at work. The management should therefore put emphasis on occupational rewards like job security because of the growing importance of fragmented job careers, of job instability, under employment and redundancy.

It is the responsibility of Kenyatta University to provide safe healthy and friendly working conditions. Furthermore, lighting, ventilation, heating, ergonomics are other crucial factors for employees. This is because employees attitude at work place is affected by factors like inter personal relations, emotional factors, job assignment and extended work. Using Hynes dimensions of working environment in terms of physical and behavioral components, descriptive statistics were determined in the table below.

Table 4.4: Working Environment

Descriptive Statistics			
	N	Mean	Standard Deviation
Physical Components	317	18.53	3.771
Behavioral Components	319	10.86	2.737

Source of data: Survey (2012)

The physical component of the environment is the leading factor that affects employees' attitude in Kenyatta University with a high mean of (18.53). Furniture and furnishings, office space, interior surface, storage of materials is well provided. The management should maintain this in order to make employees feel sophisticated while they work. Besides, poor arrangement of office wastes time and energy by failing to provide the means for effective work habits.

Behavioral components of the environment have a lower mean of (10.86). Employees are not satisfied with behavioral factors which Kenyatta University has provided for them. The management should therefore promotes trust and loyalty among the employees and encourages better team work and relationship besides reducing interruptions, crowding and noise in its vicinity.

Rensis Likert and his associates studied the patterns and styles of managers for many years and identified four models of management systems. The management systems were compared with one another on basis of certain organizational variables. These variables were leadership processes, motivational forces, communication process, interaction-influence process, decision- making process, goal setting (ordering) and control processes. Leadership styles identified by Rensis Likert particularly revolved around decision making and degree at which people are involved in decision.

Exploitative authoritarian leadership style involved the leader having low concern for the employees in the organization and uses such methods as threats and other fear- based methods to achieve conformity. Communication is mainly downwards and concerns of the employees completely ignored. Benevolent authoritative leadership involves the leader use of rewards to encourage appropriate performances. Consultative leadership style involves the leader listening carefully to employee ideas while in participative leadership style, the leader engages in employees down in the organization in decision making. Using the above leadership styles developed by Rensis Likert and his associates in Kenyatta University, descriptive statistics were determined in the table below.

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Table 4.5: Leadership Styles

Descriptive Statistics			
	N	Mean	Standard Deviation
Exploitative Authoritarian (System 1)	318	6.62	1.860
Benevolent Authoritarian (System 2)	321	6.45	2.140
Consultative (System 3)	319	6.61	1.984
Participative (System 4)	320	6.34	1.986

Source of data: Survey (2012)

The results explain the intensity of the four leaderships styles employed in Kenyatta University. The outcome showed that exploitative authoritarian leadership style is the most dominant leadership style used in Kenyatta University with a mean of (6.62). This in Rensis Likert's terms means that responsibility lies in the hands of the people in upper echelon of the hierarchy in Kenyatta University. Consequently, supervisors or leaders in Kenyatta University have no trust and confidence in subordinates. It also implies that team work or communication is very low and motivation is based on threats. The subordinates do not feel free to discuss things about the job with superiors.

Another dominant leadership style used in Kenyatta University is consultative style with a mean of (6.61). This style is widely employed in Kenyatta University but to a lesser extent to exploitative authoritarian leadership style. This means that responsibility is spread widely through the university hierarchy. The leader or supervisor also has substantial but not complete confidence in subordinates. However, discussions take place between superiors and subordinates.

Benevolent authoritarian leadership style is moderately used in Kenyatta University with a mean of (6.45). This means that in Kenyatta University, a moderate master-servant relationship exists. Communication is low and motivation is moderately based on a system of rewards. Subsequently, employees do not feel free to discuss about their job with superior. There exists some delegation of decisions, but almost all major decisions are still made centrally.

The least used leadership style is participative leadership style with a mean of (6.34). This means that in Kenyatta University, superiors or supervisors have low levels of confidence in employees. There are low levels of team work, communication and participation. Employees lower down the organization are engaged in decision-making and are psychologically closer together and work well together at all levels. According to Likert, the nearer the behavioral of an organization approach system 4 (Participative Leadership style), the more it has potential to long- term reduction of staff turn-over, low costs and high earnings. He pointed out that it's the ideal system if an organization wants to achieve optimum effectiveness.

Descriptive statistics inform of standard deviation and arithmetic mean for the independent variables and dependent variable (Employee performance) for the respondents were computed and presented in the table below.

Table 4.6: Descriptive statistics

Descriptive Statistics			
	Variable	Mean	Std. Deviation
Extrinsic rewards	319	34.73	8.820
Intrinsic rewards	313	38.83	6.652
Financial rewards	319	16.19	4.277
Recognition rewards	305	16.19	4.602
Working environment	313	29.41	6.153
Leadership styles	311	26.05	6.722
Employee performance	305	39.48	9.468

Source of data: Survey (2012)

Table 4.6 shows that means for extrinsic rewards, intrinsic rewards, financial rewards, recognition rewards, working environment and leadership styles ranged from a low of 16.19 to a high of 38.83. Results showed that Kenyatta University employees were adequately satisfied and motivated by extrinsic and intrinsic rewards which improved their job performance but also showed that they were dissatisfied and less motivated by responsibility and promotional opportunities which affected negatively their job performance. The highest rated was work itself as a motivator followed by recognition and achievement.

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Responsibility was the lowest with promotional opportunities provided a low level of satisfaction with responsibilities assumed.

The working environment and leadership styles moderately affected employee work performance with means of 29.41 and 26.05 respectively. Physical environment took the prize in shaping employees attitudes in Kenyatta University. Furniture and furnishings are well provided, enough office space, interior surface and storage materials lead to employee satisfaction. However behavioral components were not satisfactory to employees of Kenyatta University. Lack of trust and loyalty among employees, low team work, interruptions, crowding and noise among other factors lead to employee dissatisfaction in Kenyatta University. Values of standard deviation obtained through analysis shows that most observations cluster around the mean for all variables. Mean value for employee performance is 39.48 which shows that employees of Kenyatta university have high job performance.

c) Inferential Statistics

In this sub-section, results of Inferential Statistical techniques used in the research are presented. Pearson Product Moment Correlation Coefficient was computed to obtain relationships while Multiple Regressions was used to observe which among the six independent variables is the most important. From the results obtained in the research, it will then be possible to draw relevant conclusions.

i. *Correlation*

Pearson Product Moment Correlation Coefficient was computed for determining relationships between independent variables (Extrinsic rewards, intrinsic rewards, financial rewards, recognition rewards, working environment and leadership styles) with employee job performance. The results show that there is statistically strong positive relationship between all the variables of employee job performance. Preliminary analyses were performed in order to ensure no violation of the assumptions of normality, linearity and homoscedasticity. This is shown in the table below.

Table 4.7: Dimension Correlations with independent variables and performance (*N=332*)

Correlations

	1	2	3	4	5	6	7
Employee performance		*					
Extrinsic rewards	.699**						
Intrinsic rewards	.706**	.747**					
Financial rewards	.647**	.829**	.706**		*		
Recognition rewards	.697**	.752**	.759**	.797**		*	
Working environment	.639**	.400**	.471**	.401**	.468**		
Leadership styles	.697**	.573**	.627**	.537**	.645**	.601**	

***. Correlation is significant at the 0.01 level (2-tailed).*
Source of data: Survey (2012)

The table above shows that relationship between working environment and all the components of satisfaction is quite insignificant. It is only significantly related with relationship to employee job performance. The values of correlation coefficient vary from lowest 0.400 to highest 0.829. The lowest corresponds to working environment and extrinsic rewards while the highest value is between financial and extrinsic rewards; the high correlation strongly suggests that the two tests are measuring the same thing and doing so with great consistency. The high correlation reflects two windows of the same attribute.

The results presented in table 4.7 indicate that intrinsic rewards correlates significantly with employee job performance *(r = 0.706, p<0.01)*. This answers the first research question whether intrinsic rewards effects employee job performance. There is a significant relationship between intrinsic rewards and performance. Findings of Deci (1972) confirm that employees' performance is dependent on intrinsic rewards. Furthermore, performance increases with increase of intrinsic reward.

A significant correlation is also found to exist between extrinsic rewards and employee performance (*r = 0.699, P<0.01*). Perry et al. (2009) suggests that extrinsic reward is not the most motivating factor and may have a demotivating effect among employees. This answers the second research question supporting that extrinsic rewards are significant in explaining the variance in employee job performance. Janssen (2011)

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supports this stand when he hypothesized in his study that low income employees will be intrinsically motivated was not confirmed. This was in expectation that high income earners employees would place greater value on intrinsic reward than low income employees was not also confirmed.

There was also a significant relationship between recognition rewards and employee performance *(r =0.697, p<0.01)* which responds to the third research question whether recognition rewards effect performance. This goes hand in hand with equity theory which emphasizes that fairness in the remuneration package tends to produce higher performance from workers, Donata (2011). A significant relationship also exists between financial rewards and employee performance *(r=0.647, p<0.01)* which provides an answer to the fourth research question whether financial rewards effect performance of Kenyatta University employees.

A significant correlation is shown to exist between leadership styles and employee performance *(r = 0.697, p<0.01)* which answers the fifth research question in determining if leadership styles effected job performance. There was a significant relationship between working environment and performance *(r=0.639, p < 0.01)* but at a low level. Hence, the response to the sixth research question which investigates the relationship between recognition and work motivation and satisfaction.

Computing the coefficient of determination present how much variance the independent variables share with the dependent variable (Performance). Intrinsic rewards have the highest correlation (r = 0.706, p < 0.01) which when squared indicates 0.498 shared variance. Therefore, intrinsic rewards help to explain nearly 50 per cent of the variance in respondents' scores on the employee job performance scale. This is quite a respected amount of variance explained when compared with a lot of the research conducted in social sciences. Extrinsic rewards, recognition rewards and leadership styles each explained about 49% of the variance, financial rewards explained nearly 42% while working environment had the lowest value and explained about 41% of shared variance with job performance.

d) Regression Results and Interpretation

Regression results show that a total 69% of the variation in employee job performance is explained by the six predicting variables of this research. The effect of each independent variable on dependent variable (job performance) is shown in regression table 4.8 below. The independent variables are extrinsic rewards, intrinsic rewards, financial rewards, recognition rewards, working environment and leadership styles respectively.

Table 4.8: Regressions Table

Dependent Variable	Independent Variables	Adjusted RSquare	β (Beta)	t Stat	P-value
Employee Job Performance	Extrinsic rewards	0.692	0.259	3.948	0.0000
	Intrinsic rewards		0.165	2.869	0.0400
	Financial rewards		0.007	0.107	0.9150
	Recognition rewards		0.109	1.693	0.0910
	Working environment		0.283	6.737	0.0000
	Leadership styles		0.201	4.044	0.0000

Source of data: Survey (2012)

The t values for the independent values are greater than 0.107 indicating a strong impact of the predicting quality of the coefficient. The results show that 69.9% of job satisfaction comes from extrinsic and intrinsic rewards, financial and recognition rewards as well as from working environment and leadership styles alone to increase job performance. However, the rest 31% remains unexplained in the error term. The regression equation is formed as Y= -3.368 + 0.278X and can be used to predict job performance. This means that our model explains 69.90% of the variance in employee performance. A common practice exists which consider variables with a p-value of less than 0.1 as significant, though the only basis for this cutoff is convention.

The results indicate that there is a statistically significant, direct and positive relationship between the variables and employee performance. Working environment with a beta of 0.283 is the variable that makes the strongest unique contribution to explaining job performance when the variance explained by all other variables in the model is called for. According to a study by The American Society of Interior Designers, ASID (1999), results obtained revealed that the physical workplace environment is one of the top three factors which affect job satisfaction and performance. The beta value for financial rewards is the lowest (0.07) making the least contribution.

The part correlation coefficient values provided indication of the contributions of each individual variable to the total R square. Working environment had the highest part correlation of 0.223. Squaring it explains 4.97% of the variance in employee performance. The lowest part correlation value was financial rewards which

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explained 0.0016% of the variance of the criterion variable. Recognition rewards explained 0.3% while intrinsic rewards 0.9% of performance. Leadership styles provided 1.7% of the variance in employee job performance. In our regression above, $P < 0.0000$, so our coefficient is significant at the 99.99% level.

Chapter Five

V. Summary, Conclusion and Recommendations

a) Introduction

This chapter will discuss results described in chapter 4 in greater detail, contributions of the study to knowledge and implications for future research will be addressed. This section will conclude with recommendations.

b) Summary

This study had one major objective: To investigate the effects of rewards and recognition on employee performance in educational institutions: A case of Kenyatta University, Kenya. It had six specific objectives which were to determine the effects of intrinsic rewards, extrinsic rewards, recognition rewards, financial rewards, work environment and leadership styles on performance of Kenyatta University employees. A descriptive research design was used in the investigation of the effects of Kenyatta University staff reward scheme on University staff performance. Data was collected by use of questionnaires administered to teaching and non-teaching staff of Kenyatta University. Stratified random sampling and purposive random sampling were used in sampling design. Systematic sampling was used with proportional allocation on the two strata. A sampling frame with a total population of 2,712 with two strata consisting of teaching staff numbering 921 and non-teaching staff totaling 1,791 served as the target population.

Pilot survey was done on a sample of 10 members of staff who were not involved in the main study. Pilot survey made sure that the questionnaire was clear to respondents, trained two field workers and helped to estimate response rates and completion times. Piloting assisted the study to obtain some assessment of the question's validity and the likely reliability of the data that was to be collected. Descriptive statistical methods with measures like distribution tables, frequency distribution, and central tendency were used on data collected from questionnaires. The data was collected by a questionnaire based on literature. The questionnaires were dropped and picked taking approximately 45 days to achieve the minimum sample of 272 respondents. The data was then coded, cleaned and then thematised. This was then analyzed using the Statistical Package for Social Sciences (SPSS) version 20.0. Three major approaches of data analyses used were descriptive statistics, inferential statistics (Pearson's Product Moment Correlation Coefficient) and standardized multiple regressions. A sample of 332 employees from Kenyatta University filled in a five-point Likert scale questionnaire which was divided into three sections. Section A included demographic factors, section B tested the predictor variables (intrinsic rewards, extrinsic rewards, recognition rewards, financial rewards, work environment and leadership styles) while section C tested the criterion variable (employee job performance). A five point Likert scale assigned points 1,2,3,4 and 5 to terms strongly agree, disagree, neutral, agree and strongly disagree as in the order of the numbers.

The results of the study indicated that more males participated in the research than females but by only a slight margin. Conversely, many respondents reported that they had worked for less than five years in Kenyatta University. This indicated high employee turn-over or can be explained by the younger employees being quicker in returning their answers. Just as interesting, more respondents were 36 years old and above. Since most employees reported as having worked for less than 5 years in Kenyatta University, it can be interpreted that most of the employees joined Kenyatta University after working in other institutions and possessed relevant experience in their fields. All things considered, most of the employees who participated in the research earned less than Kenya shillings 25,000 which explained a salary distribution consistent with a casualised profession. This means that Kenyatta University prefers part-time workers.

Doubly important was Hertzberg's satisfiers which descriptive statistics indicated that work itself presented the highest motivation to Kenyatta University staff. This was derived from satisfaction from intrinsic conditions of the job itself. This was closely followed by recognition as a motivator. Responsibility had the lowest mean. Achievement and growth moderately affected employee satisfaction leading to low motivation and poor performance. The results indicated that Kenyatta University employees have low satisfaction with the responsibilities provided. At the same time, Hertzberg's dissatisfiers' results indicated that relationships with co-workers was quite high and provided satisfaction to employees. Nonetheless, salary and benefits had a very low mean indicating employee lack of satisfaction and motivation. University policy and administration, status and supervision indicated moderate dissatisfaction. Salaries and fringe benefits as well as job security were found to be weak in Kenyatta University and caused dissatisfaction and affected employee performance.

By and large, Siegrest's effort- reward imbalance model results indicated that Kenyatta University provides esteem low reward to its employees. This includes respect, adequate support and fair

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treatment. According to Siegrest, for this reason alone, the university decreases the risk of employee reduced health. Salary and benefits had the lowest mean indicating that Kenyatta University provides inadequate salaries and benefits which demotivates employees and reduces performance. In addition, results indicated that job security and career opportunities (promotional prospects, undesirable change, job insecurity and status) likewise had a low mean which according to Siegrest; this could form a chain reaction leading to arousal of strain reactions from employees leading to poor performance. Meanwhile, results from Hynes dimensions of working environment indicated that the physical component of the environment was the most powerful factor than behavioral component in shaping employees attitudes in Kenyatta University. For this reason, furniture, furnishings, office space and interior surface were well provided and led to feeling of sophistication from employees as they worked.

Behavioral component of the environment had a very low mean indicating that they are poorly provided in Kenyatta University. These included inter- personal aspects like trust and loyalty among employees, encourage better team work, and reduce interruptions, crowding and noise. Similarly, results from Rensis Likert management systems indicated that exploitative authoritarian leadership style was the most dominant leadership style in Kenyatta University. In Likert's eyes, the results indicate that Kenyatta University leaders have no trust and confidence in their sub-ordinates. In addition, there was presence of low team work, low communication and motivation based on threats. The employees are not free to discuss things about the job with their superiors. Above all, decisions are centrally made. This management style was closely followed by consultative leadership style. The results indicated that this style was also dominant but to a lesser degree. This means low communication and motivation based on system of rewards. There is an element of master-servant relationship and decisions still made centrally. The employees cannot discuss job with their seniors or leaders. The least leadership style used in Kenyatta University is participative leadership style which is the ideal system if an organization wants to achieve optimum effectiveness.

Descriptive statistics from the study showed positive trend of the variables. Significant positive relationship between intrinsic rewards and employee job performance indicated that employees working in Kenyatta University felt that intrinsic rewards like praise and appreciation contributed more to their job performance more than any other factor in the study. This was because of the inherent satisfaction of performing their respective duties brought about by intrinsic motivation. Results in addition indicated that reward and recognition policies in Kenyatta University are competitive externally and equitable internally. Subsequently, the most important variable that effected performance of employees from the study was intrinsic rewards.

Descriptive statistics in form of arithmetic means and standard deviation were computed for the dimensions of employee performance assessed by the questionnaire. It was observed that the mean values for financial and recognition rewards were the lowest. These were the areas which were most likely to be affected by demotivation and dissatisfaction and hence lowered employee performance. Therefore, it showed that Kenyatta University staff in the current sample was most likely motivated by intrinsic and extrinsic rewards. The results also showed that the staffs were moderately motivated by leadership styles practiced by their supervisors and least motivated by financial and recognition rewards.

Pearson Product Moment Correlation Coefficient was computed for determining relationships between independent variables (Extrinsic rewards, intrinsic rewards, financial rewards, recognition rewards, working environment and leadership styles) with employee job performance. The results showed that there was statistically strong positive relationship between all the variables of employee job performance. The results indicated that the relationship between working environment and all the components of satisfaction was quite insignificant. It was only significantly related with relationship to employee job performance. The lowest value corresponded to working environment and extrinsic rewards while the highest value was between financial and extrinsic rewards. There was a significant relationship between intrinsic rewards and performance. A significant correlation was also found to exist between extrinsic rewards and employee performance which answered the second research question supporting that extrinsic rewards are significant in explaining the variance in employee job performance.

There was also a significant relationship between recognition rewards and employee performance which responded to the third research question whether recognition rewards affected performance. A significant relationship also existed between financial rewards and employee performance which provided an answer to the fourth research question whether financial rewards affected performance of Kenyatta University employees. A significant correlation was seen to exist between leadership styles and employee performance which answered the fifth research question in determining if leadership styles affected job performance. There was a significant relationship between working environment and performance but at a low level. Hence, the response to the sixth research question which investigated the relationship between recognition and work motivation and satisfaction.

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c) Conclusions

The results of this study indicate that employees in Kenyatta University are less motivated by financial and recognition rewards and the variables contribute to a small extent in improving their job performance. This means that if more focus is placed in reward and recognition by Kenyatta University management, there could be a resultant positive impact on university staff and hence result in higher levels of job performance. However, the results of the findings may be specific only to Kenyatta University and may not be generalized to other universities in Kenya.

Nevertheless, Kenyatta University management may use the outcomes of the research study to check its current reward and recognition programs. This will be particularly effective if the focus addressed the needs of all employees with different job statuses: may it be casual employees, permanent employees, contract employees or any other. From the research, the mean values for financial and recognition rewards were the lowest. This shows that employees are less motivated with their work in respect to financial rewards and tend to neglect the aspects of recognition. On the other hand, when the working environment is conducive, workers are friendly, they are paid for what they work, their job is secure; can grow within Kenyatta University, their motivation then remains high.

Kenya University staff view rewards and recognition of the work done as a form of motivation which enables them to continue working for the institution. This shows that the employees would like to be recognized for the work done in order to get motivated the repeat the same behavior which would raise levels of performance. The study results found out that few employees had worked for a long time which conveys that Kenyatta University has a high level of staff attrition. The majority of the employees had worked in the institution for less than five years. The respondents suggested that rewards and recognition should be based on objective criteria of performance which can be perceived as fair. Low level employees who were mainly casual workers perceived that the differences in salary, facilities, etc as demotivating factors. Lack of communication was also seen as a main barrier of the respondents' motivation which in turn affected performance. It is therefore recommended to communicate rewards and recognition in proper ceremony and on time so that the employees can be prepared and better motivated.

d) Recommendations

Lack of communication between employees in Kenyatta university employees and management was found to be weak and should be improved. This would automatically increase motivation effectiveness and performance. Employees considered Kenyatta university salary and benefits as inadequate for their needs. Management should ensure that no large remuneration gaps exist among the different levels of performance. Furthermore, it should be equitable and performance linked. Above all, management should better the available rewards to achieve higher and greater levels of motivation and employee performance. Consequently, rewards should possess an objective criterion of performance which can be viewed by the employees as fair. This would be a powerful communication of trust and support to Kenyatta University employees. In essence, rewards should communicate respect and should of course acknowledge employees skills and respective talents.

Kenyatta University management should also provide the employees with more organizational freedom and respective autonomy. Employees should participate in decision making so that they feel that their opinions are important for development of Kenyatta University. Some culture of celebration should be created in which channel of communications can be constructed to inform levels of management of employees achievements, assisting employees in overcoming obstacles and increase job responsibilities. Rewards should be provided equitably for performance.

e) Areas for further research

The responses collected highlighted a number of interesting issues. An example is that the current rewards and recognition has not dealt sufficiently with issues pertaining to diversity and the impact it could have on employee job performance. In this case, further research is necessary on the impact of reward and recognition on employee job performance for diverse groups in educational institutions. The diversity categories should include race, gender and disability among others. In retrospect, factors such as tenure and age should also be investigated. Further research should incorporate qualitative research since this study used quantitative research methodology. Longitudinal data may also be collected to investigate real casual inference for the relationships hypothesized in this study. Furthermore, comparative studies may be done for private and public universities in Kenya.

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Impact of Human Resource Strategies on Perceived Organizational Support at Jordanian Public Universities

By Sulieman Ibraheem Shelash Al-Hawary & Waleed Khalid Ibrahim Nusair

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Abstract- The study aimed to identify the effect of Human Resource strategies on perceived organizational support at public Jordanian Universities such that factors that may assist in improving or worsening work performance can be identified, moreover. The population of the study was all the universities administrative staff in northern Jordanian public universities with 4908 staff members. The random sample of the study was 350 staff members (7%) of the study population.

The study included a number of results, Among which the existence of a statically significant effect of the human resources strategies (human resource planning, appointment and selection, training and development, incentives' and rewards and performance evaluation on perceived organizational support.

Keywords: human resource strategies, perceived organizational support, public universities, jordan.

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IMPACTOFHUMANRESOURCESTRATEGIESONPERCEIVEDORGANIZATIONALSUPPORTATJORDANIANPUBLICUNIVERSITIES

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Abstract- The study aimed to identify the effect of Human Resource strategies on perceived organizational support at public Jordanian Universities such that factors that may assist in improving or worsening work performance can be identified, moreover. The population of the study was all the universities administrative staff in northern Jordanian public universities with 4908 staff members. The random sample of the study was 350 staff members (7%) of the study population.

The study included a number of results, Among which the existence of a statically significant effect of the human resources strategies (human resource planning, appointment and selection, training and development, incentives' and rewards and performance evaluation on perceived organizational support.

Finally, the study listed a number of recommendation, among there is adopting head hunting polices, recruiting qualified human resources staff, facilitating staff incentive and reward regulations and operating policies that are considered on handling for mangers when dealing with staff.

Keywords: human resource strategies, perceived organizational support, public universities, jordan.

I. Introduction

Human resources management is an advanced ideological methodology which leads its activities and processes in an organized way to achieve goals. Applying this methodology demands to scheme and analyze company's needs of human resources, then polarizing and choosing the best to fill jobs vacancies(Al-Hawary & Alajmi, 2017); Furthermore, it demands a complete structure consists of organizations to invest and develop human resource's energies as well as to assign, train, develop, reward, lead and observe it; Moreover, to guide labor relationships in a company according to the human resource's quality and intellectual level.

Human resource is an important resource of the companies' resources and one of its substantial roots; accordingly, goals cannot be achieved if human resource was absent, therefore the most important management department is human resources management because it focuses on the human element which is the most valuable resource and the most influential productive part of it (Al-Hawary & Haddad, 2016). Basically, a company without the human elements is a group of inanimate objects that cannot be productive itself; unless there are human elements to lead the processes and to lead the other elements of the company, to occur the regulatory changes and the necessary changes in order to raise the efficiency and performance (Al-Hawary et al., 2011).

Indeed, employees expect perceived organizational support because they believe that the organization cares about their goals and values which they think it is the reason why the organization supports them (Islam et al., 2015) .It has been recognized by Sabr et al. (2013) that the employees' realization and feelings towards the way the organization interact with them are represented by the procedures and the applied practices toward the employees in the organization. Macky and Boxall (2007) claimed that achieving the best organizational outcomes when studying the human resources' practices demands focusing on the mediator role of few inspired changes from social exchange theory such as organizational trust and perceived organizational support.

The theoretical literature (according to both researchers) lacks locally and internationally these kinds of studies which addressed human resources' strategies and perceived organizational support; accordingly both researchers found out that there is an urgent need to study this topic in order to fill the shortfall of studying these kind of topics. Therefore, the study based on extrapolating and diagnosing the fact of human resources' strategies at Jordanian public Universities (Al-Hawary & Batayneh, 2010; Al-Hawary, 2010; Al-Hawary, 2010); in addition to analyzing and evaluating the responsiveness to the requirements of the surrounding environment, as well as raising the management efficiency and achieving diverse aims which basically represented by efficiency and effectiveness of organizations, so forth the study is important because it presents a specialized scientific addition and provides data base to study the influence of the human resources' strategies on the perceived organizational support at Jordanian public universities in The North district.

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II. Theoretical Framework and a Review of the Study's Literature

a) Human Resources' Strategies

The topic of human resources management acquired a great interest by Academics, researchers and organizations, as a result of the positive influences of the active management of human resources whilst the competitions among organizations are increasing locally and internationally (Al-Hawary & Shdefat, 2016); consequently the active human resources management in any organization is described as one of the essential factors of success (Fening and Amaria, 2011).

Some researchers (Akhtar et al., 2008) classified human resources' practices to strategic practices and non-strategic practices, considered that the strategic practices refer to the total organizational performance; for instance, the internal job vacancies, formal training system, job safety, the evaluation of result-based performance, employees' participation, functional description and the participation of profit. These practices were called the best practices as well. Vlachos (2009) classified human resources practices according to its influence on organizational performance and it was identified through practices like: job safety, selection and recruitment, self-managed work teams and decentralization in making decisions, compensation policies, training and sharing information, in contrast the relationship between human resources management and the intention to quit work through various practices such as incentives and rewards system and evaluating performance as well as selection and recruitment and evaluating performance and relationships with employees, training and career development (Long et al., 2012).

b) Human Resources' Strategies Concept

In general, the strategy is the process that the organization is doing to develop its available resources in a way to achieve additional value whereby the organizational tasks will be done (Al-Hawary & Hadad, 2016; Al-Nady et al., 2013); in order to achieve efficiency and improve productivity (Ullah & Yasmin, 2013), thus human resources strategy refers to organization's activities which invest the benefit of available and possible human resources and to invest resources' skills and abilities in order to achieve goals.

Tan and Nasurdin (2011) is a glossary contains concepts of human resources practices which elaborate that these practices represent a system which aims to attract, develop and motive human resources in the organization and to maintain it in order to assure efficiency and quality (Al-Hawary & Abu-Laimon, 2013). Also these practices are a group of consistent internal policies designed to help human resources show the organization's value and achieve goals. Furthermore, Schermerhorn (2001) described it differently that it is a process to attract and develop human resources and maintain it in order to support organization's message and help to achieve its strategies and organizational goals.

The researcher described human resources strategies as activities that organization does to determine its needs of human resources and attract these resources to work in the organization, also train and develop them to acquire the required skills in addition to motivate them present fair rewards and incentives, as well as evaluating their performance in order to improve it and determine training needs and arrange reward systems according to the performance, to achieve goals.

c) Human resources strategies

There are various strategies of human resources in the studies of strategies according to goals researchers try to achieve and according to the size of studied organizations; however, extensive review of human resources' management literature showed a collection of strategies which are applied by organizations to achieve certain goals in diverse circumstances.

In the schedule (1) down below, a collection of human resources' management practices of the previous studies:

Schedule (1): human resources strategies in theoretical literature

Researchers/ year	The goal of the study	Human resources strategies
Dimba (2010)	The verification of the influence of strategic human resources' management in organizational performance.	Selection and recruitment, training and developing and workers participation and evaluating workers and compensation systems and the flexibility of working arrangement.
Fening and Amaria (2011)	Identifying the impact of human resources' management practices in the organizational performance during depression.	Selection and recruitment, training, developing, evaluating performance, employees' participation, making decisions, compensation and staff welfare services.

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Al Qadi and Ziad (2012)	Testing the relations between resources management and organizational performance under the mediator role of workers performance.	Polarizing and recruitment,, compensation systems, workers participation, training and developing.
Lim and Ling (2012)	Identifying the impact of resources management practices in job satisfaction	Recruitment methods, training, developing, evaluating performance and rewarding systems.
Naik and Ramesh (2013)	Analyzing the impact of culture in human resources' management practices.	Recruitment, socialist management, functional development and compensation.
Alza'tary (2013)	Identifying the role of resources' management practices in strategic flexibility.	Polarizing and selection, train and developing, maintaining human resources.
Kim and Choi (2014)	Testing relations between resources' management practices and creativity.	Evaluation, fair external reward systems, optional recruitment, training and inclusive development.
Nadeem et al. (2015)	Identifying the impact of resources' management practices in functional performance for female employees in large companies.	Evaluation based on results, functional description, work circumstances, internal functional development.
Chenevert et al. (2016)	Identifying the role of human resources' management practices in working turnover rate.	Rewards, developing workers abilities, giving employees decentralized authority, information exchange.

