THE JOINT EFFECT OF EMPLOYEE EMPOWERMENT, JOB-RELATED ATTITUDES AND INSTITUTIONAL FACTORS ON PERFORMANCE OF PUBLIC UNIVERSITIES IN KENYA

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Abstract

The current study examined the joint effect of employee empowerment, job-related attitudes and institutional factors on performance of Public Universities in Kenya. Conceptual and empirical literature was reviewed and hypotheses formulated. A positivist paradigm using descriptive research design was used. The population comprised the staff of Chartered Public Universities in Kenya 2013. Proportionate random stratified sampling and multi stage sampling was used. The literature review revealed that a number of studies have been conducted on the relationship between employee empowerment and performance. However, these studies did not examine the joint effect of employee empowerment, job-related attitudes and institutional factors on the organizational performance. A questionnaire with Likert-type interval scale anchored on a fivepoint scale was used to collect primary data. Descriptive statistics were computed for organizational data and the main characteristics of the study variable. Data was presented in tables, charts and figures. Hypotheses were tested using Pearson's product moment, stepwise and multiple regression and change statistics for data analysis and tests. The results confirmed that the joint effect of employee empowerment, job-related attitudes and institutional factors on performance was greater than the individual effects of each variable on performance of Public Universities in Kenya. The study highlights an increased understanding that the combinative effect of the study variables is greater than the individual effects. Involvement in decision-making and autonomy coupled with enabling structures and leadership should be considered if employees are to be empowered and their contributions to count.

Keywords: Employee Empowerment, Job-related Attitudes, Institutional Factors and Organizational Performance

1.0 Background of the Study

Organizations in the rapidly changing environment need to adopt change to remain competitive. Human resources form part of the most important asset in the organization as such has to be nurtured to achieve organizational goals. The Government of Kenya (GoK) acknowledges that over the years there has been poor performance in the public sector. Some of the factors that have affected performance in public institutions include: tribalism, corruption, excessive controls, frequent political interference, nepotism, mismanagement of the human resource and other resources (GoK, 2005). This has affected the human resource. In recent years however, there have been major changes undertaken such as: introduction of performance contracting, performance ranking of public sector institutions based on agreed criteria and devolving of services. These changes have been seen as a tool aimed at improving accountability, transparency, efficiency and effectiveness in delivery of quality services, and improving efficient utilization of resources to improve overall performance. Further, the Kenya Vision 2030 strategy was crafted as a blue print to catapult Kenya into the next millennium. However, such expectations cannot be automatically realized. In response to these changes managerial approaches should embrace strategies that will foster empowering employee and stimulating employee behavior towards achievement of these goals.

Concept of Employee empowerment has been discussed as a human resource practice and empowerment as a motivating factor. From a human resource practice viewpoint, empowerment is described in terms of total human resource development and engagement. The organization has a responsibility to create conducive work environment which fosters the ability and desire of employees to act in an empowered way (Monari, 2013). At the same time remove barriers that limit

the ability of staff to act in an empowered way (Fox, 1998). As a management approach to motivation empowerment is explained just as a result of evolution in the management field and as a result of new knowledge to meet new challenges. Concurrently empowerment has been used to refer to employee involvement, employee engagement, and employee participation that was initially adopted in management theories of human relations and motivation (Hug and Hill, 2004; Wilkinson, 1998). The term continues to be used to refer to issues of giving employees more power and control. Employee empowerment describes all activities related to human capital management in the organization.

Scholars (Thomas and Velthouse, 1990; Randolph, 2000) have recognized that empowerment is evidenced by organizational members who are inspired and motivated to make meaningful contributions and who have confidence that their contributions will be recognized and valued. In Kenya for example empowerment programs have been put in place in some organizations in the private sector and in multinationals; however the practice in public sector is a challenge due to inflexibility of the system and conditions necessary to make such an approach successful. Despite introduction and implementation of performance contracting in government institutions there is still much to be done.

Empowering practices and strategies nurture favorable employee attitudes and this not only contributes to job satisfaction but also lead to organization commitment (Nick et al. 1994). In defining empowerment, Randolph (2000) refers to empowerment as a means of transferring sufficient and appropriate power to employees and making resources available to enable them succeed in their jobs. Hill and Huq (2004) contend that empowerment simply means giving employees a voice. Several studies (Spreitzer, 1995; Argyris, 1998; Kanooni, 2005) concur that empowerment exists when a person perceives that they have freedom and authority to perform their job effectively. Consistent with empowerment theory, psychological and structural theories of empowerment, researchers agree that the core element of empowerment is giving employees latitude over certain related tasks (Wilkinson, 1998). Ghorbani et al., (2012) confirms the empowerment concept by positing that "involve everyone in everything", and contended that lead by empowering people. Further Vogt and Murrel (1990) state that empowerment is the period of improving the decision making ability of the employees through cooperation, sharing information, training, autonomy and intellectual capacity.

