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## RESEARCH ARTICLE

### INFLUENCE OF EMPLOYEE ENGAGEMENT ON EMPLOYEE PERFORMANCE IN THE PRIVATE SECURITY INDUSTRY IN KENYA WITH A FOCUS ON PRIVATE SECURITY GUARDS IN NAIROBI COUNTY

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#### ABSTRACT

In a globally dynamic business environment, continuous employee engagement is a key driver of sustainable employee performance in the 21<sup>st</sup> century organizations. A survey of Kenya firms revealed that on average, businesses allocate 3% of their operating budgets to private security services and security upgrade. The main objective of the study is to determine the influence of employee engagement on employee performance in the Private Security Industry in Kenya. The study sought to improve employee performance, efficiency, and effectiveness in service delivery. The study adopts descriptive research design and positivism research paradigm; study unit of observation was the Private Security Guards. The target population is 150,000 and the sample size was 213. Kaiser-Meyer-Okin was used to measure of sample adequacy. Purposive and systematic random sampling technique was adopted, and the pilot test of 10% of sample size was used. Test for validity was determined through Bartlett's Sphericity Test and expert input. Reliability was determined through Cronbach's Coefficient Alpha. Triangulation was adopted in data collection tools. The study adopted descriptive data analysis, use of statistical inferences and hypothesis testing. The Data Analysis was done with the help of STATA Version 13.0. The quantitative data was presented through tables and descriptive statistics analysis, correlation, regression and ANOVA was adopted in the analysis. The study found a practical and statistically significant positive relationship between employee engagement and employee performance at regression coefficient of 0.232, t-value = 2.79 and P-Value 0.006. Interpretation: the magnitude of the coefficient of employee engagement is 0.232; this implies that, ceteris paribus, one unit change in the score of employee engagement leads to 0.232 units change in the score of employee performance. Hence, employee engagement is a key driver in the PSI. The study recommends focus on offering effective and good practices in employee engagement, offering both extrinsic and intrinsic rewards such as provision of total reward, good job designs, work life balance, employee health and wellness programs, integration of IT systems such as employee self support services, and enhanced social protection mechanisms.

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## INTRODUCTION

In today's challenging environment, no employer can afford to have its employees physically present but 'checked out' mentally (Dessler, 2013). It is, therefore, imperative to inspire, encourage and motivate employees to enhance psychological contract, right from the first day of engagement. According to Dessler (2013), engagement refers to being psychologically involved in, connected to, and committed to getting one's jobs done. The study engagement indicators are work life balance, communication, total reward, and IT systems.

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These indicators enhanced employee engagement. Employee engagement facilitation involves a number of components right from new hire, stay to employee exit (Armstrong and Taylor, 2014). According to Truss, Delbridge, Alfes Shantz and Joane (2014) every day connotations of engagement refer to involvement, commitment, passion enthusiasm, absorption, focused effort, zeal, dedication and energy. The Institute of Corporate Productivity in Dessler (2013), defines engaged employees as those who are mentally and emotionally invested in their work and contributing to an employer's success. Albretch, Bakker, Gruman, Macey and Saks (2015) posited that new hires when they enter organizations are typically excited about their new job and organization but also have feelings of uncertainty and anxiety, hence, on-boarding plays a

critical role in employee engagement. The outgoing employee's engagement is also important as well, and this put more emphasis on off-boarding in the current 21<sup>st</sup> Century organizations. Ariani (2014) noted that the practices of employee engagement will motivate employees to be fully involved in the organization and remain committed to their work, care about the organization and their colleagues. Dessler (2013) noted that poor attendance, voluntary turnover, and psychological withdrawal often also reflect diminished employee engagement. High performance is achieved by well-motivated people who are prepared to exercise discretionary effort – independently do more than is expected of them (Armstrong and Taylor, 2014). Dessler (2013) further noted that today's human resource managers need the skills to foster and management employee engagement. Albretch *et al.*, (2015) in their study noted that contemporary HCM research and practice recognizes that high caliber job applicants are increasingly looking for job roles that include opportunity for challenge, growth, autonomy, skill variety and engagement. Truss *et al.*, (2014) indicated that that engagement is the personal expression of self-in-role. Employees will be engaged when they feel that the leader cares about their well being. Christian *et al* (2011) quoted in Albretch *et al.*, (2015) argued that individual personality traits are also likely to influence the extent to which employee experience and demonstrate engagement at work.

### Private Security Industry

Performance of every sector is key towards achievement of economic growth. At the organizational level, performance can be measured in terms of effectiveness and efficiency, customer satisfaction, increased sales, diversification, or even personal data such as measures of accidents, turnover and absence among others (Ratti, 2012). The organizational performance depends on the quality of human capital. Globally, the available estimates suggest that eight countries of the world alone have more than 60,000 private security services agencies. The countries are: India, Germany, China, Canada, Russia, the United Kingdom, Australia and Nigeria. The industry employs approximately 12 million private security personnel, in these countries. These employees mainly work as security guards, armed security guards and security supervisors (Upadhyaya, 2011). In Tanzania, the PSI permeated Tanzanian market in the form of private security companies in 1980's. The private security industry mushroomed in 1990s and prospered in 2000s, the period when the government of Tanzania undertook extensive reform of the ordained *Ujamaa Policy* to liberal policy (Shadrack, 2011).