1. Human resources planning

Human resources' planning strategy is the process which by the organization determines and plans its needs of human resources for the short term or long term. This strategy is based on the idea that human resources is the most important organizational strategy in an organization, thus it is a part of the organizational strategic scheme, it plays a major role according to its efficiency to achieve the organization's strategy through drawing attention to the followed ways of recruitment and developing individuals to achieve organizational goals (Prashanthi, 2013). Prashanthi (2013) refers to Quinn (1983) which sees that human resources planning strategy presents the process of making decisions which merge three activities: hiring and polarizing the sufficient number of skilled employees and motive them to achieve higher performance, in addition to find connections between organizational goals and human resources' scheme activities.

Prashanthi (2013) claimed that human resources planning process aims to achieve many goals like: polarizing the sufficient number of well-skilled and experienced employees that the organization needs, and dealing with all problems related to increasing or decreasing of workers, as well as improving human resources to be skilled and flexible in order to improve the organization's ability of adapting environmental changes, and maintaining hired employees and improve their skills rather than hire new ones. Finally, human resources planning process aims to the best investment of human resources through more flexible working systems.

2. Selection and Appointment

Refer to organization's task of searching for employees and encourage them to apply for available jobs, then it selects the most sufficient of all applicants according to their values, expectations, abilities and matching extent of organization's demands in general, and job vacancies in particular (Demo et al., 2012).

Abu-Shaikha (2006) described these practices as one of the followed ways by organizations to acquire human resources. Basically selection and recruitment process can be done by two ways; internal and external, the organization can select current employees of their own or it can polarize new employees outside of it. Indeed, one of the studies which were applied on Jordanian society (Ereqat et al., 2010) recommended external selection of employees to acquire new employees who are qualified and experienced (Al-Hawary, 2011). Researchers focus on measuring these practices according to diverse aspects like publishing information about internal and external selection and recruitment process by the organization, and the followed instructions and standards of the practices' procedure; in addition to nominees' awareness of selection results as well as the relevance of selecting quizzes to measure the knowledge and experience of nominees for the jobs, and the variety of useful selecting methods such as quizzes and interviews (Demo et al., 2012).

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A comparison of followed methods of selection and recruitment conducted by Li et al. (2015) between organizations, researchers indicate the importance of cultural differences between countries; as a result, Czech organizations basically depend on internal recruitment in contrast with Chinese organizations which focus on external recruitment because of the cultural values differences between the two countries as well as other reasons like labor market and employees' desire to transfer to other work. The final result reflects that the most common selecting employees' methods in both countries are interviews and nomination applications of jobs and recommendations.

3. Training and development

This strategy refers to the planning and the programs of training and development in organizations in terms of its availability and the ability to implement it currently and in future (Al-Hawary, 2013; Al-Hawary, & Metabis, 2013); in addition, to the availability of training opportunities for each employee. Training and development is the cornerstone of organizations' advancement and success so that, training represents one of the supportive activities in organizations which promote their interests in training and development. Training is an activity responsible for raising both cognitive skills and skill sets, considering the importance of caring to external environment and the importance of training programs variation which matches the organization's environment. Training and development management ought to play strategic role in organization and in training design process to achieve effectiveness and qualification in work which organization carries out in its field.

Barnoty (2007) refers to training as reliable educational activity in order to improve individuals' performance in their jobs. It is also identified as all planned and executed efforts to develop abilities, knowledge and skills of workers based on their levels and specialties in the organization, including maximizing the effectiveness of their performance and fulfill their potential by achieving their personal goals and their contribution to achieve organization's goals (Shaikha, 2010).

Adewale and Anthonia (2014) training identified as planned effort by organization to facilitate the process of teaching employees the required skills to implement organizational tasks, researchers considered the benefits of practicing training and development relies on the best investment of human resources in the organization and developing employees to help achieving organization's goals and employees' personal goals as well. Furthermore, these practices contribute to improve organizational culture and empower employees to make decision and effectively solve problems, which improve the implementation of policies and organizational strategies.

In Li et al. (2015) point of view training and development strategy is one of the most important jobs in human resources' department, particularly in economies based on knowledge. Other studies Reid and Adams (2001) confirmed the importance of training and development in companies, whether companies are familial or not, this practice is considered as a constant challenge which must work to keep up with, in order to cover staff training needs. Training and development job is subsequent to recruitment job, which aims to train and teach staffs that have been chosen during the recruitment process to gain the required skills for their jobs. Training is identified as planned efforts, while development improves skills and knowledge related to future and to the long term. Both processes of training and developing supported the skills that have been taught and required which must be applied on real work during doing tasks and functional duties (Mondy et al., 2012).

4. Rewards and incentives

Adewale and Anthonia (2014) launched another name for rewards and incentives strategy which is compensation management, launched by other studies as well, which means a practice of human resources' management practices that focus on planning, coordination and observation of direct and indirect wages that employees receive for doing tasks.

Rewards and incentives strategy reflects compensations suitability of employees' wages with wages in work market and its suitability with their functional roles and responsibilities. This strategy shows direct and indirect wages scheme represented by benefits, bonuses, rewards and incentives (Coetzee et al., 2014). One of main advantages of rewards and incentives strategy empowering the organization to attract employees and maintaining human resources in it (Futa and Qutub, 2013). Adewale and Anthonia (2014) argued that compensation structure in an organization is determined according to interrelated factors like work requirements. The second factor is the degree of acceptance of wages and the degree of satisfaction of the employees' wages fairness compared employees with one another. The third factor related to external factors in the organization like the applicable salary scale and if the organization motivates employees with rewards.

Concerning with the practices of rewards and incentive measurement process in theoretical literature (Coetzee et al., 2014) few studies used a bunch of compensations like basic wages, bonuses and incentives, and its suitability to the compensations of similar organizations in work market.

5. Performance Appraisal

Performance appraisal process refers to the periodic judgment on individual's behavior and performance, if the employee is aware of what is

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expected of him before the assessment and how his performance is evaluated (Boohene and Asuinura, 2011). Ali (2013) inserted two definitions of performance appraisal which are summarized as a process consists of a procedure to deal with staff's information in terms of reviewing, sharing and using in order to improve workers performance, it is identified in short period of time objectively and without bias.

Bohlander et al. (2001) which is referred in Boohene and Asuinura (2011) suggested some steps to be followed in order to implement performance evaluation process represented by: scheduling, preparation for review and the review, if the performance was satisfying and within pre-specified criteria then the results of assessment and discussion would be recorded. Finally, the results will be left until it is re-evaluated as long as it matches the criteria and characterized by its reality and applicability and ability to measure (Santhanam et al., 2015)

d) Perceived organizational support

This practice emerged from social interaction theory which reflects direct relation between employees' performance and perceived organizational level of him (Hur et al., 2015), another study Islam et al. (2015) added that perceived organizational support is expected things by the employees according to their thoughts that the organization cares about their goals and values and which is the reason why it supports them. Sabr et al. (2013) identified it as employee's awareness and his feelings toward the way he is dealt with by the organization presented by applied practices.

Varma and Russell (2016) study attributed this practice to the organizational support theory which assumed that the employees have their own beliefs about the organization's attention and appreciation as well as its ability to support them if they helped to achieve its goals successfully; basically staff expects to receive support in specific situations. Accordingly, expected organizational support influences organizational commitment, career impact, career absorption and organizational performance; in addition to the desire not to leave the organization.

The study Hur et al. (2015) used the following sentences to measure the perceived organizational support: "the management doesn't hesitate if I have specific demands", "my organization appreciates my own goals and values", and "my organization cares about my safety", and "my organization is proud of my achievements" other examples of another study Islam et al. (2015): "my organization highly appreciates my contributions", Perryer et al. (2010) used sentences like: "my organization feels it was a big mistake to hire me", "if there was another employee to do my task with a lesser salary, my organization would not mind", "my organization doesn't pay me the salary I deserve". However, current researches use the following sentences to describe perceived organizational support: the company's attention to the employee's interests, the appreciation of the employee's role of goals achievement, taking the diverse views of employees, the valuation of employee's values and goals, company's attention to employees' satisfaction and willingness to help the employee in all cases.

e) Human Resources Strategies and Perceived Organizational Support

Previous studies showed several relations of statistical significances which combine human resources' management practices with other variables. Examples of these relations: the relation of this practice and organizational culture (Adewale and Anthonia, 2014) with employees' performance, absence rates and employees' functional behavior (Santhanam et al., 2015). Ihionkhan and Aigbomian (2014) showed a positive correlation relation between this practice and organizational commitment.

Therefore, other studies such as Lopez-Cabrales and Valle (2011) have shown that there are no relations between both training and development process and other variables; at the same time, the study emphasized the influence of the development process on the value of knowledge of employees.

Cheung (2013) study indicates that organizations interests of human resources' management practices totally lead to the formation of positive impressions for the employees about perceived organizational support. Because, the organization sends an implicit message to the employees through applying practices of human resources' management which expresses caring and supporting its employees and being responsible for that. Allen et al. (2003) asserted the role of human resources' management practices in improving perceived organizational support by employees. It explained that perceived organizational support develops by time, and after an employee understands practices that the organization do in reality which will make an impression for him that the organization cares about its employees and always ready to help them.

On the other hand, Meyer and Smith (2000) study has shown a connection between human resources' management practices and perceived organizational support variable. Also, it showed that the organizational support mediates human resources' management practices and organizational commitment both emotionally and normatively so far. Giauque et al. (2010) his study aimed to assess the impact of human resources' management practices on organizational commitment in a sample of small Swiss companies which reflect the relations between human resources' management practices and organizational support accordingly affect the organizational commitment of employees.

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The study of Nadeem et al. (2015) connected few practices of human resources' management such as, functional development through emphasizing that the employee who receives organizational support from his organization, will try to make more effort to be supported for developing himself functionally. Organizational support theory based on joint cooperation between organization and employee; whereas, employees do their best, companies on the other hand support them. According to previous studies here is the following hypothesis:

There is statistically impact at significance level ($\alpha \leq 0.05$) of human resources strategies on perceived organizational support at Jordanian public universities in the North territory.

III. Research Framework

Based on study hypothesis, the following theoretical framework, shown in Figure 1. As can be seen from the framework, the study investigates the effect of Strategic Human Resource on perceived organizational support. at public Jordanian Universities, where Strategic Human Resource are the independent variable and are positively related to perceived organizational support as the dependent variable.

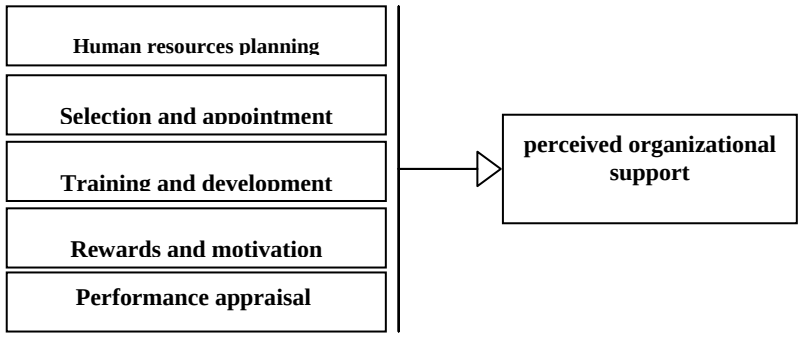

Figure (1): Theoretical Model

IV. Methodology

In this section, we discuss measures, sample and data collection as well as the statistical tests used to evaluate the hypothesis.

a) Measures

The constructs in this study were developed by using measurement scales adopted from prior studies. Modifications were made to the scale to fit the purpose of the study. All constructs were measured using five-point Likert scales with anchors strongly disagree (= 1) and strongly agree (= 5). All items were positively worded. Strategic Human Resource consist of Human Resources planning, Selection and appointment, Training and development, Rewards and motivation, and Performance appraisal were adapted from previous studies (Edgar & Geare, 2005; Chang, 2005; Lucero & Allen, 1994). Perceived organizational support was adapted from previous studies (Eisenberger et al.,1986).

b) Sample

The population of the study was all the university administrative staff in northern public Jordan universities with 4908 staff members. Stratified sample randomly selected (7%) of the employees of the public universities in the North region of Jordan and according to the schedule of sample size determination of the size of the population prepared by (Krejcie and Morgan, 1970), (350) employees were taken as a sample of the three public universities in the North region of Jordan, table 3-1 shows the sample of the study was 350 staff members (7%) of the study population.

Table 1: Study sample of the public universities in the North region of Jordan

University	No. of employees	Gender	No. of employees according to gender	No. of questionnaires distributed	No of questionnaires received
Jordan University of Science and Technology	2261	Male	1587	111	97
		Female	674	52	44
Yarmouk University	1673	Male	1020	71	47
		Female	653	48	28
Al al-Bayt	974	Male	662	46	37
University		Female	312	22	12
Total	4908		4908	350	265

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The questionnaires, with instructions of how to complete them, were distributed to respondents by an interviewer. Subjects were asked to assess their perceptions of various items of different constructs. Assessments were based on A Five-point Likert scale ranging from "strongly disagree (1) to "strongly agree (5) was used to measure the 40 items. In order to minimize possible response bias, instructions emphasized that the study focused only on their personal opinions. There were no right or wrong answers. After completion, the questionnaires were checked and collected by the interviewer. However, due to some invalid questionnaires which were removed from the population. The total questionnaires was 256 valid for analysis, Table (2) shows the characteristics of the sample.

Table 2: Sample characteristics

Variable		Frequency	%
Gender	Male	181	68.3
	Female	84	31.7
Age group	less than 30	52	19.6
	30- less than 40	76	28.7
	40- less than 50	84	31.7
	50 years and more	53	20.0
Educational level	Diploma	65	24.50
	Bachelor	163	61.50
	Post graduate	37	14.00
Job position	Manager	56	21.1
	Head of department	43	16.2
	Employee	166	62.7

The largest group of respondents (31.7 percent) were aged 40- less than 50. The next largest group (28.7 percent) were aged 30- less than 40. Smaller groups of respondents were aged less than 30 (19.6 percent). With regard to educational level, respondents with Bachelor degrees were the largest group of respondents make (61.5 percent), respondents with Post graduate degrees make (14.0 percent). Finally, holders of diploma degrees make (24.50 percent) of the employees. With regard to Job position, respondents who are employees were the largest group of respondents make (62.7 percent), respondents who are managers make (21.1 percent). Finally, respondents who are Head of department make (16.2 percent) of the employees. The sample characteristics of the respondents represented in Table (2).

c) Data Gathering

The research data was collected through the questionnaire. The questionnaire began with an introductory statement that asked respondents to administer their own responses, assured them of confidentiality, and so forth. This was followed by a request for demographic information and the measures. Data were collected through questionnaires. The study was based on the development and administration of a self-administered survey and conducted in Jordan.

d) Reliability and Validity of the Survey Instrument

The survey instrument with 40 items was developed based on Strategic Human Resource as independent variables with five dimensions: Human resources planning (HRP1-HRP5), Selection and appointment (SA1-SA9), Training and development (TD1-TD8), Rewards and motivation (RM1-RM7), and Performance appraisal (PA1-PA5). perceived organizational support as dependent variables (POS1-POS6).The instrument was evaluated for reliability and validity. Reliability refers to the instrument's ability to provide consistent results in repeated uses (Gatewood & Field, 1990). Validity refers to the degree to which the instrument measures the concept the researcher wants to measure (Bagozzi & Phillips, 1982).

Table 3: Factor analysis of Strategic Human Resource

Construct and item	Loadings	Communalities	Eigenvalue	Variance	Reliability
Human resources planning **(HRP)**			3.689	69.354	.84
HRP1	.635	.692			
HRP2	.723	.749			
HRP3	.687	.702			
HRP4	.597	.643			
HRP5	.697	.712			
Selection and appointment **(SA)**			4.023	73.215	.85
SA1	.652	.678			
SA2	.615	.637			

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SA3	.697	.712			
SA4	.596	.608			
SA5	.578	.611			
SA6	.559	.624			
SA7	.607	.645			
SA8	.638	.669			
SA9	.599	.624			
Training and development (TD)			3.268	70.325	.78
TD1	.602	.634			
TD2	.634	.664			
TD3	.687	.712			
TD4	.634	.658			
TD5	.622	.649			
TD6	.617	.634			
TD7	.568	.624			
TD8	.591	.616			
Rewards and motivation (RM)			3.672	78.356	.69
RM1	.638	.678			
RM2	.672	.702			
RM3	.638	.697			
RM4	.597	.624			
RM5	.567	.603			
RM6	.615	.657			
RM7	.667	.697			
Performance appraisal (PA)			3.687	80.634	.74
PA1	.618	.684			
PA2	.638	.691			
PA3	.649	.673			
PA4	.597	.621			
PA5	.583	.632			

Table 4: Factor analysis of perceived organizational support

Construct and item	Loadings	Communalities	Eigenvalue	Variance	Reliability
perceived organizational support (POS)			3.628	69.354	.91
POS1	.658	.702			
POS2	.618	.638			
POS3	.639	.674			
POS4	.614	.627			
POS5	.637	.663			
POS6	.644	.686			

Factor analysis and reliability analysis were used in order to determine the data reliability for the Strategic Human Resource, and perceived organizational support. A within factor, factor analysis was performed to assess convergent validity. The results of the factor analysis and reliability tests are presented in Table (3) and Table (4). All individual loadings were above the minimum of 0.5 recommended by Hair et al. (1998). For exploratory research, a Chronbach α greater than 0.70 is generally considerate reliable (Nunnally, 1978). Chronbach α statistics for the study contracts are shown in Table (4) and Table (5). Thus it can be concluded that the measures used in this study are valid and reliable. On the basis of Cattel (1966) and Hair et al. (1998) criterion, factors with eigenvalues greater than 1.0 and factor loadings that are equal to or greater than 0.50 were retained. 40 items, loading under five factors of Strategic Human Resource and one factor of perceived organizational support.

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Kaiser-Meyer-Olkin and Bartlett's Test of Sphericity has been used as Pre-analysis testing for the suitability of the entire sample for factor analysis as recommended by Comrey (1978), the value of The Kaiser-Meyer-Olkin measure was used to assess the suitability of the sample for each unifactorial determination. The KMO values found (see Table 5) are generally considered acceptable (Kim and Mueller, 1978). All factors in each unifactorial test accounted for more than 52 percent of the variance of the respective

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variable sets. This suggests that only a small amount of the total variance for each group of variables is associated with causes other than the factor itself, and the Bartlet tests of sphericity was significant at p <0:05, thus, indicating that the sample was suitable for factor analytic procedures (see Table 5).

Table 5: Kaiser-Meyer-Olkin and the Bartlett's Test of Sphericity

Variables	Kaiser-Meyer-Olkin Values	Bartlett's Test of Sphericity	
		Approx.Chi-Square	Sig.
Human Resources planning	.864	957.365	.000
Selection and appointment	.915	1654.321	.000
Training and development	.887	1234.657	.000
Rewards and motivation	.839	1203.387	.000
Performance appraisal	.914	1462.357	.000
perceived organizational support	.883	1367.284	.000

e) Descriptive statistics analysis

Table (6) indicates that employees of public universities in Jordan evaluate Human Resources planning (with the highest mean scores, i.e. M = 3.90, SD=.657) to be the most applied of Strategic Human Resource dimension within their public universities and evident to a considerable extent, followed by Selection and appointment (M= 3.65, SD=.697), Performance appraisal (M = 3.62, SD=.947), Rewards and motivation (M = 3.58, SD=.638), and Training and development (with the lowest mean scores M = 3.07, SD=.754). With regard to perceived organizational support, employees of public universities in Jordan evaluate perceived organizational support (with the high level, i.e. M = 4.27, SD=.784).

Table 6: Descriptive analysis of Strategic Human Resource and the perceived organizational support

Dimension	Mean	Standard deviation
Strategic Human Resource	**3.56**	.865
Human Resources planning	3.90	.657
Selection and appointment	3.65	.697
Training and development	3.07	.754
Rewards and motivation	3.58	.638
Performance appraisal	3.62	.947
perceived organizational support	**4.27**	.784

V. The Results

a) Test of hypothesis

Multiple regression analysis was employed to test the hypotheses. It is a useful technique that can be used to analyze the relationship between a single dependent variable and several independent variables (Hair et al., 1998). In this model, perceived organizational support acts as the dependent variable and Strategic Human Resource as the independent variables. From the result as shown in Table(7), the regression model was statistically significant (F = 18.29; R2 =.262; P = .000). The R2 is .262, which means that 26.2 per cent of the variation in perceived organizational support can be explained by Human Resources planning, Selection and appointment, Training and development, Rewards and motivation, and Performance appraisal. The proposed model was adequate as the F-statistic = 18.29 was significant at the 5% level (p < 0.05). This indicates that the overall model was reasonable fit and there was a statistically significant association between Strategic Human Resource and perceived organizational support. Table VI also shows that Human Resources planning (p<0,05; ß =.138), Selection and appointment (p<0,05; ß =.249), Training and development (p<0,05; ß =.240), Rewards and motivation (p<0,05; ß =..131), and Performance appraisal (p<0,05; ß =.270), had a significant and positive effect on perceived organizational support. This provides evidence to support H1a, H1b, H1c, H1d and H1e. Based on the ß values Performance appraisal has the highest impact on perceived organizational support followed by Selection and appointment, Training and development, Human Resources planning, and Rewards and motivation.

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Table 7: Regression results between Strategic Human Resource on perceived organizational support

Independent variables		Standardized beta	t	Sig.	Tolerance	VIF
Human Resources planning		0.138	2.54	0.009	0.419	2.39
Selection and appointment		0.249	4.42	0.050	0.345	2.90
Training and development		0.240	2.66	0.042	0.298	3.36
Rewards and motivation		0.131	2.32	0.005	0.289	3.46
Performance appraisal		0.270	4.53	0.002	0.341	2.28

Notes: R 2 = .262; Adj. R 2 = .261; Sig. F = 0.000; F-value = 18.29; dependent variable, perceived organizational support; $p < 0.05$

VI. Discuss the Results

- Results related to human resources strategies in Jordanian public universities in the north indicate that human resources planning got the highest average account then comes selection and appointment, then performance appraisal, then incentives and finally training and development. Researchers recognize that these results correspond with public universities' work because they take enough time for recruitment process. After explaining and analyzing data that's related to researchers' answer, the study is summarized as results can be taken as human resources' strategies practices.
- Selection and appointment as human resources strategy's at public universities results, showed that all neutral procedures of selection and recruitment processes related to the university and avoiding nepotism in selection processes, also arranging appointments for selection interviews are qualifications basis for recruitment. Procedures which reflect selection and recruitment of human resources at public universities on average are: procedures related to selecting distinguished human resources, assessment procedures which occur before selection process, Universities awareness of applicants' abilities before selection and recruitment, and the ability of the university to choose multi-qualified individuals and finally the diversity of ages of selected people.
- The strategy of training and development of human resources at Jordanian public universities in north territory results in moderate degree corresponded with other studies' results (Al-Qadi, 2012; Al-Ksasbeh, 2010) therefore, averages results are moderate. Procedures which highly reflect training and development human resources at public universities are: procedures related to training needs for workers at Jordanian public universities.
- Results of rewards and incentives strategies of human resources in Jordanian public universities with high degree showed procedures related to providing fair wages according to workers efforts and promotion opportunities at Jordanian public universities. However, procedures which reflect rewards and incentives of human resources at Jordanian public universities with moderate degree are: universities procedures of university security and its defense for basic benefits of employees, in addition to its attention to health and safety of employees and financial compensation of unused benefits.
- Results related to performance appraisal of human resources strategy at Jordanian public university with high degree are: procedures related to maintain qualified and experienced human resources and the adoption of universities in evaluating performance of workers in order to achieve Jordanian public universities' goals. However, procedures which reflect performance evaluation of human resources at public universities with moderate degree are: universities' procedures related to the adoption of evaluation system on measurable results, and universities ability to provide enough information about employees for the sake of evaluating processes and finally, communication system which is based on communications between workers and supervisors in order to do evaluating processes.
- Results of perceived organizational support at public universities reflect the importance of workers' interests and the appreciation of workers' role of achieving goals, in addition to achieve satisfying level of general satisfaction of workers, and helping workers, even though they need help in their personal goals. Furthermore, the researcher realizes that this result is important because it empowers functional correlation between employees and universities. Whenever correlation power is strengthened, it reflects on sustainability and continuation of an employee at work which also reflect on improving services, productivity and increasing organizational obligation for the employee.
- Results related to analyzing the impact of human resources strategies in perceived organizational support reflected on basic impact which is enhanced; whenever human resources strategies were good practices.

VII. Recommendations

As a result of the study, both researchers recommended Jordanian public universities management and decisions makers to enhance human

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resources planning practices at Jordanian public universities which serve the consolidation of relations between universities and employees; apparently, it demands to work on the variation of training programs fields so it covers all departments of universities and required tasks as well as the necessity to work on developing training programs and select new training programs which is convenient for training needs for workers; in addition to the needs of experts to decide training needs and to decide the necessary courses to cover these needs and working on finding techniques for polarizing and hiring qualified human resources at Jordanian public universities in north territory. Pursuing advanced evaluation performance systems which through it public universities at north territory of Jordan achieve the ability to sort qualification and experience of employees which help employees' replacement processes to put the right person at the right place; furthermore, strengthening perceived organizational support Techniques Through strengthening relationships and empower employees to do tasks in a way which includes independence and freedom without any influence on achieving universities' goals; finally, Strengthening incentives system and make it clearer, fairer and more transparency for employees.

VIII. Determinants of the Study and Future Research Directions

1. The study was concerned with Jordanian public universities at North territory of Jordan So it is recommended To search for other studies which are concerned with public universities of Jordan in all territories or to do a comparison study between public and private universities in Jordan, it is possible to Study other Areas like middle eastern countries or foreign Countries As well.
2. The study was limited to cover only a sample of 7% of the society, might other studies cover larger samples.
3. The study was limited to include five strategies of human resources' management (human resources' scheme, Selecting and recruitment ,training and developing, rewards and incentives and finally evaluation) it is possible to draw attention to other Additional strategies Like engaging employees and empowerment in other studies.
4. The study was concerned with perceived organizational support variable as a moderator variable, so another study can be done if job satisfaction or organizational commitment Were Moderator variable.

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Levels of Participation in Decision Making as Correlates of Job Satisfaction and Morale of Teachers in Public Senior Secondary Schools in Delta State

By Mr. Balogun Akpotowhase Hollyns

Abstract- The study investigated levels of teachers' participation in decision-making as correlates of job satisfaction and morale in public senior secondary schools in Delta State. The target population of the study consisted of all public senior secondary schools in Delta State. A sample size of 976 teachers in 36 public senior secondary schools in Delta State were drawn using stratified random sampling technique. The study was a correlational research aimed at determining the relationship among levels of participation in decision-making, job satisfaction and morale of teachers. The researcher therefore, formulated three research questions and three null hypotheses to guide the study. A research instrument titled "Questionnaire on Levels of Participation in Decision-Making, Job Satisfaction and Morale of Teachers" (QLPDMJSMT) was designed by the researcher. The instrument was validated in its face and content value and found reliable at a reliable index of 0.87 using Cronbach Alpha technique.

Keywords: PDM-participation in decision making, job satisfaction, nigeria.

GJMBR-A Classification: JEL Code: J28

LEVELSOFPARTICIPATIONINDECISIONMAKINGASCORRELATESOFJOBSATISFACTIONANDMORALEOFTEACHERSINPUBLICSENIORSECONDARYSCHOOLSINDELTASTATE

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Keywords: PDM-participation in decision making, job satisfaction, nigeria.

I. Introduction

The retention of quality labour has become a central point of interest for organizations. Research suggests that employees with higher levels of job satisfaction are less likely to quit and that organizations can reap significant benefits from more satisfied employees. These two important considerations have made employee job satisfaction policies essential for effective management strategy. Although such research and strategy are of undoubted value, the effects of external phenomena, such as globalization on job satisfaction have been overlooked. An important component of globalization is the international movement of labour and many countries are facing a labour force with diverse cultural identities. A better understanding of how differences in cultural values can affect the behaviour of employees has become an important concern for organizations.

In order to facilitate the understanding of how employees respond to certain organizational changes, several theoretical models of job satisfaction have been developed. Arguably, the most comprehensive model of job satisfaction was developed by Locke (1969), where the concept of job values was used as a foundation in predicting employees' job satisfaction. With job satisfaction being such a subjective concept, empirical researchers have worked towards identifying the determinants of job satisfaction and the evidence suggests that contributory factors include socio-demographic (e.g., gender, age, marital status, education), disposition (e.g., personality traits) (Judge and Bono, 2001) and work situation influences (e.g., job challenge, acknowledgment, job security). Such research provides insights from which organizations can develop strategic programmes to foster greater levels of employee job satisfaction. One such organizational programme entails providing employees with the freedom to participate in decision making (PDM). Theoretical literature has argued that allowing for PDM can satisfy employees' higher-order needs (Maslow, 1943) such as self-expression (Miller and Monge, 1986) and independence (French *et al*., 1960), which ultimately promotes job satisfaction (Vroom, 1964).

In fact, decision-making is one of the most important duties of the school administrator because there are elements of decision-making in every

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administrative act, whether it concerns students, programmes, staff, services or resources. It is therefore seen as the heart of school administrative process and a deliberate act that generates commitment on the part of the decision maker towards an envisaged course of action of some specification, since it involves an individual action or group action. Peretomode {1995} observed that decision-making is a key responsibility of all school administrators. While some single handedly take decision, some others involve subordinates and they both take decisions collectively. This later phenomenon has been aptly described as participative or collective decision-making. The benefits of participative decision-making for example, include the accumulation of a wider variety of facts and knowledge than individual decision-making. Individuals working together as a team tend to supplement and compliment each other's knowledge as they consider issues. Group interaction tends to result in the consideration of a greater number of alternatives before they make decision. Individuals who participate in-group decision-making are likely to accept a decision and feel more responsibility towards a successful implementation. People support what they help create. If group members report group decision favorably to others, the non participants tend to adopt favourable attitude towards the decision. In participating decision-making, participants in group interactions develop rapport towards each other and they reveal goals, ambitions and interest. (D'Souza, 2005).

In the school system, advocates (Nnabuo, Okorie, Agabi and Igwe (2004) and Okorie (2009) of participating decision-making argue that if decisions are to be implemented by subordinates, they will be highly motivated and satisfied with the job if they have a voice in making the decision and their enthusiasm for the organization. Teachers prefer principals who involve them in decision-making and participation increases teacher's satisfaction with teaching as a profession. It has also been pointed out that too much involvement can be detrimental as too little (Bridges 1976). From the forgoing analysis, it could be inferred that participative decision-making has positive relations with teacher's effectiveness and productivity.

