PARTICIPATIVE GOAL SETTING EFFECTS ON EMPLOYEE PERFORMANCE AT THE KENYA SEED COMPANY, KITALE

BY

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DECLARATION

Declaration by the candidate

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DEDICATION

This thesis is dedicated to my beloved wife Maureen; a great companion on this winding path for her great encouragement. And to our children Simon, Darren and Yvette. To you I bestow the forte of boundless determination and hard work.
ACKNOWLEDGEMENT

First, I am most grateful to the Almighty God who gave me the strength and guidance during the study. Secondly, I would wish to thank my parents for financial support and encouragement which they gave me during the study. Thirdly, I greatly appreciate my supervisors Rev. Fr. Dr. Frederick Njoroge Kairu and Prof. Leonard Mulongo for their guidance, support and constructive criticism during the preparation of this study, their wealth of knowledge, experience, immense wisdom and understanding contributed greatly to the success of this study. Lastly, I am heavily indebted to all lecturers and fellow students in the school of Human Resource Development class for rendering an enriching experience to share and procure knowledge.
ABSTRACT
Whereas studies have shown that goal setting improves employees’ performance, there are some studies on the subject which have produced mixed results with some supporting and others contradicting the ability of goal setting to improve performance. Most of the studies on the subject have been conducted in foreign countries and cultures hence making the applicability in Kenya doubtful. The purpose of this study therefore was to investigate the effects of participative goal setting on employees’ performance. The specific objectives of the study were: to determine the effects of team goals on employees’ performance; to assess the influence of joint goal setting on employees’ performance; to establish the effects of employee involvement in goal setting on employees’ performance at Kenya Seed Company and to find out strategies for enhancing goal setting and their likely effect on employees’ performance. The study was guided by the theory of goal setting which observes that goals that are specific, challenging, reachable and accepted by a person lead to higher performance. The study adopted a descriptive survey research design. The target population was 650 comprising all the employees of Kenya Seed Company. Stratified and simple random sampling techniques were used to select middle and lower cadre employees while the top management were picked purposively. Data collection instruments were questionnaires for employees and interview schedules for the top management. The research instruments were tested for validity and reliability through a pilot study. Ethical issues were also considered by assuring the respondents of confidentiality and protection from harm as a result of participating in the study. SPSS computer software version 20 was used to process quantitative data while qualitative data was analyzed based on meaning of words and grouping the responses around common themes. The findings of the study were that team goals, joint goals and employee involvement in goal setting did improve performance. Strategies for improving performance included understanding the organizations strategy, timely communication of performance targets and timely feedback on progress towards goals. The study found that participation in goal setting does improve employees’ performance. The study therefore recommends that Kenya Seed Company should make use of participation in goal setting to improve employees’ performance. This study is significant in that it will inform policy making and be a point of reference to other researchers.
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### LIST OF ABBREVIATIONS ACRONYMS

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<th>Full Form</th>
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<tr>
<td>HPWPs</td>
<td>High-Performance Work Practices</td>
</tr>
<tr>
<td>KSC</td>
<td>Kenya Seed Company</td>
</tr>
<tr>
<td>MBO</td>
<td>Management by Objectives</td>
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<td>MIS</td>
<td>Management Information Systems</td>
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OPERATIONAL DEFINITION OF TERMS

**Goal setting:** Performance target that an individual or group seeks to accomplish at work.

**Participative goal setting:** Joint and negotiated decision making process where employees and management agree on the goals to be implemented.

**Performance:** Accomplishment of a given task measured against present standards of accuracy, completeness, cost and speed. In this study it refers to the quality
and quantity of tasks accomplished by an individual employee or team of employees at work.

**Employee:** A person who contributes labour and expertise to an endeavour of an employer or organization and is usually hired to perform specific duties which are packaged into a job on a regular basis in exchange of a salary.

**Team goal setting:** Team goal setting is the involvement of the teams or members of a department and the head of department or section head in goal setting.

**Joint goal setting:** This is setting of individual goals by an employee with the head of department by aligning their contributions to the departmental and organizational goals.
CHAPTER ONE INTRODUCTION

1.0 Overview

This chapter gives an overview of the thesis through background of the study which gives the general perspective of participation in goal setting and employee performance. It furthermore provides a background to the research problem, statement of the problem, purpose of the study, objective of the study, research questions, and significance of the study, scope of study, assumptions and conceptual framework.

1.2 Background of the Study

Nearly every modern organization world over has some form of goal setting in operation. Programs such as management by objectives (MBO), high-performance work practices (HPWPs), Management Information Systems (MIS), benchmarking, stretch targets, as well as systems thinking and strategic planning, include the development of specific goals.

Furthermore, goal setting is the underlying explanation for all major theories of work motivation—whether that be Vroom's (1994) VIE theory, Maslow’s (2002) or Herzberg’s (2009) motivation theories, Bandura’s (1986) social cognitive theory, or operant-based behaviorism (Skinner, 1979). Managers widely use goal setting as a means to improve and sustain performance (DuBrin, 2012). Based on hundreds of studies, the major finding of goal setting is that individuals who are provided with specific, difficult but attainable goals perform better than those given easy, nonspecific, or no goals at all.
Participation and participation-based interventions have been enthusiastically adopted by organizations worldwide in past several decades. By mid-1990s, it was reported that roughly half of all US firms and some two-thirds of Fortune 1000 companies were engaged in one or more forms of employee participation practices (Benson & Lowler, 2005). The general enthusiasm for participative practices can be viewed as being rooted simultaneously in social, economic, political, and philosophical underpinnings and affirms the importance of democratic forms in organizing efforts. Regardless of vintage point the practice of participation has gained considerable momentum, bringing to the forefront the importance of understanding the precise mechanisms responsible for participation effects (Benson & Lowler, 2005).

Kuyea and Sulaimon (2011) in a study on employee involvement in goal setting and firms’ performance in the manufacturing sector in Nigeria, revealed that effectiveness and efficiency in performance of employee’s roles depended on the employee’s involvement in goal setting and firms performance. The results revealed that firms with high employee involvement outperformed firms with low employee involvement. This signified that it was important for management of these firms to exhibit a high level of commitment to employee involvement in goal setting in order to enhance performance.

In Kenya participative goal setting is practised in the civil service in the form of performance contracting which is a hybrid system that has borrowed from international best practices and the Balanced Score Card. Kenya Seed Company is a
State Corporation established in 1956 to produce and market top quality certified seeds to meet the ever increasing farmer’s needs in East Africa and beyond. The Kenya Seed Company is strategic to the County of Trans Nzoia because of its economic value to contracted seed growers, farmer’s suppliers and business people. The company also provides extension services to farmers on agriculture related issues countrywide.

Having established that goal setting is beneficial to the performance of an organization (Noah, 2008) the Government of Kenya extended it to state corporations like Kenya Seed Company Limited. Hence the purpose of this study was to investigate the effects of goal setting on employee performance in Kenya Seed Company.

1.3 Statement of the Problem

Parastatal organizations in Kenya have for a long time been criticized both by the government and the public for what has been termed as poor management and lack of performance goals. Thus, whether the perceived poor performance of these parastatals of which Kenya Seed Company is one of them, is due to absence of participative goal setting is not clear. In its strategic plan 2007-2013 KSC came up with interventions after SWOT analysis. These interventions were; performance contracting, capacity to produce, test and certify various crop seeds to meet market demands, acquire and maintain staff with competencies that fulfill job roles and implement financial management systems that comply with stakeholder expectations.
Goal setting was the main strategy under performance contracting set out by the government to jump start performance in public sector. This strategy spread to public institutions, ministries and state corporations among them Kenya Seed Company which was ranked top in 2007-09 public institutions performance contracting. It’s clear how participation in goal setting is important element in employee performance. However most state corporations Kenya Seed Company included are not involving employees in the goal setting process. Hence there is a discrepancy between the theorized importance of goal setting in improving performance and actual practice.

The purpose of this study therefore is to investigate the effects of participative goal setting on employee performance at the Kenya Seed Company, Kitale, Trans-Nzoia County, Kenya.

1.4 Objectives of the Study

1.4.1 Main Objective

The main objective of the study was to determine the effects of participative goal setting on employee performance, using the case of Kenya Seed Company.

1.4.2 Specific Objectives of the Study

The specific objectives of the study are:

a) To determine the effects of team goals on employees’ performance

b) To assess the influence of joint goal setting on employees’ performance.

c) To establish the effects of employee involvement in goal setting on employees’ performance at Kenya Seed Company.

d) To examine the strategies for enhancing goal setting and their likely effect on employees’ performance.
1.5 Significance of the Study

The results of this study will enlighten the management in understanding the importance of involving employees in goal setting as a way of motivating them towards improving their performance in the company. The study adds to the existing literature, and is a valuable tool for students, academicians, institutions, corporate managers and individuals who want to learn more about goal setting and employee performance in organizations. The findings of this study will help policy makers in coming up with strategies of involving employees in goal setting in organizations in order to improve their performance.

1.6 Scope of the Study

The study basically sought to investigate the effects of participative goal setting on employee performance. The study was carried out at Kenya Seed Company Kitale using descriptive survey research design. The study used questionnaires and interview schedule to collect data. The study was conducted in the month of November 2014. The study targeted 650 employees of Kenya Seed Company.

1.7 Theoretical Framework
This study was based on the theory of goal setting of Locke and Latham (1990) who observed that goals that are specific, challenging, reachable, and accepted by a person lead to higher performance than goals that are fuzz, unchallenging not reachable or not accepted. Leaders in goal-setting theory and research have incorporated nearly 400 studies about goals into a theory of goal setting and task performance. According to the theory, there appears to be two cognitive determinants of behavior: values and intentions. Locke and Latham postulate that the form in which one experiences one’s value judgments is emotional. That is, one’s values create a desire to do things consistent with them. Goals also affect behavior (job performance) through other mechanisms. For Locke and Latham (1990) goals, therefore, direct attention and action. Furthermore, challenging goals mobilize energy, lead to higher effort, and increase persistent effort. Goals motivate people to develop strategies that will enable them to perform at the required goal levels. Finally, accomplishing the goal can lead to satisfaction and further motivation, or frustration and lower motivation if the goal is not accomplished. In the real world, however, there are many behaviors that co vary, correlate, or otherwise share a functional similarity to one another. Therefore, when a goal-setting intervention seeks to operate on one behavior, it is possible that behaviors similar to the target behaviors but not directly targeted by the goal-setting intervention may also be affected. The theory does not outline the level or extent of employees’ involvement in goal setting and their role in goal setting in organizations.