Today, despite major strides in the growth of empowerment in organizations the effect still remains vague. More than 25% of organizations surveyed by Lawler et al. (2001) study reported no significant empowerment-oriented practices in their organizations (Spreitzer and Doneson, 2005). Moreover those who have introduced empowerment practices often find it difficult to build genuine employee empowerment practices (Spreitzer and Quinn, 2005). Although there have been reports of success and failure of employee empowerment there has been little rigorous research on its antecedents and its consequences (Menon, 2001). Consistent with the stream of empirical studies examining the relationship between empowerment and performance there is evidence to suggest that empowerment initiatives do not always deliver expected outcomes for organizations, management, or for individuals (Claydon and Doyle, 1996). Empowerment is an on-going process in any organization however it does not always deliver. Wilkinson (1989) argues that while there are many programs labeled as empowerment most are designed not to give employees a very significant role in decision making; but rather to secure an enhanced employee contribution to the organization. From the foregoing discussion the debate on whether empowerment leads to improved performance is still inconclusive. Consequently, performance may be as a result of a combination of empowerment and other factors. As such there is need for further research to ascertain if indeed these factors have influence on the relationship between empowerment and performance.

Most of the studies on empowerment have been done in developed countries' contexts (Rothman and Coetzer, 2003). However few studies have been carried out in Asia and Africa and especially East Africa. In Kenya, the few studies (Oloko, 2008) done have mainly focused on employee empowerment and performance, but no known study to the researcher have tested the joint effect of employee empowerment, job-related attitudes and institutional factors on this relationship.

Public universities in Kenya have encountered challenges in their performance such as: increase in student numbers, scarce resources, staff turnover, weak capital outlays, industrial disputes and 'brain drain'. With increased student numbers this translates to large work-loads for the staff which leads to staff burnout and affect performance. To tackle these challenges, universities need to be strategic and to realize the importance of human resource as an important resource (asset) in order to gain competitive advantage. This is in agreement with the Resource-Based View (RBV) theory which has shifted emphasis in strategic literature away from external factors such as industry position toward internal firm resources such as human resource as a source of competitive advantage (Dunford et al., 2001). Acceptance of internal resource as a source of competitive advantage has brought legitimacy to Human Resource (HR) assertion that people are strategically important to an organizations' success (Dunford et al., 2001). Human resource is an internal asset that creates value in the organizations' systems to achieve desired results (Pfeffer, 2013).

The current study focused on the joint effect of employee empowerment, job-related attitudes and institutional factors on organizational performance of chartered public universities in Kenya.

1.1 Research Problem

Empowerment is critical to multi-dimensional success of the organization. This is because the human resources is one of the most reliable sources of organizational efficiency, effectiveness and performance. But though this may be true, strategies that are adopted by an institution to empower the employees can affect its performance. However, how these strategies interact with other factors like job-related attitudes and institutional factors to influence performance is still unexplored.

Universities in Kenya play an increasingly important role in economic and social development. However Universities in Kenya are encountering challenges such as increased student numbers, rapid expansion, inadequate facilities, less number of staff, low salaries, inadequate funding, low research output among others. They have lost staff to foreign universities in what is commonly known as "brain drain" depriving the country of much needed talent. Wosyanju et al. (2012) confirmed, for example, that Kenyatta University lost 20 lecturers in a span of just one year. Staff in these institutions have joined unions such as University Academic Staff Union (UASU) to fight for empowerment and welfare of their members. In October 2011, and September 2012, 2013 the teaching and non-teaching staff in the public universities went on strike because of delay in review of their remuneration and working conditions. The management of these challenges depends on holistic approach which should incorporate job-related attitudes, institutional factors and to an extent of employee empowerment.

Previous studies (Spreitzer, 1995; Wilkinson, 1998) have tried to explain the link between employee empowerment and performance. However most of the studies have concentrated on isolated facets of empowerment. Ritzen (2011) looked at empowerment as granting formal autonomy to make decisions in the universities, but empowerment is more than autonomy. Wong et. al., (2011) in his study concluded that the four cognitions of psychological empowerment namely meaning, competence, self-determination and impact were positively related to organizational performance. While this may be true, the study did not incorporate other factors such as job satisfaction, organization commitment, structures, strategies, organization commitment, culture and structural empowerment. Ngambi (2010) established that attracting and retaining skilled, knowledgeable and

competent employees in tertiary educational institutions is important. For most higher education institutions have experienced challenges of low morale, skills shortage, stifled academic freedom, low salaries, high student-academic staff ratio, higher workload, and exclusion from decision-making processes (Ngambi, 2010).