The absence of teachers' participation in education decision-making process has been observed in Nigeria (Ogundele, 1995). The desire for teacher's involvement in our contemporary educational practices has been clearly demonstrated by an increase in the number of teacher's complaints about their job. Ogundele commented that many teachers feel that they have been limited or in many instances passed in the decision-making process in their schools. Teachers are assumed to be held accountable for inefficiencies in school. Therefore the teacher should be involved in decision-making process. Egbule (2004) and Obanikoro (2008) warned that if somebody sits in either the house or office and come up with any policy without taking into consideration the inputs of the people then the policy implementation will start on a shaky ground and the policy is likely to fail. Ideally, actors are encouraged to have a say in decision that directly affects them.

The study considers three decisional states of deprivation, equilibrium and saturation (Belasco and Alutto, 1975). These states or levels are employed by school principals and or school administrators, which range from involvement of teachers in fewer decisions (deprivation) through involvement of subordinate in as many decisions (equilibrium) to involvement of teachers in almost decisions in the school (saturation). These variables (levels of participation in decision) may either make teachers to be satisfied or dissatisfied with the teaching profession and make their morale to be high or low. For teachers to be satisfied and have high morale, they should be involved in as many decisions as they desired. This is because one of the major concern of educational administrators has been, how to motivate, ensure feeling of job satisfaction and engender high morale in teachers and other subordinates (Peretomode, 1995).

Halliday (1993) observed that raising staff morale and motivation of teachers in most sub-Saharan African countries is a major challenge because many teachers lack self esteem and to their commitment to their profession. He attributed this lack of self-esteem and commitment to inadequate participatory management style, in most African countries. Nigerian teachers are no exception to this situation. They seem to be mostly recipients of decisions and instructions from national or state level governments. At the school level, the head teacher is placed in a position of responsibility and authority where all major decisions, curriculum and instructions, management of student discipline, school organization and staff personnel matters, financial matters, school and community relations among others are centered on his/her office. This makes him/her wield a lot of power in line with the view that their responsibilities have the power. This kind of structure leaves out the inputs of most of the implementers of school policies on the teachers, in decision-making.

II. Statement of the Problem

The success or failure of an organization such as the school lies considerably on effective decision-making. It is assumed that participative decision-making stands as the best way to achieve effectiveness and compliance in school administration (Nwachuku, 2004). Thus, application of participative decision-making is necessary in school administration. An organization is not better than the people that make it up. Efficient and effective utilization of the staff and their intellectual abilities is a *sine qua non* in the achievements of school goals. Secondary education remains an important

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stage in the educational process. The success or failure of any meaningful higher education is dependent on the products of secondary education. Therefore, the general public is concerned about the deplorable quality of the products of our secondary education as exemplified by massive failure recorded in December 2009 West African School Certificate and National Examination Council (NECO) examinations. In some schools, there is lack of co-operation between principals and teachers, among teachers, between teachers and students (Taagbara, 2003) and this has often been attributed to the non-involvement of teachers in decision-making process in schools.

Participative decision-making process provides for the involvement of everybody in the day-to-day administration of the school and it makes it easy for staff to be satisfied with their job and increases their morale. And there is a general belief that if teachers are satisfied with their jobs and have high morale, it is an indication that teachers are happy about their work and are more likely to put in their best, be more productive and efficient. But when there is no job satisfaction and morale is low, both the quality and quantity of production suffer accordingly. To this end, job satisfaction and morale are determinants of effectiveness because no school, no matter the resources available to them, can attain high academic excellence if teachers in that school lack job satisfaction, discipline, loyalty, commitment and dedication to duty.

In the school setting, some school principals allow their teachers to participate in few decisions than they preferred which is referred to as deprivation level of participation in decision-making. Even when the principal allows them to give suggestions, he will end up not using them because he feels to know them all. Teachers are suppressed and there is little co-operation between principal and teachers in the school. Some principals encourage their subordinates to collectively make decisions as they wanted to participate in the school (which is equilibrium level of participation in decision-making). Here everybody worked willingly and contribute to the affairs of the school. Still, there are some principals who allow their teachers to participate in whatever decision taken in the school whether they like to participate or not {saturation level of participation in decision-making}.The school is run by consensus. Everybody is made to understand that he or she is a part of the leadership. In the light of the above, one may ask, how are these various levels of participation in decision-making relate to teachers' job satisfaction and morale in senior secondary schools in Bayelsa and Delta States of Nigeria.

III. Research Questions

The following questions were raised in the study.

1. What is the relationship between the level of deprivation in decision making and teachers' job satisfaction in senior secondary school in Delta State?
2. What is the relationship between the level of deprivation in decision making and teacher's morale in senior secondary schools in Delta State?
3. What is the relationship between equilibrium level of participation in decision-making and teacher's job satisfaction in senior secondary schools in Delta State?

a) *Hypotheses*

The following null hypotheses were formulated to guide to study:

1. There is no significant relationship between deprivation level of participation in decision-making and teachers' job satisfaction in senior in senior secondary schools in Delta State.
2. There is no significant relationship between deprivation level of participation in decision=making and teacher's morale in senior secondary schools in Delta State.
3. There is no significant relationship between equilibrium level of participation in decision making and teacher's job satisfaction in senior secondary schools in Delta State.

b) *Review*

This study is based on the Likert model of management effectiveness which deals with basic categories of task orientation and employee orientation. From a human resource perspective, the primary motivation for implementing PDM programmes is the potential for job enrichment. Some theorists (Likert, 1967; McGregor, 1960) suggest that this is achieved by the effects resulting from the link between PDM, job satisfaction and employees morale. Under affective models of participation in decision making, the primary role of the organisation is to provide a working environment within which employees have PDM responsibilities. Such responsibility is said to be conducive to the healthy development of employees as it leads to the attainment of higher-order needs (Maslow, 1943), such as self-expression (Miller and Monge, 1986) and independence (French *et al*., 1960), which ultimately promotes their job satisfaction (Vroom, 1964).

The affective models of participation have come under great scrutiny from those supporting the cognitive effects of participation. Typically they state that managers simply believe in "involvement for the sake of involvement, arguing that as long as subordinates feel they are participating and are being consulted, their ego needs will be satisfied" (Ritchie and Miles, 1970).

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Nonetheless, affective models of participation have found empirical support. For instance, by assuming that PDM is positively related with job satisfaction, Alutto and Acito (1974) found that employees who were classified as being in decisional equilibrium (i.e., participating in as many decisions as desired) generally displayed higher levels of job satisfaction than those classified as decisionally deprived (i.e., making fewer decisions than desired).

According to Nnabuo, Okorie, Agabi and Igwe (2005) Likert identified four leadership styles called four systems. System 1 leadership style is referred to as exploitative-a situation where the leader takes decision alone without involving the subordinates. He sets rigid rules and method of performance and orders subordinates to implement them. The subordinates feel alienated hence productivity will be low. System 2 leadership style is called "benevolent authoritative" here the leader issues orders but the subordinates are made to feel that their inputs are being sought before decisions are taken in matters concerning the organization where they work. The subordinates are conscious when dealing with the leader. Style 3 leadership style is known as consultative. Here the leader sets the goals and issues orders after consulting with subordinates. Subordinates freely discuss matters with the leader. Subordinates are happy that they are being consulted in decision-making.

System 4 leadership style is called participative. Here the leaders set the goal while allowing the subordinates make decisions on work-related matters. Reward and personal growth are used to motivate subordinates. According to Peretomode (2001) participative decision-making use (a) the principle of supportive relationships, (b) group methods for decision-making and supervision and (c) have high performance goals. It is equally referred to as democratic style. The leader is more effective in achieving organizational goals when he adopts system 4 leadership style. Thus leadership effectiveness is largely contingent on the extent the leader involves the subordinates in decision making, not only on his personality traits. Because he involves the subordinates they feel completely free to discuss things about the job even without their superior and they feel satisfied that they did. Peretomode (2001) summarizes in greater detail the Likert's four systems leadership styles.

c) Relevance of Likerts' Model of Management Effectiveness to Participation in Decision-Making

Likert developed the model of management effectiveness otherwise known as four systems of leadership styles. The four systems, Exploitative authoritative, Benevolent-authoritative, consultation and participation are akin to the three decision states of decision-making (deprivation, saturation and equilibrium) identified by Belasco and Alluto (1975). Igwe (2000) sees system 4 (participative) as a system that goals are set and work related decisions are made by the group members. If managers formally reach a decision do so after incorporating the suggestions and opinions of other group members.

Similarly, the relevance of the model was further highlighted by Peretomode (2012) that the findings of the Likert studies at the University of Michigan revealed that organizational departments with low productivity tended to have leaders who used system 1 and 2 styles. On the other hand, high producing departments in the organization tended to be managed in consultative or participative leadership style. He therefore concluded that system 4 is the most desirable and effective in a wide variety of work situations. From the foregoing, the researcher is interested in the system 4 and wishes to adopt Likert's model of leadership styles as the theoretical framework for this study.

The word, decision, is derived from the Latin word *"decision"* which means cutting away or a cutting off or to come to conclusion (Sharma and Sadana 2009). Authors in different perspective have variously defined decision-making. Peretomode (2001) sees it as the process of choosing among alternative ways of achieving objectives or providing a solution to problem. Decision is a course of action consciously chosen from among available alternatives for achieving a desirable result (Igwe 2000).

The underlying factor of decision-making is that it is a process of choosing from among alternatives. It's closely related to all the management functions (Chike-Okoli, 2004). For example, a manager plans, organizes and controls. In schools, whatever the head of the institution does is through decision-making. Similarly Nakpodia (2006) asserted that an understanding of the decision making process is a *sine qua non*-for all school administrators because the school like all formal organization is basically a decision-making structure. Infact, decision-making is a key to planning, organizing, directing, coordinating, controlling, staffing, reporting and budgeting in an organization, and makes the organization what it is.

d) Participative Decision Making and Job Satisfaction

Participative decision making (PDM) is most effective where a large number of stakeholders are involved and all from different walks of life, coming together to making a decision which benefits everyone. Some such examples are as in the school system, decision for execution of new projects, expansion of school compound, health programme and organization of annual sports meet. In this case, everyone can be involved from experts, NGOs, Government agencies, to volunteers and members of public. Organizations also benefit from participative decision-making when all stakeholders are involved. When employees participate in the decision making process, they improve

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understanding and perceptions among colleagues and superiors, and enhance personnel value in the organization (Probst, 2005). Participative decision-making by the Top management Team (TMT)" ensure the completeness of decision making and increases team members' commitment to final decision (Carmelli, Sheaffer, & Halevi, 2009:). In a participative decision making process, each team members has an opportunity to share their perspectives, voice their ideas and tap their skills to improve team decision, and there is a better chance of their achieving the results. As each member can relate to the team decision, there is a positive relationship between decision effectiveness and organizational performance. The better the effective-ness, the better the performance. (Brenda, 2001)

On the other hand, disadvantages of participative decision-making process have been identified by several writers such as Amstein (1969), Debrium (2007) and Helm (2007). One of the primary risks in any participative decision-making or power sharing process is that the desire on the part of the management for more inclusive participations may not be genuine. When participative decision-making takes place in a team setting, it can cause many disadvantages. These can be anything from social pressures to conform to group domination, where one person takes control of the group and urges everyone to follow his standpoints. With ideas coming from many people, time can be an issue.

The meeting might end and good ideas go unheard. Possible negative outcomes of participative decision-making are high costs, inefficiency, indecisiveness and incompetence (Debrium, 2007), having discussed the advantages and disadvantages of participative decision -making (PDM), one can conclude that it still stands as the best style of leadership or decision-making process in any organization such as in schools Peretomode (2012) also noted that although there are a number of advantages of participation decision making, there are also some disadvantages. These include group-think, risky shift and escalation of commitment.

e) Levels of Participation in Decision Making

There are three decisional states identified by Belasco and Alutto (1975) namely deprivation, equilibrium and saturation. Decisional deprivation refers to participation in few decisions than preferred on the part of staff. Decisional equilibrium refers to participation in as many decisions as are desired, while decisional saturation refers to participation in more decisions than desired. Igwe (2000) in discussing students and staff participation in decision-making mentioned the three decisional states discussed above and suggested that institutions of education should involve teachers in many decisions as are desired more than the other two, which is, deprivation and saturation. In the light of the above, if equilibrium decisional state is applied in the school staff will have feeling of satisfaction which here refers to their willingness to remain in the institution despite the inducements to leave. To achieve this goal, educational administrators must concern themselves with involving teachers in as many decisions as they are willing and have the expertise to participate meaningfully in.

In the same vein, Peretomode (2006) in his study on Decisional deprivation, Equilibrium and Saturation as Variables in Teacher Motivation, Job Satisfaction and Morale in Nigeria, revealed that most secondary schools in Warri Metropolis do not involve their teachers in decision-making as the teachers have desired. In others, the principals appear to adopt an autocratic approach to decision-making. The findings also showed that teachers who participated in many decision-making processes, as they desired felt more motivated, satisfied, and have a high morale while those who are decisionally deprived felt least motivated; least satisfied and have low morale in the work place.

In a related study on the level of teacher's participation in Decision-making process at a higher Education Institution: A case of Adama University-Ethiopia, by Abahumna (2010), it was observed from the finding of the study that teachers favour greater participation in decision making though they are not observed participating at large. In the field of education, without teachers involving in decision-making, institution may lead into directions which do not benefit both teachers and the institution. Secondly, if teachers are not involved in matters concerning the affairs of the university, it may result to a number of problems. That is, it may reduce the readiness to do what is, required to assist the university to achieve its goals, affect sense of identification and affect morale and professional commitment,. It may also impede the implementation of the decisions made by the university, disassociate the teachers from the university, discourage creativity and increase dissatisfaction within the university. What is more important however is that teachers should as much as possible be involved in decision-making in schools in all the areas within their sphere of professional competence and for maximum productivity and efficiency, within the level of decisional equilibrium.

f) Teacher Job-Satisfaction in Participation in Decision-Making

A glance at the above definitions suggests that job satisfaction may be defined as the extent to which a worker's need expectation is met, and therefore happy with the job. A person with high level of job satisfaction holds positive feelings about the job. When people speak of employee positive attitudes, more often than not, they mean job satisfaction. Teacher job satisfaction therefore is defined by Suryanarayana (2010) as the favourableness or unfavourableness with which employees (teachers) view their work. It signifies the

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amount of agreement between one's expectation of the job and the rewards the job provides. Job satisfaction is concerned with a person or a group in the organization. Satisfaction when applied to work context of teaching seems to refer to the extent to which a teacher can meet individual, personal and professional needs as employees (Suryanarayana (2010). Teacher satisfaction is also defined as willingness to remain with the current school organization despite inducements to leave (Belasco and Alluto, 1975).

Teacher satisfaction is seen as important to teacher performance and commitment as the educational organization relied on "a willingness on the part of organizational members to both dependably prosecute their current assignment and adopt to changing future conditions''. The perspective of looking at or thinking about teacher job satisfaction has been considered in four ways. Such dimensions are professional, teaching-learning, innovation and inter-personal relations. Suryanarayana (2010) briefly explained dimensions for measuring teacher job satisfactions as: professional relates to job security and social prestige, molding the young minds, getting appreciation from others and reaching problems of the students. Teacher – leaning refers to problems of the leaders, new situations, successfully managing the classes, students' active participation in the classes, innovative technique in teaching and systematic plan of the work. Innovation relates to creativity, innovative technique intending to participate in cultural activities, co-curricular and social welfare activities. Finally inter-personal relations refer to relations with colleague, parents, students, higher authorities or any personnel confined to school.

g) Teacher Morale in Participation in Decision-Making

A decline over the past years in the morale of teachers is identified within the literature, along with recognition of teaching having become an increasingly more demanding profession. The drop in morale has been accompanied by a shift in public attitude towards education. The assumption that education is not fulfilling its potential has led to a focus on 'acceptable end products', state-wide testing and performance appraisal techniques aimed at 'value for money. Infact, teaching is a socially responsible occupation which is highly accountable and bureaucratic, demanding intellectually, emotionally and physically, (Sachs 2003), and intensive and unrelenting. Although employed to teach, teachers are engaged in a wide variety of tasks which are additional to face-to-face teaching. Systems appear to be demanding more and more of teachers. These extra duties include: curriculum design and development; school planning; marketing (mostly private school teachers); community relations; information technology; workplace health and safety; resource management; student welfare; along with playground and sports supervision.

While the demands upon teachers have increased, there has been little change in patterns of employment, compensation and career advancement of teachers. Intensification of the teaching role and deterioration of working conditions are recognised in the literature. However, while it is suggested by some that workload is a major contributor to stress and low morale others disagree, claiming that teachers are able to handle the extra pressures and increased workload. Teachers are generally able to maintain a focus 'upon the best interests of their students, even if the system appears to let them down'. Perhaps this is the reason why systems do not see a need to address the crisis in teacher morale.

Morale is a group phenomenon consisting of pattern of attitude of the members of the group. Morale can also be defined as a composite of feelings, attitude and sentiments that contribute to general feelings of satisfaction. In this connection, morale is understood as ones attitude towards accomplishing his work rather than emotions he displays and individual objectives, (Sharma and Sadana 2009). According to Johnsuad (1996) morale is an attitude of the mind and an emotional force which affects discipline, co-operation, quality, output, enthusiasm, co-operation and interaction between employees and executives for the best interest of the enterprise and ultimately the individuals themselves. Morale is equally important to education and a key to a good school system. Morale makes the difference between viewing teaching as a "job" and viewing it as a "profession" (Kelchear 2004). Kelchear identified two educational implications of teacher morale as, improved school service and public respect and teachers' enthusiasm to communicate their satisfaction and approval not only to pupils, but also to parents and the public. Good teachers are valuable asset to any school system. Poor teachers are a deterrent. The latter are expensive in that they require excessive amounts of frequent supervision, and the work of good teachers, are difficult to eliminate, and often, disrupt the equilibrium and morale of the whole teaching corps.

The efficiency of an educational system depends largely on the efficiency of its teachers. The quality of education imparted to children depends to a large extent on the quality of teachers in the schools and colleges. Buildings, equipment, curricula, books and teaching methods are no doubt important. But no other aspect of education is so vital and significant as the men and women who actually teach in the educational institutions. It is they who can make proper use of the buildings and equipment, who can give life and meaning to the curriculum, who can make the books interesting or dull, who can make teaching methods inspiring. Hence boosting their morale is significant. Hoy and Miskel (2008) noted that teacher morale can have a positive effect on pupil attitude and learning. Raising teacher level of morale is not only making teaching more

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pleasant for teachers, but also learning more pleasant for the students. It creates an environment conducive for learning."

When a healthy school environment exists and teacher morale is high, teachers feel good about each other and at the same time, feel a sense of accomplishment from their job (Hoy and Miskel 2008). The reverse will be the case when school environment is unhealthy and morale will be low and stress sets in. Kelehear (2004) states that "when stress occurs among all groups in a school community, morale, performance, and leadership ability can be negatively affected. When school function under high levels of stress, especially unmanaged stress, the school atmosphere becomes unhealthy and dysfunctional. If the stress levels of the leader in a school change, then the school culture and people are more open to criticism.

h) Ways of Boosting Teachers' Morale in Participation in Decision-Making

Probst (2005) recommends that administrators should redouble their efforts in the following areas to enhance the morale of teachers:

1. Open the lines of communication
2. Stay visible
3. Develop and clearly define a sound faculty reward system.
4. Thank everyone for every thing
5. Treat fairly new faculty members, and
6. Develop consistent procedures

Nakpodia (2011) gave an explanation of these areas in the following way:

Opening the lines of Communication: Each administrator needs to let the rank and file faculty members to know the issues facing the campus. It will be surprising that faculties often have a reasonable solution to many of the problems facing a campus if they are just given the opportunity to comment. Try soliciting inputs or feedbacks to your suggestions from the faculty.

Stay Visible: Look for opportunities to be seen on your campus as much as possible. This can enhance morale; especially if you cheerfully greet those faculty members you encounter and pause to chat with them as one human being to another.

Develop and Cleary define a Sound Faculty Reward System: Look for ways to develop a sound faculty pay schedule that is not overly influenced by market conditions at the expense of equality. Also look for non-traditional faculty rewards such as providing extra clerical support, grating travel or faculty development allowance.

Thank Everyone for Every good Work: Let your faculty members and others within the college know you appreciate the work the faculty is doing. Send personal thank you notes. Finally, during times of financial difficulty let the faculty know that you think they are productive and thank them for helping you identify ways to address budget concerns.

Treatment of New Faculty Members: Whenever you hire a new faculty member, always remember to pay as much attention to the new faculty members' colleagues as you do to the new faculty members.

Development Consistent Producers: Whenever you have a major budget or curriculum decision to be made sure to seek faculty input. Nothing will affect morale more than if the faculty hears that you are considering a change in evaluation processes, reducing faculty heath care benefits, or increasing the teaching load without consulting with them. While most faculty dread serving on committees, most want to provide accurate feedback when the issues hit close to home.

In the same vein, there are some other techniques used by organization such as the school to build morale. The following are some techniques suggested by Lawal (2011):

1. Utilization of suggestion scheme and open door policies.
2. Team building, that is, management of the group work as a team rather than as individuals lead to recognition of a common feature among groups, group cohesion and solidarity, hence high level of morale.
3. Adopting measures aimed at motivating subordinates.
4. Encouraging participation to boost morale of individuals.
5. Organizational development methods that aim to modify individual behaviour overtime.

Teacher Participation in Decision Making and Its Relationship to Job Satisfaction and Morale.

Educational administrators have, of late, been asked to change the way they operate. Noting the lack of follow through that frequently results from state mandates, policy makers have taken a different track. Like managers in the corporate world, educators are now being asked to flatten organizational structures, reduce central office directives and permit employees the opportunity to take ownership for institutional decision- making (Jones 2004).This initiatives, it has been argued, will tap the expertise of those employees most closely associated with the instructional process while making schools more responsive to institutional stockholders. Although intuitively appealing, the effort has thus far had mixed results. Reasons for this situation are as numerous as the number of different decision-making models now being used across the country.

Organizational theorists such, as Agyris, MCGregory, Herzberg, Likert and Ouchie have all suggested that participatory decision- making (PDM) would lead to more effective organizations and higher staff morale. The Human Relations School of Management of the 1930s -40s promulgated the notion

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that institutions might be more successful if managers would begin to consider the employee's individual and social needs. Abraham Maslows theory of motivation pointed to the human need for self-actualization. Allowing employees a voice in decision-making is perhaps the most logical method for allowing this to occur. In a similar vein, Chris Argyris saw bureaucracies as imposing restraints on individuals by refusing to treat them as mature actors capable of self-direction. Douglas Mc Gregory's Theory X and Theory Y focused on management's assumptions about employees. Managers who view subordinates as willing cooperative and responsible (Theory Y) treat them differently from managers who take the opposite view point (Theory X). Since Theory Y managers have different expectations, they structure the work environment to provide employees opportunities to take on more responsibilities. Participative decision-making would certainly allow this to happen.

Fredrick Hertzberg's motivation- hygiene theory went even further, positing that workers were not motivated by extrinsic factors such as salary, working conditions, and job security but by intrinsic factors such as achievement, recognition, and responsibility. Participative decision-making would contribute to any or all three of these (Hoy and Miskel 2008). According to the theory, gratification of hygiene leads only to minimal job satisfaction. Job satisfaction is more likely to come from autonomy, responsility, and the challenge of the job itself. In brief, motivators tend to provide job satisfaction. Miner (2004) observed that the factors of motivation are both conceptually and empirically related. When these elements are present in work, the individual's basic needs of personal growth and self-actualization will also result. The hygiene factors, when provided appropriately, can serve to remove dissatisfaction and improve performance up to a point. Still not all theories agree. Decision-making models by Victor Vroom (1973) and Tannnenbaum and Schmidt (1957), Hersey and Blanchard (1972), and Fiedler (1967) all imply a contingent style of management such that some situations call for subordinate participation while some do not. According to these models, managers should consider such factors as employee maturity, skill level, willingness to be involved, leader personality and the type of problem when using participative decision-making technique.

Since participative decision-making may not be appropriate in all situations, there need to apply contingency approach to participation in decision-making process (Okorie 2001). It was said that teachers neither expect nor want to be involved in every decision. Infact, too much involvement can be detrimental as too little (Hoy and Miskel, 2008). On the bases of the above, Bridges concept of "Zone of acceptance" is to be considered which means the extent to which subordinates are willing to comply with and implement directives, the range of actions at request of the leader. In order to determine these issues, Bridges provided two rules of the Thumb (test of relevance and test of expertise) and Owens (1981) suggested a third, test of Jurisdiction (Okorie, 2001).

i) Teachers Morale and Job Performance

Most successful organization values the input and involvement of their employees in decision making process because the very people who will be responsible for implementation of these decisions seem not only reasonable but also responsible as participation of this way that can produce positive results. Morale is an attitude of satisfaction, with a desire to continue in, and willingness to strive for the goals of a particular group and organization. As the definition of morale suggest, staff morale is a condition of a group will clear and fixed group goals which are considered to be important and integrated to the individual goal. In an organization like secondary schools which needs high teachers' morale, the group actions are integrated and co-operative (Ifeanyi, 2010) Efforts are directed towards a common purpose rather than what an individual desire. It is a feeling of belongingness to the system and identification with group goals.

Therefore, morale is the spirit and attitude of employees towards their work and as such it can be low or high. High morale in teachers exists when teachers have favourable attitude towards teaching and their peer group. Low morale also exist when teachers attitude are anti-pathetic to teaching (Osaigbovo, 2004). Employee engagement and performance has been as critical to the overall health and success of an organization as they are in current health. As companies struggle in a slow economy, the hard work and dedication of employees can make the difference. One of the greatest challenges business and education leaders face today is to maintain a workplace culture where employees are motivated, engaged and performed to their fullest potentials (Bardach, 2010). Employees not only want good pay and benefits, they also want to be valued and appreciate for their work, treated fairly, assigned roles and tasks that are important, have advancement opportunities and opportunities to be involved in decisions. Employee recognition may prove to contribute to high morale in work environment and this may in turn lubricate the wheel of productivity/performance.

Research carried out by Weaklien and Frenkel (2010) considers relationship between morale and workplace productivity in Australian workplace. It focuses on their questions; the shape of the relationship, whether the effects of morale are contingent on other factors and the paths by which any effect takes place. The results show that morale influences productivity in an approximately linear fashion. The effect of morale and productivity appears to

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be larger when management regard product quality as important and attempts to develop co-operate ethnic and culture. Morale is associated with greater work effort, but the relationship between work effort and productivity becomes stronger at high level of morale. Thus, part of the influence of morale on productivity is a matter of increasing the effectiveness of worker's efforts. In a school where consensual culture is practiced, such characteristics as decentralization of power, differentiation of activities exist and has internal focus on system maintenance (Igwe, 2000), transaction here are based on decision, participation and consensus. There are teamwork, high morale, trust, intimacy and egalitarism. Therefore, in such and environment, morale of teachers may be high which may lead to productivity/ performance and may also raise students on teacher's morale and performance in the school.

In a study on teacher's morale and performance in selected secondary schools, in Nigeria, embarked by Oyedeji (1995) revealed that the higher the morale of teachers the more they perform better on the job and the lesser their morale the less they perform on the job. Therefore, the author advocated that teacher's needs should be taken care of so that their morale could be high in order for them to perform well on the job. In effect, it was observed that in order to achieve higher productivity, employees (teachers) needs must be provided so as to boost their morale. In essence, high morale can be regarded as one of the factors required by an employee or teacher in order to put his or her maximum best to enhance productivity / performance.

j) Appraisal

In comparison, the literature on the influence of teachers' participatory decision making on job satisfaction and their morale is relatively underdeveloped. Although much debate surrounds the meaning of PDM, one of its most comprehensive definitions was proposed by Heller *et al*. (1998), who suggests that it is: "the totality of forms, i.e. direct (personal) or indirect (through representatives or institutions) and of intensities, i.e. ranging from minimal to comprehensive, by which individuals, groups, collectives secure their interests or contribute to the choice process through self-determined choices among possible actions during the decision process". From an organisational perspective, the primary motivation for implementing PDM programmes is to promote gains in productivity and PDM should be centred on issues which employees are knowledgeable about in order to ensure and accrue organisational benefits. Cognitive models of participation suggest that greater employee engagement is a viable organizational strategy as it enhances the flow and use of information. Underlying such rationale is the observation that employees are closer to their own work than are top management, and hence employees could have a relatively greater understanding of work-related problems given their potentially greater or more up-todate source of information. Moreover, if teachers are involved in designing solutions to work-related problems then they may gain an understanding of the implementation of such solutions.

Conversely, if schools discourage teachers from communicating their work-related issues and from suggesting potential solutions to such issues then they stand to lose out on innovative suggestions relating to work processes, programmes, and technologies that could enhance organisational efficiency and productivity. From the review of related literature, it was also revealed that participative decision-making means giving subordinates or teachers an opportunity to participate in various decisions which affect them directly or indirectly. It was based on this premise that several authors advanced it as the best because it boosts teacher's job satisfaction and morale.

IV. Method and Procedure

a) Research Design

The study employed correlational study to determine the relationship among levels of participation in decision-making, job satisfaction and morale of teachers in senior secondary school in Delta States of Nigeria. The study therefore, attempted to determine the influence of the independent variable (teachers' involvement in decision making process) on the dependent variables (job satisfaction and morale of teachers) in secondary schools in Delta States.

b) The Population

The population comprised all teachers in the public senior secondary schools in Delta States. There are 362 senior secondary schools with 5,300 teaching staff in Bayelsa and Delta States respectively as at April, 2011. The distribution of the secondary schools and teaching staff Delta States.

c) Sample and Sampling Technique

The study employed stratified random sampling technique to get the sample size. This involved sub-division or grouping of the entire population (the total number of public senior secondary schools in the state) into sub-sets. Thus, the researcher first categorized the secondary schools under each of the three senatorial districts (Delta North, Delta Central and Delta South) of Delta State. Secondly from each local government area within each senatorial district, simple random sampling technique was used to select 10% of the senior secondary schools. Finally, for each school selected, all teaching staff automatically became members of the sample for the study.

d) Research Instrument

The study employed a questionnaire method of data collection. The instrument titled Questionnaire on

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Levels of Participation in Decision making for Teachers of Secondary Schools (QLPDMPTSS) was designed by the researcher to elicit data on teachers' involvement in decision-making as well as the influence of teachers' participation in decision-making on their job satisfaction and morale. The questionnaire was divided into two sections .For each item in section B, the respondent was required to tick (√) the appropriate column that corresponds to his or her actual perceived degree of participation in decision making process.

Section A

This section contains the respondent's background information. It was designed to obtain bio-data of the respondents. It was made up of items relating to sex, experience, marital status, location of school etc.