1.7 Conceptual Framework

The conceptual framework for this study is presented in figure 1.1

<table>
<thead>
<tr>
<th>Independent variable</th>
<th>Dependent variable</th>
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<tr>
<td>Participative goal setting</td>
<td>Employee performance</td>
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Conceptual framework is a system of variable relationships that is logically designed to present the systematic view of the study. It specifies more exactly the variables to be studied independent and dependent variables. In the conceptual framework participative goals setting is the independent variable whereas employees’ performance is the dependent variable. Employee performance which is the dependent variable depends on participative goal setting which is the independent variable. Participative goal setting implies involvement of at least two individuals in goal setting contest e.g. employee and his/her supervisor which gives them influence on performance as opposed to a goal set through representatives. Participation in goal setting can result in positive experiences in organizations which contribute to better employee performance. Team goal setting is the involvement of teams or members of
a department and the head of department or section head in goal setting contest. Joint goal setting is setting of individual goals by an employee with the head of department by aligning their contributions to the departmental and organizational goals.

Performance is defined as the accomplishment of a given task measured against present known standards of accuracy, costs, reduced wastage and speed. The conceptual framework presupposes that participative goal setting acts to affect employees’ performance.

CHAPTER TWO: LITERATURE REVIEW

2.1 Overview

This chapter reviews the literature and is centered on employees’ participation in goal setting and its correlation to performance. The literature review focuses on team goal setting, joint goal setting, employee involvement in goal setting and the strategies to enhance employee participation in goal setting. This section also looks at the research gaps.
2.2 Concept of Goal Setting

In the late 1960’s Locke (1996) proposed that intentions to work toward a goal are a major source of work motivation. Locke suggested that goals tell an employee what needs to be done and how much effort will need to be expended (Robbins, 1997). Locke, (1996) proposed goal setting theory, which suggests that specific goals increase performance and that difficult goals, when accepted, result in higher performance. Locke developed his theory after results from laboratory experiments, involving such tasks as brainstorming, addition, and assembling toys, which revealed that those individuals who were assigned challenging goals performed better than those individuals assigned only moderately challenging or easy goals (Latham & Locke, 2002). Locke also found that those participants who were given specific, challenging goals out-performed those who were given vague goals such as “do your best” (Latham & Locke, 1984). He further suggested that difficult goals require greater commitment than easy goals (Locke, 1996).

Goal setting has been explored in terms of both its motivational impact toward improving performance (Locke, 2003; Latham and Yukl, 2005; Knight et al., 2001) and as being an integral part of management systems or processes designed to improve performance (Odiorne, 2004; Ivancevich, et al., 2004). Though fewer studies exist concerning optimism in the workplace, evidence certainly exists linking the concept of goal-setting to improvement in worker performance (Jensen et al., 2007; Dixon and Schertzer, 2005; Green et al., 2004; Chemers, et al., 2000).

Since 1990, many researchers and practitioners have explored how to set goals effectively in different fields. Locke and Latham (1990) contended that demanding
goals would only facilitate performance if employees were committed to those goals. Goal commitment is higher when individuals fully understand their goals, feel pressure from peers to perform well, perceive that they can attain their goals, and believe that they will be recognized for their accomplishments. The relationship between organizational work settings and behavior was explored by Robbins, (1997). Three work setting features were examined regarding their relationships with a set of employee behaviors relevant to planned organizational change and potential, organizational performance. From the company’s perspective, a career goal can promote effective job performance and can help in human-resource planning (Greenhaus et al., 1997 & 1998). Employees should be informed about the firm’s mission, structure and culture. Merritt and Berger (1998) established a system of goals in their study to enable managers to manage themselves and others. They emphasized that managers must know how to perform a multitude of functions to produce desired goals effectively.

The concepts of goal setting, optimism, and employee involvement as mechanisms to improving employee performance have all been discussed fairly extensively in the management literature. Goal setting has been explored in terms of both motivational impact toward improving performance (Locke, 2005; Latham and Yukl, 2005; Knight et al., 2001) and as being integral parts of management systems or processes designed to improve performance (Zabarakci, 1998; Odiorne, 1978; Walton, 1986).

Significantly more has been written, particularly in this decade, concerning employee involvement. Since the Gallup Organization’s development of the Q12 (a survey instrument to measure employee involvement) almost a decade ago (Buckingham and
Coffman, 1999), papers in the area of employee involvement – ranging from the organizational benefits of increased employee involvement (Heger, 2007; McBain, 2007; Mathieson, 2006; Saks, 2006; Garvey, 2004; Harter et al., 2002) to ways to improve the level of involvement Tritch, (2003) – has increased and intensified dramatically.

The concept of goal setting originated in the management concept of management by objectives (Putz & Lehner, 2002). It is important to distinguish whether goals are defined by the manager (in the classical variant of management by objectives), or whether manager and employee discuss and set goals together (Putz & Lehner, 2002). The latter form of goal setting may be considered an instrument of employee participation. The opening of the organization through goal setting occurs because the views of the employees are taken into consideration during the process of goal setting. The goals set mostly derive from super ordinate organizational objectives. (Latham winters & Locke 2005) regard goal setting as an arbitrating element between the organizational objectives established in the mission statement of the organization and the precise implementation in operative day-to-day business. It can be assumed that employees gain orientation by goal setting.

2.3 Team Goals and Employee Performance

Teamwork and collaborative assignments have begun to rise within organizational configurations. As a result, managers have changed how they view and practice goal setting. Team goals functions are similar to individual goals, although there are unique complications that make goal setting in a team environment more complex. For
example, in order for individuals’ efforts to be directed toward team performance the team goal must first be accepted by that individual. However, the individual dynamic within team environments can cause personal goals to compete with team goals. This type of competition has the ability to cause discord within the team and misdirect performance. In order to facilitate team goal setting and monitoring of team performance relative to team and organizational goals, managers have begun utilizing electronic dashboards. These applications enable real time performance tracking by the users and also ensure that team goals are aligned with the organization’s forecast. Dashboards also aid in providing feedback to teams, enabling them to easily review their performance compared to the team goal (DeShon, Kozlowski, Schmidt, Milner, & Wiechmann, 2004).

Team goals have become a mainstream concept though approaches may vary from organization to organization (Williams, 1999). Team consists of people who interact and work together towards a common goal or objective. Success of organizations depends on the ability of individuals to work together as a team. To be effective, the team as a whole needs to work collectively, as no one is expected to be equally competent in all the areas. Therefore, team building efforts facilitate employees to work in a team to be more productive and satisfied. It was noted that teamwork produces better decisions, better morale, greater self-actualization, efficiency, and effectiveness, and better employee development. In general, teams are considered an important ingredient of organizational success. In a study it was found that groups consistently perform at or above the level of their best members. Another study found that teams improved the performance of the plant as a whole, showing statistically significant reductions in defects and increases in labour productivity. Thus, working in
teams has a positive impact on organizational performance. Researchers have also argued that leadership is an influential factor for the improvement of team effectiveness. It has been found that transformational leadership had a high positive correlation with subordinates' perceived team effectiveness. Whereas, others found that transformational leadership had a positive impact on team performance and organizational effectiveness (DeShon, Kozlowski, Schmidt, Milner, & Wiechmann, 2004).

2.4 Joint goal setting and employee Performance

Numerous studies (Locke, 2005; Latham and Yukl, 2005) have discussed effective goal setting’s positive impact on employee outcomes within organizations. Many management systems or processes, such as management by objectives, total quality management, and continuous improvement initiatives, feature goal setting as a critical element for success (Zaburacki, 1998; Odiorne, 1978; Muczyk and Reimann, 1989; Ivancevich et al., 1978; Walton, 1986). Given this, it should not be surprising that of Gallup’s Q12 survey instrument questions that are used to measure the level of employee involvement, four are related to the idea of goal setting (Buckingham and Coffman, 1999).

In organizational literature, participation is most often used to describe group decision making where the members of a group share in the problem solving and decision making. Therefore the major emphasis in the literature has been made on group relationships rather than on dyadic, superior – subordinate relationships, moreover distinction has been made concerning the type of activity in such relationships such as problem solving and decision making versus goal setting (Gordad, 2004). Taking
broad, organizational approach, Bar-Heim (2002) proposed that worker participation must be viewed as a family of themes including industrial democracy, employee involvement, autonomous work group and self management. The broad usage of the term worker participation can include programs affecting employee incentives (e.g., gainsharing), group behavior (quality circles), and training (self directed work teams) (i.e., employee involvement programs (Benson & Lawler, 2005). Participative goal setting or PGS implies several things Locke and Latham (2006). First, it implies the involvement of at least two individuals in goal setting contest – e.g., an employee and his/her supervisor. Second, it implies that there is something that is shared between the two individuals – e.g., influence over goal decision. Third, PGS as used in this study is a direct form of participation in which employees are given direct influence over their performance goal rather than through representatives.

The fundamental view of empowerment movement is that leadership should provide employees with the opportunities for self regulation and for being active participants (pearce & sims, 2002). Self leadership (Manz & Sims, 2001) is typically presented as a mechanism for facilitating empowerment. Self leadership has been defined as a systematic set of strategies through which individuals influence themselves to reach higher levels of performance or effectiveness (Manz & Sims, 2001). An attempt to convince people that goal attainment is important involves their participation in setting of those goals, consistent with participative goal setting usually consists of the following steps: task presentation and discussion; goal setting; strategy development and evaluation by each individual; and strategy determination (Early & Kanfer, 2005).
A number of studies dispute whether participation on its own leads to superior performance; these studies have shown that the benefits of participation may be dependent upon certain other factors, such as complementary supporting management practices, or the presence of unions (Bryson, Forth and Kirby, 2005). Further, controversy exists about whether the often reported performance gains of participation stem from enhanced worker commitment or work intensification (Gordad, 2004; Harley, and Thompson, 2005). Relatedly, the participation-performance link may be affected by conditions in the external market. There is a long standing literature that connects the threat of unemployment to work effort and productivity (Max, 2006) to the extent that this threat effect is operational, it may act to reinforce or undermine sources of worker motivation and consent generated by participation, with consequences for work place performance (Gordad, 2004).

Furthermore adoption rates of participation have been generally low, and only minorities of firms have implemented a coherent set of practices and supports (Gordad, 2004). Employers may well be reluctant to embrace participation due to its perceived adverse effects on their ability to exercise control over production and its potentially high costs (Levine, 2006). These factors may lead them to adopt modest forms of participation that allow workers only limited input into their work, or to reject worker participation altogether in favour of ‘intensification approaches that rely mainly on pressurizing workers to work harder.