While extant literature depicts advantages regarding the theoretical aspects of empowerment, there is still inconclusive evidence that empowerment achieves the benefits promised. Empowerment has been found to be positively related to performance (Spreitzer 1995; Menon 2001). At the same time empowerment has been found in some instances to have negative relationship (Hill and Hug, 2004). Researchers in employee empowerment (Spreitzer, 1995; Wilkinson, 1998) have also reported that there is still lack of concurrence on the ideal empowerment program that could empower employees. The ongoing debate on the relationship between empowerment and performance confirms the lack of satisfactory evidence to support the findings as discussed above. Given the mixed research findings on the relationship between empowerment and performance there is need for further research to address this gap. Further most studies investigating aspects of the relationship have been done in different contexts, measurements, conceptualizations and methodologies. Most of the studies have been done in the western context and a few in Asia. Very few studies have been done in Kenya linking empowerment and performance. Although it is well established that a relationship exist between empowerment and performance less is known about other variables that influence the relationship. Strategy, structure, culture, leadership type and jobrelated attitudes have been found to have effect on the relationship between employee empowerment and performance. This study examined these factors jointly to establish the joint effect of the variables.

2.0 Literature Review

Literature on employee empowerment, job-related Attitudes, and institutional factors was explored and hypothesis were formulated from the review. The theories that guided the study were empowerment theory and institutional theory

2.1 Empowerment theory has been looked at from two different approaches from psychological empowerment and structural empowerment theories. Psychological empowerment theory stems from the social psychology model and it is based on perceptions and attitudes of employees work. Psychological Empowerment (PE) focuses on the perception of the employee on empowerment (Thomas and Velthouse, 1990; Spreitzer, 1995). This view defines empowerment in terms of cognitive motivational concept. The authors argue that the level of psychological empowerment could be influenced by organizational work environment (Spreitzer, 1995). Conger and Kanungo (1988) postulate that psychological empowerment is the process of enhancing the feeling of self-efficacy among the members by addressing conditions that caused powerlessness.

Structural empowerment theory on the other hand focuses on the structures within the organization rather than individual qualities (Fox, 1998). The background of this theory is organizational and management theories. The proponent of structural empowerment theory (Kanter, 1983, 1993) contend that, traditional organizational structures should be changed and transformed into more decentralized and democratic designs that will allow distribution of more power, information access and responsibilities to the lower levels of the organization (Tannenbaum 1968; Burke, 1986; Block, 1987; Kanter, 1993; Wilkinson, 1998). A key presumption of the empowerment theory is that empowered employees perform better than the less empowered (Thomas and Velthouse, 1990). Consisted with empowerment and human resource literature, employee's feelings of 'being

empowered' could be attributed to increased autonomy, participation in decision making and accessing of information, this lead to increased employee performance.

Empirical studies have found that employee empowerment is positively related to a variety of work attitude and behaviours such as managerial outcomes, innovativeness, job satisfaction and organization commitment, and employee retention (Kim, 2013: Fernandes and Moldogazieve 2011; Kirkman and Rosen 1999). While most research found positive results others found inconsistent results. Kim (2013) found that empowerment does not significantly relate to organization commitment whereas Alkhatan et al (2011); Park and Rainey (2008) found that employee empowerment is positively related organization commitment and job satisfaction. Fernandes and Moldogazieve (2011) found that empowerment practices aimed at providing employees with access to job-related knowledge and skills and granting discretion to change work process have positive impact on performance. Despite the growth of empowerment theory there are still weaknesses stemming from lack of appropriate theoretical frameworks and inadequate attention being paid to practical implications (Hill and Hug, 2004). In particular, researchers are aware that empowerment programs do not always bring desired results and in cases where there are positive results, these could be attributed to other factors such as leadership, job satisfaction and organization commitment.

2.2 Institutional theory emphasize that modern organizations depend on their environments which can strongly influence the development of formal organization structures (Oliver, 1997). It acknowledges the importance of economic and social forces that shape the systems and structures of organizations (North 1990; DiMaggio, 1983). Institutions may hinder or enhance performance in organizations. The underlying proposition by institution theory is that organizational structures and processes become institutionalized over time and these have an effect on workers behaviour and performance which affect performance (North, 1990). Institution theory suggests that performance increases legitimacy because it indicates how well a firm is fulfilling its roles in society (Meyer & Rowan, 1977; Suchman, 1995).

3.0 Research Methodology

The study was carried out in the twenty two chartered public universities in Kenya. The target population contained of 1,011 employees of charted public universities in Kenya. Stratified random sampling was used to select samples from the population of the twenty two charted public universities. To identify respondents in each university a multi-stage sampling technique was applied. Multistage sampling allows a larger number of units to be sampled at a given time.

The study used both primary and secondary data. The research mainly relied on quantitative data which was using a questionnaire. The primary data was collected using a structured questionnaire with statements anchored on a Likert-type five-point scale ranging from "Not at all (1) to "to a very great extent (5)" was used to collect primary data.

Internal consistency of the research instrument was measured through Cronbach's Coefficient Alpha. The study used face, content and constructs validity. Cronbach's Alpha coefficient of the independent variable, namely employee empowerment is .939, job-related attitudes .925, institutional factors .950, while for organizational performance .919. All the coefficients for the instrument measured above the minimum 0.7. These Alpha coefficients compare well with those obtained from other studies (Fernandes and Moldogaziev (2011); Ming 2010; Menon 2001) in the area.