Section B

To gather information on levels of participation of teachers in decision making, job satisfaction and morale, Section B contained 20 Likert type items and respondents were required to tick (√) where applicable from Strongly Agree - strongly Disagree(SD) under the following scoring scale:

Strongly Agree (SA)	=	4 points
Agree (AG)	=	3 points
Strongly Disagree (SD)	=	2 points
Disagree (D)	=	1 point

e) Validity of the Instrument

The content validity of the instrument was determined by expert opinion. The instrument was given to the thesis supervisors and other experts in the department of educational administration and policy studies, Delta State University, Abraka for the scrutiny of the items and their suggestions were incorporated to make the final instrument.

f) Reliability of the Instrument

To establish the reliability of the instrument, Cronbach Alpha reliability technique was used. It was employed to establish internal consistency of the test items. The instrument was administered on 30 teachers outside the study area. The computation yielded reliability coefficient of 0.87 which implied that 87% of the variance in the respondents' scores are caused by variation in the true scores while 13% of the variance was attributable to error scores. Therefore, the instrument was considered to have a high reliability coefficient for the study.

g) Administration of the Instrument

The administration of the Instrument was done by the researcher with the assistance of trained research assistants in Delta State. The researcher and the assistants personally administered and collected the questionnaire from the sampled schools in the states. This was to ensure high return rate of the instrument administered on the respondents.

h) Method of Data Analysis

Correlation analysis, frequencies and percentages were employed to answer the research questions while the null hypotheses of no significant relationship were analyzed using Pearson Product Moment Coefficient (r) and Multiple Regression statistical techniques at 0.05 significance level on the various hypotheses formulated and tested to guide the study.

V. Results and Discussion

Hypothesis I

There is no significant relationship between deprivation in decision-making and teacher's job satisfaction in senior secondary schools in Delta State.

Table 1: Pearson Product Moment Correlation Analysis of Deprivation in Decision-making and teacher's job satisfaction in Senior Secondary Schools in Delta State.

Variables	N	$\overline{X}$	SD	DF	r-cal	r-crit	Level of sign.	Decision
Deprivation level of Participation	976	19.52	4.56	974	0.198	0.062	0.05	Significant (Rejected)
Teacher's job satisfaction	976	15.29	3.23					

In table 1 the 'r' calculated value of 0.198 was greater than the critical value of 0.062. Hence, the null hypothesis was rejected. Since the computed correlation coefficient is greater than zero (r>0), it is an indication of positive linear relationship between decisional deprivation and teachers' job satisfaction and individuals' scores did not vary on both variables. This implies that there was a significant relationship between deprivation in decision-making and teacher's job satisfaction in senior secondary schools in Delta State.

Hypothesis 2

There is no significant relationship between deprivation in decision-making and teachers' morale in senior secondary schools in Delta State.

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Table 2: Pearson Product moment correlation Analysis of deprivation in Decision-making and Teachers' morale in Senior Secondary Schools in Delta State.

1	N	$\overline{X}$	SD	DF	r-cal	r-crit	Level of sign.	Decision
Deprivation level of Participation in decision making	976	19.57	4.56	974	0.204	0.062	0.05	Significant (Rejected)
Teacher's morale	976	15.28	3.51					

Table 2 shows that the 'r'-calculated value of 0.204 was greater than the 'r'-critical value of 0.062. Therefore, the null hypothesis was rejected. Since the computed correlation coefficient is greater than zero (r>0), it shows a positive linear relationship between the two variables and individuals' scores did not vary on both variables. This indicates that there was a significant relationship between the deprivation in decision-making and teacher's morale in secondary schools in Delta State.

Hypothesis 3

There is no significant relationship between equilibrium level of participation in decision-making and teacher's job satisfaction in Secondary Schools in Delta State.

Table 3: Pearson Product Moment Correlation Analysis of equilibrium in Decision-making and teacher's job satisfaction in Delta State.

Variables	N	$\overline{X}$	SD	DF	r-cal	r-crit	Level of sign.	Decision
Decisional Equilibrium	976	15.03	3.48	974	0.302	0.062	0.05	Significant (Rejected)
Teacher's job satisfaction	976	15.29	3.23					

Table 3 shows that the 'r'-calculated value of 0.302 was greater than the 'r'- critical value of 0.062. Hence, the null hypothesis was rejected. Since the calculated correlation coefficient is greater than zero (r>0), it is an indication of positive linear relationship between decisional equilibrium and teachers' job satisfaction individuals did not vary in their scores on both variables. This shows that there was significant relationship equilibrium in decision-making and teachers' job satisfaction in senior secondary schools in Delta State.

VI. Conclusion and Recommendations

The study investigated levels of participation in decision making as correlates of job satisfaction and morale of teachers in senior secondary schools in Bayelsa and Delta states of Nigeria. Three research questions were raised and three null hypotheses were formulated to guide the study. Research questions were answered using correlation analysis. The study was a correlational research that employed questionnaire in sampling the opinions of the respondents. Subsequently, a questionnaire titled "Questionnaire on levels of participation in Decision – making, Job satisfaction and morale of Teachers" (QLPDMJSMT) was constructed by the researcher. The self-made research instrument of modified Likert four scale type was administered on 976 respondents (teachers) and data collected from respondents (teachers) were analyzed and presented in chapter four.

a) Findings

The following findings were made in the study:

1. That deprivation in decision–making was significantly related to teachers' Job satisfaction in Senior Secondary school in Delta State.
2. That deprivation in decision–making was significantly related to teacher's morale in senior secondary school in Delta State
3. That equilibrium in decision–making was significantly related to teachers' job satisfaction in senior secondary schools in Delta State.
4. That equilibrium in decision making was significantly related to teachers' morale in senior secondary schools in Delta State.

b) Conclusion

Based on the findings, the following conclusions were made. Deprivation in decision–making was significantly related to teachers' job satisfaction. Also deprivation in decision making was positively related to teachers' morale in senior secondary schools in Delta State. Equilibrium in decision – making positively affect teacher's job satisfaction in senior secondary schools in Delta State.

c) Recommendations

The study was tailored towards understanding the relationship among the levels of participation in decision–making, teachers' job satisfaction and morale in senior secondary schools in Delta State. In consideration of the results from the study, the researcher has made the following recommendations in line with the conclusions of the study. That school

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principals should not apply autocratic style of leadership by involving teachers in fewer decisions than they preferred in their schools. However, principals should have the knowledge that an autocratic administrative decision is appropriate if the quality requirement for the decision is low and the matter is unimportant to subordinates.

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The Impact of Training on Improving the Quality of Hotel Services in the Five-Star Hotels A Case Study in the City of Amman, from the Perspective of Workers

By Dr. Mohammad Abdelkareem Al- Raggad

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Abstract- This study aims to evaluate the scientific principles underlying the training process, which takes place in five-star hotels where the training and qualifying of the administrative staff take place, along with the reflection of the quality of the training process regarding the quality of hotel services provided therein. The research also aims to clarify the concept of total quality management and the possibility of adopting it in the work of hotels. The study included training concept, its principles and elements, and the overall concept of quality and quality in training. As well as a field study of the reality of training in hotels through which data was collected and statistically analyzed and hypothesis were tested. The study gave the following recommendations: Paying attention to identifying training needs in a deliberate scientific approach, the preparation of training and educational programs about the quality and the total quality concepts, initiating practical procedures targeting the adoption of the quality management in hotels.

Keywords: training, five stars hotels, quality, total quality management.

GJMBR-A Classification: JEL Code: L89

THEIMPACTOFTRAININGONIMPROVINGTHEQUALITYOFHOTELSERVICESINTHEFIVESTARHOTELSACASESTUDYINTHECITYOFAMMANFROMTHEPERSPECTIVEOFWORKERS

Strictly as per the compliance and regulations of:

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I. Introduction

Training process is one of the most important measure for the development and success which classifies organizations, and this explains the financial budget which is set by smart organizations to the process of training, and for the success of the training process there should be a clear and precise concept for the training among the parties involved in the training process like the trainer, the trainee and training in charge because this has a bearing on the proper preparation and implementation of training programs, and to follow the modern methods in training process that meets the needs of human resources working in hotels and develop their knowledge and skills, and to adopt the total quality system in training in particular that can transform work in hotels into a total quality system which would raise the level of hotel services provided in the educational hotels.

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II. The Importance of Research

The importance of this research came from the importance of the studied sector which is the hotel sector, particularly the five-star hotels in which training is provided for the hotel personnel and they are prepared in all their positions as administrators and technicians. This does not mean that the training is limited to the students who are studying in the hospitality colleges, hotels and the like, training must continue in all phases of hotel work that is called continuing hospitality training. On the other hand, the training process should improve the quality of services provided to customers and therefore a quality system in the training process must be adopted, which is reflected in the performance of hotel services and its efficiency.

III. Research Objectives

Given the importance of the training process in the hotel sector, the research aims to:

- Clarify the concept of training and its elements in general, and the concept of quality and the entrance of Total Quality Management.
- Assessing the unison of the training process with the scientific principles of the training process.
- Evaluating the elements of the training process in hotels.
- Evaluating the quality of the training process and its impact on improving the quality of hotel services provided in hotels.
- Evaluating the transformations carried out by hotels for the adoption of the total quality management system into their work.
- To submit a proposal to apply the total quality management system in hotels.

IV. Research Issue

Previous academic studies in this area have demonstrated that the lack of training has significant negative consequences like the low quality of service provided and the decrease of cost-effectiveness of technology, in addition to the unnecessary expenses and the additional costs borne by the organizations.

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Through a pilot study of the reality of the training process which takes place in hotels subject to the study; Research issue can be formulated as follows: The low level of hotel services along with shows of dissatisfaction, negligence and disorder and lack of experience are results of neglecting the training process, and lack of interest in its scientific concepts when identifying the needs and design of the training process, its implementation and evaluation. There is also an absence of the concept of quality and non-application of the training quality that ensures the quality of the training process and the improvement of the quality of hotel services and improve hospitality care.

V. Research's Hypotheses

- There is no difference between the Scientific and applied concepts of the principles of training and its methods currently prevailing in hotels subject of this study and the scientific principles and concepts to be applied.
- The quality of hotel services currently provided have no difference with the quality of hotel services that should be applied by using the total quality management training.

VI. Research Methodology

To achieve the objectives of the research and testing of hypotheses we relied on the analytical descriptive approach by splitting the research into two parts: the first is theoretical shows the concept of training, its principles, its components, and the concept of quality through books and journals in Arabic foreign languages. The second part is practical; it includes a field study conducted in some Jordanian hotels being a model for educational hotels,, where the questionnaire prepared for the purposes of research was distributed of workers and administrators. 45 questionnaires were distributed and 41 of them were collected all of them were valid for the study, Descriptive statistics were used to calculate averages Answers of sample members, relating to the Research's Hypotheses. To test the hypothesis t test was used for one sample (one-sample t test), noting that the average used measure value is equal to (3.5), as the scale used in all the survey questions is the following scale:

Table 1: Study Scale

1	2	3	4	5	6
Totally disagree	Disagree	Somewhat disagree	Somewhat agree	Agree	Totally agree

VII. Previous Literature

a) Training

Administration scientists disagreed on the definition of training, but they agreed that as a concept it is a targeted, organized, continuous management process. (Gomez, Balkin, 2014).To illustrate the concept of training; the following are some of the most important definitions in academic studies of administration scholars: Training is a planned activity aim at the development of technical and behavioral skills capabilities of the personnel to enable them to conduct an effective and meaningfully performance that leads them to achieve their personal goals and the organization objectives in the highest possible efficiency (Mustafa, 2000). In another definition: the training is The effective way that enables an individual to exploit his / her capabilities and potentials, and it is a planned and continuous activity aims to bring about changes in the knowledge, expertise, methods, opinions, behaviors and attitudes of the individual and groups that makes them qualified to conduct their work in a systematic manner and high productivity that become the key factor in achieving the organizational targets for their employer (Ruth, Doug, 2004) .The training is to "provide individuals with certain skills that help them to correct deficiencies in their performance(Gomez, Balkin, 2014).

Through previous training definitions; it is clear to us that:

- Training is an organized, continuous and planned activity aims to raise the capacity and potentials of the individual.
- Training leads to the modification of the individual knowledge and expertise and a change in his / her behavior and orientation in order to improve their performance and the quality of their work.
- The training leads to provide the individual with new experiences and skills needed to improve his / her work on one hand and improving the organization's performance on the other hand, as a result of providing the organization with qualified individuals who are able to cope with the nature and conditions of the works to be performed, that what modern organizations seek, as to lift up their performance to ensure their entry into the quality record (Shawish, 2014).

Thus it can be said: That training is organized, continuous and based on scientific grounds activity that aims to strengthen the individual skills in various organizational levels and expand their knowledge and skills and guide their behavior towards the individual and the organization's objectives in the same time (Tom, Frances, 2007). Training in the hotels is considered to be the practical side of the study in this field, as it is organized and continuous activity that aims to train

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students and trainees of hospitality and nursing sectors, and to provide workers in hotels of various categories with the knowledge and skills necessary to provide high-quality hotel services.

The importance of training: training is considered to be the modern language for education, development and performance, it become a strategic choice to invest in the human resources system (Colombo, Stanca 2008). Training is the effective way to improve the work of the Organization and the quality of its production and services (Konings, Vanormelingen, 2010). Possession of modern technology does not stand as a measure of the success of the organization, in the field of hotel services we cannot measure the development by the expansion of therapeutic and hotel facilities, and by providing them with modern instruments and supplies only, but is complemented by human performance level of employees, that appears as a key outcome of training and continuing hospitality education outcomes through its effective programs(Colombo, Stanca 2008) .The increasing importance of training in the hotel business arises for many reasons, including: the constant expansion in hotel services, every day there is something new in terms of work and hotel disciplinary methods, permanent change in working conditions and frequent problems as Hotelier work is characterized by vigorous and high sensitivity. The proportion of the problems that happened to workers in this sector in their various categories and the type of work may rise, avoiding these problems lies in training and continuing hospitality education through which employees are trained on all that is new in the world of hotels (Gad, Syed,1996).

General principles of training: Administration scientists developed set of basic principles by which they can achieve the objectives of the training process and these principles we quote briefly below: (Shawish, 2014).

The Inevitability of training and its continuity: Training is a continuous function to meet the requirements of development and change, which is a basic need for any organization to develop its human resources; training "starts with the appointment and does not end until retirement.

Training is an integrated system: Training is not a random activity but is integrated with its inputs, systems and outputs from one hand and integrated with other human resource management activities, training can be illustrated as an integrated system in Figure (1):

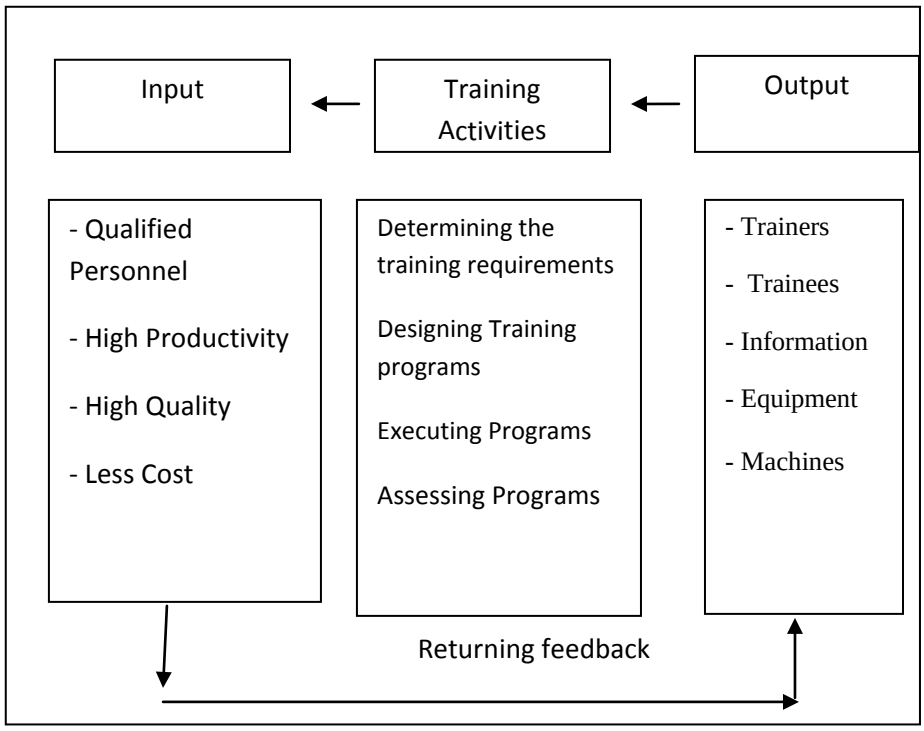

Figure 1

Source: Bohlander, G.W. & Snell S.A. (2004). Managing Human Resources. 13th Ed .Mason, Ohio. South –Western Publishing Co.

- Training is variable and renewed activity: Due to the renewed and changing individual attitudes and behavior, and the evolution of technology, a permanent readiness to modernize and develop the training and methods is a must.
- Training is administrative and technical activity: On the one hand training is considered as administrative activity where administrative work criteria are satisfied in regards to the clarity of policies, objectives, plans and programs. On the

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other hand, training is a technical activity that needs disciplines and scientific and practical expertise in the training field (Mustafa, 2000).

- Training is administrative and organizational elements: In terms of the progression in the training process, and linking training to the financial incentives, and taking into account the disparity between the trainees, and paying attention to the practical application, as well as the careful selection of trainees and the follow-up after completion of the training, and encourage them to participate, and finally connecting the training process to the real business needs.

The training process: When planning for the training operation, the planning process sequence has to be taken into account, where the training process passes through the following phases:(Armstrong, 1995).

Identifying training needs: Training trends

Training needs reflect the difference between the desired and attainable level of actual performance level of performance by the personnel. This means that the training need is the gap between the work requirements of knowledge and skills and those acquired by the employee. Training need appears as a result of changes in the individual on one hand, such as transfer, promotion, evaluating the performance, work-related injuries and new appointment. And the ones occur to the organization on the other hand, in terms of changing policies and objectives or the acquisition of new technology or the creation of new products and services (Mustafa, 2000). Therefore, training needs analysis should be done according to what suits the objectives and strategies of the specific organization. This move is considered the cornerstone of the training process planning because it helps to determine the training program contents, targets, training methods as well as to determine the appropriate time and place, and methods of training programs assessment. (Mustafa, 2000) The identification of training needs is based on a comprehensive analysis of the organization, the individual and the works, where these levels form an integrated approach for the identification of training needs. Therefore, when determining the training needs of the trainees categories in hotels we must take into consideration the evolution of hospitality occupations and the increase of precision in specialization in hotel services, and the renewal and development of equipment, and that the addition of a new human capital to the hotels require the establishment of continues training courses.

The design of training programs: The training program design process is the production of educational and training materials that make up the process of the training program in the light of the content of the training objectives that make up the reflection of the training requirement specified in advance. When designing the training program a scientific methodology based on the following steps must be adopted (Bohlander, & Snell 2004):

A. Identifying the training program objectives
B. Identifying the subjects of the training program
C. Identifying and preparing the training materials
D. Identifying training methods
E. Identifying training methods and requirements
F. Identifying time and place of training
G. Selecting trainers
H. Selecting trainees
I. Estimating training budget

Implementation of the training program: That represents a practical application of what has been previously done, as the implementation process is determined in the light of the data and the contents of the program itself and its objectives, which include the steps and procedures for educational training aim to develop the knowledge, skills and behavioral values and expand them in the trainee. implementation process is influenced by a range of factors, including (Colombo, Stanca, 2008):

- Timing: the date of the start of the program, its completion and the distribution of the time dedicated for training modules.
- Place and other requirements for training.
- Supervision by competent scientific specialists and by administrative apparatus capable of organizing and training and providing its staff with the necessary requirements.
- The trainer assuming his/ her role as a key factor in the success of the implementation process.

Thus, we see that this step is a practical application of what has been prepared for, and the success of the training program depends on proper and scientific implementation of the training work steps, through the transfer of training material information to the trainee thus achieving the very training program objective which is to bridge that gap in the trainees knowledge (Armstrong, 1995).

Training process evaluation: known as the evaluation process is those "procedures which are measured by the efficiency of the training programs and the extent of its success in achieving its goals, as it is used as a measure to assess the trainees competencies and the training's success in changing them, as well as the assessment of the trainers." Thus, the evaluation process aimed at (Konings, Vanormelingen, 2010):

- Knowing the strength points to develop them and the weaknesses points and to avoid them in the training program.
- Determine the extent of the trainees benefit from the training program.

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- Measurement of the efficiency of the training process elements of the trainer, trainee and the means and methods of training.
- Deciding the possibility of continuing the program or changing it.
- Improving training programs and developing them.

b) *Total quality of training and its impact on improving the quality of hotel services*

Quality in training is expressed in terms of trainee satisfaction scale. Which means access to prestigious level of training services to fulfill the aims of the trainees, their ambitions, their goals and to satisfy their actual needs for training (Hilal, 1996). The quality in training is the best guarantee for improving the quality of hotel services, Improving quality in the training process leads to the raising the training efficiency of the training management, leading to the kind of integration between what the trainee learns and what he/she actually needs in the development of his/her performance and the improvement of his/her capabilities, that increases the effectiveness of education and training (Al-Azzawi, 2005). Practically; training will improve performance and reduce errors, and to perform the work correctly from the first instance, this leads to lower costs, which is important in the field of hotel services, as the hotel labor costs increases in the event of a shortage of hotel (hospitality) experience, knowing that the quality of hotel services do not have specific parameters and can be influenced by many factors (Leavengood, Anderson, 2011). The success of efforts to improve the quality depends mainly on the human element, hence the importance of the role of the Training Department in adopting any change that would contribute to quality improvement and development, on the grounds that the training focuses mainly on the framework of the improvement and development of the capacities, skills and attitudes of the human element. Quality definition differed depending on the use and by whom it is expressed (Hilal, 1996). Through a review of studies and researches, which focused on this subject we can define quality as a pioneering step towards improving performance to achieve global standards by which the needs of customers in various categories can be met, and to satisfy these desires and to achieve the objectives of the organization whether in financial or moral gain(Hilal, 1996). The entrance to the Total Quality Management TQM is the best way to achieve these objectives, as the British organization for quality BQA definition stated that "total quality management is the administrative philosophy of the Establishment, by which it recognizes the achievement of both the consumer needs and the objectives of the project together (Isaksson, 2006). Total Quality Management is also known as "the philosophy and guidelines and principles that guide and lead the organization to achieve continuous improvement so it becomes an essential task for all members of the organization in order to achieve an added value to gain the satisfaction of its internal and external customers by offering what they expect or exceeds their expectations. The application of total quality management is not limited to the industrial activity but it extends to the services sector, particularly the hotel sector where this has become a prominent topic in the hospitality care research. Several definitions have been given for the total quality management in the field of hotel services as it is: "the care recipe which is expected to improve the levels of hotel services after taking into account the balance between gains and losses that accompany the process of care in all its parts. Thus, we can formulate a comprehensive definition of Total Quality Management in hotel services: It is that method through which highly effective hotel services are provided by using modern programs with the help of modern appliances, and based on global standards and criteria to achieve the best service at reasonable prices, thus achieving the full satisfaction and expectations of the guests. Attention to the quality of hotel services has increased as a result of the high costs of these services and as a result of the need for specialized hotel functions, and the increased demand for various types of modern hotel services, in addition to increasing awareness among the beneficiaries of these services and their interest in the element of quality (Isaksson, 2006). Total quality management help hotels in determining the appropriate standards for quality assurance, and the optimal utilization of the available possibilities, particularly five-star hotels, which is a mirror of civilized level reached by the state.

The adoption of Total quality management intro as a system in training:

The application of the total quality intro stems from one of the hotel sections and over time be spread to all sections, where the Total quality management encourages process of integration among the various sections to lift up the quality of hotel services, the quality of supporting services, and quality management system (Al-Azzawi , 2005) . Because training is one of the main activities in the hotels, which will offer training for workers in the hospitality field in various specializations, it is considered the nucleus for the application of total quality management approach and for the spread of quality culture in hotels, where this approach aims to complete the training process efficiently and effectively through reliance on system basic components (input - process - output): (Al-Azzawi, 2005)

- *Inputs:* They depend on the previous efficiency of identifying training requirement in the most effective methods, which assist in identifying deficiencies in performance(Flynn, Schroeder, Sakakibara, 1995).
- *Operations:* They use inputs in dealing with the training process components, namely: individuals

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working in the field of training, the subjects of training programs. And training methods and aids of the training process and the training environment, which play an important role in the utilization of the previous elements (Evans, 2011).

- *Output:* Represented in the result of the interaction between the inputs through conducting operations, arriving to the products and services that gain the satisfaction of the trainees and their goals and so these outputs represent the inputs of the system contributing again to the development of the training process, and so on.(Dean, Bowen, 1994)

VIII. Testing Hypotheses

a) The first general hypothesis

There is no difference between the Scientific and applied concepts of the principles of training and its methods currently prevailing in hotels subject of this study and the scientific principles and concepts to be applied.

Table 2: Testing first hypotheses

Differences	Sig (2-tailed)	df	t	Std. Error Mean	Std. Deviation	Mean
Significant	0.011	40	−2.425	0.18456	1.021	3.326

Source: The results of the field study

Is evident from Table 2 that the calculated t-test result (2-tailed) Sig less than the used significant level (0.05) This means that differences have significant indication, and thus rejects the premise of the general first futile hypotheses. And accept the first alternative hypothesis scientific concepts of the principles of training and methods currently prevailing in hotels under study and the scientific principles and concepts to be applied vary.

Table No. (3) the averages of the paragraphs of the questionnaire relating to the first hypothesis?

Table 3: Mean scores of the paragraphs of the questionnaire relating to the first hypothesis

Item No	Item	T Average	mid T	Sig −2) tailed	Differences
1	Training is an ongoing process for the various workers in hotels	2.32	7.23−	000.	Significant
2	Training as a temporary solution to an emergency	2.73	3.16−	003.	Significant
3	Training for regulatory and administrative purposes for progress in the training process	2.96	1.85−	0.008	Significant
4	training in hotels integrates with other human resources activities	3.76	1.098	0.296	Insignificant
5	Continuous innovation in training activities in hotels.	3.06	2.064−	047.	Significant
6	Updating training methods constantly in hotels	-2.690	2.94	011.	Significant
7	Training as administrative and technical activity	4.21	5.238	0.000	Significant
8	Link training with certain incentives	-4.022	2.66	0.000	Significant
9	Follow up the trainees after the training is completed in hotels	2.33	7.252−	0.000	Significant
10	Training technique followed in hotels achieves the training general purposes	3.06	3.053−	0.000	Significant
11	Training methods available in a variety of modern and hotels	3.00	2.708−	0.000	Significant
12	Hotels have the necessary possibilities for the use of modern training methods	-4.924	2.52	0.000	Significant

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13	The identification of training needs in hotels on scientific basis and to what achieve the training and hoteling objectives	2.97	2.834−	008.	Significant
14	Objectives of training in hotels are determined by the light of the actual needs of the trainees	1.923	3.42	003.	Significant
15	Most trainers are full-time workers in hotels	2.48	5.637−	0.000	Significant
16	Trainers are selected on the basis of scientific and practical knowledge in the field of training	4.21	3.051	0.000	Significant
17	Training content is determined on the basis of compatibility with the different abilities of the trainees	3.1	3.398−	0.000	Significant
18	Hotels take into account scientific rules for the implementation of the training program	3.06	2.156−	0.000	Significant
19	The training process to be assessed in all stages of training	2.75	−7.05	0.000	Significant

Source: The results of the field study

From the table we note the rise of the averages of item (4) and the difference was not significant, and therefore must work to activate the item through improved training integration in hotels with other human resources activities, as well as the average of items (7) and (16) had risen from the average used scale (3.5) and the differences were significant

b) The second general hypothesis

The quality of hotel services currently provided have no difference with the quality of hotel services that should be applied by using the total quality management training.

Table 4: Testing the second hypothesis

Mean	Std. Deviation	Std. Error Mean	t	df	Sig −2)tailed	Differences
2.89	0.88965	−0.15478	−5.179	40	0.000	Significant

Source: The results of the field study

Table No. (3) shows that the t-test calculated the value of Sig. (2-tailed) less than the significant level used (0.05), meaning that significant distinctions, and thus rejects the premise of the second futile hypothesis. And accept the second alternative hypothesis Which states the quality of hotel services currently provided are different from the quality of hotel services to be met by using Total quality management module in training.

Table No. (5) shows Mean scores the items of the questionnaire concerning the second hypothesis relative to those in charge of the training process:

Table 5: Mean scores the items of the questionnaire for the second hypothesis

Item Number	Item	Mean	T	Sig (2-tailed)	Differences
20	Hotels adopt plan to improve the quality of training and hotel services	3.869	−1.222	0.095	Insignificant
21	Training to effectively impact in improving the quality of hotel services in hotels	2.265	−4.526	0.000	Significant
22	Hotels adopt on modern methods of training	4.021	-2.324	0.260	Insignificant
23	Hotel management implements the use of TQM in the training and hotel services	−13.523	1.95	0.000	Significant
24	hotels have competencies needed to achieve a total quality in services	2.25	−6.32	0.000	Significant

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25	Hotels have the necessary equipment to provide quality training hotel services	2.95	-3.337	0.000	Significant
26	The hotels has convenient place to achieve the quality of hotel services	2.045	-4.249	0.000	Significant
27	personnel working in hotels cooperate to achieve the overall quality of services provided in the	3.78	−1.896	0.120	Insignificant
28	Training courses about the concepts of quality in hospitality services are conducted in hotels	2.12	-9.240	0.000	Significant

Source: The results of the field study

Seen from table No. (5) that the differences between the average items (20) and (27) were not significant, and this calls for hotels to prepare better for the development of training and hotel services plan, and to promote cooperation among their staff to achieve the required quality in their services. The average in item (22) rose from an average scale and were significant differences.

IX. Study Conclusion

From the aforementioned we reach the following:

- Some of the ones in charge of the training process do not take into account some scientific principles required for the process of training :
- Regarding continuity in training, it was found that most workers are not subject to training courses after joining the workforce.
- Failure to observe the renewal and development of training methods and activities
- Reliance on a specific style of training. practical application is considered the predominant method in hotels
- Lack of scientific conditions in the training facilities and its equipment, and lack of applying the rules of occupational safety.
- With regard to the identification of training needs, despite the awareness of the importance of this management principle, these items are not applied in scientific way
- The evaluation process for the trainees is incomplete as it is limited to post-test only after completion of the training
- The trainers have the necessary expertise in training, but hotels suffer from the problem of obtaining full time trainers as most of them are teachers at the university in addition to their private work
- Results of the study show that the quality of training reflect positively on the quality of hotel services provided in hotels, trainers and trainees stressed that the training has improved the quality of their services in hotels
- The hotels plan to develop their services need strengthening, improvement or adopting the best plan (such as the adoption of total quality entrance).
- Hotels don't adopt in their education, training and hotel services the Total quality management method, as well as not taking the required steps currently towards adopting this approach

The results of the study indicated the presence of a set of barriers is not conducive to the adoption of this approach, including:

- Lack of the necessary hospitality competencies
- Lack of modern scientific and hotel equipment
- Hotels location is not suitable in the city centre, where the noise and congestion impede providing adequate quality hotel services in a timely manner
- Lack of special training programs to spread the culture of quality and the overall quality of hospitality and training services in hotels.
- It was noted during the study the large number of trainees under the supervision of one trainer and this affects the quality of the training and hotel operation to be received by the trainees.