2.4 Effects of Employee Involvement in Goal Setting on Employee Performance
Since 2000, a tremendous number of papers have been written about employee involvement. A cursory online search of ABI Inform using the term employee involvement results in over 900 publications. Many of these papers have focused on how to define the term. Definitions of involvement have primarily been offered by consulting houses or in practitioner publications. Perhaps, the most extensively used definition of an engaged worker was offered by the Gallup organization. They define an engaged employee as a worker who is fully involved in and enthusiastic about his or her work (Tritch, 2003). HR Magazine’s February cover story (Bates, 2004) focused on employee involvement and its role in the workplace. Involvement was essentially defined as “an innate human desire to contribute something of value in workplace. The paper stressed clearly that diminished individual performance was a consequence of lack of employee involvement Gubman, (2004) defined involvement as a heightened personal attachment to the organization. Harley et al. (2005) while not specifically defining the term, did identify a profile of an “engaged work” and also listed various aspects of involvement that have been used within organizations to measure involvement.

The Conference Board examined published data concerning involvement and offered the definition as “a heightened emotional connection that an employee feels for his or her organization, that influences him or her to exert greater discretionary effort to his or her work.” Also identified were the key drivers of involvement. Konrad (2006) while not providing a definition, discussed involvement as having a cognitive, an emotional, and a behavioral aspect. The cognitive concerns employee beliefs about the organization, its leaders, and working conditions. The emotional aspect is about how employees feel about each of those three factors. The behavioral aspect concerns
the discretionary effort provided by engaged employees. Seijts and Crim (2006) defined an engaged worker as one who is “fully involved in, and enthusiastic about, his or her work.” Furness, (2008) noted a number of definitions that have been used to define employee involvement. These basically center upon “the extent to which workers’ are prepared to offer discretionary effort” and “the willingness of employees to go the extra mile.”

Generally speaking, optimism is the tendency for an individual to believe in the best possible outcomes in the face of uncertainty (Peale, 1956). Furnham (1997) states that optimists emphasize favourable aspects of situations, actions and events while believing in the best possible outcomes in the future. Optimism is closely related to the concept of self-efficacy – a belief in how successful one can be in terms of task accomplishment (Gist and Mitchell, 1992).

Several studies (Latham & Locke; 1990) support the necessity of setting specific goals if performance is to be improved. Locke suggested that goals should be specifically set by either “quantification” or “enumeration. “Quantification” refers to creating numeric goals such as increase production by 7%, and “enumeration” refers to the creation of a list of tasks to be accomplished. Latham and Locke (1984) found that setting specific goals for drivers of logging trucks led to increased performance. Prior to the experiment, drivers consistently under loaded their logging trucks. Eventually, drivers consistently increased truck capacity beyond 90%. Summarizing many other studies conducted by Latham and Locke, (1984) setting specific goals is an effective way to increase performance.
Locke’s (1996) goal setting theory also suggests the importance of setting difficult goals as this leads to the increased likelihood of goal achievement. However, Latham and Locke (1984) found that for difficult goals to lead to the achievement of goals, the goal must be attainable. In order for the goal to be attainable, the individual must have the knowledge and ability to accomplish the goal. Locke’s theory further suggests that if the individual does not possess the ability or the knowledge to complete the goal, performance will decline (Locke, 1996). A meta-analysis of motivation revealed that most studies support the notion that setting difficult but attainable goals leads to increased performance when the individual is committed to attaining the goal (Yearta et al., 1995).

Locke’s (1996) goal setting theory also suggests that performance feedback increases the likelihood that a goal will be attained. Locke proposed that feedback does not have reinforcing properties, but that it does cause people to challenge themselves; and therefore, set even higher goals. Research consistently supports the importance of feedback. For example, Earley and Stubblebine (1989) found that workers’ performance in the United States was positively related to feedback. Ambrose and Kulik (1999) also found a positive relationship between performance and feedback when studied in college students who were given the opportunity to participate in a stock market simulation. These students achieved higher levels of performance when a specific, difficult goal included feedback. Ambrose and Kulik (1999) postulated that two types of feedback seemed highly effective. These two types of feedback include process feedback and specific outcomes-feedback. Process feedback reveals how to change behavior while specific outcomes feedback reveals why change may be necessary.
According to Parnell and Bell (1994) employee participation in decision-making includes “any process that results in some degree of transfer of decision control and responsibility from a superior to his or her subordinates. Participation in setting work goals falls within this definition because an employee’s determination of work goals is a “transfer of decision control and responsibility from a superior to his or her subordinates. Some researchers have concluded that participation in goal setting will lead to increased performance. However, there is conflicting evidence on the motivational value of participation in goal setting. For example, Locke (1996) suggests that there is little difference between performance when goals are assigned and performance when goals are cooperatively set. However, Erez and Arad (1986) found that participation in goal setting increased performance. Latham and Yukl (2005) investigated the effects of participation in goal setting on performance. After dividing participants into three groups, “assigned”, “do your best”, and “participatively set” goals, those individuals in the participative goal setting group performed better than those who were in the assigned work goals group. Levine (2006) suggests that allowing workers to participate in decision-making will increase productivity.

Employee performance is normally looked at in terms of outcomes. However, it can also be looked at in terms of behavior (Armstrong, 2000). Kenney et al. (1992) stated that employee's performance is measured against the performance standards set by the organization. There are a number of measures that can be taken into consideration when measuring performance for example using of productivity, efficiency, effectiveness, quality and profitability measures (Ahuja, 1992) as briefly explained
hereafter. Profitability is the ability to earn profits consistently over a period of time. It is expressed as the ratio of gross profit to sales or return on capital employed (Wood & Stangster, 2002). Efficiency and effectiveness - efficiency is the ability to produce the desired outcomes by using as minimal resources as possible while effectiveness is the ability of employees to meet the desired objectives or target. Productivity is expressed as a ratio of output to that of input. It is a measure of how the individual, organization and industry converts input resources into goods and services. The measure of how much output is produced per unit of resources employed. Quality is the characteristic of products or services that bear an ability to satisfy the stated or implied needs (Kotler & Armstrong, 2002). It is increasingly achieving better products and services at a progressively more competitive price.

2.5 Relationship between Participative Goal Setting and Employees’ Performance

Three factors have been used by PGS researchers to explain the effects of PGS on performance; cognitive, social and motivational (Campbell & Gingrich, 2003 Latham, winters, & Locke, 2005). From the cognitive perspective, goal setting influences the process by which individuals indirectly develop strategies to reach a goal (Buller & Bell, 2009). The empirical work of Locke and his colleagues in the late 1960s consistently confirmed the importance of goal setting on performance and that an individual’s performance is directly influenced by ones conscious objective of a given task (Locke, 2005). The act of setting goals serves as an immediate regulator of human behavior that establishes expectations for employees, where they are able to identify what is important from what is not and can develop strategies and identify
procedures necessary to reach the goal. Locke and his colleagues previously suggested and more recently demonstrated the cognitive benefits by showing that participation facilitates the discovery and dissemination of task relevant information/knowledge (Latham, winters, & Locke, 2005).

In addition using such concepts labeled as “involvement”, participation has been linked with motivational factors i.e., goal acceptance/commitment leading to enhanced task performance (Erez, Early & Hullin, 2006). Since employee productivity is the result of ones ability and motivation (Story, Hart, Stasson, & Mahoney, 2008), management can influence employee productivity if they understand the aspects of ones job that motivate individuals to achieve high performance. Some situational factors encourage individuals to set difficult goals. Providing degree of autonomy within ones job has been shown to lead to lead to increases in self efficacy, motivation and work effectiveness (Langfred & Moye, 2004). Typically people prefer to have control of how they perform certain tasks within their jobs, compared to having management direct and regulate their work tasks. The “involvement” factor, for example, has been operationalized as either dyadic consultation between supervisor/experimenter and worker (Early,2006) a group discussion on task relevant on the goal to be set (Locke, winters & Latham, 2005) or a group discussion on task-relevant or task irrelevant information (Erez & Arad, 2006).

The operationalization of involvement may in fact reflect each of the cognitive, social, and motivational factors to varying degree. Along with these factors, this study also considers perceptions of fairness as an additional factor that may account for
participation effects. To the extent that most, if not all, social relationships and social interactions can be construed as social exchange phenomenon, PGS may elicit thoughts of fairness (Campbell & Gingrich, 2003 Latham, winters, & Locke, 2005). Such social factors as support/pressure from supervisors and/or peers have also been theorized and demonstrated (Cohen, 2000).

Miller and Monge (2000) meta-analysis of participation literature concluded that; First participation is unlikely to yield beneficial effects when a subordinate neither desires nor cares to participate in the decision making process. Thus it is believed that an expectation and/or desire must precede a given participative intervention in order for it to lead to beneficial outcomes. Second related to ones desire to participate, it is believed that the task itself must be viewed as sufficiently meaningful in order for participative interventions to be effective. Finally, specific to the cognitive value of participation, participative interventions are expected to be successful to the extent that the participants themselves (i.e. supervisor – and subordinate) posses requisite knowledge with respect to the task. Knowledge acquisition in the context of participation may occur through multiple means including discussion or provision of the task and/or task related strategies. While the latter (i.e. provision of strategy information) has been shown to be effective (Latham et al., 2004 Erez and Arad, 2006) the present study investigates the effects of the former (i.e., discussion of task itself and related performance goal) on various theorized outcomes.

Impact of participation in goal setting depends on the outcomes of two attribution paths. First the expectation path, the extent to which beliefs about task difficulty and
perceived ability is altered because of participation determining the nature of the goal; second the ego based path, the extent to which ego involvement is triggered because of participation in determining the nature of the goal. Each path may stimulate different cognitions with regard to participation in the goal setting process (Latham, 2004a).

### 2.6 Strategies for Enhancing Goal Setting

In organizational literature, participation is most often used to describe group decision making where the members of a group share in the problem solving and decision making. Therefore the major emphasis in the literature has been made on group relationships rather than on dyadic, superior – subordinate relationships, moreover distinction has been made concerning the type of activity in such relationships such as problem solving and decision making versus goal setting (Gordad, 2004).

Taking broad, organizational approach, Bar-Heim (2002) proposed that worker participation must be viewed as a family of themes including industrial democracy, employee involvement, autonomous work group and self management. The broad usage of term worker participation can include programs affecting employee incentives (e.g., gainsharing), group behavior (quality circles), and training (self directed work teams) (i.e., employee involvement programs (Benson & Lawler, 2005).