3.1 Data Analysis

Data was analyzed using both descriptive statistics (frequency distributions, means, and standard deviations) and inferential statistics (correlation analysis, analysis of variance and regression) to analyze the data. Descriptive analysis was conducted to present main characteristics of the collected data. Inferential statistics were used to test a number of hypothesized relations as to allow generalization of the findings to a larger population. To test the pattern of relationships between research variables as stated in the hypotheses, simple and multiple regression equations were used as required. The regression analyses provided estimate equations to predict the magnitude of the dependent variable and provide values for the predictor variables.

Pearson Moment Correlation (r) was derived to show the nature and strength of the relationship among variables of the study. The relationship is strong when r=0.5 and above, moderately strong when r is between 0.3 and 0.49, weak when r is below 0.29, and a correlation of 0 indicates no relationship. The square of the correlation coefficient, the Coefficient of Determination (\mathbb{R}^2) was used to determine goodness of fit of different models and used to measure the amount or degree of variation in the dependent variable(s) attributed to the predictor variable(s). The closer \mathbb{R}^2 is to 1, the better the fit of the regression line to actual data. The Beta values show the amount of change in the dependent variable attributable to the amount of change in the predictor variable, and the F ratio is a measure of how well the equation line developed fits with the observed data or it simply measures the model fit. The statistical significance of each hypothesized relationship is interpreted based on the F and t values. High values of the Coefficient of Determination (\mathbb{R}^2) (usually above 0.6) signal the extent to which the model accounts for variation in the dependent variable, and Analysis of Variance (ANOVA =F test). To test the mediating effect of JRA on the influence of EE and OP stepwise regression analysis was used

Table 1 Presents the Demographic Profile of the Respondents						
		Frequency	Percent	Cumulative Percent		
Gender	Female	278	40.3	40.3		
	Male	411	59.7	100.0		
Category of Staff	Non-Academics	343	51.7	51.7		
	Academics	282	42.5	94.1		
	Both	39	5.8	100.0		
Age	Below 20 years	2	.3	.3		
	20-29 years	51	7.3	7.6		
	30-39 years	280	40.1	47.7		
	40-49 years	254	36.4	84.1		
	Over 50 years	111	15.9	100.0		
Length of Service	Below 2 years	74	10.6	10.6		
	3-5 years	216	31.0	41.6		
	5-10 years	226	32.4	74.0		
	10-15 years	73	10.5	84.5		
	Over 15 years	108	15.5	100.0		

4.0 Research Findings

The sample response rate was 72%. According to Fowler (1984) a response rate of 72% is representative. Demographic profile of the respondents is presented in Table 1.

Table 1 shows that 40.3 per cent of the respondents were female while 59.7 male. 51.7% of respondents were non-academics and 42.5% academics. The respondents age ranged from 20-0ver 50 years. Most of the staff were in the age bracket of 40-49 years. This reveals that most of the staff are young and dynamic. 32% of the respondents had worked with the institutions for between 5-10 years.

4.1 Reliability and Validity

The study sought to establish the reliability of each study variable. Cronbach's Alpha Coefficient was used to test reliability of the instrument. The pertinent results are summarized in Table 2 below.

Variable	Measure	No. of	Cronbach's Alpha
		Items	Coefficient (a)
Employee	Decision Making	39	.939
Empowerment	Autonomy		
	Access to Information		
	Training and Development		
	Management Support		
Institutional	Strategy	59	.950
Factors	Structure		
	Culture		
	Leadership Style		
Job Related	Job Satisfaction	19	.925
Attitude	Organization Commitment		
Organizational	Research grants and Publications	9	.919
Performance	Revenue Growth		
	Customer Satisfaction		
	Employee Satisfaction		
	Adherence to Budget		

Table 2 Cronbach's Alpha Coefficient

Source: Primary Data (2014)

The results in Table 2 suggest that organizational performance had Cronbachs' Alpha coefficient of .919 while institutional factors had the highest of .950. Employee empowerment scored .939 while Job-related attitudes scored .925. Different scholars have used different Cronbach's Alpha Coefficient factors cut-off points (Nunnally 1978; Hair et al., 1998). The reliability results exceeded the 0.7 level of acceptability revealing a very high degree of reliability. Since the reliability results exceeds 0.7 lower level of acceptability (Sekaran, 1992; Hair et al, 1998), internal consistency reliability measures used were considered high and to have adequately measured the study's variables and were therefore considered for further analysis. Validity was tested through carrying out a pilot study. The instrument was then modified in the form of structure and results incorporated in the final instrument

4.2 Correlation Analysis of All the Variables

Correlation analysis using Pearson's Product Moment (PPM) technique was used to establish the relationship between the main variables of the study. Correlation analysis is a measure of linear association between two variables. The test was done to identify the strength and direction of the associations among the variables of the study. The variables in the study were employee empowerment, institutional factors, job-related attitudes and organizational performance. Values of correlation coefficient range from -1 and +1. A correlation coefficient of +1 indicates that two

variables are perfectly and positively related in a linear sense. While -1 indicates that two variables are perfectly related but in a negative linear sense. Hair et al (2006) recommended that correlation coefficient (r) ranging from .81 and 1.0 are very strong; from .61 to .80 are strong; from .41 to .60 moderate; from .21 to .40 weak; and from .00 and .20 indicates no relationship. Table 3 summarizes the results.