X. Recommendations

- Continuity in personnel training and the development of distant plans in this area
- Tying a career path with the training track.
- Work to establish a section to monitor the quality of training services in hotels, that would develop criteria and indicators for the application of total quality method to the hotel services, monitoring and measuring their results, and organizing special training seminars to spread the culture of quality.
- Paying attention to limit the training requirement in a scientific way, by relying on scientific methods to help identify these needs and which form the basis for the planning of the training process.

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- Provide all appropriate factors for the development of the training process and rectify the shortcomings that arise during the implementation of training programs.
- Linking the training process to motivational financial and moral factors.
- The development of training and educational programs that explain the concept of quality, and the dissemination of quality culture among workers at all administrative levels.
- Work to begin conducting the necessary shifts towards the adoption of total quality method in hotels for about a year specifically during training through the formation of quality circles, and restructuring as a matter of urgency required by the circumstances of the times and its changes.
- Adoption of Total quality management method in training as a nucleus through which the training and rehabilitation of personnel working in hotels is conducted, and by identifying the stages of the training process, which need improvement and the planning of each stage with the participation of all elements of the training process.

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Factors Affecting the Successful Growth and Survival of Small and Micro Enterprises (SMEs) in Zimmerman Ward, Nairobi County - Kenya

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Abstract- Small and micro- enterprises play an important role in developing a country even though they are not given adequate attention and have been biased towards larger and listed enterprises. This study investigates the factors affecting the successful growth and survival of small and micro- enterprises in Zimmerman ward, Nairobi County. The survey utilized a descriptive research design whereby descriptive statistics based on frequency tables and graphs provided information on demographic variables. Data was collected through questionnaire instrument. Convenience sampling technique was used because of the rationale that respondents were easily accessible. Statistical Package for Social Sciences 20.0 was used to analyze and present results. Techniques used included percentage analysis, samples and mean analysis. Inferential statistics (Pearson Product-Moment Correlation Coefficient) and multiple regressions were then applied to determine prediction level of the variables.

Keywords: *criterion variable, contingency theory, motivation, performance, competence.*

GJMBR-A Classification: *JEL Code: N80*

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Factors Affecting the Successful Growth and Survival of Small and Micro Enterprises (SMEs) in Zimmerman Ward, Nairobi County – Kenya

Daniel Njoya Ndungu

Abstract- Small and micro- enterprises play an important role in developing a country even though they are not given adequate attention and have been biased towards larger and listed enterprises. This study investigates the factors affecting the successful growth and survival of small and micro-enterprises in Zimmerman ward, Nairobi County. The survey utilized a descriptive research design whereby descriptive statistics based on frequency tables and graphs provided information on demographic variables. Data was collected through questionnaire instrument. Convenience sampling technique was used because of the rationale that respondents were easily accessible. Statistical Package for Social Sciences 20.0 was used to analyze and present results. Techniques used included percentage analysis, samples and mean analysis. Inferential statistics (Pearson Product-Moment Correlation Coefficient) and multiple regressions were then applied to determine prediction level of the variables.

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Chapter One

I. Introduction

a) Background to the Study

There is an increasing demand for Small and Micro Enterprises (SMEs) in most nations. Kenya notwithstanding is not immune to this norm. SMEs play an important role in developing a country even though they are not given adequate attention and have been biased towards larger and listed enterprises. Available data show that in 2003 SMEs in Kenya employed 3.2 million people and accounted for 18 percent of the national GDP. Currently, a number of issues are emerging posing serious challenges to the SMEs in Kenya. Understanding the problems and challenges are fundamental solutions to expand and strategize SMEs to future economic objectives of the country.

b) Statement of the Problem

Small and Micro enterprises operate in the same environment as their larger counterparts, but without the associated benefits like adequate capital and extended human resources of the larger organizations, Smit and Watkins (2012). This paper attempts therefore to look into the factors affecting the successful growth and survival of SMEs in Zimmerman Ward, Nairobi County- Kenya.

c) General Objective

The study investigated the factors affecting the successful growth and survival of Small and Micro enterprises (SMEs) in Zimmerman Ward, Nairobi County- Kenya in a human resource perspective.

i. Specific Objectives

In order to fulfill objectives, this research intended:

i. To determine whether appropriate human resource management affects the successful growth survival of small and micro enterprises (SMEs).
ii. To investigate whether Effective entrepreneurship affects the successful growth survival of small and micro enterprises (SMEs).
iii. To determine whether application of information technology affects the successful growth survival of small and micro enterprises (SMEs).

d) Hypotheses

To examine how each of the criterion variables influences the response variable, the following null hypotheses were tested:

H_1: There is a negative relationship between inappropriate human resource management (HRM) and performance.

H_2: There is a positive relationship between effective entrepreneurship and performance of SMEs.

H_3: There is a positive relationship between application of information technology (IT) and performance.

e) Significance of Study

According to Mead and Liedholm (1998), there are more SMEs closures than expansions, with approximately only 1% of micro enterprises growing from five or less employees to ten or more. Therefore upgrading the roles of SMEs sector would improve economic growth through increasing competitiveness, generating employment and redistributing income.

f) Scope of the Study

The study covers various factors affecting successful operations of SMEs in Kenya. The aim of this research is to investigate factors affecting successful

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growth and survival of small and micro enterprises in Zimmerman ward, Nairobi County – Kenya. The contingency theory coined and developed Fiedler (1964) was used as the theoretical framework. The conceptual framework covered in empirical review tests whether the most appropriate structure for a business or organization is the one that best fits a given operating contingency, e.g. technology.

g) Limitation of study

The study had several limitations. This research was primarily limited by its small sample size. The sample could have been expanded by including the rest of the wards in Nairobi County in data collection and analysis. An earlier start in data collection would have increased the time needed to survey more participants. There was also suspicion from employees to provide information in case of victimization. However, the study strived to fully explain the intention of the study and assured confidentiality.

h) Organization of the study

The first chapter projects importance of the research and provides aspects like basic back ground information, statement of the problem, significance of the study , research objectives and hypothesis, scope and limitations of the study among others. Chapter two is the Literature review which provides the contingency theory used and how it helps construct the conceptual framework in the empirical review. Chapter three is the methodology and provides target population, sample size, research design, data collection and analysis methods. Finally chapter four is research findings which provide descriptive statistics and inferential statistics.

Chapter Two

II. Literature Review

a) Introduction

This chapter will review literature related to the research. This will include analysis of contingency theory by Fiedler (1964) who postulates that the most appropriate structure for an organization is the one that best fits a given contingency or environment. This section also presents the conceptual framework and summary of literature and research gap.

b) Theoretical Review

Numerous studies have been conducted to investigate the process of harmonization of organizational structures and environmental conditions versus modifying the relationship between organizational sizes and structure. Notwithstanding, the contingency perspective emphasizes the fit between business strategy and HRM policies and strategies and hence create the process of business strategies being followed by HRM policies in determining business performance.

i. *Contingency Theory*

Most significantly, Donaldson (2001) posits that the key element of structural contingency theory is that organizational performance results from a fit between characteristics of structural organization and environment i.e. contingency factors. Fiedler (1964) similarly argued that there is no "best way" for organizational structure. It is common to distinguish between an organization's general environment and the task environment. He additionally describes the task environment as everything that bears on the immediate achievement of the organizational goals e.g. state – of – the – art technology, leadership, market structures, human resource management, sales networks and source of finance. Sorge (2002) reiterates that to investigate the whole environment would be time consuming and expensive since it is too broad and complex. He urges that well -argued selections should hence be made about which criteria to focus on.

c) Empirical Review

According to Economic survey (2006), SMEs sector contributed over 50 percent of new jobs created in Kenya in the year 2005. Nonetheless, past statistics indicate that three out of five businesses fail within the first few months of operation; Kenya Bureau of Statistics (2007). Notwithstanding, challenges posed by increased liberalization, new entrants to the market, increased standards requirements and technological developments require SMEs to raise efficiency levels, strengthen inter- firm linkages and respond timely to market changes; Wanjau, et al. (2012)

i. *Appropriate Human Resource Management*

Duberley and Walley (1995) propose that small firms make extensive use of job- tryouts, which are inexpensive and very well suited to evaluate the actual fit of a person with the (implicit) demands of the job. The personal atmosphere of small firms is reflected in the high use of informal procedures like job posting and bidding. In the same way, Huiban and Bouhsina (1998) suggest that HRM aims at attracting, developing and retaining human resources and for many small firms, human resources are the core of their competitive advantage. From the review of literature, the following hypotheses emerge;

$H_{1:}$ There is a negative relationship between inappropriate human resource management (HRM) and performance.

ii. *Effective Entrepreneurship*

Adams and Neeley (2002) argue that many SMEs owners or managers lack managerial training and experience. They develop their own approach through the process of trial and error. The authors therefore claim that the management style is likely to be more intuitive than analytical. The managers or owners are consequently more concerned with the day to day – to –

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day operations than long term issues. The approach is hence more opportunistic than strategic in its concept. From the review of literature, the following hypotheses emerge;

H_2. There is a positive relationship between effective entrepreneurship and performance of SMEs.

iii. *Application of Information technology*

Introduction to information systems (IS) provide opportunities to SMEs for obtaining added value through exploitation of information resource. Levy and Powell (2001) state that SMEs align there IS strategy to the strategic context defined by the level of customer dominance, to capture both cost advantages and values added benefits. Likewise, it also adds strategic competitive advantage. From the Literature, the following hypothesis is tested;

H_3. There is a positive relationship between application of information technology (IT) and performance.

d) Growth of SMEs

Huselid and Becker (1996) suggested that the examination of alternative dependent variables should provide important confirmatory information on the association between HR practices and firm performance. It is very likely that various HR practices affect different measures of performance differently. In this research, we use development of HRM strategy as an indicator of growth of SMEs. The theoretical literature implies that HRM practices increases productivity by increasing employees' skills and motivation. Consequently, HRM practices contribute to business objectives through strategic innovation and also in technical competence. HRM strategy consists of training or development of employees' decision making involvement, support of personal initiative and goal communication.

Owner's and employees' human capital serve as the moderator of the relationship between HRM and success brought about by reasons; HRM serves as a tool to increase the firm specific skills that are not available in the labor market. On the other hand, better educated and qualified employees should be able to increase the firm's specific skills and knowledge faster than less educated and qualified employees.

Human capital theory proposes that employees make rational choices regarding investments in their own human capital. The theory postulates that individuals make rational choices whether or not they want to invest more of their time, effort and money in education, training and experience.

e) Summary of Literature and Research Gap

The contingency perspective argues that the relationship between the independent and the dependent variables differs when the contingency variable is added, and most studies are concerned with the meaning of internal and external fit and with how to achieve them, such as fitness of HR practices and various organizational and environmental factors, Fiedler (1964). This study will be conducted at individual level rather than organizational level in view of SMEs in Zimmerman ward in Nairobi County. As with many developing countries, there is limited research and scholarly studies about the SMEs sector in Kenya. The major practitioner knowledge gap will address the factors that influence performance of SMEs and relationships between the variables.

f) Conceptual framework

Figure 2.1 shows relationships between the various key independent variables and the criterion variable and the outcome as discussed in the literature review.

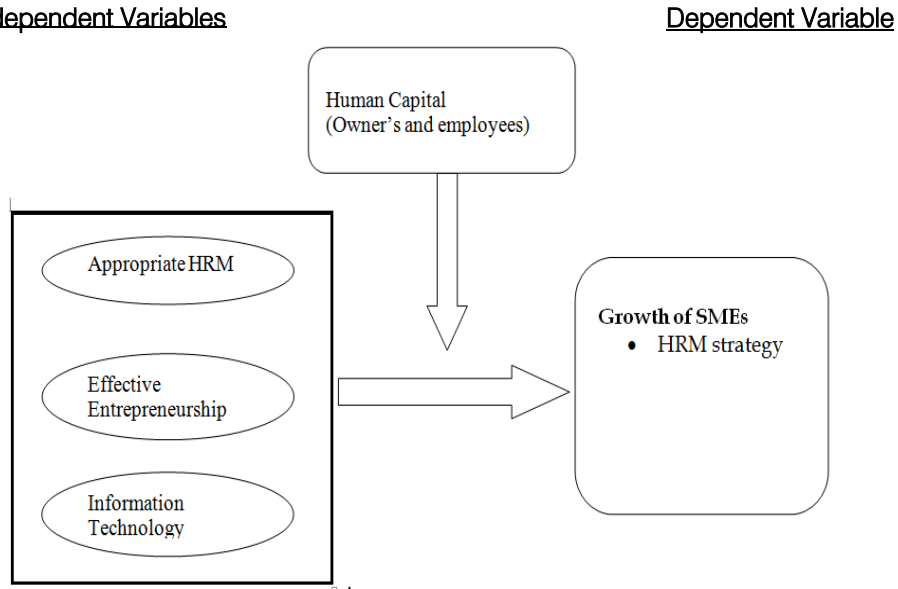

Figure 2.1: Conceptual Framework

Source: Survey (2014)

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The conceptual framework of the study was constructed from reviewed literature and relevant research hypotheses. The frame work shows that a relationship exists between the independent variables (Appropriate HRM, Effective Entrepreneurship and Information Technology) and dependent variable (Growth of SMEs) which is instigated by HRM strategy and moderated by owner's and employees' human capital.

Chapter Three

III. Research Methodology

a) Introduction

This chapter describes the research design explored, the research methodology and sampling design of the study. Specifically, it details sample selection and the procedure followed when gathering data. The chapter concludes with instrumentation, data collection and analysis.

b) Research Design

A descriptive research design was used for this study. A survey was administered to a selected sample from a specific population. Robson (1993) suggests that the term 'survey' is commonly applied to a research methodology designed to collect data from a specific population, or a sample from that population, and typically utilizes a questionnaire or an interview as the survey instrument. The researcher chose a descriptive research methodology and designed a questionnaire survey instrument to assess the factors affecting the successful growth and survival of small and micro enterprises in Zimmerman ward, Nairobi County- Kenya.

c) Target Population of the Study

Target population is the group or the individuals to whom the survey applies. The target population should be represented as a finite list of all its members, Kitchenham and Pfleeger (2002). In research methodology, 'population' does not refer to the population of a country, but rather to the objects, subjects, phenomena, cases, events or activities specified for the purpose of sampling; Robson (1993).

The study targeted managers/owners of small and micro service enterprises (SMEs). The study used a large sample (N= 33) so that the sampling distribution of mean approximate to a normal distribution. This spanned across such SMEs as Cyber Cafes, Hair Salon and hair Cut, Vending shops, clothing shops, car wash, butcheries, Mpesa shops, Video and CD lending/selling shops, Electric shops, Tire repair shops, hard wares, cobblers and shoe shiners, among others.

Table 3.1: SMEs in Zimmerman Ward, Nairobi County

.Sub – Sector	SMEs	SMEs Sample Size (N)
Textile	Clothing Shops	1
	Vending shops	5
	Video and CD lending/selling shops	1
	Hard wares	2
Trade	Butcheries	3
	Chicken shops	1
	Chemists	2
	Vegetable and ready food stalls	3
Technical	Electric shops	3
	Cyber cafes	2
	Hair Salons and Hair cut shops	2
Services	Car wash	1
	Tire Repair	2
	Cobbler and shoe shiner	2
Totals		30

Source: Survey (2014)

d) Sampling Technique

For the survey, a non probability sampling design in the form of convenience sampling technique was used to record responses. This was considered appropriate to gather data because of the rationale that respondents were easily accessible, their availability as well as being less time consuming and inexpensive to gather research information. Welman and Kruger (2001) argue that the advantage of non- probability samples is that they are less complicated and more economical than probability samples. The authors reiterate that convenience sampling involves collecting information of members of the population that are near and readily available for research purposes and is usually done for pilot survey. Besides that, it is not representative of the population and therefore the results are not generalized to other entities and consequently, the external validity of the study was compromised.

e) Data Collection Methods and Research Procedures

For the survey, a cross-sectional survey design using a quantitative method was conducted to determine the relationship between independent indicators (effective entrepreneurship, appropriate HRM and application of information technology) and criterion

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variable (performance of SMEs). The data collection methods involved included: primary data which was basically from the questionnaire in the form of interviews and the secondary data was from journals, annual reports, conferences, internet, books, magazines, etc. Respondents were the business owners or those involved in the start-up and day to day running of these enterprises.

f) Data Analysis Methods

The data was gathered, analyzed and presented using descriptive statistics. Descriptive statistics based on frequency tables and graphs were used to provide information on demographic variables. Statistical Package for Social Sciences (SPSS) version 20.0 was used for the purpose of analyzing and presenting of results. Techniques used included percentage analysis, samples and mean analysis. Inferential statistics (Pearson Product-Moment Correlation Coefficient) and multiple regressions were then applied to determine prediction level of the variables.

Chapter Four

IV. Research Findings

a) Introduction

This chapter describes the empirical analysis of the data collected. The analysis among other things details the demographic characteristics of the respondents, descriptive statistics, and Inferential Statistics (Pearson Product Moment Correlation). Standardized multiple regressions were then employed to the analyzed data to determine whether the group of factors proposed together predict the factors affecting successful growth and survival of SMEs in Zimmerman ward, Nairobi County.

b) Analysis of the Response Rate and Descriptive statistics

A total of 33 questionnaires were returned out of the 40 questionnaires distributed to respondents which made the response rate 82.5%, an acceptable figure to make the study rigorous and generalizable. Demographic data was collected from seven questions relating to the managers characteristics and his or her role in the business. This is presented in table 4.1.The results indicate that majority of the sample (n=17) or 51.5% were males while the remaining (n=16) or 48.5% were females. This shows roughly that there is an equal distribution of business owners/managers for both genders in Zimmerman ward, Nairobi County.

The major portion of the respondents 14(42.4%) was in the range of 21-30 years, 12(36.4%) of the respondents were in the range of 31-40 years, while 4(12.1%) in the range 41-50 years. 2(6.1%) were in the range 51 years and above whilst the lowest frequency was 20 years and below with 1(3%). Considering that the major portion of the respondents falls in the range of 21- 30 years, it can be deduced that most owners/managers of SMEs are young and inexperienced with businesses startups based on trial and error. The SMEs tends to lose managers/owners at the age of 51 years or above. This can be adduced from the competitive nature of SMEs which needs vibrant, young and energetic managers who can easily change with hostile business environment.

Table 4.1: Demographic Data.

Measures	Items	Frequency	%
Gender	Male	17	51.5%
	Female	16	48.5%
Total		33	100.0%
Age	< 20 years	1	3%
	21-30 years	14	42.4%
	31-40 years	12	36.4%
	41- 50 years	4	12.1%
	51 years and above	2	6.1%
Total		33	100.0
Highest Level of Education	O' Level	12	36.4%
	Certificate	9	27.3%
	Diploma	6	18.2%

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	Other	6	18.2%
Total		33	100.0%
Kind of Business	Textile	3	9.1%
	Trade	16	48.5%
	Services	14	42.4%
Total		33	100.0%
Age of Business	Less than 1 year	3	9.1%
	1 year- 5 years	17	51.5%
	6 years- 10 years	10	30.3%
	11 years- 15 years	2	6.1%
	21 years or longer	1	3%
Total		33	100.0%
Previous Employment	Yes	25	75.8%
	No	8	24.2%
Total		33	100.0%
Business Ownership	Sole Ownership	25	75.8%
	Joint Ownership	4	12.1%
	Family Business	4	12.1%
Total		33	100.0%

Source: Survey (2014)

From the results, it can be empirically observed that the majority of the respondents had the highest level of education as O' Level with 12(36.4%) closely followed by Certificate holders with 9(27.3%). Diploma holders tied with "other" (which represented primary school leavers) at the bottom with 6(18.2%). This shows that most SMEs are owned or managed by O' level and Certificate graduates in Zimmerman ward, Nairobi County.

As for the kind of business, majority of the respondents operated in trade sector with 16(48.5%) followed by the service industry with 14(42.4%). Textile industry had the least number of respondents; 14(42.2%). Trading activities seem from analysis to be the favored form of SMEs maybe because of the ease of starting and the need of simple management skills to take off.

Considering the Length of time business has been in operation, it can be inferred that the majority of SMEs businesses were between 1 year – 5 years with 17(51.5%). This is followed by businesses in the age bracket 6 years- 10 years old with 10 (30.3%). In the same way, less than 1 year old businesses follow with 3(9.1%) while 11 years – 15 years old business come second to last with 2(6.1%). At the bottom, businesses with 21 years or longer in age hold 1(3%). Interestingly, not a single business was 16 years – 20 years old. This can be due to change of business or quitting the business altogether.

As for managerial or job experience, 25(75.8%) had previous employment and the rest; 8(24.2%) had no previous experience. It can therefore be inferred that the majority of the managers or owners of these SMEs have experience which play a major part of running and survival of these enterprises.

Sole proprietorship played the bulk of business ownership of the SMEs with 25(75.8%) with joint ownership and family business enterprises tying at the bottom with 4(12.1%). It can therefore be inferred that majority of the owner/managers in the survey were driven to set-up their business by financial motives, the desire to be independent and job satisfied.

Descriptive statistics were used in determining the central tendency of the data and trend of variables involved in Contingency theory.

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Table 4.2: Descriptive Statistics.

Descriptive Statistics			
	N	Mean	Std. Deviation
Appropriate HRM	33	19.5455	8.77173
Effective Entrepreneurship	33	27.1515	5.32166
Information Technology (IT)	33	17.5152	8.87455

Source: Survey (2014)

Descriptive statistics inform of standard deviation and arithmetic mean for independent variables were computed which showed that the means for the use of; appropriate HRM, effective entrepreneurship and Information Technology (IT) ranged from a low of 17.5152 to a high of 27.1515. It can therefore be inferred from the data that use of effective entrepreneurship is the basic line of defense for the survival of SMEs with a mean of 27.1515. This is mainly because of previous experience from a different or family business.

There is average use of HRM practices portrayed by a mean of 19.5455 due to the low number of employees in these businesses (Mostly less than 10). Information Technology has not yet penetrated on this sector and seems as irrelevant at this point since most respondents seemed oblivious of the need of items such as computers which held no immediate bearing to the business and its profitability. These businesses are small and skirt on simple management skills. Use of IT had the lowest mean of 17.5152.

c) *Inferential Statistics*

In this subsection, results of inferential statistical techniques used in the research are presented. Pearson Product Correlation Coefficient was computed to obtain relationships. Consequently, standard multiple regressions was used to determine whether the independent variables predicted the factors posed as challenges to successful growth of SMEs in Zimmerman ward, Nairobi County.

i. *Correlation*

Pearson product Moment Correlation Coefficient was computed for determining the direction of the relationship between the independent variables; appropriate use of HRM practices, use of effective entrepreneurship and Information Technology (IT).

Table 4.3: Dimension Correlations with Independent Variables.

	1	2	3	4
HRM strategy				
Use of Appropriate HRM	-0.422**			
Use of Effective Entrepreneurship	0.472**	0.337**		
Use of Information Technology (IT)	0.562**	0.365**	-0.147**	1

*** Correlation is significant at the 0.01 level (2-tailed).*
Source of data: Survey (2014)

The above data illustrates that there is a small and negative correlation between Use of appropriate HRM and the development of HRM strategy with an r= -0.422. Squaring the "r" indicates 17.80 per cent shared variance between the two variables. Use of effective entrepreneurship helps to explain nearly 22.2784 percent of the variance in respondents' challenges in the development of HR strategy in the SMEs.

The data also shows that there is a strong correlation between the use of information technology and use of appropriate HRM with an r=0.337 and thereby explaining 11.3569% of shared variance. In addition, the table also shows a strong positive correlation between Use of IT and use of appropriate HRM with an r=0.365 explaining 13.3225% of shared variance between the two variables.

ii. *Standard Multiple Regressions*

In this regression, all the independent (or predictor) variables are entered into the equation simultaneously. Each independent variable is evaluated in terms of its predictive power, over and above that offered by all the other independent variables. This approach also told us how much unique variance in the dependent variable each of the independent variables explained.

Using Tubachnick and Fidell's (2001) table, one can determine how long independent variables will be included in the multiple regression analysis. In our study, since we have three independent variables, the critical value then becomes 16.27. Looking at the model summary box, (in SPSS Output) and checking for R square i.e. 0.6474 which is expressed as a percentage to be 41.9126% meaning that 41.9126% of the variance in Human resource strategy is explained by the model. This means that the model has a moderately good fit.

Looking at data under standardized coefficients, IT application has the largest beta coefficient of 0.575. This means that this variable makes

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the strongest unique contribution to explaining the dependent variable. HRM practices have a lower value which indicates less contribution to the model. Entrepreneurship makes the lowest contribution to the model with 0.404. This is statistically significant contribution as indicated by sig. F change value for this line (.000). The ANOVA table that the model as a whole; including all blocks of variables is significant F (4,419), $p<.0005$. The beta values obtained in this analysis can also be used for other more practical purposes than the theoretical model testing. The standardized beta values indicate the number of standard deviations that scores in the dependent variable would change if there was one standard deviation unit change in the predictor. The beta values represented the unique contribution of each variable when the overlapping effects of all other variables are statistically removed.

Chapter Five

V. Summary, Conclusion and Recommendation

a) *Introduction*

This chapter will discuss the results obtained in chapter four in greater detail and also the Summary of the study. The section will conclude with recommendations.

b) *Summary*

This research study had one major objective, to investigate the factors affecting the successful growth and survival of small and micro enterprises (SMEs) in Zimmerman ward, Nairobi County- Kenya, in a human resource perspective. The researcher chose a descriptive research methodology and designed a questionnaire survey instrument to assess factors affecting the successful growth and survival of SMEs. The study targeted managers/ owners of small and micro service enterprises, and used a large sample (N = 33) so that the sampling distribution of mean approximates to a normal distribution.

A non probability sampling design in the form of convenience sampling technique was used to record responses. This was considered appropriate to gather data because of the rationale that respondents were easily accessible. A cross-sectional survey design using a quantitative method was conducted to determine the relationship between independent indicators. Descriptive statistics, inferential statistics (Pearson Product Moment Correlation) and standard multiple regressions were then employed to the analyzed data. The data collected was coded, cleaned and themes were then developed. This was analyzed using Statistical Package for Social sciences (SPSS) version 20.0. Three major approaches of data analysis were then employed descriptive statistics, Person's Product Moment Correlation Coefficient and standardized multiple regressions.

c) *Conclusions*

The study indicated that males participated more than females and the major portion of respondents were aged 21-30 years. It also pointed out that most managers/owners of SMEs are young and inexperienced with business startups based on trial and error. Majority of the respondents in the research had "O" level as the highest level of education attained. Majority of the respondents also operated in trade sector just more than the service sector. Majority of the businesses, when considering length of time in operation were between one year and five years. Sole proprietorship played the bulk of business ownership of the SMEs and also the managers/owners have experience which plays a major part of running and survival of the enterprise. From comparisons of means, it can be inferred from the data that the use of effective entrepreneurship was the strongest defense for survival of SMEs. There is an average use of HRM practices due to low number of employees of these businesses.

From correlation, use of effective entrepreneurship helps to explain nearly twenty- two percent of the variance in respondents' challenges in developing a HR strategy and hence firm's growth. The regression model had an R of 0.6474 which meant 41.9126% of the variance in HR strategy is explained by the model. IT had the highest beta coefficient and made the strongest unique contribution to explaining the dependent variable.

d) *Recommendations*

Use of effective entrepreneurship is the most important factor in SMEs growth. If taken an advantage of, it can create a synergetic effect with other factors to lead to sustainable growth of the said SMEs. Use of IT applications should also boost the success of these firms if well executed.

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Assessment of Skills Possessed by Secretaries for Effective Electronic Records Management in Polytechnics in North-Central, Nigeria

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Abstract- The study was aimed at assessing skills possessed by secretaries for effective electronic records management in polytechnics in North-Central, Nigeria. Three research questions guided the study. Two null hypotheses were tested at 0.05 level of significance. The population of the study comprised 366 secretaries in ten polytechnics in North- Central, Nigeria. forty one questionnaire items were developed and validated by two experts.Cronbach Alpha coefficient measure of internal consistency was use to test the reliability value of the instrument. The results of the reliability test were as follows, 0.97, 054, and 0.94.The results of the reliability test yielded a value of 0.82 for the entire items. The Mean and standard deviation were used to answer the three research questions. The z- test and ANOVA were used to test the hypotheses at 0.05 level of significance.

Keywords: electronic records, records creation, records retention, records disposition.

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ASSESSMENTOFSKILLSPOSSESSEDBYSECRETARIESFOREFFECTIVEELECTRONICRECORDSMANAGEMENTINPOLYTECHNICSINNORTHCENTRALNIGERIA

Strictly as per the compliance and regulations of:

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Assessment of Skills Possessed by Secretaries for Effective Electronic Records Management in Polytechnics in North-Central, Nigeria

Okolocha, C. C. [α] & Baba, E.I. [σ]

Abstract- The study was aimed at assessing skills possessed by secretaries for effective electronic records management in polytechnics in North-Central, Nigeria. Three research questions guided the study. Two null hypotheses were tested at 0.05 level of significance. The population of the study comprised 366 secretaries in ten polytechnics in North-Central, Nigeria. forty one questionnaire items were developed and validated by two experts. Cronbach Alpha coefficient measure of internal consistency was use to test the reliability value of the instrument. The results of the reliability test were as follows, 0.97, 054, and 0.94.The results of the reliability test yielded a value of 0.82 for the entire items. The Mean and standard deviation were used to answer the three research questions. The z- test and ANOVA were used to test the hypotheses at 0.05 level of significance. The findings revealed that out of the three electronic records management skill areas assessed, two were moderately possessed by secretaries while the secretaries possessed lowly in electronic records disposition skills. This implies that secretaries in polytechnics in North-Central, Nigeria do not optimally possess skills for electronic record management. The findings further show that there was a significant difference in the mean ratings of secretaries in federal and state owned polytechnics regarding the level to which they possess skills for effective electronic records management. Also, there was a significant difference in the mean ratings of secretaries with OND/NCE, HND/Bachelor degree, and Higher degree qualifications in polytechnics regarding the level to which they possess skills for effective electronic records management. Based on the findings, it was recommended among others that Secretaries in polytechnics in North-Central, Nigeria should immediately be retrained by employers, through in-service training, workshops, seminars, and conferences. These training programmes should incorporate the skills for effective electronic records management, especially electronic records disposition skills for effective records management.

Keywords: electronic records, records creation, records retention, records disposition.