In Kenya, performance of PSI is reflected in Kenya's economy which is estimated to have expanded by 5.9 per cent in 2015, compared to a growth of 5.3 per cent in 2014 (RoK, 2016). Mulupi (2014) noted that KK security holds more than 70% of security contracts for embassies in Kenya and that the PSI is a booming business. The International Commission for Truth and Justice (ICTJ) reported that the deteriorating security conditions have been attributed to uneven performance of some of the country's security agencies (ICTJ, 2010). Mulupi (2014) reported that Private Security Industry CEOs noted major challenges such as competition, managing cooperation with public authorities and keeping standards; improving standards; customer needs have evolved and increasing demand to increase skilled manpower and install additional equipment increased.

### Statement of the problem

In a globally dynamic business environment, employee engagement is a key driver of sustainable employee performance in the 21<sup>st</sup> century organizations. A survey of Kenya firms revealed that on average, businesses allocate 3% of their operating budgets to private security services and security upgrade (KPMG, 2012). According to (Omolo, 2015; Murunga, 2015; Wekesa, 2013; and Oanda, 2013), PSI face fierce competition, while the PSGs face challenges such as critical skills shortage and externalization, affecting employee performance. Companies with lower employee engagement see the biggest financial loss in their stakeholders return at 8 per cent (Cox, 2015). Odhong and Were (2013) asserted that the challenge confronting organizations is to transit to a more cost effective service delivery model. The study sought to determine the influence of employee engagement on employee performance in the Private Security Industry in Kenya.

### Objective of the study

To assess the influence of Employee Engagement on Employee Performance in the Private Security Industry in Kenya.

### Hypothesis

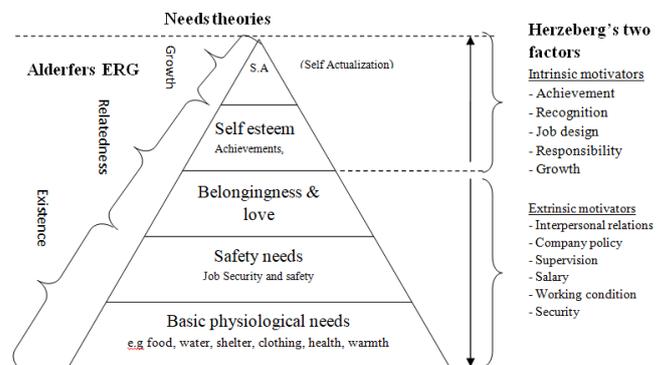
The study was guided by the Null Hypothesis.

H<sub>0</sub>: Employee Engagement has no significant influence on employee performance in the Private Security Industry in Kenya

### Underpinning Theory

#### The Combined Model of Maslow's Hierarchy of Needs, Alderfers, and Herzberg's

Maslow's Hierarchy of Needs was formulated by Maslow in 1954. Maslow's needs hierarchy has in intuitive appeal and has been very popular though has not been verified by empirical research such as that conducted by Wahba and Bridwell in 1979, and it has been criticized for its apparent rigidity (Armstrong and Taylor, 2014). Maslow's theory states that people have a pyramid hierarchy of needs that they will satisfy from bottom to top, starting from physiological needs to self actualization (Ball, 2012). Motivation is the force that energizes, directs and sustains behavior, and well motivated people engage in positive discretionary behavior (Armstrong and Taylor, 2014).



Source: Adapted from Finnigan (2016).

Figure 2.1. The model of Maslow's hierarchy of needs, Alderfers, and Herzberg's theories of motivation

Figure 2.1 represents the model of Maslow's hierarchy of needs, Alderfer's, and Herzberg's theories of motivation. These theories work best when incorporated with needs and job satisfaction theory. Maslow's and Alderfer's ERG represents the needs theory and Herzberg's theory represent the job satisfaction as illustrated in the Figure 2.1. Dessler (2013) explained that people are motivated first to satisfy each inner-order need and then, in sequence, each of the higher – level needs as illustrated in the model. Maslow's theory of motivation supports employee engagement as independent variable. Aldefer's Existence, Relatedness and Growth (ERG) theory from (1969) condenses Maslow's five human needs into three categories: Existences, Relatedness and Growth. 1. Existence needs: includes all material and physiological desires such as food, water and clothing. This corresponds closely to Maslow's first two levels; 2. Relatedness needs: encompass social and external esteem, relationships with family, friends, co-workers and employers. Alderfer (1972) produced a more convincing and simpler theory (Armstrong and Taylor, 2014). Aldefers ERG theory states that people's needs are arranged along a continuum, rather than in an hierarchy, and that there are three rather than five groups of needs, is Existence, Relatedness and Growth.