	-	Employee Empowerment	Institutional Factors	Job related Attitudes	Organizational Performance
Employee	Pearson Correlation	1			
Empowerment	Sig. (2-tailed)				
	Ν	520			
Institutional Factors	Pearson Correlation	.729**	1		
	Sig. (2-tailed)	.000			
	Ν	402	503		
Job- related Attitudes	Pearson Correlation	.638**	.779 ^{**}	1	
	Sig. (2-tailed)	.000	.000		
	Ν	479	468	626	
Organizational	Pearson Correlation	.535**	$.488^{**}$.377**	1
Performance	Sig. (2-tailed)	.000	.000	.000	
	Ν	477	469	567	620

Table 3 Correlations Matrix

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

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

Source: Primary Data (2014)

The correlation analysis with the main variables indicated positive and significant coefficients between the variables. The pertinent results from Table 4 reveal that there is significant relationship between employee empowerment and performance (r=.535, p-value<.001). The Strength and direction of relationship is moderate; while employee empowerment and job-related attitudes relationship (r=.638, p-value<.001) is also strong. Employee empowerment with institutional factors the relationship is strong and significant at (r=.729, p-value <.001). Job-related attitudes with performance (r=.377, pvalue<.001). Institutional factors and performance (r=.488, p-value<.001). These results were all positive and statistically significant; hence supporting the fact that employee empowerment has a positive influence on organizational performance. The correlation findings are consistent with other reported findings in previous research by Fox (1998), Kanooni (2005), and Saif & Saleh, (2013) among others.

4.3 Testing the Hypotheses

The objective of the study sought to establish the combined effect of employee empowerment, institutional factors, and job-related attitudes on organizational performance. The literature reviewed, research objectives and the conceptual framework gave rise to the following hypothesis: *Hypothesis: The joint effect of employee empowerment, job-related attitudes, and institutional factors is greater than the effects of each individual variable on organizational performance*

4.2 Joint Effect of Employee Empowerment, Institutional Factors and Job-Related Attitudes on Non-Financial Indicators of Performance

To test the hypothesis multiple regression was used to test the effect of employee empowerment, job-related attitudes, and institutional factors combined on organizational performance. Table 4 shows the regression analysis result. Model 1 shows the direct relationship between employee empowerment and organizational performance. Model 2 shows introduction of institutional factors in the regression model whilst Model 3 shows combined effect as job-related attitudes is introduced in the model. The three combined variables put together are: employee empowerment, institutional factors, and job-related attitudes to predict organizational performance.

The hypothesis was tested, first using non-financial indicators of performance and, second based on financial performance specifically revenue growth. Composite index was used for the indicators of non-financial performance which was a criterion variable while composite index was used for the predictor variables. Regression Results are presented in Table 4 below

					Change Statistics						
			Adjusted R		R Square				Sig. F		
Model	R	R Square	Square	the Estimate	Change	F Change		df2	Change		
1	.573	.329		.15408				349	.000		
2	.575	.330						348	.321		
3	.578	.334	.328			3 1.572	1	347	.211		
				ANO	VA						
Model		S	um of Square	es Df	Mean Square	F		РУ	Value		
1	Regress	ion	4.0	55 1	4.055	1	170.80	3	.000		
	Residua	.1	8.2	86 349	.024						
	Total		12.3	41 350							
2	Regress	ion	4.0	78 2	2.039		85.892		85.892 .00		.000
	Residual		8.2	62 348	.024						
	Total		12.3	41 350							
3	Regress	ion	4.1	16 3	1.372		57.879	9	.000		
	Residua	1	8.2	25 347	.024						
	Total		12.3	41 350							
	-	<u>#</u>		Regression (Coefficients	<u>.</u>		4			
						Standardi	ized				
	Unstandard		Unstandardized	d Coefficients Coefficients		ents					
Model			В	Std. Error	Beta		Т	P Value			
1	(Consta	nt)		.164	.043			3.80	000. 0		
	employe	ee empowe	erment	.948	.073	.573		3 13.06	.000		
2	(Consta			.135	.052	.052		2.59	0.010		
	employe	ee empowe	erment	.874	.104		.528	8 8.40	4 .000		
	instituti	onal factor	s	.113	.113		.062	2 .99	4 .321		

 Table 4: Regression Results for Joint effect of Employee Empowerment, Institutional

 Factors and Job related Attitudes on Non-Financial Performance

3	(Constant)	.127	.053		2.412	.016
	employee empowerment	.906	.107	.548	8.463	.000
	institutional factors	.215	.140	.119	1.540	.124
	job related attitudes	131	.104	091	-1.254	.211
Mode	el 1: Predictors (Constant), Emplo	yee Empowerme	ent		-	