I. Introduction

Office systems have moved from typewriters, handwriting and manual operational procedures to full automation of most offices where such terms as word processing, data processing, reprographics and micro-graphic are used to describe many technological processes. Supporting this, Okolo (2007) revealed that the improvement in technologies has turned heap of files that are consulted very often to retrieve information into computers, fax machines, internet/intranet where papers speak no volumes anymore. Office automation and technology allow office functions like typing, filing, storing, and retrieving to be automated. It can be said that the contemporary business circle is computerized and secretaries therefore seriously need the knowledge of the computer and other information technology skills to enable them perform more effectively in an automated office.

The relevance of records in an organization cannot be overemphasized. Records are the memory of an organization. They are the assets of an organization that are created, processed, transmitted, used, stored, retrieved, retained, and eventually destroyed. Records, according to International Council on Archives (ICA) (2008), is a written or oral evidence that information has been collected and kept for use. The most common records (such as forms, correspondence, reports and books) are written, printed or typed on paper. Oral records capture the human voice on tape, and are stored on cassettes or on other magnetic media.

An electronic record is any information that is recorded in machine readable form. Computers generate large volumes of paper records that can be managed using the electronic records management system. However, organizations are increasingly choosing to not only create records electronically, but also to store, retrieve and use them in computerized form for long periods. Electronic records unlock the contents previously difficult to access in paper form, enable more effective sharing of information and contribute to knowledge network flow. The importance of records management is highlighted by the need for evidential proof of activities in account or dispute. Organizations and individuals thus cannot afford to downplay the art of proper records management systems.

A secretary has been conceptualized differently by different authors. Anderson in Oguejio for and Nwogu (2014) saw a secretary as one who can think for you, act for you, anticipate your whims, and increase your output phenomenally. The Professional Secretaries

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International (PSI) in Akinleye (2012) defined a secretary as an executive assistant who has mastery of office skills, demonstrates the ability to assume responsibility without direct supervision, exercises initiative and judgment and makes decisions within the scope of assigned authority. From the foregoing, a secretary could be defined as an officer, who is in charge of records, correspondence, minutes of meetings, and related affairs of an organization. A secretary assists his boss and equally acts for the boss when directed. The secretary must accurately think and act fast especially in an automated office. This has informed the need for an assessment of the secretary's skills in electronic records management.

Assessment is a broad term that includes all of the various methods to determine the extent of an individual's achievement. Assessment refers to the methods used to determine skill gap of an employee within an organization (Singh & Goodman, 2006). Assessment is essential because it gives the employee a sense of what is necessary to perform at a higher level, and specifically what skills are necessary to develop for success. To improve on the skills of secretaries therefore, there is the need to assess or measure their existing skills against the estimated skills in order to close the gap which exists as a result of lack of the required skills among the secretaries in organizations since secretaries play pivotal role in the achievement of organizational goals.

This implies that both male and female secretaries work in federal and state tertiary institutions. According to Nakpodia, (2011), any institution, primary; secondary or tertiary; large or small; rural or urban; government or state owned and privately sponsored; gather data to expedite action and to furnish information about students or former students. Therefore, secretaries, irrespective of their gender and where they work, are required to possess electronic records management skills in order to cope with the increasing use of electronic information technologies to create and maintain records as with records in other formats.

Records management skills are essential and are required to be possessed by secretaries because an organization cannot exist without records which have to be created and captured, retained for the period as specified by the organization's retention schedule. Finally, when records become inactive, they have to be disposed appropriately. All these are anchored on the secretary.

Despite the benefits of electronic records management, most secretaries in polytechnics still find it difficult to effectively manage records using the electronic system. Secretaries are required to possess electronic records skills of creation, retention and disposal, but there seems to be a gap in the level to which the skills are possessed by secretaries working in Polytechnics in North-Central, Nigeria. This study concentrated on the aspects of record creation, retention and disposition with a view to verifying empirically the extent the skill areas are possessed by secretaries for effective electronic records management in Polytechnics in the North-Central, Nigeria.

a) Research Questions

The study was guided by the following research questions.

1. To what extent do secretaries possess electronic records creation skills for effective records management in polytechnics in North-Central, Nigeria?
2. To what extent do secretaries possess electronic records retention skills for effective records management in polytechnics in North-Central, Nigeria?
3. To what extent do secretaries possess electronic records disposition skills for effective records management in polytechnics in North-Central, Nigeria?

b) Hypotheses

The following null hypotheses were tested at 0.05 level of significance.

1. There is no significant difference in the mean ratings of secretaries in federal and state owned polytechnics on the extent of skills possessed for effective electronic records management in Polytechnics in North-Central, Nigeria.
2. There is no significant difference in the mean ratings of secretaries with OND/NCE, HND/Bachelor degree, and Higher degree qualifications on the extent of skills possessed for effective electronic records management in Polytechnics in North-Central, Nigeria.

II. Literature Review

Literatures relevant to the topic under study are critically reviewed to provide a good basis for understanding of this research work.

a) Electronic Records

An electronic record is any information that is recorded in machine readable form. Electronic records include numeric, graphic, audio, video, and textual information which is recorded or transmitted in analog or digital form such as electronic spreadsheets, word processing files, databases, electronic mail, instant messages, scanned images, digital photographs, and multimedia files (State of Florida, 2009). Similarly, the Government of South Australia (2012) stated that electronic records are records that are in machine-readable form. They may be any combination of text, data, graphics, images, video, audio, e-mail, internet content, documents, spreadsheets, databases, etc., that are created, maintained, modified or transmitted in digital form by a computer or related system.

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According to the University of California (2012), electronic records unlock the content previously difficult to access in paper form, enable more effective sharing of information and contribute to knowledge network flow. They support evidence-based policy making by providing reliable evidence of past actions and decisions, but to do so, they must be managed so as to retain their integrity and authenticity.

According to Stewart and Westgate (2008), an electronic record is "a record stored on electronic storage media that can be readily accessed or changed." An electronic record is often referred to as a machine readable record, that is, digitized and coded information that, to be understood must be translated by a computer or other type of equipment.

University of Greenwich records management Office (2009) pointed out that electronic records have certain attributes including the content or the intellectual component of the document, the structure and the context. The structure represents a second attribute and consists of the appearance, arrangement or format of the content of the document and the context which contains the background information that helps explain the meaning of the document.

Keeping records electronically saves paper, printer and toner costs by reducing the need to print paper documents as single electronic versions can be used over and over. Electronic records enhance staff productivity since less time is spent searching for documents or trying to find the most recent version. Moreover, records are invaluable. Keeping complete records from the beginning can save time and money. Records are also viewed as an important tool to ensure that obligations of an organization are met. Furthermore, they are also of value for reference and management decisions. Accuracy of records will also prevent excessive residues by ensuring that withdrawal time has been met (Bock, 2011).

b) Records Creation

Traditionally, records have been physical objects. They were recorded on a medium (usually paper) by means of symbols (letters, numbers, figures and so on) that people could access, or read, directly. Records creation and capturing involves developing consistent rules to ensure integrity and accessibility, deciding on systems to log and track records, and following specific procedures for registering, classifying and indexing (Yusof & Chell, 2003).

According to Denyer (2011), the first phase in the life of a record is its creation and capture. The author stated that in a fully electronic environment, new records creation skills are required of creators and users of records. They will have much more responsibility for correctly identifying and dealing with electronic records at the point of creation; and these shifts imply significant change in attitudes and behaviour towards records creation and use. Furthermore, the author noted that if the user creating the records does not carry out the correct action, the records may be lost.

The University of Albany (2008) stated that records are created or captured and identified to support the business process and meet all records management requirements. The university of Albany went further to add that organizations must capture or create records necessary to carry out a business process. Records must be identified when they are captured to ensure their accessibility, usefulness, and preservation.

Electronic records are recorded on a medium such as a magnetic tape or a disk, but their status as records is not dependent upon that medium; in effect they are 'permanently' recorded on the medium, but the medium is not the record. Electronic records must be viewed as logical rather than physical entities because they cannot be read directly without the aid of computer software and hardware to interpret the codes used to represent letters, numbers, figures and so on (State of Florida, 2010).

Dafiaghor (2012) noted that if records are to survive and be useful in supporting the functions of governments and preserving a cultural record of the past, the concept of passive reception will have to change to one of active involvement at the point of creation. Secretaries will have to be equipped with the skills required to contribute effectively to an electronic working environment. Records management will require greater discipline and greater creativity than in the past.

Electronic records management provides the catalyst for secretaries to become involved in the design of information technology systems to ensure that records are controlled from the beginning of the records life cycle. Controls must be applied from the outset if the records are to be protected as reliable sources of information over time. Moreover, because the control of electronic records is dependent upon technology, Ekula (2010) asserted that secretaries must become more aware of how different technologies work and how they affect records and record keeping.

According to the University of Portsmouth (2009), each record that is created is subject to administrative and legal rules. These rules govern the entire life cycle of the record, from creation to retention and disposal. As a general rule, many of the administrative and legal requirements that apply to paper records also apply to electronic records. A legal analysis can help to identify the original legal requirements associated with the school process they want to automate.

The question "What constitutes a record?" is no longer that simple when you are talking about an electronic record. Electronic records can be created from paper records and stored in electronic record keeping systems by scanning or by transcription.

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However, they can also be created and stored for varying periods of time in the application systems that host the transactions that create these records. Therefore, risks associated with the development and maintenance of that system also pose risks to the electronic records. These risks must be managed from the beginning of system development process so that they can be mitigated throughout the entire life cycle of the system (Marutha & Ngulube, 2010).

There is perhaps no other information technology in recent memory that has grown as fast as electronic mail. A recent study by the School of Information Management and Systems at the University of California found that approximately 31 billion messages are sent daily via e-mail. Electronic mail software programs, commonly called e-mail, have become the communications method of choice for many public officials and public employees. E-mail messages are electronic documents created and sent or received by a computer system. This definition applies to the contents of the communication, the transactional information, and any attachments associated with such communication. Thus, e-mail messages are similar to other forms of communicated messages, such as correspondence, memoranda, and circular letters (Rockfeller, 2006).

Ayandele and Adeoye, (2010) asserted that secretaries as records managers need to acquire a new range of skills to manage new kinds of systems in new contexts. Some of the skills according to the author include: text input, file-naming, file-formatting, text-formatting, file conversion from an obsolete to a new software; and conversion of paper documents to digital ones by the use of ICT facilities.

c) Records Retention

One way to manage records is through effective records retention schedule. Record Retention Schedule means the schedule that identifies specific institution records for which a retention period has been specified. The retention periods are based on law or regulation, legal or contractual requirements, or set at the discretion of management. Oliverio, Pasewark and White (2006) opined that a retention schedule is a valuable records management tool that identifies how long particular types of records should be kept. The authors asserted that retention requirements vary among industries and states. A retention schedule tells how long to keep records in the office, when to destroy them, and when to transfer them to inactive storage facilities. The business of records retention schedule is to reduce the volume of inactive records, decongest the records and enable the secretary determine active records-thus facilitating quick and easy retrieval of such records when required for decision making.

Kenneth (2013) noted that electronic records management strategy should include records retention schedules for electronic records. The economic objectives of a retention programme is to stabilize the growth of records at about the same time that new ones are created. Many organizations reduce their storage costs by up to one third by implementing sound retention programme.

Government of South Australia (2012) pointed out that the purpose of a records retention schedule is to serve as an on-going authorization for the management and disposition of records. Because they have similar responsibilities and organizations, many local government entities have developed general records retention schedules for all the records commonly created by their members. In order to achieve compliance with existing requirements, public entities need to establish policies and procedures to ensure that electronic records and their documentation are retained as long as required by the applicable retention schedule. These retention procedures according to the University of Greenwich Records Management Office (2009), should include the following provisions: scheduled disposition of all electronic records, as well as related documentation and indexes, by applying the Institutional Records Retention Schedule; scheduled Transferring of copies of permanent electronic records and any related documentation and indexes to the Institution Archives facility or other approved facility for the safekeeping of permanent records.

According to State of Florida (2010), there are two types of retention schedules: General Records Schedules and Individual Records Schedules. General Records Schedules establish retention requirements for records common to several or all government agencies, while Individual Records Schedules establish retention requirements for records that are unique to particular agencies. All of these retention schedules establish the minimum length of time a record series must be maintained. Bantin (2008) opined that retention schedules do not specify when records must be disposed of; they indicate how long records must be retained before they can be disposed of. Organizations have the discretion to retain records beyond the minimum retention requirements if needed for administrative, legal, or other purposes.

System requirements and design must reflect the fact that records must be maintained for the length of their retention period in an accessible, reliable and authentic manner. Osakwe (2011) stated that secretaries need to ensure that electronic records remain accessible and useable to support the primary purposes for which they were created and any predicted secondary purposes for as long as the records must be legally retained. System designers should also remember to account for the fact that a record may need to be kept longer than its retention period. For example, records disposal must be suspended in the

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face of litigation, administrative hearing, or an open records request.

Egwunyenga (2009) reiterated that the originating entity must maintain the reliability and authenticity of the records for the time period established by the records retention schedule. To do so, the originating entity must maintain the records and all related metadata, system documentation, procedures and policies, and proofs of authenticity (e.g., electronic signatures) for the entire time period established by the records retention schedule. All data elements that comprise a record of a business transaction must be accessed, displayed and managed as a unit for the entire time period established by the records retention schedule.

d) Records Disposition

The word "disposition" when applied to records management does not necessarily imply destruction or garbaging. It is not also preservation per se but is used to describe a system of proper archiving or disposing of records which are no longer frequently referred to or used. Disposition is the final stage in any record's lifecycle, resulting in destruction of the records or their permanent, archival retention. Oliverio, Pasewark and White (2006) opined that disposing of a record involves transferring it to inactive storage or destroying it. When a record is no longer needed. It should be destroyed in order to make room for current records. The cycle ends when a record is destroyed.

Most institutions have laws establishing a process that determines which records are to be destroyed and how long those records must be kept before destruction. Johnson and Kallaus, (2008) described records disposal as the process whereby the organization, through its records manager, destroys/erases ephemeral records or transfers archival valued records to an archival institution for permanent safe keeping. According to the National Archives and Records Service of South Africa (2006), records disposal refers to "the action of either destroying/deleting a record or transferring it into archival custody".

Proper disposition is an important part of any records management program. All of the records an organization creates should be described on a records retention schedule as noted above. The schedule establishes the length of time the records should be retained by the organization. As part of everyday use of computer, Government of South Australia (2012) suggested the destruction of electronic records probably by deleting them. This often involves two stages. Files deleted from a computer c: drive are often placed in a "recycle bin", and some e-mail programs store deleted items in a "deleted items" folder. There is need to empty these periodically. It is good practice, if the email software has the facility, to set up deleted folder to empty on exit automatically.

However, this sort of deletion does not eradicate the data. If a file or e-mail is deleted, it remains on the disk in a hidden form, and, for information held on servers or shared drives, will be kept on a backup tape for a specified period. Likewise, reformatting a disk may leave hidden data on the disk. It is possible to retrieve information deleted in this way. When dealing with sensitive information, further measures are necessary to erase the data fully (International Organization for Standardization, 2011).

In the case of information held on servers or shared drives, this will be the responsibility of the relevant computer service. International Standard Organization (2011) pointed out that if an organization e-mail service is used, then this information will be stored on a central server, and will need to take no action other than ensuring that all the "deleted items" folders have been emptied. The computer service will make arrangements for the appropriate disposal of the server and the backup tapes in due course.

If the secretary has saved information to a PC or Mac hard drive, floppy disk, CD or other storage medium, she must take measures to ensure that the information is fully deleted before disposing of the item. For portable media such as a disk or CD, the best way of destroying the information they contain is to destroy the items concerned. Floppy disks should be bent out of shape, broken, or cut into pieces. CDs should be broken, or the secretary should score lines over them (Popoola & Oluwole, 2007).

According to Yeo (2011) the sensitivity or confidentiality of the information contained in the record will dictate the appropriate method of destruction. For example, if the record contains no sensitive information and would simply be thrown out in paper form, then overwriting or reformatting the media would probably be sufficient to delete the electronic record. However, if the record contains highly sensitive or confidential information and is the type of record that would be shredded in paper form, then physically destroying the media may be necessary.

The destruction of electronic records is further complicated by the backup procedures that are so important to the overall reliability of the system. The proliferation of duplicate records located on the daily, weekly, monthly and other backups created for disaster recovery and business continuity process necessitates extra care in the destruction of electronic records. Procedures must exist for the media and frequency of both individual record (such as databases) and system backups. In addition, procedures for the physical destruction of the official records must include the destruction of the backup and should be detailed enough to specify the number of overwrites that should occur to a backup tape or the method of physical

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destruction of the media in order to ensure the total destruction of the records (William & Ashley, 2009).

Winkler (2008) observed that for many years, it was common practice for offices to simply buy additional computer servers as quickly as the existing ones are filled up. The author added that because the initial cost of computer storage was relatively inexpensive, there was little incentive for managing and disposing of electronic information in a logical way. Consequently, the author stated that the office is overwhelmed by bloated database systems designed without purge functions to remove unneeded data and an enormous amount of unmanaged documents located in hundreds of individual and shared network drives. The author also identified methods of disposal after necessary purge or archival review as: surplus (data could be transferred to newer ones), recycling, garbaging, expunging, shredding or pulverizing.

III. Theoretical Framework

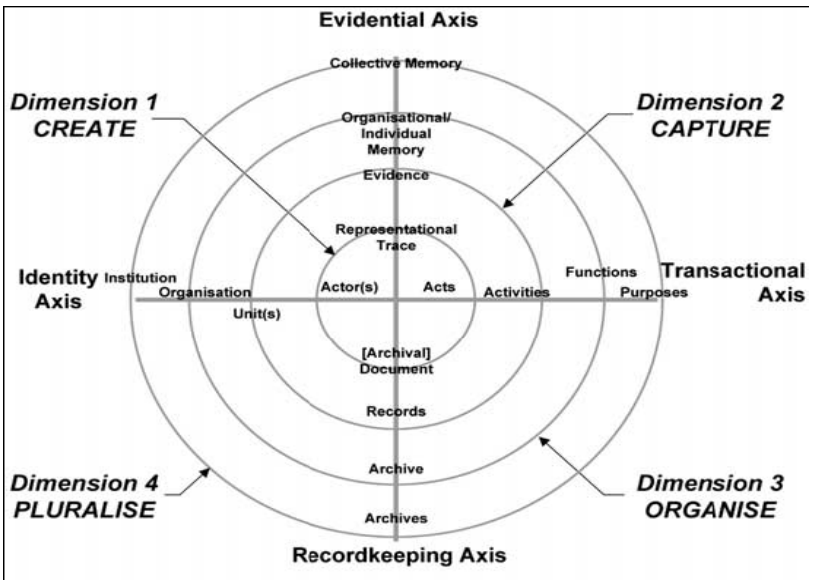
a) *The Records Continuum Theory*

The records continuum theory was developed by Frank Upward in the 1990s as a response to evolving discussions about the challenges of managing digital records and archives in the discipline of Archival Science. The theory provides a graphic tool for framing issues about the relationship between records managers and archivists, past, present and future, and for thinking strategically about working collaboratively and building partnerships with other stakeholders.

The records continuum is defined as the consistent and coherent process of records management throughout the life of records from the development of recordkeeping systems through the creation and preservation of records, to their retention and use as archives (IMT, 1999). The concept of a Records Continuum was subsequently promoted in the records management field because it addressed the management of both paper-based and electronic records. The theory consolidated the stages of the Records Life Cycle concept into four, namely: creation, classification, scheduling and maintenance, and use of information (Atherton, 1985). Under the Records Continuum theory, archivists and records managers would be involved in all the stages of managing records. This enables the creation of the right records containing the right information in the right formats; organizing the records to facilitate their use; systematically disposing of records that are no longer required; and protecting and preserving records.

In diagrammatic form, the theory is represented by four concentric circles. As represented in the Figure below, the records continuum theory provides an integrated approach to managing records, rather than one made up of separate stages. Its four levels of perspective include: Dimension 1, the regime applies itself to identifying records management actions and ensures that reliable evidence of them is created by capturing records of the related/supporting transactions; Dimension 2, recordkeeping systems manage "families" of transactions and records series documenting processes, hence intellectual control of records relating to the arrangement and description of both records and archives; Dimension 3 presenting RM actions which relate to the maintenance and use of records, while archives management actions relate to the description of archives; and Dimension 4 which relates to physical control where disposal of records is by destruction, or their transfer to the archives, while archives management actions relate to the preservation and use of archives.

The Record Continuum Theory



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The axes as illustrated here represent major records management themes (transactional, identity, evidential and recordkeeping) while the circles represent the dimensions of the continuum (create, capture, organize and pluralize). The figure shows that with a digital system, records do not pass through distinct stages, but the stages act as a point of reference rather than as functions of records management. These stages are interrelated by the records continuum theory, forming a continuum in which managers (secretaries) are involved to varying degrees in the management of recorded information. Therefore, the theory calls for secretaries to operate at the appropriate stages of the records continuum to meet the objectives of records management.

In essence, the records continuum theory provided this study with a framework which enabled it to assess whether a broader legal and regulatory environment, ICT infrastructure and human resource capacity exists for the Polytechnics in North-Central, Nigeria to manage their electronic records.

IV. Methods

The survey research design was employed in this research. The design was applied because according to Saunders, Lewis and Thornhill (2009), a survey design allows the collection of a large amount of data from sizeable population in a highly economical way usually involving the use of questionnaire administered on a sample. The focus group is Secretaries working in polytechnics in North-Central, Nigeria. The population comprised 366 secretaries drawn from ten polytechnics in the North-Central, Nigeria. A structured questionnaire containing 41 items in three sections A, B, and C was used for the data collection. The research instrument was subjected to face and content validity. Two experts from Nnamdi Azikiwe University, Awka validated the instrument. To estimate the reliability of the research instrument employed for data collection, data collected were analyzed using Cronbach Alpha coefficient measure of internal consistency. The results of the reliability test were as follows, 0.97, 054, and 0.94.The reliability value for the entire instrument is 0.82. These results were considered high enough to regard the instrument as reliable (Mehren & Lehmann, 1991). 366copies of questionnaires were administered to the subjects personally by the researchers with the help of research assistants. Out of 366 copies of the questionnaire distributed, 339 copies representing 93% were duly completed and returned. The researcher employed appropriate statistical tools for data analysis. The statistics mean and standard deviation were used to answer the research questions while the statistical tool of z-test and One-Way Analysis of Variance (ANOVA) were used to test the two hypotheses formulated for the study at 0.05 level of significance. The decision rule is that if the f-calculated is less than or equal to the f-critical value at 0.05 level of significance, the null hypotheses were accepted and if f-calculated is greater than the f-critical value, the null hypotheses were rejected.

The questionnaire adopted a five point response scale of Very High Extent (VHE) 5, High Extent (HE) 4, Moderate Extent (ME) 3, Low Extent (LE) 2 Very Low Extent (VLE) 1.

a) *Results*

i. *Research Question 1*

To what extent do secretaries possess electronic records creation skills for effective records management in polytechnics in North-Central, Nigeria?

Table 1: Respondents' mean ratings on the extent of electronic records creation skills possessed for effective records management (N=339)

S/N	Electronic Records Creation Skills	Mean	SD	Decision
1	Start an application, enter text and create a file	3.95	1.21	High Extent
2	Select items from a pull-down menu	3.99	1.04	High Extent
3	Create, name and format folder and Template	4.09	1.79	High Extent
4	Perform different mouse activities	3.93	1.72	High Extent
5	Address envelops and label	3.19	1.25	Moderate
6	Create letters and email on-line and off-line	3.86	1.51	High Extent
7	Identify, select and open icons	3.77	1.13	High Extent
8	Open and work with more than one application at a time (multi-tasking)	3.13	1.21	Moderate
9	Create tables and charts	3.28	0.98	Moderate
10	Create data on spreadsheets and database applications	2.16	0.66	Low Extent

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11	Create filing system for the organization	3.37	1.16	Moderate
12	Classify, code and arrange records	3.60	1.37	High Extent
13	Use modern input devices such as scanners for records creation	3.04	0.93	Moderate
14	Place and confirm orders online (e-marketing)	3.39	0.73	Moderate
15	Encode job adverts on cyberspace/book appointment online	2.20	0.67	Low Extent
16	Create PowerPoint graphics/slides of business products to be sent online (e-marketing)	3.22	0.99	Moderate
17	Generate and send electronic mails	3.45	1.06	Moderate
18	Create password	2.02	0.62	Low
19	Use input device such as digital camera for records creation	2.01	0.62	Low
20	Use touch-screen modem input device for records Creation	2.03	0.62	Low
21	Use light pens to input data	2.11	0.65	Low
22	Use modern input device such as trackballs	2.08	0.64	Low
	Mean	67.87	1.02	Moderate
	Cluster Mean	3.09		

Data in Table 1 shows that out of 22 listed skills, 7 were rated high, 8 were rated moderate while the remaining 7 were rated low. Among the items rated high are: items 1, 2, 3, 4, 6, 7, and 12 with mean scores ranged from 3.77 to 4.09. Items 5, 8, 9, 11, 13, 14, 16, and 17 with respective mean scores ranged from 3.04 to 3.45 were rated moderate. Furthermore, item numbers 10, 15. 18, 19, 20, 21, and 22 were rated low with mean scores between 2.01 to 2.20. The cluster mean of 3.09 and a standard deviation of 0.62-1.79 showed closeness in opinions of the respondents on skills possessed by secretaries for effective electronic records management. This shows that the secretaries possess electronic records creation skills to a moderate level.

ii. *Research Question 2*

To what extent do secretaries posses electronic records retention skills for effective records management in polytechnics in North-Central, Nigeria

Table 2: Respondents mean ratings on the extent of electronic records retention Skills possessed for effective records management (N=339)

S/N	Electronic Records Retention Skills	Mean	SD	Decision
23	Retain electronic records for the period as determined by the content, nature and purpose	3.94	1.21	High
24	Retain records according to the length of their activeness	3.86	1.51	High
25	Retain records based on electronic management guidelines	3.11	0.95	Moderate
26	Retain records based on the optimum retention Period	2.29	0.70	Low
27	Retain records based on the various types of retention schedules	2.17	0.66	Low
28	Retain records based on their values to the Institutions	3.70	1.13	High
29	Retain records based on laws and best practices in records retention	3.49	1.07	Moderate
30	Retain records based on policies and procedures of the institutions	3.70	1.13	High
31	Retain records based on the metadata properties	3.08	1.50	Moderate
	Mean	29.24	1.10	
	Cluster Mean	3.25		Moderate

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Information contained in Table 2 shows that out of the 9 items listed, 4 were rated high, 3 items were rated moderate while 2 items were rated low. Among the items rated high 23, 24, 28, and 30 with mean scores ranging from 3.69 to 3.97. Items 25, 29, and 31 were rated moderate with mean scores of 3.08 to 3.49 respectively. The items rated low are 26 and 27 with mean scores of 2.17 and 2.29. Table 2 had a cluster mean of 3.25 and a standard deviation between 0.66-1.5. This indicates closeness in opinions of the respondents on electronic records retention skills possessed by secretaries for effective electronic records management. It can therefore be concluded that the secretaries possess electronic records retention skills to a moderate level.

iii. *Research Question 3*

To what extent do secretaries posses electronic records disposition skills for effective records management in polytechnics in North-Central, Nigeria?

Table 3: Respondents mean ratings on the extent of electronic records disposition skills possessed for effective records management (N=339)

S/N	Electronic Records Disposition Skills	Mean	SD	Decision
32.	Use the institutional disposal schedule with Legal backing	2.24	0.69	Low
33.	Keep off-site back-ups	2.25	0.69	Low
34.	Use microfilm and microfiche devices for large data preservation	2.25	0.69	Low
35.	Recycle records as appropriate	2.25	0.69	Low
36.	Involved in archival review when necessary	2.27	0.70	Low
37.	Purge database or system of unneeded data from time to time	2.27	0.70	Low
38.	Use secondary devices to hold data for disposition	2.28	0.70	Low
39.	Supervise actual shredding of confidential Sensitive records no longer needed	2.13	0.65	Low
40.	Destroy records in accordance with retention Schedule	2.02	0.62	Low
41.	Supervise actual pulverizing of confidential Sensitive records no longer needed	2.06	0.63	Low
	Mean	22.02	0.67	
Low	Cluster Mean	2.30		

iv. *Electronic records dispositions*

Data in Table 3 reveals that out of the 10 listed items, all were rated low. The items have mean scores between 2.02 to 2.28. The cluster mean of 2.20 falls within the limit of low extent and a standard deviation between 0.6.2-0.70 reveal closeness in opinions of the respondents on electronic records disposition skills possessed by secretaries for effective electronic records management. Therefore, it can be concluded that the secretaries possess low electronic records disposition skills.

b) Test of Hypotheses

i. *Hypothesis 1*

There is no significant difference in the mean ratings of secretaries in federal and state owned polytechnics on the extent of skills possessed for effective electronic records management in North-Central, Nigeria.

Table 4: z-test analysis of the mean ratings of secretaries in Federal and State owned polytechnics on the extent of skills possessed for effective electronic records management (N=339)

Variables	N	Mean	SD	df	z-cal	z-crit.	Decision
Federal	142	1.00	0.00	337	827.5	1.96	Significant
State	197	1.85	0.35				

Information in Table 4 shows that the calculated z-value of 827.5 is greater than the critical z-value of 1.96 (827.5>1.96) at 0.05 level of significance and 337 degree of freedom, hence the null hypothesis was rejected. This implies that the respondents from Federal and State owned polytechnics significantly differ in their mean ratings at the level to which the secretaries possess electronic records management skills. Hence, the null hypothesis is rejected.

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ii. *Hypothesis 2*

There is no significant difference in the mean ratings of secretaries with OND/NCE, HND/Bachelor degree, and Higher degree qualifications on the extent of skills possessed for effective electronic records management in Polytechnics in North-Central, Nigeria.

Table 5: One-way Analysis of Variance (ANOVA) for differences in the mean ratings of secretaries with OND/NCE, HND/bachelor degree and higher degrees on the extent of skills possessed for effective electronic records management (N=339)

Variables	N	Mean	SD	df	f-cal	f-tab	Decision	Post HOC test
Non-bachelor degree	231	1.39	0.49	2	85.7	1.96	S	Bachelor Degree
Bachelor degree	77	2.00	0.00					
Postgraduate degree	31	1.58	0.00					

Result in Table 5 shows that the f-cal value of 85.7 is greater than the f-tab value of 1.96 at the degree of freedom of 2 at 0.05 level of significance. This implies that secretaries with OND/NCE, secretaries with HND/Bachelor degree and secretaries with Higher degree significantly differ in their mean ratings of the extent to which they possess the skills for effective electronic records management, hence the null hypothesis is rejected. In order to determine the direction of difference, a post hoc test using scheffe's test was conducted. The results of the post hoc test shows that the direction of difference were secretaries with HND/Bachelor Degree. This means that secretaries with HND/Bachelor Degree possessed the electronic records management skills better than the secretaries with OND/NCE and Higher Degree.

V. Discussion

The discussion of results obtained from the presentation and analysis of data for the study were presented below.