Participative goal setting or PGS implies several things Locke and Latham (2006). First, it implies the involvement of at least two individuals in goal setting contest – e.g., an employee and his/her supervisor. Second, it implies that there is something
that is shared between the two individuals – e.g., influence over goal decision. Third, PGS as used in this study is a direct form of participation in which employees are given direct influence over their performance goal rather than through representatives.

The fundamental view of empowerment movement is that leadership should provide employees with the opportunities for self regulation and for being active participants (pearce & sims, 2002). Self leadership (Manz & Sims, 2001) is typically presented as a mechanism for facilitating empowerment. Self leadership has been defined as a systematic set of strategies through which individuals influence themselves to reach higher levels of performance or effectiveness (Manz & Sims, 2001).

An attempt to convince people that goal attainment is important involves their participation in setting of those goals, consistent with participative goal setting usually consists of the following steps: task presentation and discussion; goal setting; strategy development and evaluation by each individual; and strategy determination (Early & Kanfer, 2005).

A number of studies dispute whether participation on its own leads to superior performance; these studies have shown that the benefits of participation may be dependent upon certain other factors, such as complementary supporting management practices, or the presence of unions (Bryson, Forth and Kirby, 2005). Further, controversy exists about whether the often reported performance gains of participation stem from enhanced worker commitment or work intensification (Gordad, 2004; Harley, and Thompson, 2005). Relatedly, the participation-performance link may be affected by conditions in the external market. There is a long standing literature that
connects the threat of unemployment to work effort and productivity (Max, 2006) to the extent that this threat effect is operational, it may act to reinforce or undermine sources of worker motivation and consent generated by participation, with consequences for work place performance (Gordad, 2004).

Some commentators have been more cautious about the effects of participation on performance, however a number of studies have found little support for a positive participation-performance link, even where systems of participation are present (Gordad, 2004). Furthermore adoption rates of participation have been generally low, and only minorities of firms have implemented a coherent set of practices and supports (Gordad, 2004). Employers may well be reluctant to embrace participation due to its perceived adverse effects on their ability to exercise control over production and its potentially high costs (Levine, 2006). These factors may lead them to adopt modest forms of participation that allow workers only limited input into their work, or to reject worker participation altogether in favour of ‘intensification approaches that rely mainly on pressurizing workers to work harder.

2.7 Summary of Literature and Research Gap

The chapter presented the literature review on the concept of goal setting, the history of goal setting, team goals and employee performance, joint goal setting and employee performance, effects of employee participation in goal setting on employee performance, strategies for enhancing goal setting.
Somani and Krishman (2004) in their study on impact of employee involvement and performance in organizations in India, it was observed that in increasingly competitive environment, it is paramount that organizations work on their corporate image if they have to maintain a competitive edge. The researchers established that the involvement of employees in goal setting in organizations led to employees owning up the process of building organizations image. The study did not study how team and joint goals in organizations influence employee performance. In a research Bar-Heim (2002) proposed that worker participation must be viewed as a family of themes including industrial democracy, employee involvement, autonomous work group and self-management. The broad usage of term worker participation can include programs affecting employee incentives (e.g., gainsharing), group behavior (quality circles), and training (self-directed work teams). The study did not study how the said strategies of worker participation programs influences employee performance. Most of these studies focused exclusively on private sector organizations and their findings might not be applicable in Kenya scenario public sector especially the Agro-based organizations where such a study has not been carried. Therefore this study will address the gap on how team, joint goals influence employee performance in agricultural based organization.

**CHAPTER THREE: RESEARCH METHODOLOGY**

3.1 Overview
This chapter outlines the methodology which will be used in the study. The section presents research study area, research design, target population, sampling procedure, data collection method and instruments and ethical considerations.

### 3.2 Research Design

A descriptive survey design was used in this study. The survey design is well suited to studies in which individuals are used as a unit of analysis in order to measure generalizations (Borg and Gall, 2005). The survey design was best suited for this study because the data required for analysis was to be collected from a large population, in which it could be hard to observe the features of each individual. According to Mugenda and Mugenda (2003) a descriptive research determines and reports the way things are, and attempts to describe possible behaviour, attitude, values and characteristics of such things. Schindler and Cooper (2003) observed that descriptive studies are structured with clearly stated questions to be investigated. This made it possible for the researcher to produce statistical information on the effects of participative goal setting on employees’ performance.

The study Area of study was carried out at Kenya Seed Company located in Kitale town of Trans-Nzoia County. The Kenya Seed Company is mandated to research, market and avail certified top quality, high yielding agricultural seeds of various varieties within Kenya, the Eastern African region and beyond. The Kenya Seed Company was certified in 2007 by Kenya Bureau of Standards on ISO 9001:2008 as a company whose products and services consistently meet customer, statutory and regulatory requirements. The Kenya Seed Company has about 650 permanent employees. The employees list was obtained from the company’s human resource records it’s located at the coordinates: 1° 01´N and 35° 00´E. Kenya Seed Company
was selected for the study because of the researcher’s familiarity with the area and easy accessibility.

3.4 The Target Population

According to Fraenkel and Wallen (2011) a study population refers to the group of people or study subjects who are similar in one or more ways and which forms the subject of the study in a particular study.

Oso and Onen (2009) define target population as the total number of subjects or the total environment of interests to the researcher. The target population consists of the managers and employees working at the Kenya Seed Company. The target population for this study was 650 employees of the Kenya Seed Company stationed at Kitale and Endebbes. It formed the sampling frame for the study. This information is summarized in table 3.1 in which the target population is distributed according to departments.

Table 3.1 Employees in various departments

<table>
<thead>
<tr>
<th>Department</th>
<th>Number of employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marketing (KSC shop)</td>
<td>235</td>
</tr>
<tr>
<td>Human Resource (Mbegu plaza)</td>
<td>15</td>
</tr>
<tr>
<td>Finance and strategy (Mbegu plaza)</td>
<td>25</td>
</tr>
<tr>
<td>Internal audit (Mbegu plaza)</td>
<td>20</td>
</tr>
<tr>
<td>Security (Mbegu plaza)</td>
<td>30</td>
</tr>
<tr>
<td>Research and Development (Endebbes)</td>
<td>325</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>650</strong></td>
</tr>
</tbody>
</table>

Source: Field data, The KSC profile, (2014)
3.5 Sample size and Sampling procedure

A sample in a research refers to any group on which information is obtained. To obtain a sample size there are factors to be put into consideration such as: type of research design, method of data analysis and the size of accessible population. Oso and Onen (2009) describe a sample as part of the target population that has been procedurally selected to represent the sample size for the study. According to Saunders and Thornhill (2009) a sample of between 10-50% of the total population is appropriate for the study. The sample size of 33% of the target population was selected. The total sample size was therefore 216 employees plus management at the Kenya Seed Company. The study used three techniques of sampling namely: stratified, simple random which are probability sampling techniques and purposive sampling which is non-probability.

The researcher was convinced that the target population was not uniform since mixed sex and even the personnel in different departments within the same institution may not always think similarly over a given issue. As such the target population was not regarded as homogeneous. Specifically the study used stratified random sampling primarily to ensure that different groups of employees were adequately represented in the sample so as to increase their level of accuracy when estimating parameters. The sampling from different strata was proportional to the size of homogeneous groups. The employees list was obtained from relevant the Kenya Seed Company.

Simple random sampling ensured that every sampling unit of the population had an equal and known probability of being included in the sample; this probability is n/N,
where \( n \) stands for the size of the sample and \( N \) for the size of the population. The population consists of 650 employees and sample size of 216. The probability of each sampling unit of the populations being included in the sample is \( 216/650 \) or 0.3321.

Lottery method was employed in selecting respondents from each of the six departments. First the employees were stratified according to departments. Thereafter the researcher mixed the folded papers before picking them randomly it was ensured proportionate number per department in relation to the number of employees per department. Those whose names were picked randomly were provided with questionnaires to fill.

### Table 3.3 Sample of the population and distribution

<table>
<thead>
<tr>
<th>Category of Staff</th>
<th>Population</th>
<th>Sample</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top management</td>
<td>8</td>
<td>8</td>
<td>100</td>
</tr>
<tr>
<td>Middle management</td>
<td>100</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>Lower cadre staff</td>
<td>550</td>
<td>166</td>
<td>30.18</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>650</strong></td>
<td><strong>216</strong></td>
<td><strong>33</strong></td>
</tr>
</tbody>
</table>

**Source:** Field Data (2014)

The study employed purposive sampling method to select key informants. Using this method a sample is obtained according to the discretion of the researcher who is familiar with the relevant characteristics of the population (Kothari 2006). The total numbers of top managers in the various departments of the company were 8. Two key informants were selected purposively from each of the following departments and included in the study. These departments were: Human Resource and Administration, Finance and Strategy, Research and Development, Sales and Marketing adding to a total of 8 respondents. All the key informants were chosen on the fact that they had
previously participated in setting of goals hence were able to identify how it impacted on employees’ performance.

### 3.6 Data Collection Instruments

Data in the social sciences are either formal or informal settings and involve (oral and written) or non verbal acts or responses. Consequently this research found it advantageous to triangulate methods whenever feasible that is, they use more than one form of data collection to test the same research objectives. This study employed the following methods of data collection.

#### 3.6.1 Questionnaires

In this study questionnaires were used to collect data. Questionnaires are time saving, cost effective, free from bias of interviewer and respondents have time to come out with well thought out answers (Mugenda and Mugenda 2003). The questionnaires were both open and closed. Matrix questionnaires in Likert scale were used. The development of questionnaires was done by examining the research objectives, related literature and interview instruments. This was for the purposes of framing items that examined the crucial variables in depth. After development of the questionnaires the supervisors who are research experts reviewed the items to ascertain their construct validity.

#### 3.6.2 Key Informant Interviews
According to Nyamongo (2002) key informants constitute the oral source of information; they are repositories of knowledge from which researchers retrieve information from selected respondents based on the nature of their training and knowledge. This method was used to obtain information from resource persons dealing with goal setting process at the KSC. The method enabled the researcher to gather information from experts who were selected purposively as explained in content 3.5.3. The personal interview is a face to face, interpersonal role situation in which an interviewer asks respondents questions designed to illicit answers pertinent to the research objective (Nachmias, 2005). This study used paper and pencil interview (PAPI) in which the interviewer recorded answers on paper questionnaires. Since the key informants at the KSC are known to have been involved in goal setting, the study used the focused interview. It primarily focused on respondents experience regarding their participation in goal setting. However, the respondents were given liberty in expressing their definition of a situation that is presented to them. Focused interview permitted the researcher to obtain details of personal reactions, specific emotions and attitude of employees on participation in goals setting. The face to face interviews were administered to the key informants since they were few.