Model 2:Predictors (Constant), Employee Empowerment, Institutional Factors

Model 3: Predictors (Constant), Employee Empowerment, Institutional Factors, Job-related Attitudes

Dependent Variable: Non-financial Performance

Source: Primary Data (2014)

Model 1 show the results of analysis when only employee empowerment is used in the model $(R^2=.329, Adjusted R^2=.327 p<0.05)$. These results suggest that 32.9% of the variability in non-financial performance is explained by employee empowerment, while 67.% of the variation is not explained by the model, implying that there are other factors in the model that were not captured. These results are statistically significant. The beta coefficient is positive .948; t=13.069, p<.05 indicating that one unit change in employee empowerment is associated with .948 unit change in the relationship between employee empowerment and non-financial performance. The results reveal that employee empowerment has a strong and positive effect on non-financial performance. The F value of 170.803, p<.05 is statistically significant implying that the data fit the model adequately.

Model 2 introduces institutional factors in the model (R^2 =.330, p<0.05). These results imply that 33% of the variability in the non-financial performance is explained by interaction of institutional factors and employee empowerment to predict non-financial performance. 67% of the variation is not explained by the model, implying that there could be other factors that were not included in the regression model. The beta coefficient is positive .113; t=.994, p>0.05 implying that one unit change in institutional factors is associated with positive .113 unit change in the relationship between employee empowerment and non-financial performance. The results were statistically insignificant. The F ratio implies that the overall regression model is statistically significant at F=85.892, p<.05.

Model 3 brings in all the variables (employee empowerment, job-related attitudes, and institutional factors) when job-related attitudes is introduced in the model to predict non-financial performance (R^2 =.334, p<0.05). These results imply that 33.4% of the variability in the non-financial performance is explained by the model. The model indicates that 65.6% of the variability in non-financial performance is not explained by the model, implying there could be other factors not captured by the model. However the results are positive and significant. The beta coefficient is -.131, t=.-1.254, p>.05 implying that one unit change in the variables is associated with negative change of -.131 in the non-financial performance. However, the relationship is inverse and statistically insignificant.

As shown in Table 4 above, the F ratio ranged from 170.803 at p<0.001 in Model 1 to F=57.879 at p<0.001 in Model 3. These results indicate that the regression models were statistically significant and therefore fit for prediction. The result show that the joint effect of employee empowerment, institutional factors, and job-related attitudes was greater than the effect of each individual variable on non-financial performance (R^2 =.334). Thus hypothesis four was confirmed.

It is evident from the Table 4 above that 33.4% (R²=.334) of the change in non-financial performance is attributable to the three factors of employee empowerment, institutional factors and job-related attitudes. Notable though was the fact that the change in R² was minimal on addition of institutional factors (R² change=.002) and job-related attitude factors (R² change=.003). The

regression coefficients reveal that employee empowerment had the largest contribution to nonfinancial performance (β =.906, t=8.463 p<.001). Contribution by institutional factors was β =.215, t=1.540 p>0.05 however the results were statistically insignificant. Job-related attitudes had the lowest contribution β =-.131, t=-1.254 p=>0.05, however the results were not statistically significant.

4. 2 Joint Effect of Employee Empowerment, Institutional Factors and Job-Related Attitudes on Revenue Growth

The study sought to determine the joint effect of employee empowerment, institutional factors, and job-related attitudes on organizational performance. One hypothesis was developed from the literature reviewed and the conceptual framework. To test the hypothesis of joint effect multiple regression was computed. First it was tested on non-financial indicators and then on financial indicator – revenue growth. Results are presented in Table 5.

Results in Table 5 reveal that, Model 1 show the results of analysis when only employee empowerment is used in the model (R^2 =.041, Adjusted R^2 =.041 p<0.05). These results suggest that 4% of the variability in revenue growth is explained by employee empowerment, while 96.% of the variation is not explained by the model, implying that there are other factors in the model that were not captured. These results are statistically significant. The beta coefficient is negative.-2.375; t=-4,521, p<.05 indicating that one unit change in employee empowerment is associated with -2.375 unit change in the relationship between employee empowerment and revenue growth. The results reveal that employee empowerment has a negative effect on revenue growth though statically significant. The results were surprising and contrary to expectations and could not be explained. The negative results could probably be due to the methodology used. The employees can be empowered but this will not translate into increase the revenue. The F value of 20.440, p<0.05 is statistically significant implying that the data fit the model adequately.

Model 2 introduces institutional factors in the model (R^2 =.043, p<0.05). These results imply that 4.3% of the variability in the revenue growth is explained by interaction of institutional factors and employee empowerment to predict revenue growth 66.7% of the variation is not explained by the model, implying that there could be other factors that were not included in the regression model. The beta coefficient was.-.599; t=-.958, p<.05 implying that one unit change in institutional factors is associated with -.599 unit change in the relationship between employee empowerment and revenue growth. The F ratio implies that the overall regression model is statistically significant at F=10.678, p<.05.