The results of the findings of the study under electronic records creation skills revealed that secretaries in polytechnics in North-Central, Nigeria moderately possessed electronic records creation skills. Though, Ahukannah and Ekelegbe (2008) opined that secretaries are persons who have the mastery of office skills, demonstrate the ability to assume responsibility with minimum or no supervision. These skills require professionalism, training, ethics, norms and display of electronic records management. Denyer (2011) observed that the first phase in the life of a record is its creation and capture, hence, secretaries are required to possess records creation skills to carry out their duties effectively. The electronic records creation skills being moderately possessed by secretaries are grossly inadequate for the current age where electronic records management is pivotal.

The findings of the study on electronic records retention skills revealed that the respondents moderately possessed electronic records retention skills. Electronic records retention are concerned with the retention of electronic records for the period as determined by the content, nature and purpose; retain records according to the length of their activeness; retain records based on electronic management guidelines; and retention of records based on the optimum retention period. It was observed from the study that large percentage of the secretaries moderately possessed the skills to retain records based on laws and best practices in records retention; and to also retain records based on the metadata properties. This finding corroborated with Akporhonor (2007) and International Records Management Trust (2009) that electronic records should be retained at least as required by law or best practices. Information in Table 3 revealed a low extent of electronic records disposition skills possessed by secretaries. These skills involve the use of institutional disposal schedule with legal backing; keep off-site back-ups; and use microfilms and microfiche devices for large data preservation. Again, the electronic records disposition skills found to be low include recycle records as appropriate; involve in archival review when necessary; destroy records in accordance with retention schedule; and supervise actual pulverizing of confidential/sensitive records no longer needed. These findings are consistent with the views of Akporhonor (2007) that most tertiary institutions in Nigeria lack record retention and disposal schedule.

The findings further shows that there was a significant difference in the mean ratings of secretaries in federal and state owned polytechnics regarding the level to which they possess electronic records management skills. Also, there was a significant difference in the mean ratings of secretaries with OND/NCE, HND/Bachelor degree, and Higher degree qualifications regarding the level to which they possess electronic records management skills. This implies that secretaries with HND/Bachelor Degree possessed the electronic records management skills better than the

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a) Conclusion

Based on the findings of this study, it could be concluded that secretaries in polytechnics did not possess skills for electronic records management to a high extent to be able to manage records effectively. This would, no doubt, impact negatively on their overall performance. It was also noted that out of the basic electronic records management aspects assessed in the study, two of them namely: electronic records creation and retention were moderately possessed by the secretaries, while electronic records disposition skills were possessed to a low extent by the secretaries. However, it is necessary for secretaries to possess the required electronic records management skills especially electronic records disposition skills for ensuring efficient management of records created and stored in computerized systems in order to adequately carry out routine office tasks.

It could also be concluded that proper electronic records management leads to good management of educational institutions because activities in polytechnics are based on access to the information contained in records. Hence, effective electronic records management plays a significant role in polytechnic education in North-Central, Nigeria.

b) Recommendations

Based on the findings of this study, the following recommendations are made:

1. Secretaries in polytechnics in North-Central, Nigeria should immediately be retrained by employers, through in-service training, workshops, seminars, and conferences. These training programmes should incorporate the electronic records management disposition skills for effective records management.
2. Office technology and management curricula in polytechnics in North-Central, Nigeria should be reviewed at all levels by programme developers and curriculum planners. The review should take care of the findings of this study relating to the electronics records management skills assessed. A modular approach to such curriculum development should be appropriate and should be flexible to provide for any inclusion of the future information communication technology needs.
3. There is need for a system of continuous education for lecturers who train secretaries in polytechnics in North-Central, Nigeria. Lecturers need to be retrained by employers, government and any Non-Governmental Organizations (NGOS), through in-service training, workshops, seminars, and conferences in order to update their knowledge and skills in electronic records management.

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Role of Incubation Centers in Growth of Small-Scaled Businesses in Afghanistan

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Abstract- For past three- years unemployment has been a growing in Afghanistan, which has caused many socio-economic problems. One of the solution to this problem is private sector development. A lot of attention has been paid toward attraction of investments at large scale from private sector, however, experience of many countries including industrial economies show that small scaled businesses has contributed to employment and economic development to remarkable extend.

Small scaled businesses have a very high rate of failure at their initial stage. Development of these businesses requires promotion of entrepreneurship. This study attempts to highlight the role of business incubation centers for this purpose in Afghanistan context.

Studies have shown that factors such as incubation centers physical infrastructure, provision of business assistance, management guidance and counselling, enabling environment and sound practices of incubation centers have led to survival and growth of many small businesses.

Keywords: incubation center, tenant companies, incubation.

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ROLEOFINCUBATIONCENTERSINGROWTHOFSMALLSCALEDBUSINESSESINAFGHANISTAN

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Role of Incubation Centers in Growth of Small-Scaled Businesses in Afghanistan

Aimal Mirza [α] & Meena Rahmani [σ]

Abstract- For past three- years unemployment has been a growing in Afghanistan, which has caused many socio-economic problems. One of the solution to this problem is private sector development. A lot of attention has been paid toward attraction of investments at large scale from private sector, however, experience of many countries including industrial economies show that small scaled businesses has contributed to employment and economic development to remarkable extend.

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Studies have shown that factors such as incubation centers physical infrastructure, provision of business assistance, management guidance and counselling, enabling environment and sound practices of incubation centers have led to survival and growth of many small businesses.

Through extensive review of literature this paper has defined the above factors in the form of services to be rendered by incubation centers and has highlighted their role on fostering entrepreneurship. With a scientific approach the analysis of this study has identified how these services are perceived by its recipients i.e. tenant companies. Basically tenant companies are entrepreneurs who receive incubation centers services to minimize the chance of their businesses failure. The result reveals that many services that incubation centers claim to offer them efficiently must be improved as many of these services perceived to be ineffective or neutral by their recipients.

Furthermore, through the use of statistical tool this study has identified gaps between business incubation practices in global context and Afghanistan. The purpose of this analysis is to introduce best practices that have great impact to success of business incubation centers and thus, survival and growth of small companies that can lead to economic development.

Keywords: incubation center, tenant companies, incubation.

I. Introduction

a) The problem

Economic development is a phase, when entrepreneurship will increasingly play a more important role (Wim, 2016). According to United Nation University World for Development Economic Research, which resulted into publishing of Entrepreneurship and Economic Development book, entrepreneurship contributes to national happiness. Why would increase in entrepreneurial activity increase national happiness? This book further argues that unemployment is a major cause of unhappiness in societies. Therefore, employment generators-entrepreneurs are key in economic development of societies like Afghanistan, where there are many opportunities to exploit the resources. Besides many other problems1 lack of entrepreneurial enthusiasm hinders the country to start its prime engine for growth and development. The small-scaled sector has been a major contributor to employment generation in many developing countries. However, these companies have very high rate of failure in Afghanistan. Factors contributing to this rate are, lack of management and business skills, difficult legal requirements, lack of capital, inflation, disadvantages due to small size in terms of scale economies and product and process innovations, securing access to intangible and tangible resources, limited or having no access to scientific knowledge, and absence of know-how. All these problems are the basis for fact that unemployment rate remains very high in country.

Unemployment is a challenge that societies have to tackle. In Afghanistan it has always been a serious social problem that needs a constant attention. According to Trading Economics, unemployment rate measures the number of people actively looking for a job as a percentage of the labor force. Based on the figures released in 2015 by National Union of Afghanistan Worker this percentage is fifty-six in Afghanistan. The high percentage of unemployment basically is because low development of private sector. Contribution of small-scaled businesses is very insignificant in private sector development. For past 10 years small scaled business growth has been negative. Independent Commission for Aid Impact (ICAI) published its review on development programs of Afghanistan on March 07, 2014, according to this review more than 4500 small businesses discontinued their operation after reduction of international forces in Afghanistan. This fact has caused a steep increase in unemployment rate in country. Based on these facts, survival of small businesses is vital to our economy.

Literature confirms that through support of entrepreneurial activates incubation centers have been able to reduce failure rate of small businesses. Incubators have received increasing attention as a tool for fostering entrepreneurship, both in developed

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countries and in developing countries. They will be an integral part for framework of business assistance to provide critical support to the newly established companies. Realizing their importance, all individual and organization involved in business incubation industry try to define, identify, measure, formulate and evaluate various aspects related to these programs. Business incubation initiatives have emerged with different success in different parts of the world, especially in the last decade. However, the countries are experimenting with it to foster entrepreneurship (Kadmar, 2013). Afghanistan is one of these countries, where such initiatives have taken place recently. Through an extensive literature survey this study attempts to explore the role of business incubation in facilitating the process of entrepreneurship in Afghanistan. This research study elaborates on questions like,

- What particular services should be expected from an incubation centers?
- Are there any gaps between the perceived and actual services rendered?
- What practices are followed by business incubation centers throughout the world to promote entrepreneurship and how can they be made more effective in fulfilling their role of promoting entrepreneurship?

Whereas, no research in Afghanistan context is conducted, approaches explored throughout this study can improve business incubation initiatives in Afghanistan, so that these centers reorient their supports for the entrepreneurs in the establishment, growth, development and expansion of startup companies nurtured by business incubation centers.

The recommendations of this study, will help employ business incubation centers as tool to transform our country, where there is a low rate of employment and eventually expediting economic development.

b) Objective of Study

After initiation of a few business incubation centers recently, no comprehensive study has been conducted on their role in promoting entrepreneurship in the Afghanistan context. It is vitally important to uncover the differences, if any, between the perceived and actual services rendered by them. Improving the quality of services is central for enhancing their role in promoting entrepreneurship and, therefore, a comparison of practices followed by business incubation centers in Afghanistan and abroad is critical. Accordingly, to achieve the focused purpose of the research, objectives as following are set:

- To evaluate the role of Business Incubation Centers in promoting entrepreneurship, job creation and economic development.
- To analyze the gap between the practices followed by business incubation centers to promote entrepreneurship in Afghanistan and abroad.
- To make recommendations with the purpose of making business incubation centers in Afghanistan more effective in fulfilling their role of promoting entrepreneurship.

c) Methodology

A review of the extensive literature shows that the prior studies on business incubation are mainly either descriptive or exploratory. Case and questionnaire based studies dominates work of researcher like Allen, Rahman, Lumpkin Ireland, McCluskey and Hansen Kumar and Kumar (1997). Qualitative studies focusing on business incubation studies attempted to identify best practices and captures intangibles whereas quantitative studies mostly compare business incubators on different parameters.

i. *Overview of Business Incubation in Afghanistan*

Business incubation does not have long history in Afghanistan. The formal structure of business incubation and the practices which are followed in other countries are quite different than what is practiced in Afghanistan. In Afghanistan many organizations through some projects with short term life perform activates similar to business incubation centers. For instance, Center for International Private Enterprise (CIPE) the first organization that promoted entrepreneurship by organizing workshops and seminars to encourage start of small scaled business amongst student (CIPE, 2005). CIPE started working in 2003 and maintained an office in Kabul. In 2005 it launched a pilot project under the name of Tashabos[1]. This project provided instruction on business and leadership to 40,000 students in 44 high schools in Afghanistan (Chaney, 2005). Based on survey that CIPE conducted on 2010, 748 Tashabos students started their own business and employed 1280 people (Chaney, 2005). Some other organization like DAI were involved in activates like providing business training to support agricultural sector. Following sections discuss incubation centers that are not project and their primary focus is business incubation.

ii. *Survey Population*

Survey population includes 6 business incubation center and their tenant companies.

iii. *Research Design*

This study is descriptive and or exploratory in its nature. It is descriptive because the practices that business incubation centers follow to foster entrepreneurship, which have already been identified and studied by earlier scholars (literature survey) will also be analyzed in the present research endeavor. It is exploratory in the sense that no research work has been done on the role of business incubation centers in foste-

[1] Tashabos is a Dari word which mean entrepreneurship.

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ring entrepreneurship in Afghanistan. Moreover, the observations made by the scholars have provided base for the development of concept of this research project.

iv. *Universe of Study*

The universe of the study is confined to 6 business incubation centers and their tenant companies existing in Afghanistan during the year 2015-2016.

v. *Data Collection*

a. *Primary Data*

Researcher used self-administrated questionnaire to collect information supplemented by interviews. The design of questionnaire is Likert five-point scale. The data was analyzed using factor wise and item wise analysis on the role of business incubation center in fostering entrepreneurship.

b. *Secondary Data*

To identify pertinent sources of data, researcher underwent an electronic search using key terms related to business incubation. Upon retrieving all relevant articles/research papers/reports etc, researcher read their bibliographies to access other sources of data and repeated the process till researcher was reasonably confident that all extant data on incubation had been retrieved and identified.

vi. *Analysis Pattern*

a. *Identified Variables*

Independent variables

1. Physical Infrastructure services
2. Business Assistance Services
3. Management Guidance and Consulting services
4. Enabling Environment services

Dependent Variable

Promotion of Entrepreneurship

vii. *Data Analysis*

Researcher used both standard tools such as central tendency, standard deviation and ANOVA as well as descriptive statistics to analyze collected primary data. Measures of central locations as means and standard deviation were calculated in association to different categories of services provided by the Business Incubation Centers.

For the comparison of mean scores an independent sample test "t test" for equality of means was run at a significance level of five percent. Further an ANOVA table was generated for item wise analysis. The practices followed by Business Incubation Centers to foster entrepreneurship were examined by using descriptive mean scores

d) Significance

This research can be a used as source on development of mechanism for business incubation process, identification of prospect entrepreneurial idea, development of knowledge base and expertise for business incubation management. All these points will result promotion of entrepreneurial activities and increases survival rate of small and medium- scaled business in Afghanistan.

II. Summary of Literature Review

Expediting the effective development of entrepreneurial businesses is the main role of business incubation centers. It can help these businesses survive, grow and become profitable even after graduation, when the necessary support provided by business incubation centers to them is absent. Different practices, which have been the focus of attention for many research studies, where attempts have been made to measure their influence on the performance of business incubation center affect this role. These sound practices of business incubation centers have evolved over time and improve the initiation, survival and growth of newly formed enterprises. It is desirable that the business incubation center should implement them to tackle early challenges, improve execution and enhance the probability of success. However, it is important to mention that no one incubator good practice can guarantee success. Instead, it is a combination of several practices that produce desirable result.

Researcher has come up with a list of international incubation sound practices and then compared them with the Afghanistan business incubation centers in order to achieve second objective of this study. This was done with a view to help update industry knowledge on business incubation practices and their outcomes, which in turn will improve the performance of Afghanistan incubators considerably.

a) Conceptualization

The concept that researcher developed based on initial literature study lead to defining the objectives of this study. Literature confirms that foster of entrepreneurship highly depends on (1) availability of office space and other facilities such as internet. (2) business assistance services like technical, marketing, legal, networking, human resource, product development and availability of fund. (3) management guidance and consulting on conducting feasibility analysis, business counseling, product development and business plan development. And (4) enabling environment where tenant companies learn from each other, time to develop marketable product is minimized, operational cost at early stage is minimized, development of firm is expedited, new firm credibility is established, failure in early stage is minimized and regular feedback taken.

Following figure summarized the relationship between these variables

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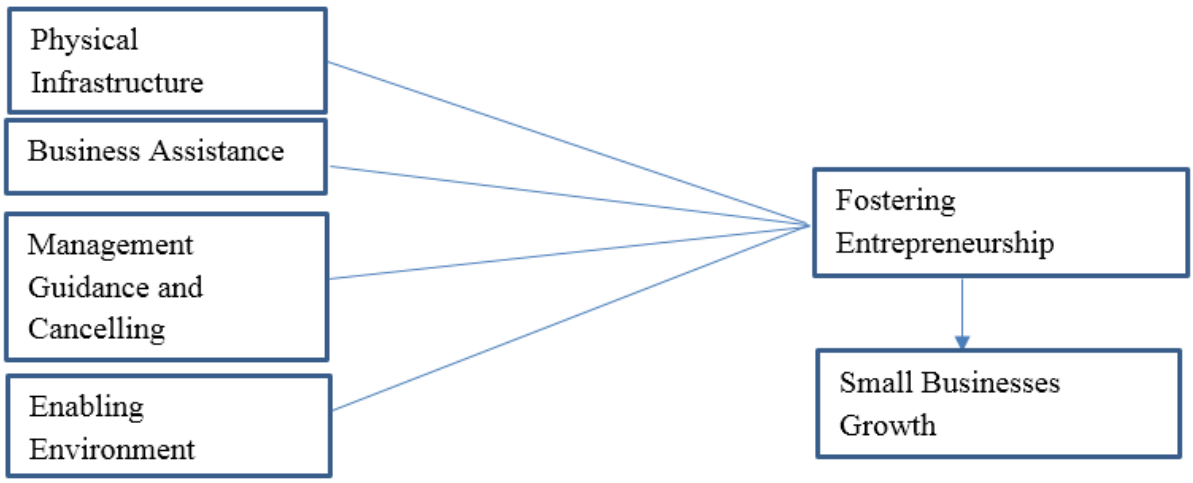

Figure 2.1: Theoretical Framework

Incubation Center Good Management Effect on Fostering Entrepreneurship is presented in bellow flow chart:

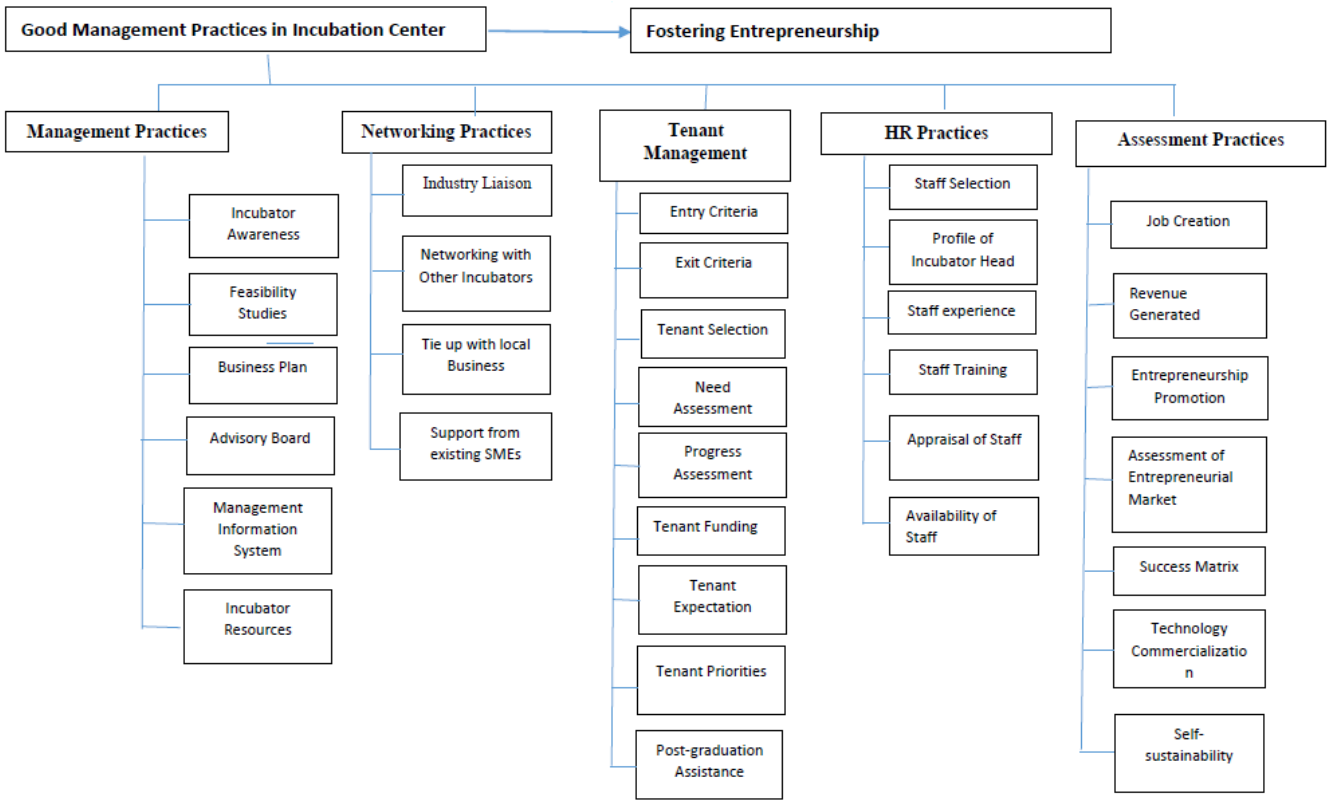

Figure 2.2: Incubation Centers Good Management Effect on Fostering Entrepreneurship

III. Findings' Interpretation

a) *Role Business Incubation on Fostering Entrepreneurship*

i. *Physical Infrastructure Services*

Most of the start-up companies require physical infrastructure facilities, but usually they cannot afford as these facilities are a great hassle and even it is found to be a great challenge for new startups. Business incubation centers provides startups with flexible and affordable work space necessary equipment and shared offices. Affordability means rent bellow market rate, whereas flexibility means decrease or increase of rooms in number and size based on tenant companies' requirement. Flexibility also means payment of rent in installment. Incubator should also provide services related to building facilities such as conference rooms, cafeteria, building security and other facilities. Earlier

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studies findings indicate that the physical infrastructure services of business incubation centers have a positive impact on start-up companies. By offering these services, they minimize early stage operational costs, save time of the entrepreneurs (Zedtwitz, 2012). This fact will allow entrepreneurs to concentrate on development of product (Finer, 2002) (Helberton, 2002). Besides enjoying a synergistic cost advantage (Fisher, 1992) Physical infrastructure services also improve the visibility, credibility and legitimacy of the tenant companies' businesses by utilization of business incubation center's postal address and positive word of mouth (Raymond Smilor, 1986).

Researcher has found out that the business incubation centers provided work space to a good extend, however provision of facilities like communication, library and laboratory should be improved. The finding also includes that both the business incubation centers and the tenant companies realize that the physical infrastructure services to be provided as indicated by overall mean scores. It may, therefore, be implied that the business incubation centers are not making good effort to contribute in fostering entrepreneurship by rendering physical infrastructure services as both incubator and tenant companies average percentage score is 63.

ii. *Business Assistance Services*

This includes a wide range of functional areas such as marketing, technical, human resource, legal, networking and finance and product development. Previous research studies (Divid N, 1985) (Rahman, 1995) (Campbell, 1985) (Johannisson, 1988) (McCluskey, 1990) (Sherman, 1998) (Chappell, 1998) (Hansen, 2000) (Klofsten, 2000) (Hellmann, 2002) (Lewis, 1996) (Pena, 2004)have confirmed that problems in managerial areas, lack of business skills, under capitalization, and poor access to business network hinder survival rates of new ventures and this is where the business incubation centers play a key role by offering business assistance services as a solution to the various problem faced by start-up companies. These services can help new ventures access capital, widen information sources, minimize business costs and time, exploit opportunities, reduce learning period and access resources required for business survival and growth. Based on the data analysis it can be concluded that business assistance services have higher importance to both incubator and tenant companies than physical infrastructure as the obtained percentages are 83 and 66.5 respectively in item wise percentage analysis.

iii. *Management Guidance and Consulting Services*

Based on other research studies researcher has included business plan development, business counselling, conducting feasibility analysis and providing business ideas.

Other research studies (Birley, 1985) (Dilts, 2004)(Sullivan, 1998) (Hackett, 2004) have confirmed that entrepreneurs not only require resources of equipment, space and money but also advice, information and reassurance. Start -up ventures need a good business plan for securing capital and ensuring smooth flow of funds. Business advice is indispensable at each stage of business for faster problem solving and mentoring support improves management skills and confidence. The business incubation centers deliver value to tenant companies by helping them with business plan development, mentoring, consultation on management, business counselling and advice services. (Fry, 1987) (Deakins, 1998) (Robson, 2000) (Benett, 2000) (Delmar, 2003) (Shane, 2003) (Birrel, 2004).

Researcher also explored that the business incubation centers spread information and provided support for developing business plans to the tenant companies. Both the business incubation centers and the tenant companies realize the importance management guidance and consulting services to be offered as shown by percentage score 97 and 82 respectively. Therefore, it may be deduced that the business incubation centers are making a good contribution in fostering entrepreneurship by offering management guidance and consulting services.

iv. *Enabling Environment Services*

This service is defined as environment where incubator center has created and maintained a synergistic environment for start- up companies to learn how develop marketable products and services faster and save operational cost. Such an environment expedites the development of new firms and reduces their chances of failure. The business incubation centers assess of the tenant companies' satisfaction level with incubator services and address their complaints promptly.

Review of literature (Scholarly Commons, 2016) (Lichtenstein, 1992; (Dividsson, 2003) (Honig, 2003) (McAdam, 2006) (Rodney, 2006) shows that business incubation centers create opportunities and environment that are helpful to tenant companies to create synergy. Such an environment allows tenant companies to share resources, experience, feelings of ups and downs leading to reduction of isolation, and learn from each other to excel through the start- up process. The importance of having a good fit between tenant companies' requirements and incubator services has also been emphasized. (Autio, 1998) (Klofsten, 2000). The present study shows that based on incubators claim they have created an environment for tenant companies to learn from each other. The incubator data analysis reveals they assume to be highly effective in reduction of time required to develop marketable security. However, tenant companies' satisfaction level

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is quite low. Areas like assistance to reduce early stage operational cost, expedition in development of new firm development, assistance in reduction of chances to fail and helping companies to establish credibility requires high attention to be improved.

b) Tenant Companies Perception on Services Rendered

A thorough understanding on the perception of tenant companies in respect of different business incubation services is critical for the success of the business incubation centers (Kadmar, 2013). This information serves as a feedback to improve their utility and effectiveness by making suitable changes in the level and type of services offered (Benett, 2000).

As far as resources are scarce it should be rationally utilized. It is recommended that only those services should be offered the give the most benefit to tenant companies.

To analyze the gaps between perceived and actual service rendered a t-test and ANOVA was run in SPSS at a significance level of .05. Meanwhile, a mean comparative analysis was also conducted.

c) Good Management Practices Effect on Fostering Entrepreneurship

i. *Management Practices*

The above analysis of data shows that as far as management practices in concerned, the business incubation centers claim that they have followed a formal business plan (100%), have conducted feasibility analysis prior to establishment of center (93%), they are managed by an advisory board (83%) have autonomy (87%), implemented Management Information System (83%). The incubators consider their decision making process to be short (67%) and find lack of funding to be a major obstacle to their success (87%).

ii. *Promotional Practices*

So far as promotional practices are concerned, analysis of data reveals that even though the business incubation centers claim to be conducting entrepreneurship promotion programs (100%), maintaining a website (97%), and carrying out advertising plan (73%), there is lack of awareness about their center and its services (87%).

iii. *Networking Practices*

On the networking practices, the business incubation centers assume that they are effective in securing capital (87%) have support of local industry (72%), and provide assistance to existing small and medium enterprises (83%) however, they need to improve effectiveness in sharing information with other incubation centers on regular basis. They also need to improve their knowledge on industry need.

iv. *Tenant Management Practices*

The analysis of tenant management practices reveals that the business incubation centers assume themselves to follow a formal admission policy (93%), selection committee for selection of tenant companies (93%) and graduation policy (100%). They claim that on regular basis they collect business information from tenant companies (93%), and make periodic assessment of their requirement (87%), and progress (97%). they perceive that there is not much differences in terms of expectations between them and tenant companies (60%), and priorities (53%). Centers have difficulty in finding appropriate tenant companies (77%) and organizing adequate funds for them is neutral (56%). They state that they are providing assistance to tenant companies after exit from center (87%) and are confident to a good extend about availability of suitable space to tenant companies outside the center on graduation (73%).

v. *Human Resource Practices*

In case of human resource practices, the business incubation centers are 100% confident on transferring skills to students, hiring expert consultant and availability of well-laid down criteria for selection of staff. They are highly confident on successful background of working closely with start-up companies (93%), having skilled staff on budgeting, finance and organizational analysis ((97%) and periodic assessment of their staff requirement (90%). However, they make a contradictory statement on availability of skilled staff (80%). They permit their staff to have stake in center and however (67%), their staff has risk taking attitude (67%), however, they are not much serious on staff performance appraisal (63%). They need to improve areas like retaining skilled staff (40).

vi. *Assessment Practices*

With regards to assessment practices, the incubation centers claim that they have developed a well-defined criterion for measuring their success (90%), transformed ideas to marketable product and have made periodic assessment on entrepreneurial market (87%). They have boosted public confidence on entrepreneurship and adopt adjust themselves quickly to market changes (83%), exploited opportunities to a good extend by generating successful business (70%). However, their sustainability is vulnerable (57%).

1. The success of the incubation centers depends to a large extent on the tenant's service they offer so that the importance of the adaptation between them cannot be undermined. While it is identified in the previous chapters the services that are not adequately provided, we now offer an analysis of these shortcomings in policy and the deviation in their practices, as perceived by the interviewees. It is important to analyze these shortcomings with regard to the Afghan business environment in order to provide them with a viable solution. We are also trying to identify the reasons for the failure of the Afghan incubation centers in order to implement the

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best practice in comparison to the international context.

IV. Recommendations

a) Business incubation services

i. *Physical Infrastructure Services*

a. *Library Facilities*

To make improvements in the library facilities, it is recommended that centers creating their own physical library if there is enough space and money. Alternatively, a separate section with relevant literature in the centers' library can be organized for use by the tenant companies. Inter incubation center books loan facility should be encouraged and the possibility of free subscription and free copies of newsletters, books, reports, etc. should be discovered.

b. *Laboratory Facilities*

For the laboratory we propose the establishment of a common laboratory with basic equipment depending on the thrust area of the incubation center. The laboratory of the laboratory of center can also be used after business hours or on public holidays. As far as access to specialized facilities is concerned, relations with nearby research and development facilities or technical facilities and technology-based companies should be improved. Some of the technical processes can be outsourced or equipment can be procured on rental if it is cost-effective.

b) Business Assistance Services

i. *Secretarial Services*

Secretarial services improve the image and effectiveness of incubation centers and tenants. Therefore, the appointment of a receptionist with secretarial skills is recommended. Alternatively, some members of staff can be trained on secretarial skills.

ii. *Technical Assistance*

In order to improve provision of technical support services, researcher proposes a stronger link with the industry and the nearby research and technical facilities, which will improve the availability of experts and facilities for tenant companies. Advisors who are capable and willing to support the start-up companies should be invited to the panel of business incubation centers and services of retired professionals. Device and machine suppliers can provide valuable insights into the practical aspects of production / processes. Technical support, if it starts from the beginning of the incubation process, gets very relevant as the tenant companies can draw their attention at an early stage to all important aspects. Only those start-up companies should be admitted to the incubation center whose technical assistance requirements can be met.

iii. *Marketing Assistance*

In order to improve the marketing support for tenant companies, the involvement of a qualified and experienced marketing professional who should be appropriately remunerated, is recommended. It is of crucial importance to offer the incubation companies the opportunity to tenant companies to present their products and services through participation in trade fairs, exhibitions, online promotions, listings in specialist directories, etc. Training in the use of cost-effective innovative marketing methods can prove to be valuable.