3.7 Reliability and Validity of the Research Instruments

3.7.1 Validity of Research Instruments

This was carried out at the Simlaw Seed Company - Nairobi which is a subsidiary of the Kenya Seed Company. This pilot study carried out as an evaluation of the questions and questionnaires. The purpose of testing at this stage was to establish how to phrase each questions meaning and to check whether the range of responses alternatives was sufficient. 10% of the sample size was used for the pilot testing. The
respondent thus in the pilot study was 21 respondents which was 10% of the sample population. There was analysis of the participants’ answers and use of interviewer’s comments to improve the questionnaire. The selected respondents however were not told that the questionnaire was still under development.

The information gained from the questionnaire development was used where necessary to shorten the questionnaire, reorder questions and finalize the skip patterns. This avoided dead ends in the schedule and also ensured a transition from one section to another was smooth. The pre-testing was conducted with people who resemble those to whom the questionnaire was finally to be given. Useful feedback from key insiders who have good knowledge of the group was used to match characteristics of the pilot and the final samples. A selection of interviewers who represent the range of experience of those who were to finally administer presented the most realistic simulation of the administration of the case study. Responses were coded to the units pre-tested especially to open ended questions and other (please specify) responses to closed questions. According to Paton (2001) validity is quality attributed to proposition or measures of the degree to which they conform to established knowledge or truth. It refers to the extent to which an instrument asks the right questions in terms of accuracy and meaningfulness of inferences which are based on research results. The content validity of the instrument was determined through piloting, where the responses of the participants were checked against the research objectives. After the sets of questionnaire were developed based on objectives, they were presented to the supervisors who are experts. They determined whether the sets of items indicated in the sets of questionnaires accurately represented the concepts under study. The comments and criticism of the expert lectures were
considered and incorporated in the final draft of the questionnaire so as to ensure its current validity.

### 3.7.2 Reliability of Research Instruments

Reliability of an instrument is the measure of the degree to which a research instrument yields consistent results or data after repeated trials. In order to test the reliability of the instrument that was to be used in the study, a pilot study was carried out and a reliability coefficient computed. Internal consistency was made possible by data obtained from 21 questionnaires administered during pretesting. Their responses were coded and with the application of (SPSS) the value of Cronbach’s alpha was calculated. The value of the alpha coefficient ranges from 0-1 and was used to describe the reliability of factors extracted from dichotomous (that is, questions with two possible answers) and/or multi point formatted questionnaires or scales (i.e., rating scale: 1 = strongly disagree, 5 = strongly agreed. Nachmias, (2005) indicated 0.7 as an acceptable reliability coefficient. The SPSS generated value of alpha coefficient was 0.8, a conclusion was drawn that the instruments had an acceptable reliability coefficient and were appropriated for the study.

### 3.8 Data collection procedure

The researcher collected data from the selected respondents after receiving permission from Moi University and the management of Kenya Seed Company. Permission was also sought from the employees of various departments who were involved in the study. The researcher visited the company for familiarization and acquaintance with
targeted respondents. During the visit, the researcher informed the management about
the purpose of the intended study and book appointments for the data collection. After
familiarization, data was collected from the respondents using mentioned instruments.

3.9 Data Analysis and Interpretation

Since the data was not collected within a day, the researcher waited until all the
questionnaires had been administered and returned. The completed and returned
questionnaires were first of all checked, coded and edited for accuracy, completeness
and uniformity. According to Nachmias, (2005) coding is the process by which
responses are classified into meaningful categories; the initial rule of coding is that
the numbers assigned must make intuitive sense. The open and closed-ended
questions were then categorized into categories directly relating to the following
independent variables: team goals, joint goals, employee involvement in goal setting
and the strategies in goal setting. Similarly an increased organizational performance
was categorized in reference to cost effectiveness, reduced absenteeism, reduced
employee turn over and wastage. The data collected in this study were analyzed both
quantitatively and qualitatively. Qualitative analysis involved deriving explanations
and making interpretation of the findings based on descriptions of participation in
goal setting and performance. This was from interview schedule of key informants.
Quantitative analysis on the other hand involved deriving statistical descriptions and
interpretation of data by use of descriptive statistics. Accordingly, the quantification
of the Likert scale categories was done by assigning numerical values to the various
categories in order to facilitate statistical representation of data (Nachmias, 2005).In
particular, the five responses were symbolized and ranked in the following manner,
After coding numerated data in the questionnaire, they were extended into the Statistical Package for Social Sciences (SPSS) computer package for processing and analysis. Data analysis involved the use of descriptive statistics from which statistical frequencies and percentage were computed to facilitate comparison of the proportion of responses made by participant’s regarding employee participation in goal setting and performance.

3.10 Ethical Considerations

The study adhered to ethical issues that are the baseline of any research by developing systematic, verifiable research procedures that would not infringe on the rights and welfare of any individual. These included identification of personal views, and the use of collected data. The study adhered to the principle of informed consent. Informed consent is the procedure in which individuals choose whether to participate in the investigation after being informed of facts that would be likely to influence their decision (Neuman, 2000). The study sought official permission from the Managing Director of KSC to conduct research in the organization; the study further sought the permission of the District Commissioner of Trans-Nzoia West to conduct research within his area of jurisdiction. Through the letter of introduction study ensured the participants were aware of all Data collection techniques, the capacities of such techniques, and the extent to which participants will remain anonymous and data confidential. In order for the study to establish conditions for voluntary consent, the study established mutual relationship with participants and views the study as a joint
venture in the exploration of the objectives of the study. However, participants were informed that their involvement is voluntary at all times and received a thorough explanation beforehand of the benefits, rights, risks and dangers involved with their participation. The study reflected respect for the right of self determination. The descriptions of aggregates or collectives guaranteed anonymity to individual respondents. Thus the interviews were summarized in group statistics so that no one learned of individual answers of respondents. Anonymity was further enhanced since the study did not use names and other identifiers linked to the information. Instead the study adopted use of a code number.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND INTERPRETATION

4.1 Introduction
This chapter presents the results obtained from the study. It includes the general information of the respondents that were under the study. The data was analyzed and presented in frequencies and converted into percentages and thereafter presented into tabular forms.

4.2 Response Rate

A total of 216 questionnaires were issued and 164 of them were fully answered and returned translating to 75.93% return rate. This was an indication that the respondents were cooperative and positive in participating in the study. The results obtained from the study included the general information of the respondents that were under the study. A response rate of 50% and above is adequate for social studies (Idrus and Newman, 2002). The high response rate demonstrates a willingness of the respondents to participate in the study.

4.3 General Information of the Respondents

Finding out the general information of the respondents was very important because it enabled the researcher to gauge the reliability of the data received and know the type of people that he/she was dealing with. This information included gender, age brackets, educational level and working experience of the respondents.

4.3.1 Distribution of Respondents by Gender and Job Cadre

Data on employees’ gender was sought to give the researcher an insight analysis on whether Kenya Seed Company Ltd has attained a third of gender rule in its employment policy. The findings of this concern are as shown in Table 4.1.
### Table 4.1 Respondents Gender Distribution by Cadre

<table>
<thead>
<tr>
<th>Respondents</th>
<th>Male</th>
<th>Percentage</th>
<th>Female</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Middle management</td>
<td>25</td>
<td>65.78%</td>
<td>13</td>
<td>34.21%</td>
</tr>
<tr>
<td>Lower cadre staff</td>
<td>69</td>
<td>54.76%</td>
<td>57</td>
<td>45.23%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>94</strong></td>
<td><strong>57.31%</strong></td>
<td><strong>70</strong></td>
<td><strong>42.68%</strong></td>
</tr>
</tbody>
</table>

Source: Field Data (2014)

The study findings established that middle level management employees consisted of 25 (65.78%) males and 13 (34.21%) female employees 69 (54.76%) of the respondents in the lower cadre staff were male and 57 (45.23%) were females. It can be deduced from the findings that though there are more male employees than their female counterparts, the company has surpassed the 30% gender rule for employment for either gender in an organization. Further, the study findings showed that males form the majority of the employees in Kenya Seed Company with a disparity of 14.63%. From the findings it then follows that, the male dominate the goal setting process in the organization due to their large numbers. The disparity is due to male dominance in most private and public organizations in Kenya. However, both male and females are involved in the goal setting process hence there is no discrimination based on gender in the goal setting process.

#### 4.3.2 Distribution of Respondents by Age

Age brackets of the employees was sought in order to establish whether the organization’s manpower is old or young and findings on employees’ age brackets are as shown in Figure 4.1.
Figure 4.1 Ages of Respondents

Source: Field Data (2014)

The results in Figure 4.1 showed that 61 (37.19%) of the respondents indicated that their age brackets ranged between 36 years to 45 years, 48 (29.27%) of the respondents indicated that their age brackets was 26 years to 35 years, 29 (17.68%) of the respondents indicated that their age brackets was above 46 years, while 26 (15.85) of the respondents indicated that their age brackets ranged between 18 years to 25 years. This implies that majority range between 36 and 45 years. Therefore it can be deduced from the study findings that majority of employees were middle aged and experienced in their field of specialization to participate constructively in the organizations goal setting.

4.3.3 Level of Education

The study sought to determine the respondents’ level of education in order to provide an insight of the level of professionalism in the organization. Information on employee's level of education was deemed paramount as the study sought to establish whether it has an impact on employee participation in team or group goal setting in the company. The findings of this component are indicated in Figure 4.2.
Figure 4.2 Respondents level of education

Source: Field Data (2014)

It is evidenced that the respondents from the organization hold a range of educational qualifications falling between tertiary level and degree level. Figure 4.1 established that a bigger number (83.33%) of the respondents in the top management level had attained university education while a minority (17%) in the top management level indicated that they had attained college education in addition to their wealth of experience gained from long years in service (67.65%) of the respondents in the middle level cadre indicated that they had attained university education and that they were graduates while (32.35%) indicated they had acquired diplomas and certificate awards from colleges. Further, the study findings revealed that majority of the respondents (72.27%) of the respondents in the lower cadre had attained secondary education and were therefore holders of the Kenya Certificate of Secondary Education (K.C.S.E), however (22.29%) indicated that they had some college education while (5.04%) indicated that they had attained primary education. It can therefore be concluded that majority of the employees of Kenya Seed Company have good education and hence there is a high level of professionalism. It is worth noting that
well educated employees can meaningfully engage and participate in setting goals for
the organization.