Model 3 brings in all the variables (employee empowerment, job-related attitudes, and institutional factors) in the model to predict revenue growth (R^2 =.043, p<0.05). These results imply that 4.3% of the variability in the revenue growth is explained by the model. The model indicates that 66.7% of the variability in revenue growth is not explained by the model, implying there could be other factors not captured by the model. However the results are positive and significant. The beta coefficient is -.242, t=.-.558, p>.05 implying that one unit change in the variables is associated with change in the revenue growth. However, the relationship is inverse. The results were surprising and could be probably due to the methodology used. This implies that employee empowerment does not directly contribute to increased revenue in public universities.

As shown in Table 5 below, the F ratio ranged from 20.440 at p<0.001 in Model 1 to F=7.212 at p<0.001 in Model 3. These results indicate that the regression models were statistically significant and therefore fit for prediction. The result show that the joint effect of employee empowerment, institutional factors, and job-related attitudes was greater than the effect of each individual variable on financial performance (R^2 =.043). Thus hypothesis four was confirmed.

It is evident from Table 5 below that 4.3% (R^2 =.043) of the change in financial performance is attributable to the three factors of employee empowerment, institutional factors and job-related attitudes. Notable though was the fact that the change in R^2 was minimal on addition of institutional factors (R^2 change=.002) and job-related attitude factors (R^2 change=.001). The regression coefficients reveal that employee empowerment had the largest contribution to financial performance β .-1,845; t=-2.589 p<.05. There was no change when institutional factors were introduced. The beta value was -.548, t=-.866 p>0.05 and was statistically insignificant. Job-related attitudes had the lowest contribution β =-.242, t=-.558, p=>0.05, however the results were statistically insignificant.

In summary, the results in Table 5 indicated a significant model (F=20.440 p<.001) though the explanatory power was very low. The addition of the other two variables (institutional factors and job related attitudes) did not have significant change in R²=0.43, R Square change =.001). Further, the contribution of employee empowerment was significant (β = .157, t=-2.589, p= p<0.05). However the contribution of institutional factors (β = -.049, t=-.866, p>0.05) and job-related attitudes (β = -.030, t=-.558, p>0.05) was not significant.

Table 5: Regression Results for Joint Effect of Employee Empowerment, Institutional Factors,
and Job-Related Attitudes on Financial Performance

					Change Statistics					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	F Change	df1	df2	Sig. F Change	
1	.202 ^a	.041	.039	1.31512	.041	20.440	1	482	.000	
2	.206 ^b	.043	.039	1.31524	.002	.918	1	481	.338	
3	.208 ^c	.043	.037	1.31618	.001	.312	1	480	.577	
	ANOVA									
Model		Sum of So	quares D	of	Mean Square F P Value			ue		
1	Regression	n 35.352	1		35.352	20.440		$.000^{a}$		
	Residual	833.645	4	82	1.730					
	Total	868.997	4	83						
2	Regression	n 36.941	2		18.470	10.678		$.000^{b}$		
	Residual	832.056	4	81	1.730					
	Total	868.997	4	83						
3	Regression	n 37.481	3		12.494	7.212		.000 ^c		
	Residual	831.517	4	80	1.732					
	Total	868.997	4	83						

			Regressio	on Coefficient				
		Unstandardized Coefficients		Standardized Coefficients			Collinearity Statistics	
Mo	odel	В	Std. Error	Beta	Т	Sig.	Tolerance	VIF
1	(Constant)	3.305	.314		10.515	.000		
	employee empowerment	-2.374	.525	202	-4.521	.000	1.000	1.000
2	(Constant)	3.492	.370		9.432	.000		
	employee empowerment	-2.005	.652	170	-3.076	.002	.650	1.539
	institutional factors	599	.625	053	958	.338	.650	1.539
3	(Constant)	3.508	.372		9.440	.000		
	employee empowerment	-1.845	.712	157	-2.589	.010	.544	1.837
	institutional factors	548	.632	049	866	.387	.636	1.572
	job related attitudes	242	.434	030	558	.577	.690	1.448

Model 1 Predictors: (Constant), Employee Empowerment

Model 2 Predictors: (Constant), Employee Empowerment, Institutional Factors

Model 3 Predictors: (Constant), Employee Empowerment, Institutional Factors, Job related Attitudes

Dependent Variable: Average Revenue Growth

Source: Primary Data (2014)

The findings in Table 5 above supported the influence of employee empowerment on revenue growth but were not sufficient to explain the effect of institutional factors and job-related attitudes on the influence. The results were statistically insignificant. We can conclude that the joint effect of employee empowerment, institutional factors, and job-related attitudes is greater than the individual variables.