Networking Support

With regard to network support, we propose the creation and maintenance of a broad network consisting of members who are capable and willing to meet the needs of entrepreneurs. A proactive approach to adding continuous value to the network is indispensable.

iv. *Assistance in Securing Capital*

In order to improve tenant companies' financing, a fair and realistic assessment of their financial needs is recommended. Before they are linked to the financiers, it is important to ensure that start-ups meet the expectations of the financing agencies and mature enough for investment. Incubators should highlight, in particular, the market potential, the quality of management, the profitability and the cash flows of the tenant companies and present the case for the financing. When selecting financier, its expertise, its track record, its reputation and the expectations of the tenant regarding growth, future fund requirements and the investment time horizon must be taken into account. An estimation of the timeframe and the amount of funds required during each phase of tenancy transactions is crucial for the release fund to start-ups. Entrepreneurs who have the potential to adapt themselves to the requirements of the funding agencies may be given preferential admission to the incubator. Direct investments in promising tenant companies are also a worthwhile option.

c) Management Guidance and Consulting Services

i. *Assistance in conducting Feasibility Studies*

It is recommended that a thorough feasibility study to be carried out by a qualified specialist and used as a basis to determine whether the incubated project should be proceeded or dropped. The incubator resources are very scarce and should be used only for tenant companies who will benefit most. This service should therefore be given a high priority and, if necessary, be outsourced.

ii. *Business Counselling*

We propose that counselling is offered to all tenant companies, which should not only be a one-time meeting, but a continuous relationship to regular meetings during the incubation period. Although group counseling may be appropriate in some cases, tailor-made counseling is much more effective and fruitful.

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The business incubation center manager should specifically assign some of his time to interact with the tenant companies. Interacting with successful entrepreneurs and previous tenant companies can be helpful as the tenant can be inspired by them. Domain area experts, industry professionals, executives and investors who are willing to spend time with entrepreneurial companies must be actively engaged and appropriately rewarded. Tenant companies can be encouraged to participate in various workshops / seminars organized within the scope of corporate consultations, industry associations and other organizations. Online consulting through professional / industry network can be very helpful. A knowledge base, consisting of information on various aspects of business development, created from the experience of various tenants, can be organized as a reference.

iii. *Business plan writing assistance*

It is strongly recommended that incubation centers help their tenants to regularly review their business plans. They should track changes in the business environment and suggest them to make appropriate changes to the business plan or, if necessary, to develop a new plan. If this service could not be provided in the house, it should be outsourced.

iv. *Enabling Environment Services*

Reduced time to develop marketable products/services

In order to overcome this problem, we recommend that the business incubation centers should foresee problems that are likely to emerge during each stage to tenant companies and provide focused support to handle them effectively, thereby expediting the process of developing marketable product or service. A realistic evaluation of fund requirements for each stage of tenant companies' business and their timely availability is essential.

v. *Minimized chances of failure*

To reduce the chances of the failure of the start-up companies, the business incubation centers should have a holistic perspective of the support system and direct all resources and endeavors for their success. This requires that all connections in the process of incubation be intensified and monitored regularly. The business incubation centers should focus on company development as a priority focus and only give those entrepreneurs who benefit most from incubation services.

vi. *Regular Feedback*

It would be useful if the business incubation centers are deliberately trying to obtain formal or informal feedback from all tenant companies on regular basis. On the basis of feedback, an action plan should be drawn up and changes made as quick as possible. It is important to have a review system and record the improvement in place. Feedback should be reciprocal and tenants should also be given feedback. However, it is important to develop a confidence level, react sensitively to feelings, and direct feedback to a particular behavior or skill rather than to the individual.

vii. *Synergistic environment*

Synergy is not in place only because of the co-location and it requires planned efforts. It is very important that the incubation centers strive for a proactive approach to creating synergies and make a conscious effort to promote networking and collaboration between different tenant companies and to facilitate the business relationship between them.

viii. *Establishing Credibility*

The business incubation centers are expected to help tenant companies establish credibility leveraging the use of incubator's trustworthiness, network and contacts. However, in order to achieve long run credibility, it is recommended that centers should make the tenant companies trustworthy educating them on professionalism and help them develop expertise in them to make continued effort in this regard.

Practices followed by business incubation Centers to Foster entrepreneurship

a) *Management Practices*

i. *Incubation Centre Funding*

In order to achieve a substantial improvement in the funding of the business incubation centers, it is recommended that they focus on the issues concerning of the financing right at the time of their establishment. A realistic evaluation of the fund's need and availability should be ensured before the establishment center. Rent and service fee can be strengthened as the tenant company matures and specialized facilities can be provided at a higher fee. Partnership in new companies can be a good option to increase the profit base. Likewise, it is important to manage costs for the development and operation of the incubation center and to ensure sound financial management in order to ensure continuous availability of the funds and improved creditworthiness. Business incubation is a resource-intensive activity and therefore only those tenant companies should be allowed to meet the objectives of the incubator and benefit most from it. If the tenants do not reach the given milestones within the agreed upon time, such non-performing tenants should offer incentives to get them graduated from incubation process.

b) *Promotional Practices*

i. *Awareness about business incubation center and their services*

In order to strengthen the awareness of the incubation centers, it is recommended to be well signposted. Incubators can request the support of trade and industry associations and local business for the

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creation of awareness. The Internet as an advertising medium should be maximized. Low cost innovative means of promotion such as free listings in directories, business support websites, yellow pages, articles and newspapers, magazines, search engine optimization, SMS campaigns, newspaper inlays, In the local television channels and / or in the cable network business plan contests, press and media communications can increase the visibility.

c) Tenant Management Practices

i. *Differences between business incubation centers and tenant companies in terms of expectations and priorities*

To avoid mismatches in terms of expectations and priorities between the incubation centers and their tenants, we suggest that entrepreneurs be informed of the scope and limitations of the incubation process prior to their admission. The roles of the incubation centers and the tenant companies must be discussed in advance in order to avoid discrepancies in terms of expectations. The same applies to priorities, and both should have knowledge about the priorities of the others in order to align them in the most productive way.

d) Tenant Companies Funding

For a sufficient and timely financing of the tenant companies it is recommended that centers assist their tenants with a fair and realistic evaluation of their financial needs. Prior to connecting tenant companies to sources of financing, it should ensure that tenants meet the expectations of the financing agencies and are ready for investment. While representing the case for financing to financier, they demonstrate a high market potential, management quality, return on investment and cash flows generation. While selecting financier incubators should take account of their tenant companies competence, success, reputation and expectations regarding growth, future fund requirements and investment timing. An assessment of the amount of funding required and its time span is essential for the release of seed funds. At the time of screening, only those entrepreneurs who have the potential to adapt to the requirements of the financing bodies should be considered. Direct investments in promising tenant companies can be a good option.

e) Human Resource Practices

i. *Equity Stake in Tenant Companies*

Establishment of partnership with tenant companies can enhance the revenue base of the business centers substantially and they should participate in investment arrangements with properly structured deals. One of these arrangement can be buy back of investment wherein the tenant company can buy back equity from centers in future.

f) Business Incubation Centers' Manager Salary

Researcher recommends that the salary paid to the center manager and other staff members should remain proportionate with their experience in assisting tenant companies should be competitive in local market. A well-developed compensation, growth plan, and well-laid down service environments is indispensable. Salary paid to centers' staff should be treated as an investment rather than a cost.

g) Lack of staff

One way to solve difficulty in finding skilled business incubation professionals is to hire applicants with entrepreneurial skills and train them for the job. Rotation of staff and assigning them different task can improve skills and help them learn effective incubation practices. Inviting industry representatives, ex-tenant, successful entrepreneurs, and consultants can be considered as another measurement. In order to reduce turnover rate of skilled staff, the centers should structure a compensation and growth plan carefully. Similarly, centers should hire right individual based on well-development recruitment plan.

It is further recommended that all incubation centers create a training and development center to ensure availability of skilled staff member when needed.

h) Assessment Practices

i. *Self -sustainability of Incubation Centers*

The question of sustainability should be kept in mind at the time of the centers' foundation. A thorough assessment of the needs of the private sector and the needs of entrepreneurs should be made, and the design of the incubator should be consistent with these needs. The incubation centers should set up a roadmap with clear milestones, and all aspects of the strategy, objectives, government system, organizational structure and resources should be geared towards sustainability. The focus of the incubation centers should be on enterprise development, and all other targets should remain inferior to this goal.

Self-sustainability becomes possible when the incubation centers discover all sources of income, such as equity, licensing fees, rents & service fees, consultations and others. Continued subsidies and grants make them self-complacent and therefore excessive reliance on subsidies should be gradually reduced and eventually stopped. From the above discussions, it can be concluded that there is no single formula for the success of incubation. It is rather a combination of several practices which are interdependent and should be pursued at the same time.

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Determinants of Customer Loyalty in Mobile Telecommunication Industry in Bangladesh

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Abstract- The objective of the study is to investigate the determinants of customer loyalty in telecom industry in Bangladesh. The study surveyed 200 telecom customers in Bangladesh from Dhaka city to determine the key determinants that significantly influence customer loyalty. Convenience sampling method was used to collect primary data. Several hypotheses have been extracted from the conceptual framework and are tested using One-way ANOVA, Multiple regression analysis. Findings of study showed that service quality, customer satisfaction, trust, corporate image have certain degree of relationship with customer loyalty but switching cost did not prove to have any significant relationship with customer loyalty. It is also shown that service quality is the most dominant determinant among four (4) significant determinants which mostly lead customer to use a particular telecom operator's services repeatedly. The findings suggest that telecom operators should put more emphasis on improving service quality, customer satisfaction, trust, corporate image in order to increase loyalty among customers.

Keywords: customer loyalty, service quality, customer satisfaction, trust, corporate image, switching cost.

GJMBR-A Classification: JEL Code: M10

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Determinants of Customer Loyalty in Mobile Telecommunication Industry in Bangladesh

Md. Hafez[α] & Naznin Akther[σ]

Abstract- The objective of the study is to investigate the determinants of customer loyalty in telecom industry in Bangladesh. The study surveyed 200 telecom customers in Bangladesh from Dhaka city to determine the key determinants that significantly influence customer loyalty. Convenience sampling method was used to collect primary data. Several hypotheses have been extracted from the conceptual framework and are tested using One-way ANOVA, Multiple regression analysis. Findings of study showed that service quality, customer satisfaction, trust, corporate image have certain degree of relationship with customer loyalty but switching cost did not prove to have any significant relationship with customer loyalty. It is also shown that service quality is the most dominant determinant among four (4) significant determinants which mostly lead customer to use a particular telecom operator's services repeatedly. The findings suggest that telecom operators should put more emphasis on improving service quality, customer satisfaction, trust, corporate image in order to increase loyalty among customers.

Keywords: customer loyalty, service quality, customer satisfaction, trust, corporate image, switching cost.

I. Introduction

Bangladesh is the third biggest telecom market in Asia after China and India. Mobile phone has become an indispensable part of Bangladesh's everyday-life that made the communication easier for both urban and rural people in Bangladesh. Every year the number of mobile subscribers has been increased dramatically. The subscriber base was 97.180 million by December 2012. Within four years, the subscriber base has reached more than 119 million by September, 2016 and is continuing to grow at constant rate (BTRC, 2017). Presently, there are five mobile phone operators operating in Bangladesh namely Grameenphone (GP), Banglalink, Robi (Aktel), Teletalk (state-owned company), and Airtel (Warid). Grameenphone is the market leader with 55 million subscribers followed by Banglalink with 29 million subscribers and Robi with 24 million subscribers. Telecommunication service providers offer a wide range of value added services, including SMS (Short Message Service), voice SMS, MMS (Multimedia Message Service), voice services, information service, ringtone, games, electronic transaction, roaming, internet service, video call and customer care service (BTRC, 2017).

There is a fierce competition existing among telecom operators in Bangladesh. In this competitive market, customers are not loyal to one particular telecommunication company. The major telecommunication companies are continuously forced to consider how to create a loyal customer base that will not be eroded even in the face of severe competition. Therefore, it has become a paramount concern for the companies to stay alive and win the market share by making more customers loyal to their firms because acquiring a new customer can cost 6 to 7 times more than keeping or retaining existing customer (Kotler, 2012).

Since competition increases, customers bargaining power gets stronger, building trust and satisfaction becomes more important. Hence, companies should put more focus on factors affecting loyalty among consumers.

a) Problem Statement

There is a fierce competition existing in the mobile telecommunication sector in Bangladesh. So, subscribers now have various alternatives to choose mobile telephone company according to their convenience. Therefore, to maintain the leading position in this competitive market telecom operators have to identify the factors that create customer loyalty. Very few studies are conducted on the determinants of customer loyalty in telecom industry in the context of Bangladesh. Therefore, this study attempts to find out the determinants of customer loyalty in the telecom industry in Bangladesh.

b) Research Objectives

The broad objective of this study is to explore the critical determinants of customer loyalty in Bangladesh. To be specific, the study has the following objectives:

- To examine whether service quality has significant relationship on customer loyalty.
- To examine whether customer satisfaction has significant relationship on customer loyalty.
- To examine whether trust has significant relationship on customer loyalty.
- To examine whether switching cost has significant relationship on customer loyalty.

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- To examine whether corporate image has significant relationship on customer loyalty.
- To identify the most dominant determinant that creates customer loyalty in telecom industry.
- To recommend some actions plan for telecom operators based on this research findings.

II. Literature Review

a) Customer Loyalty

Loyalty as a concept has its root from the consumer behavior theory and is something that consumers may exhibit to brands, services or activities. Customer loyalty is the most important goal of implementing relationship marketing activities. Customer loyalty represents the repeat purchase behavior, and referring the company to other customers (Heskett et al. 1994).Oliver (1997) defined customer loyalty as "a deeply held commitment to rebury or repatronize a preferred product/service consistently in the future, thereby causing repetitive same brand or same brand set purchasing, despite situational influences and marketing efforts having the potential to cause switching behavior". Customer loyalty is viewed as the strength of the relationship between an individual's relative attitude and repeat patronage. To deal with highly competitive market, business is trying not only to attract and satisfy customer but also to create a long term relationship with these customers (Gremler and Brown, 1996). Zeneldin (2006) suggested that a company can create loyalty by giving reward for their loyalty. Training employees on relationship marketing skills are the way to make customer loyal to a particular company.

b) Service Quality

Service is any activity or benefit that one party can offer to another that is essentially intangible and does not result in the ownership of anything (Kotler, 2012). Service quality is a global judgment or attitude relating to a particular service (Fogli, 2006).According to Berry et al. (1988), service quality has become a significant differentiator and the most powerful competitive weapon which all the service organizations want to possess. Service quality is the result of an evaluation process where customers compare their expectations about a service with their perception of the service to be received (Gro¨nroos, 1984; Parasuraman et al., 1985, 1988, 1994). The service providers can create competitive advantage by providing high level of service quality (Yoo and Park, 2007).Service quality is determined by SERVQUAL model which includes the components of reliability, responsiveness, assurance, empathy, and tangibles (Parasuraman*et al.,* 1985). Service quality dimensions vary from industry to industry. Customer loyalty results when the quality of network of the service provider is satisfactory and there are small rates of call failure (Jahanzeb et al., 2011). According to Rahman and Ismail (2010), network quality is one of the significant factors in terms of evaluating service quality in determining the customer loyalty. Services Quality is a major determinant in customer retention and building value relationship (Venetis and Ghauri, 2004).Theoretically, there is positive relationships between service quality, and customer loyalty which are documented in the extant literature (Buzzell and Gale, 1987; Brown et al.,1992; Zeithaml et al.,1996).The above literature can come up with the following hypothesis:

H1: There is a significant relationship between service quality and customer loyalty.

c) Customer Satisfaction

Customer satisfaction has been given much attention among theoretical literatures and practical researches. Fornell (1992) defined satisfaction as an overall evaluation dependent on the total purchase and consumption experience of the target product or service performance compared with repurchase expectations over time. There is a strong positive correlation between customer satisfaction and customer loyalty (Donio*et al*., 2006; Story and Hess, 2006; Cheng *et al*., 2008; Anderson & Sullivan, 1993; Bolton & Drew, 1991; Fornell, 1992). Numerous studies in the service sector have also empirically validated the link between satisfaction and behavioral intentions such as customer retention and word of mouth (Anderson & Sullivan, 1993; Bansal& Taylor, 1999; Cronin & Taylor, 2002).Most of the researchers found that customer satisfaction is the predictor of customer loyalty (Faullant*et al*., 2008; Leverin and Liljander, 2006; Terblanche, 2006). The above literature can come up with the following hypothesis:

H2: There is a significant relationship between customer satisfaction and customer loyalty.

d) Trust

In business, trust is one of the most relevant determinants of stable and collaborative relationships. According to Moorman et al. (1992), trust is a willingness to rely on an exchange partner in whom one has full confidence. If one party trusts another party that eventually stimulates positive behavioral intentions towards the second party (Lau and Lee, 1999). Morgan and Hunt (1994) showed that trust is a major factor that influences relationship commitment which in turns leads to brand loyalty. According to Chauduri and Holbrook (2001), brand trust is directly related to both purchase and attitudinal loyalty. Brand trust helps the organization to sustain even during the time of uncertainty (Moorman et al., 1992; Doney et al., 1997; Dwyer et al., 1987). The above literature can come up with the following hypothesis:

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H3: There is a significant relationship between trust and customer loyalty.

e) Corporate Image

Image refers to the ability to influence customers' perception of the goods and services offered by the service provider (Zeithaml and Bitner, 2008). According to Nguyen and Leblanc (1998; 2001) corporate image is correlated to the physical and behavioral attributes of the organization, such as business name, variety of products or services, and the impression of quality communicated by each person communicating with the firm's clients. Thus, image will have an impact on customers' buying behavior. According to Aydin and Zer (2005) corporate image is one of the major determinants of customer loyalty and loyal customers may buy more and spread positive word-of-mouth regarding service provider. Corporate and brand image have also emerged as determinants of customer loyalty (Gronroos, 1988, Groholdt *et al.,* 2000). The above literature can come up with the following hypothesis:

H4: There is a significant relationship between corporate image and customer loyalty.

f) Switching Cost

Switching cost is the form of cost involved in changing from one service provider to another (Porter, 1998). According to Jackson (1985), switching cost is the sum of economic, psychological and physical costs. Switching cost are characterized by customer lock-in, where customer purchase the same brand repeatedly even competing brands have cheaper price (Aydin and Ozer,2005; Shy,2002). Previous studies showed that the degree of switching cost may have an influence on customer loyalty in service industry (Anderson and Fornell, 1994; Dick and Basu, 1994; Gremler and Brown, 1996). Jones et al., (2000) showed that switching cost is the significant antecedents for both business to business and business to consumer cases. Hence, the above literature can come up with the following hypothesis:

H5: There is a significant relationship between switching cost and customer loyalty.

g) Development of Conceptual Framework

Service quality, Customer satisfaction, Trust, Corporate image, Switching Cost and Customer loyalty are probably the most widely used variables in the domain of relationship marketing. A research model has been proposed based on literature review to analyze the relationships among these variables in order to detect the discerning impact of several determinants on customer loyalty.

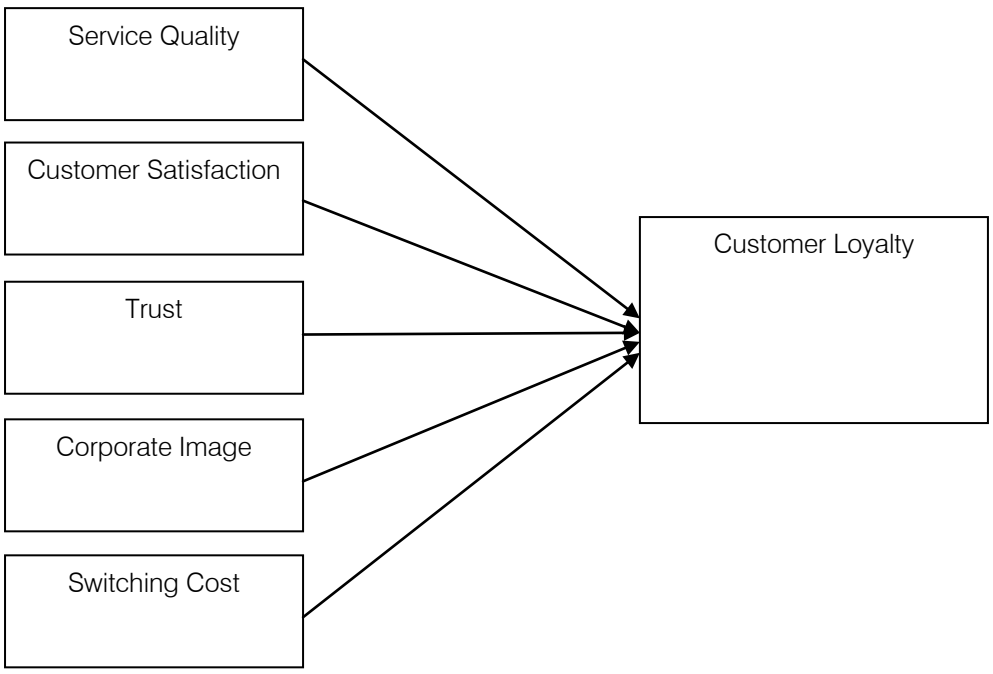

Figure 1: Conceptual Framework of Customer Loyalty

III. Methodology

This study is descriptive in nature. The main purpose of the descriptive research is validation of the developed hypothesis that reflects the existing condition (Zikmund et.al., 2012).

a) Sampling Design

The population of this study includes all the individuals in Bangladesh who have a connected mobile phone and used a particular operator network service more than six (6) months. The sampling unit includes both male and female doing business, service, and

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students with any level of education but must have age 15 years. Data has been collected from the four areas namely Narayanganj, Savar, Shantinagar and Azimpur in Dhaka City. Time frame for collecting survey data is from September 2016 to October, 2016. Convenience sampling method of non-probability sampling technique has been used in this study. Sample size is 200 used for this research purpose.

b) Data Collection Procedure and Instruments

To attain the objectives of this study both the primary and secondary data have been used. Secondary data has been collected from journals, newspapers, magazine, books, reports, and websites etc. The researcher conducts a survey to collect the primary data from the respondents who are using mobile phone services of a particular company. Primary data is collected from the respondents through survey method. Considering the nature of the study, data were collected through a structured questionnaire using 5-point Likert scale where Strongly Disagree=1, Disagree=2, Neutral=3, Agree=4, and Strongly agree=5) to collect information about the determinants of customer loyalty in telecom industry in Bangladesh. The questionnaire was designed in two parts. In part-I, to identify respondents' specific demographic criteria including name of the mobile operators, gender, age, monthly mobile expenses, occupation and education and in part-II- it includes 18 influential variables of customer loyalty in telecom industry.

c) Data Analysis

The data were analyzed using the Statistical Package of the Social Science (SPSS, 16.0). In this study, both the descriptive and inferential analysis techniques including reliability statistics (Cronbach Alpha), and multiple regression analysis were used to achieve this purpose.

IV. Analysis and Discussion

a) Reliability of Data

The reliability of a measure indicates the degree to which measures are free from random error and therefore yield consistent results (Zikmund, et al., 2012). According to Nunnaly (1978),0.7 is acceptable reliability coefficient.

Table 1: Reliability Statistics

Cronbach's Alpha	No of Items
.815	18

From table 1, Cronbach's alpha is .815 which indicates a high level of internal consistency among 18 variables. These results of reliability ensure a proper ground for further analysis.

Table 2: Demographic Profile of the Respondents

Variables	Respondents N= 200	Frequency (%)
Name of the Mobile Operators		
Grameenphone	88	44%
Banglalink	51	26%
Robi	32	16%
Airtel	18	9%
Teletalk	11	5%
Gender		
Male	114	57%
Female	86	43%
Age (Years)		
15-25	57	29%
26-35	96	48%
36-45	33	16%
Above 45	14	7%
Monthly Mobile Expenses		
Below 500 TK	89	45%
500-1000 TK	74	37%
1000-1500 TK	31	15%
Above 1500TK	6	3%

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Education Level		
SSC	24	12%
HSC	53	27%
Graduation	61	30%
Post-graduation	44	22%
Illiterate	18	9%
Occupation		
Business	56	28%
Service	46	23%
Students	98	49%

Table-2 shows the demographics profile of the customers who use mobile phone services more than 6 months including name of the mobile operator, gender, age, monthly mobile expenses, education and occupation. From this study, it has been found that most of customers use Grameenphone (44%) while only 5% using Teletalk. It is also shown that male respondents are dominant (57%) compared to female respondents (43%).In case of age group, 26 to 35(48%) are mostly the users of mobile phone services where only 7 percent uses mobile phone services whose age above 45. The respondents monthly expenses below 500 Taka are 45% followed by 37% within the range of monthly expenses 500-100 Taka. The respondents who have HSC, Graduation and Post-graduation degree are the major users of mobile phone representing 79%. Finally, statistics related to occupation shows that significant number of the respondents are students (49%) followed by business (28%) and service (23%).

b) Multiple Regression Analysis

Table 3: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.646[a]	.519	.503	.78599

a. *Predictors: (Constant), Switching Cost, Customer Satisfaction, Corporate Image, Trust, Service Quality*

Table 4: ANOVA[b]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	112.622	5	22.524	23.729	.000[a]
	Residual	184.152	194	.949		
	Total	296.774	199			

a. *Predictors: (Constant), Switching Cost, Customer Satisfaction, Corporate Image, Trust, Service Quality*

b. *Dependent Variable: Customer Loyalty*

In this study, multiple regression analysis has been used to find out the determinants of customer loyalty in telecom industry in Bangladesh. In table 3, the model summary shows that the R value is .646, which is the correlation of five (5) independent variables with dependent variable. It also found that the coefficient of multiple determination is R^2=.519. This means that 51.9 percent variations in the dependent variable i.e. customer loyalty of telecom sector are explained by independent variables that are service quality, trust, customer satisfaction, corporate image, switching cost and the remaining 48.1% can be attributed by other factors which are not studied. Table 4 shows that the ANOVA test result (F= 23.729, P=.000) represents the fitness of the model. Therefore it can be concluded that the combination of the independent variables significantly predicts customer loyalty of telecom sector in Bangladesh.

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c) *Hypothesis Testing*

Table 5: Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.503	.771		.652	.515
	Service Quality	.505	.106	.364	4.765	.000
	Customer Satisfaction	.237	.102	.169	2.318	.021
	Trust	.261	.094	.203	2.773	.006
	Corporate Image	.214	.087	.159	2.443	.015
	Switching Cost	-.182	.106	-.131	-1.721	.087

a. *Dependent Variable: Customer Loyalty*

Testing H1

From table 5, it has been revealed that there is a significant positive relationship between service quality and customer loyalty in telecom industry in Bangladesh with (Beta=.364) and (p=.000< .05).This means that service quality is most significant determinants contributing more than 36% customer loyalty in telecom sector. These results of the study support H1.

Testing H2

From table 5, the result shows that there is a significant positive relationship between customer satisfaction and customer loyalty in telecom industry in Bangladesh with (Beta=.169) and (p=.021< .05).This means that customer satisfaction influences more than 16% customer loyalty in telecom industry in Bangladesh. These results of the study accept H2.

Testing H3

From table 5, the result shows that there is a significant positive relationship between trust and customer loyalty in telecom industry in Bangladesh with (Beta=.203) and (p=.006< .05).This means that trust contributes more than 20% customer loyalty in telecom sector in Bangladesh. These results of the study support H3.

Testing H4

From table 5, it is shown that there is a significant positive relationship between corporate image and customer loyalty in telecom industry in Bangladesh with (Beta= .159) and (p=.015 < .05).This means that corporate image influences more than 15% customer loyalty in telecom sector in Bangladesh. These results of the study accept H4.

Testing H5

From table 5, the result shows that there is no significant relationship between switching cost and customer loyalty in telecom industry in Bangladesh with (Beta= -.131) and (p=.087 >.05). Hence, this result of the study rejects H5.

Based on the SPSS results, regression model of the study is

Customer loyalty = 0.503 + 0.505 (Service quality) + 0.237 (Customer satisfaction) + 0.261 (Trust) + 0.214 (Corporate image) + -0.182 (Switching cost) + e

V. Conclusion

The study examines the determinants influencing customer loyalty in the telecom industry in Bangladesh. Multiple regression analysis is conducted in this study in order to find out influential determinants that lead customer loyalty in telecom industry. Based on previous literature, five (5) influential factors of customer loyalty were identified. The results show four factors significantly influencing the customer loyalty namely service quality, customer satisfaction, trust, corporate image. Switching cost is an insignificant determinant in developing customer loyalty in telecom industry in the context of Bangladesh. The findings of the study also indicate that service quality is the most significant determinant of customer loyalty in telecom industry in Bangladesh. Therefore, telecom operators should focus on service quality, customer satisfaction, trust, corporate image for the purpose of customer retention and building customer loyalty.

VI. Recommendations

Building customer loyalty in telecom industry in Bangladesh is an urgent need due to the increased competition. Few guidelines are given for telecom operators based on the findings.

- Telecom operators should improve service quality as much as possible because it is the most significant determinant of customer loyalty in telecom industry in Bangladesh. To create a distinctive and desirable place in mind of target customers, telecom operators should give more

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focus on strong network coverage, infrequent call drops, and voice clarity in their network.

- A satisfied customer is the best advertisement for the organization. Telecom operators should provide different types of updated facilities and consumer promotion like price discount, FNF facilities in other operators, 3G network, 4G network, free video calling, free talk time and SMS bundle on special occasion so that customers feel that they are getting extra facilities compared to others operators.
- Telecom operator should build a trusting relationship with loyal customers by offering promised telecom services with no hidden charge. Strong interpersonal relationships between telecom operators and customers are the way to build customer loyalty, even when competitors try to win them over with lower prices.
- Telecom operators should create positive corporate image through corporate social responsibility. Consequently, it will give high impression and perception in the mind of the target customer regarding their operators.

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Approach:

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	A-B	**C-D**	**E-F**
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Methods and Procedures	Clear and to the point with well arranged paragraph, precision and accuracy of facts and figures, well organized subheads	Difficult to comprehend with embarrassed text, too much explanation but completed	Incorrect and unorganized structure with hazy meaning
Result	Well organized, Clear and specific, Correct units with precision, correct data, well structuring of paragraph, no grammar and spelling mistake	Complete and embarrassed text, difficult to comprehend	Irregular format with wrong facts and figures
Discussion	Well organized, meaningful specification, sound conclusion, logical and concise explanation, highly structured paragraph reference cited	Wordy, unclear conclusion, spurious	Conclusion is not cited, unorganized, difficult to comprehend
References	Complete and correct format, well organized	Beside the point, Incomplete	Wrong format and structuring

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