These results imply that most of the employees at the Kenya Seed Company are well
educated thus were knowledgeable in matters of participation in goal setting. The
employees were knowledgeable in their field of specialization to participate
constructively in the organizations goal setting. According to Redmond, (2010)
schooling enhances augmenting skills, facilitate the gathering, processing and
interpreting information, thereby enhancing allocative ability, reducing uncertainty
and contributing to efficient decision making.

4.4 Results of Findings

This section discusses the findings of the specific objectives of the study 4.4.1
Employees Participation in Goal Setting. The study sought to find out whether
employees participate in goal setting and their level of involvement in goal setting in
the company. The study used a scale of 1 to 5 where 1 is Strongly Disagree and 5 is
Strongly Agree. The findings were as follows.

Table 4.3 Showing Response on Employees Participation in Goal Setting

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly Agree</th>
<th>Undecided</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>42</td>
</tr>
</tbody>
</table>
The findings in Table 4.3 indicate that a bigger number 79 (48.17%) of respondents agreed that they are involved in team goal setting while 52 (31.71%) of the respondents strongly agreed with the statement, however 9 (5.49%) disagreed. On the other hand, 58 (35.37%) of the respondents disagree that employees are involved in group goal setting in the company, 22.56% were in agreement with the statement while 27.43% strongly agreed. This implies that employees are involved in goal setting either through teams or respective groups.

Further, 73 (44.51%) of the respondents agreed that they understand the organizations strategy and the envisaged objective and 24 (14.63%) strongly agree to the statement.
while 33 (20.12%) strongly disagreed. Given that the majority of the respondents understand the organizations strategy, their contribution in the goal setting is justified. Slightly above 50% of the respondents, that is, 85 (51.82%) did agree with the statement that employees are allowed full participation in establishing goals of their teams or groups in the company and 47 (28.66%) strongly agreed while 19 (11.59%) disagreed. From these findings it can be deduced that employees participate in their respective teams and groups in formulation and setting of goals. This is because they would feel that their inputs are taken into consideration in arriving at the decision. The findings further indicates that 72 (43.90%) of the respondents strongly disagreed that they feel like withdrawing from office responsibilities assigned earlier because of less involvement in goal setting process, 49 (29.88%) disagree and 21 (12.80%) agree that they feel like withdrawing from office responsibilities assigned earlier. It therefore means that majority of employees are comfortable with the responsibilities assigned to them although minority recorded discomfort. Involvement of all levels of management and employees in development and executing organizational strategies makes them take responsibility thus work towards attaining organizational goals.

4.4.2 Team Goals and Employees Performance

The employees were presented with statements relating to their level of performance at Kenya Seed Company as a result of involvement in group goal setting. The extent to which they agreed to the statements is shown in Table 4.4. The study used a scale of 1 to 5 where 1 is Very unsatisfied and 5 is Very satisfied.
Table 4.4 Team Goals and Employees Performance

<table>
<thead>
<tr>
<th>Activity</th>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Undecided</th>
<th>Disagree</th>
<th>Strongly disagree</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Team goal setting provides self regulatory guide for goal pursuit</td>
<td>35</td>
<td>102</td>
<td>22</td>
<td>5</td>
<td>0</td>
<td>164</td>
</tr>
<tr>
<td></td>
<td>21.34%</td>
<td>62.19%</td>
<td>13.41%</td>
<td>3.05%</td>
<td>0.00%</td>
<td>100%</td>
</tr>
<tr>
<td>Team goal setting reduces wastage of organizations resource’s</td>
<td>87</td>
<td>53</td>
<td>8</td>
<td>10</td>
<td>6</td>
<td>164</td>
</tr>
<tr>
<td></td>
<td>53.05%</td>
<td>32.32%</td>
<td>4.88%</td>
<td>6.09%</td>
<td>3.66%</td>
<td>100%</td>
</tr>
<tr>
<td>Your involvement in team goals promotes collaboration with</td>
<td>89</td>
<td>47</td>
<td>14</td>
<td>9</td>
<td>5</td>
<td>164</td>
</tr>
<tr>
<td></td>
<td>54.27%</td>
<td>28.66%</td>
<td>8.54%</td>
<td>5.49%</td>
<td>3.05%</td>
<td>100%</td>
</tr>
<tr>
<td>colleagues towards organizations goal.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>--------------------------------------</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>I am likely to stay longer in the organization due to team goal setting.</td>
<td>47</td>
<td>104</td>
<td>13</td>
<td>0</td>
<td>0</td>
<td>164</td>
</tr>
<tr>
<td></td>
<td>28.66%</td>
<td>63.41%</td>
<td>7.93%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>100%</td>
</tr>
</tbody>
</table>

**Source: Field Data (2014)**

Table 4.4 shows 102 (62.19%) of the respondents agreed that team goals provides guide for goal pursuit while 35 (21.34%) strongly agreed. However, 22 (13.41%) were undecided regarding the statement. The study also showed that 87 (53.05%) of the respondents strongly agreed that their involvement in team goals reduces wastage of organizational resources while 53 (32.32%) agreed. A minority 6 (3.66%) disagreed. Findings indicate that 89 (54.27%) strongly agreed that team goal setting promotes employee collaboration towards organizational goals 47 (28.66%) agreed while 9 (5.49%) disagreed with the statement. Because of their involvement in the organizations activities, 104 (63.41%) of the respondents strongly agreed that because of team goal setting they are likely to stay longer in the organization and 47 (28.66%) agreed while 13 (7.93%) were neutral in respect to that statement.

**4.3.3 Joint Goal Setting and Employee Performance**

The study sought to investigate employee participation in goal setting and employee performance at KSC. The findings of this item are summarized as shown in Table 4.6.
Table 4.6 Joint Goal Setting and Employee Performance

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Undecided</th>
<th>Disagree</th>
<th>Strongly disagree</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>If am not involved in goal setting, am likely to be disillusioned at work.</td>
<td>18 10.98%</td>
<td>23</td>
<td>15</td>
<td>87</td>
<td>21</td>
<td>164</td>
</tr>
<tr>
<td>Participation in joint goal setting encourages employees to feel part of management.</td>
<td>9 5.49%</td>
<td>12</td>
<td>3</td>
<td>112</td>
<td>28</td>
<td>164</td>
</tr>
<tr>
<td>Participation in joint goal setting creates conducive work environment</td>
<td>24 14.63%</td>
<td>36</td>
<td>18</td>
<td>79</td>
<td>7</td>
<td>164</td>
</tr>
<tr>
<td>Participation in joint goals ensures employees get engaged to their jobs</td>
<td>11 6.71%</td>
<td>18</td>
<td>2</td>
<td>117</td>
<td>16</td>
<td>164</td>
</tr>
</tbody>
</table>


From the findings 87 (53.05%) of the employees agreed that they would be disillusioned if they are not involved in joint goal setting and 21 (12.80%) strongly agreed while 18 (10.98%) of the respondents strongly disagreed. The study further revealed that 112 (68.29%) of the respondents agree that participation in joint goal setting encourages employees to feel part of management and therefore positively participate in the company's activities and 28 (17.07%) strongly agreed while 9 (5.49%) strongly disagreed to the statement. This indicates there is a relationship between employee participation in goal setting and performance. Employees who are involved in decision making and goal setting makes them have a feeling that they have control over their tasks. This encourages employees to stay longer to their jobs and organization.

The study also showed that 79 (48.17%) agreed that participation in joint goal setting is important in creating a conducive work environment, 36 (21.95%) disagreed while 24 (14.63%) strongly disagreed. It was also found from the study, that 117 (71.34%) of the respondents were in agreement to the statement that participation is key to ensuring that employees get engaged to their jobs and organization, 18 (10.98%) disagreed and 16 (9.76%) strongly agreed. The study further indicated that 101
(61.59%) of the respondents agreed that lack of participation in joint goal setting can demotivate an employee hence less contribution in the company's activities and 26 (15.85%) were undecided while 13 (7.93%) disagreed.

The findings also showed that majority 98 (59.76%) of the respondents agreed that sometimes they feel that they don’t have control over their tasks at the workplace through joint goal setting, 29 (17.68%) were undecided, 16 (9.76%) strongly agreed, 16 (9.76%) disagreed while 5 (3.05%) strongly disagreed. From the above findings it can be inferred that overall employee participation in joint goal setting improves their service delivery since they feel part and parcel of the company.

4.4.4 Effects of Involving Employees in Goal Setting On Performance

The level of employee participation in goal setting affects overall performance of an organization. Employees were asked to indicate the overall performance of Kenya Seed Company as a result of their involvement in goal setting and the results were tabulated as indicated in Table 4.7.
Table 4.7 Employee participation in goal setting and its effect on overall performance

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Undecided</th>
<th>Disagree</th>
<th>Strongly disagree</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee participation in goal setting improves service delivery process</td>
<td>15</td>
<td>18</td>
<td>24</td>
<td>97</td>
<td>10</td>
<td>164</td>
</tr>
<tr>
<td></td>
<td>9.15%</td>
<td>10.98%</td>
<td>14.63%</td>
<td>59.15%</td>
<td>6.09%</td>
<td>100%</td>
</tr>
<tr>
<td>Employee participation in goal setting through team goals and joint goal</td>
<td>16</td>
<td>21</td>
<td>19</td>
<td>92</td>
<td>16</td>
<td>164</td>
</tr>
<tr>
<td>setting improves employee morale to work hard</td>
<td>9.76%</td>
<td>12.80%</td>
<td>11.58%</td>
<td>56.09%</td>
<td>9.76%</td>
<td>100%</td>
</tr>
<tr>
<td>Employee participation in goal setting helps the company achieve the</td>
<td>11</td>
<td>19</td>
<td>28</td>
<td>77</td>
<td>29</td>
<td>164</td>
</tr>
<tr>
<td>objectives easily</td>
<td>6.71%</td>
<td>11.59%</td>
<td>17.07%</td>
<td>46.95%</td>
<td>17.68%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: Field Data (2014)

Table 4.7 indicates that 97 (59.15%) of the respondents agreed that because of their participation in goal setting, there is improved service delivery process in the company, 24 (14.63%) were neutral and 18 (10.98%) disagreed. This implies
therefore that participation of employees in goal setting has an impact on company performance. Involving them in goal setting improves employees' commitment towards their work and makes them more productive hence improving service delivery process of the company.