5.0 Discussions

The objective of the study was designed to determine the relative importance of joint effect. The joint effect is the combined effect of employee empowerment, institutional factors and job-related attitudes on performance. The study found that the joint effect of the variables on non-financial and financial performance was greater than that of the individual variables. The study found that the predictors had varied effects on organization non-financial and financial performance. The effect of employee empowerment on performance was positive. The regression coefficient was statistically significant R^2 =.286, p< 001. The results showed R^2 values improved when all the variables were regressed on performance (Δ change in R^2 = .329; .002; .002). The results revealed that the joint effect of employee empowerment, job-related attitudes and institutional factors as evidenced in the model was greater than the individual effects of the variables. This is true when the comparison is done of the individual variables contribution. Thus the hypothesis which stated that the joint effect of employee empowerment, job-related attitudes and institutional factors being significantly greater than the individual effect of public universities in Kenya is thus confirmed.

The findings of this study are consistent with other scholars (Monari (2013); Omari (2012)). Those previous studies established that the joint effect of variables is greater than the individual variables on the dependent variable. Employee empowerment, institutional factors, job-related attitudes effect on performance was greater than the effect of individual variables. The findings concur with

Munjuri (2013) who found that performance is not derived from a single factor but from a combination of factors that complement and reinforce each other.

The individual effect of job-related attitudes on performance is an indication that job-related attitudes are a relatively strong predictor of performance. Studies done by Fernandez and Moldogazieve (2013) confirm the positive relationship between employ empowerment, job satisfaction and performance. Further the results of the study support findings by Ahadi (2011). The said study posited that in addition to employee empowerment, job-related attitudes influence performance (Ahadi 2011). Further findings by Kazlauskaite et al (2009) argued that employee empowerment is not a single dimension HR practice but requires a set of HR practices for it to succeed.

In the extant literature, no study known to the researcher has addressed the combined effect of these variables on organization performance. The results of multiple regression findings were unique to this study and are therefore a contribution to the body of knowledge. Performance was predicted by employee empowerment which explained 28.6%. Job-related attitudes and empowerment was 24.6% (R^2 =0.246). Specifically no study has attempted to empirically examine this relationship in Kenya. The overall models remained significant on every addition of variables.

Further current study contributes to the extant literature by focusing on Kenyan institutions rather than organizations in developed countries as employed by previous studies. Archival evidence on this relationship in the developing context especially in Kenya is paucity. Therefore the finding of this study serves as reference material for future studies in the field.

The results indicated the overarching importance of considering the influence of employee empowerment on performance rather than considering isolated variables. On the influence of employee empowerment on financial performance, results indicated 3.8% contribution of the variation in revenue growth was explained by employee empowerment. Regarding the joint effect of the employee empowerment, job-related attitudes and institutional factors variables on performance, the results confirmed that the combined effect was greater than the individual effect on performance. Employee empowerment had the highest contribution; institutional factors and job related attitudes contributed ($R^2 = .330$; $R^2 = .334 \Delta R^2$ change=.002; ΔR^2 change=.003) respectively. As such this confirms the joint effect has greater contribution than the individual variables.

The findings indicated that respondents were committed to their organizations. Respondent's perception on employee empowerment was varied, as some felt there was no autonomy or involvement in decision making except at departmental level. As such it is important that the universities enhance process of decision making to include employee opinions and this should be acknowledged. From the discussions and findings it is clear that employee empowerment alone is not enough to achieve maximum performance. The findings also revealed that there is interaction effect between employee empowerment and job-related attitudes, employee empowerment and institutional factors.

5.1 Conclusions and Recommendations

The findings in this study have practical implications for theory and managerial practice in human resource discipline. Further, the findings of the combined effect of employee empowerment, institutional factors, and job-related attitudes were positive and statistically significant. This suggests that the influence of combined variables on performance is stronger than the individual effect of each variable, thus confirming hypothesis of the study.

The findings of the study concluded that in order to maximize on the contribution of empowerment practices the right institutional factors must be in place. It is imperative that the managers of

universities implement the empowerment programs properly as they add more weight in influencing performance. The findings of hypothesis have contributed to the overall outcomes of the study as no other previous studies have studied this relationship.

This study has shown that the universities that implement effective employee empowerment programs have a competitive advantage. Further the dimensions of employee empowerment have strong relationship with performance. It is therefore recommended that universities intending to enhance their staff performance through empowerment should appreciate the benefits it brings. To address some of the contradictions it is recommended that the universities invest more in their staff and structures, adopt transformational leadership style to enhance performance. The interaction of the variables showed significant coefficient in the different models indicating positive association of the variables and their contribution to performance of public universities in Kenya.

5.2 Suggestions for Further Research

Given that this study focused on Public Chartered Universities in Kenya it is recommended that similar study be conducted among other universities that are chartered but private, and others with letters of interim authority. Future studies can also be carried out in other sectors like manufacturing, commercial and non-governmental organizations. The study can also be replicated in other developing countries to determine whether the same results can be obtained.

Cross sectional survey method was used to collect data. This method has a number of limitations as such a further study can be conducted using longitudinal survey. Further the measures used in this study were perceptual; most of the data collected was for key variables were qualitative. This measures raises concern about common method bias and the honesty of the source. As such future studies can use other measures of scale.

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