The findings further showed that 92 (56.09%) of the respondents agreed that employee participation in goal setting through team goals and joint goal setting improves employee morale to work hard and 19 (11.58%) were undecided while 21 (12.80%) disagreed. It would therefore mean that employee participation in goal setting makes them feel part of the company's processes and are willing to offer their best to aid the delivery on their mandate. The study further found out that 77 (46.95%) of the respondents indicated that employee participation in goal setting helps the company achieve the objectives easily, 29 (17.68%) strongly agreed with the statement. Through employee participation in goal setting either through team goals and joint goal setting, the company's objectives are achieved.

Team goals and joint goal setting provide the worker with a benchmark or self-regulatory guide for goal pursuit and, for individuals with a stronger performance avoidance orientation; they keep their attention on goal-relevant cues and away from goal-irrelevant cues. Consequently, employee participation in goal setting may be motivational and regulatory to an employee. Employee participation in goal setting motivates employees to raise their performance to new levels, eventually resulting in an improvement in work performance.

4.4.5 Effective Ways of Employee Participation in Goal Setting
The study sought to determine the effective ways of employee participation in goal setting. The responses from respondents are indicated in Figure 4.3

![Figure 4.3 Effective ways of employee participation in goal setting](image)

**Figure 4.3 Effective ways of employee participation in goal setting**

Figure 4.3 shows that 81.09% of the respondents agree that the effective way of employee participation in goal setting is through understanding the strategy that the organization is trying to implement. By understanding the strategy, the employees will systematically plan on how to reach higher levels of performance or effectiveness. The findings also show that 74.39% of the respondents agree that there should be timely communication of performance targets. This would enable them to set strategies at individual level on how to reach the targeted performance. The study further indicated that 67.68% of the respondents are of the view that the effective way of employee participation in goal setting is timely feedback on progress towards set goals which would help in evaluation of performance. 60.98% of the respondents indicated that they should be allowed full participation in setting goals. In this way the employees would own the process. This is in agreement with Early and Kanfer (2005) who observed that in an attempt to convince people that goal attainment is
important involves their participation in setting of those goals, consistent with participative goal setting usually consists of task presentation and discussion, strategy development and evaluation by each individual, and strategy determination. The effective ways of involving employees is by first ensuring they understand the strategy of the organization. Then agree on specific aspects of performance to be measured. Furthermore agree on the accuracy of measurement needed and on whom to use the measurement.

4.5 Results of the interview schedule of key informants

Table 4.5 Key Informants level of education

<table>
<thead>
<tr>
<th>Education level</th>
<th>Frequency</th>
<th>Percentage</th>
<th>Cumulative Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary (KCPE)</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Secondary (KCSE)</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>College (Tertiary)</td>
<td>1</td>
<td>14.28%</td>
<td>14.28%</td>
</tr>
<tr>
<td>University</td>
<td>7</td>
<td>85.71%</td>
<td>100%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>8</strong></td>
<td><strong>100%</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Source: Field Data (2014)

Table 4.10.1 indicates majority of key informants (85.71%) had attained university education. While (14.28%) had tertiary or post-secondary education there was none with education level below tertiary. This is in addition to the wealth of experience gained from long years of service coupled with on-job training programs. It can therefore be concluded that the top managers are highly educated and further have a
high level of professionalism, thus makes them engage meaningful with the other employees in setting of goals for the organization. It was reported by key informants that participation in goal setting makes workers exhibit a positive emotional state that results in taking responsibility to their work.

Key informants stated that workers wish to have unlimited input in their work. Employees wish to be fully involved in designing of performance measurements and the uses of performance measurements. The key informants said that they find the process of participation in goal setting useful especially in management of employees in the organization. This is because both the managers and subordinates possess’ pre requisite knowledge of the content of participation which occurs through multiple means including discussion of provision of the task and/or task related strategies.

<table>
<thead>
<tr>
<th>Years worked</th>
<th>Frequency</th>
<th>Percentage</th>
<th>Cumulative Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 - 10</td>
<td>3</td>
<td>37.5%</td>
<td>37.5%</td>
</tr>
<tr>
<td>11 – 20</td>
<td>4</td>
<td>50%</td>
<td>87.5%</td>
</tr>
<tr>
<td>Above 20 years</td>
<td>1</td>
<td>12.25%</td>
<td>100.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>8</strong></td>
<td><strong>100.00%</strong></td>
<td></td>
</tr>
</tbody>
</table>

Source: Field Data (2014)
The findings of the study in table 4.5 reveal that majority 50.0% of the key information had 11-20 years’ experience. While 37.5% has a working experience of between 0 -10 years 12.5% of the key informants had a working experience of above 20 years. These imply that most of the top managers had been to their places of work participating in goal setting process for a considerable duration of time, thus were knowledgeable in matters of goal setting. The longer the employees’ work together the more they develop shared beliefs in the work place. The longer years of working together enhances employees trust to each other. This enables them to fully participate in setting of organizations goals and share work experience with subordinates.

4.6.1 How are employees involved in goal setting in your organization?

How this takes place was best described by a key informants from KSC who explained that the process take place in three main stages. The stages involved are planning, coaching and review. During planning there is emphasis on setting accountabilities’ that can be measured. Individuals and department goals are linked to the goals and objectives of the organization. Employees and managers work together to create a development plan that focuses on the needs and desires of employees as well as the department requirements.

During the coaching phase the manager play a very important role in providing frequent informal coaching. They point out the good work the employees is doing and provide feedback on areas of weakness. The managers identify ways an employee can develop and improve and work with the employee to develop the development plan. The manager asks the employee for suggestions so that they are encouraged to take an active role. The managers promptly communicate new
opportunities and changes that affect the employees work. During the review the managers puts together notes or documents about employees’ performance on accountabilities and behaviors. Completes the performance forms, and then discuss ratings and comments with the employee.

"Employees are likely to be disillusioned at work if they are not involved in the goal setting process. This is because they feel coerced by the management to achieve set goals without their input. This therefore makes them feel distanced from the organization. However if they are full involved this creates a sense of responsibility and accountability which is the driving force towards better use of firms resources" (Key informant 2014)

4.6.2 Within your organization do you think it’s important to involve employees in goal setting?

How this takes place was best described by a key informants from KSC who explained that the process has some advantages and limitations too. Employee involvement in goal setting provides a worker with a benchmark guide for goal pursuit. Thus participation keeps attention of employees on goal relevant cues and away from goal irrelevant cues. Consequently employee participation motivates employees to raise their performance to new levels, eventually resulting in an improvement in work performance. This approach to goal setting involves the consensus of many different levels of management and frontline employees. Interactive goal setting involves discussion and cooperation among management and employees. The interactive approach involves all levels, employees feel valued and important. Their commitment to the organization, as well as goals, is increased.
There are, however, a few disadvantages to participation in goal setting. It is very time consuming because of the cooperation and consensus involved. It is also difficult to manage and maintain. If managers do not stay actively involved, it can quickly turn into top-down approach.
SUMMARY OF THE FINDINGS, DISCUSSIONS, CONCLUSIONS AND RECOMMENDATIONS

5.1 Summary of the Findings

5.1.1 General information

The findings of this study have been derived from the objectives of the study which were:

a) To determine the effects of team goals on employees’ performance
b) To assess the influence of joint goal setting on employees’ performance.
c) To establish the effects of employee involvement in goal setting on employees’ performance at Kenya Seed Company.
d) To examine the strategies for enhancing goal setting and their likely effect on employees’ performance.

In reference to these objectives, the following findings were obtained.

5.1.1 Effects of Team Goals on Employees Performance

The first objective of the study was to determine the effects of team goals on employees’ performance. The study found that employees of Kenya Seed agreed that team goals improved employees’ performance. This was supported by over 70% of the respondents.

5.1.2 Effects of Joint Goal Setting on Employees’ Performance
The second objective of the study was to find out the effects of joint goal setting on employees’ performance. The study established that joint goal setting improved performance through its various characteristics such as employee engagement, creating conducive work environment and motivation.

5.1.3 Effects of Employees’ Involvement in Goal Setting on Employees’ Performance

As regards to effects of employees’ involvement in goal setting on employees’ performance, the results were that involvement in goal setting improves service delivery, employees morale and easy achievement of company objectives. These factors have the overall result of enhancing employees’ performance.

5.2.4 Strategies of Enhancing Employee Participation in Goal Setting

The fourth objective of the study was to find out strategies of enhancing employee participation in goal setting. The study found that the understanding of company strategy, timely communication of performance targets, timely feedback and employees full participation in goal setting improved performance.

5.2 Discussions of Findings

On the effects of team goals on employees’ performance the study found that team goals promote teamwork and collaboration and hence improve employees’ performance. These results are supported by the findings of Williams (1999) who found that success of organization depends on ability of individuals to work as a team. He further noted that teamwork produces better decisions, better morale, greater self-actualization, efficiency and effectiveness and better employee development.
Employee involvement is about team building with a view of improving organizational development. This strategy moves the power and decision making to lower levels of the organization in order to improve participation, responsibility, and efficiency of employees. Through team goal setting, employee involvement has a positive influence on other company objectives, such as greater teamwork within and among departments and better communication of goals and results. Involving employees in decisions and policy changes that directly affect their jobs greatly improves morale. When employees are treated as an asset and their input is given consideration, confidence increases among every team member and the company sees significant gains in different facets such as productivity and loyalty. Moreover, improved morale can increase employee longevity in a company. The longer the employee is associated with the company, the more experienced they become, making them mentors to new employees and indispensable to managerial staff.

Although employee empowerment is largely designed to give each employee autonomy, it likewise fosters better relationships between employees and with their managers, because employees that are given more independence tend to form better working relationships. Employee involvement tends to cultivate innovation. They offer more ideas and problem-solving solutions when obstacles arise. Moreover, as the employee meets particular challenges, they find improvements in policies, procedures, or products, fostering growth and more critical and imaginative thinking. Employees might see a particular issue differently than a manager and be able to think of a creative solution, which may not be considered in a closed circle of managerial staff.
Regarding the effects of joint goal setting on employees’ performance, the findings of the study were that joint goal setting improves employees’ performance through employee engagement, conducive work environment and motivation among others. The findings agree with the results of a study by Manz & Sims (2001) who observe that involvement is a form of self-leadership that produces empowerment. These factors enhance performance.

Concerning the effects of employees’ involvement in goal setting on employees’ performance, the study established that involvement improves employee performance through better service delivery, heightened employee morale and easy achievement of organizational goals. These outcomes are supported by Gist and Mitchell (1992) who observe that involvement in goal setting creates self-efficacy which propels high performance. Employee involvement translates directly into increased productivity, thus participative strategies in goal setting foster stronger work ethic. When employees are given independence and expected to be more self-sufficient, they become more efficient over time, as they learn to navigate their responsibilities with minimal interference and/or relying less on managerial staff for direction. This allows managerial staff more time to attend to responsibilities other than giving assignments to subordinates and decreases micromanagement, which retards productivity.

In respect to strategies for enhancing goal setting the study established that these strategies included understanding of company strategy, timely communication of performance targets, timely feedback and employees being given full participation in goal setting. These findings agree with Early and Kanfer 2005 who states that goal attainment is improved if employees are involved in setting those goals.
It was noted that teamwork produces better decisions, better morale, greater self-actualization, efficiency, and effectiveness, and better employee development. In general, teams are considered an important ingredient of organizational success. In a study it was found that groups consistently perform at or above the level of their best members. Another study found that teams improved the performance of the plant as a whole, showing statistically significant reductions in defects and increases in labour productivity. Thus, working in teams has a positive impact on organizational performance.

5.3 Conclusions

Based on the above findings and discussions the study concluded that participative goal setting of specific, difficult and accepted goals affects performance. Team goals affect performance through creation of teamwork and collaboration. Effective team goals can better achieve a goal by pooling, capitalizing and utilizing experience and expertise. A well set team goal facilitates focusing their efforts in a specified direction to achieve desired performance. Having employees work as teams with specific team goal rather than as individuals with only individual goals, increases employee performance.

Joint goals improve performance through engagement and conducive work environment. The employees need to have unlimited input into their work and to be fully involved in the designing of performance measurements and the uses of performance measurements.
Involvement of employees in goal setting also enhances employee performance. The employees need to have unlimited input into their work and to be fully involved in the designing of performance measurements and the uses of performance measurements. Finally based on the findings of the study, there are four ways of effective employee participation in goal setting which includes; understanding the strategy the organization is trying to implement, timely communication of performance targets, timely feedback on progress towards set goals and employee full participation in setting goals.

5.4 Recommendations of the Study

Arising from the foregoing conclusions the study makes the following recommendations for improving goal setting and employees’ performance at the Kenya Seed Company.

i. The use of teams in problem solving and decision making should be encouraged. This will create shared understanding and promote high levels of employee collaboration which have the potential to raise performance.

ii. Through joint goal setting at the work place employees should be involved in setting strategies designing performance measurements and the uses of performance appraisal.

iii. Employee involvement has the effect of improving timely service delivery, morale and achievement of goals. The company should make use of this aspect of goal setting in order to enhance employee’s performance though reduction of resource wastage in organizations.
iv. Finally there is need for the company to adopt appropriate strategies for enhancing participative goal setting by ensuring that employees understand company strategy, timely communication of targets and feedback on performance. This might call for effective performance contracting and performance appraisals.

5.5 Suggestions for Further Research

The scope of the study was based on effects of participatory goal setting on employee performance at Kenya Seed Company. This was therefore not exhaustive and the following suggestions on areas of further research can be taken up.

a) Determinants of employee participation in goal setting in organizations.

b) Effects of participatory goal setting on employee motivation in an organization

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APPENDICES

APPENDIX I: LETTER OF INTRODUCTION TO THE EMPLOYEES

Dear Respondents,

I am a student at Moi University pursuing Master’s Degree in Human Resource Development. It is a requirement that a student writes a research project in the field of study. For that purpose I request you to spare your time to fill this questionnaire.

The research is titled, “PARTICIPATIVE GOAL SETTING EFFECTS ON EMPLOYEE PERFORMANCE: A STUDY OF KENYA SEED COMPANY, KITALE. Your response will be used solely for academic purposes and will be treated with utmost confidentiality. Please answer the questionnaire as accurately as possible and to the best of your knowledge. For each statement with a multiple choice, tick the
number/box which best describes your experience or perception. You should not indicate your name or any information that identifies you.

Thank you in advance.

Mukonambi David Wanyama

APPENDIXII

QUESTIONNAIRES FOR THE EFFECTS OF PARTICIPATIVE GOAL SETTING ON EMPLOYEE PERFORMANCE AT THE KENYA SEED COMPANY

SECTION A: BACKGROUND INFORMATION

1. What is your gender?
   a) Male ( )
   b) Female ( )

2. Indicate your age bracket in years
   1. 18–25 ( )
   2. 26-35 ( )
   3. 36-45 ( )
   4. Over 46 ( )

3. What is the highest level of education attained?
a) Primary
b) Secondary
c) College/Tertiary
d) Basic degree
e) Post graduate degree/diploma

SECTION B: SPECIFIC OBJECTIVES

1. How do employees participate in goal setting in the company? Tick appropriately; Strongly Agree, (5) Agree (4), Neutral (3), Disagree (2) and Strongly Disagree (1)

<table>
<thead>
<tr>
<th>Statement</th>
<th>5</th>
<th>4</th>
<th>3</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Employees are involved in team goal setting</td>
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<tr>
<td>Employees are involved in goal setting through groups</td>
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<tr>
<td>I understand the organizations strategy and our envisaged objective</td>
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<tr>
<td>Employees are allowed full participation in establishing goals of their teams and groups</td>
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<tr>
<td>I feel like withdrawing from office responsibilities assigned earlier.</td>
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</table>

2. What are the effects of team goals on employees’ performance in the company? Tick appropriately; Strongly Agree, (5) Agree (4), Neutral (3), Disagree (2) and Strongly Disagree (1)

<table>
<thead>
<tr>
<th>Activity</th>
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</thead>
<tbody>
<tr>
<td>Your involvement in goal setting</td>
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<tr>
<td>Are you satisfied with your performance at the workplace</td>
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<tr>
<td>Team goals improves overall performance of duties</td>
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<tr>
<td>Your involvement in the organizations activities</td>
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</tbody>
</table>
3. What are the effects of joint goal setting on employee Performance? Tick appropriately; Strongly Agree, (5) Agree (4), Neutral (3), Disagree (2) and Strongly Disagree (1)

<table>
<thead>
<tr>
<th>Statement</th>
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</tr>
</thead>
<tbody>
<tr>
<td>If am not involved in goal setting, am likely to be disillusioned at work and give less contribution</td>
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<tr>
<td>Participation in joint goal setting encourages employees to feel part of management and therefore participate in company's activities</td>
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<tr>
<td>Participation in joint goal setting is important in creating a conducive work environment</td>
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<tr>
<td>Participation in joint goals is key to ensuring that employees get engaged to their jobs and organization</td>
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<tr>
<td>Lack of participation in goal setting can demotivate an employee hence less contribution</td>
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<tr>
<td>Sometimes I feel that I don’t have control over my tasks at the workplace in joint goals</td>
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</table>

4. What are the effects of involving employees in goal setting on performance? Tick appropriately; Strongly Agree, (5) Agree (4), Neutral (3), Disagree (2) and Strongly Disagree (1)

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Employee participation in goal setting improves service</td>
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</tbody>
</table>
Employee participation in goal setting though team goals and joint goal setting improves employee morale to work hard.

Employee participation in goal setting helps the company achieve the objectives easily.

5. What are the effective ways of employee participation in goal setting?

a) Understanding the strategy that the organization is trying to implement(    )
b) There should be timely communication of performance targets (    )
c) Employee participation in goal setting is timely feedback on progress towards set goals which would help in evaluation of performance (    )
d) Employees should be allowed full participation in setting goals (    )

APPENDIX III: INTERVIEW SCHEDULE FOR THE KEY INFORMANTS

1. Which department do you head?

........................................................................................................................................
........................................................................................................................................

2. How are employees involved in goal setting in your organization?

........................................................................................................................................
........................................................................................................................................

3. Within your organization do you think it’s important to involve employees in goal setting?
4. What strategies has your department been / has implemented to improve goal setting?

5. What is your view by your employees regarding the use of these strategies?
APPENDIX IV

PERMIT FROM KENYA SEED COMPANY
APPENDIX V

KENYA SEED COMPANY LIMITED.

Our Ref: KSC/RSC/02/12

Your Ref: 6th March, 2012

Mukonambi David Wanyama,
Moi University – Eldoret,
Box 3900-30100
ELDORET, KENYA.

Dear Sir,

RE: RESEARCH AND DATA COLLECTION.

We acknowledge receipt of your letter dated 6th March, 2012 seeking authority to carry out research on "Influence of participation in goal setting and performance."

This is to inform you that your request has been granted to carry out the said research. You are therefore required to conduct the research within our Human Resource & Admin. Department, Finance & Strategy, Research & Development and Sales & Marketing. You should present a copy of this letter to our managers for assistance. At the end of your research you are required to submit a copy of the report of your findings to the Company.

You are required to liaise with the Human Resource & Admin. Manager, Research & Dev. Manager, Director Finance & Strategy and Sales & Marketing Manager for direction and any further consultations.

We wish you all the best in your academic pursuit.

Yours Faithfully,

T. Ayabei
FOR: Managing Director

Cc. H.R. & Admin. Manager
Director Finance & Strategy
Research & Dev. Manager
Sales & Marketing Manager

Growing Seeds for the Future
APPENDIX VI

MOI UNIVERSITY
ISO 9001:2008 Certified Institution
OFFICE OF THE DEAN
SCHOOL OF HUMAN RESOURCE DEVELOPMENT

P.O. Box 2990
ELDORAT, KENYA.

REF: MU/SHRD/PG/77

18th May, 2012

TO WHOM IT MAY CONCERN

RE:  MUKONAMBI DAVID WANYAMA—SHRD/PGH/07/09

The above named is an M.Phil student at Moi University, School of Human Resource Development, Department of Development Studies.

It is a requirement of his M.Phil Studies that he conducts a research and produces a Thesis. The topic of his Thesis is “Employee Participation in Goal Setting and Performance A Case of Kenya Seed Company Limited – North Rift”.

Any assistance accorded to him will be highly appreciated.

[Signature]

PROF. J. KWONYIKE
DEAN: SCHOOL OF HUMAN RESOURCE DEVELOPMENT
APPENDIX VII

RESEARCH AUTHORIZATION

THIS IS TO CERTIFY THAT:
Prof./Dr./Mr./Mrs./Miss/Institution
David Wanyama Mukonambir
of (Address) Moi University
P.O.Box 3900-30100, Nairobi
has been permitted to conduct research in

Location
Trans Nzoia
District
Rift Valley
Province

on the topic: Employee participation in goal setting and performance, a case of Kenya Seed Company Limited.

for a period ending: 31st December, 2013.

Research Permit No. NCST/RCD/14/012/667
Date of issue
5th June, 2012
Fee received
KSH. 1,000

Applicant's
Signature

Secretary
National Council for Science & Technology

"The National Council for Science and Technology is committed to the Promotion of Science and Technology for National Development."