This corresponds to Maslow's third and fourth levels and, 3. Growth needs: internal esteem and self actualization. These impel a person to make creative or productive effects on himself and environmental. This corresponds to Maslow's fourth and fifth levels. They include desire to be creative and productive, and to complete meaningful tasks (Ball, 2012). Herzberg's theory of motivation is a the two factor model of motivation developed by Herzberg (1966) was based on investigation into the sources of job satisfaction and dissatisfaction of accountants and engineers who were asked what made them feel exceptionally good or bad about their jobs (Armstrong and Taylor, 2014). According to Dessler (2013) Fredrick Herzberg said that the best way to motivate someone is to organize the job, so that doing it provides the feedback and challenge that helps satisfy the person's higher level needs for things like accomplishment and recognition. The implication of combined model of Maslow's, Alderfer's and Herzberg's in this study is that managers have responsibilities. First is to make sure their human resources deficiency needs are met, secondly, it implies that creating a proper climate in which employees can develop their fullest potential; managers should recognize their employees multiple simultaneous needs and (Ball, 2012). Relying on financial incentives is risky; therefore, the employer should provide the recognition and challenging work that most people desire (Dessler, 2013).

### Empirical review

Otieno, Waiganjo and Njeru (2015) carried out a study to explore the effect of employee engagement on organizational performance in Kenya's horticultural sector. The study was carried out in 14 flower firms in Kenya. A cross-sectional survey research design was used. Stratified sampling technique was adopted. The target population was 2460, and 1888 respondents giving a 76.6% response rate. Qualitative and quantitative techniques of data analysis were employed. The study results showed that there is statistically significant relationship between employee engagement and organizational performance. The correlation coefficient is 0.533 at 1% level of significance.

Dajuni (2015) conducted an exploratory study that aims to identify the key drivers of employee engagement within the Egyptian context. The study target population was 245 bank employees from several private and public banks operating in Cairo-Egypt with a response rate of 81.6% - 200 employees. A survey questionnaire were developed and validated. Regressions analysis was done. The study found that employee engagement has a statistically significant impact on job performance.

Taj and Sanneh (2015) did a study to investigate the different factors of employee engagement and their impact on organizational performance in the public sector of West Africa. The study sample size was 327 and questionnaires were used as data collection tool. A survey research design was adopted. The study found that various factors such as leadership have the strongest influence on employee engagement. The study concluded that overall there is a strong positive relationship between employee engagement and organizational performance.

### Employee performance

Employee performance is a complex mix of skills, knowledge, ability, attitude, effort and results (Jamal, 2011). Jamal (2011) concluded that when organization consider their employees as an asset and invest in their capabilities the performance of the organization enhances. To achieve these 21<sup>st</sup> century organizations must integrate their practices with information technology systems to improve efficiency and effectiveness. Inyang and Abraham (2014) in their study explored the Role of Private Guard Companies and Crime Control in Akwa State, Nigeria. The survey research design was utilized to a study sample of 160 respondents of different categories of people who constitutes the Private Security Practitioners in Akwa Ibom State as well as members of the public who reside in community where there private guard companies offer their services. The study found that the private guard business in Nigeria has been infiltrated by unregistered and unlicensed persons. The study recommended amendment of Private Guard Company's Act to check on a number of unfair labour practises.

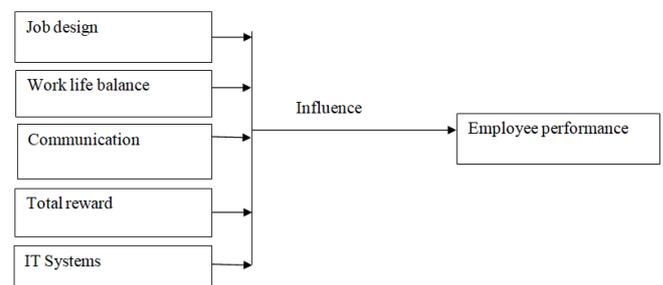


Figure 2.2. Conceptual framework

Independent variable

Dependent variable

## METHODOLOGY

The study adopted descriptive research design. Descriptive studies are designed primarily to document what is going on or what exists (Trochim *et al.*, 2016). Serekan (2010) explained a good research design has a clearly defined purpose and has consistency between the research questions and the proposed research methods.

Cooper and Schindler (2014) posits that, if the research is concerned with finding out who, what where, when or how much, then the study is descriptive. Purposive and systematic sampling was adopted. The target population is 150,000 and the sample size was 213. Kaiser-Meyer-Olkin was used to measure of sample adequacy. Purposive and systematic random sampling technique was adopted, and the pilot test of 10% of sample size was used. The study also adopted triangulation in data collection tools and sampling design. Both qualitative and quantitative data analysis was conducted.

### Research Philosophy

This study adopted positivism research paradigm since this study involves hypothesis testing and thus seek to obtain the objective truth or reality and also predict what may happen in future. The study took a viewer/observer approach. Aligu, Bello, Kasim and Martin (2014) in their study argue that positivism could be regarded as a research strategy and approach of the viewer and observer.

## RESULTS

### Response rate

In this study the total response rate comprised 150 respondents which translates to 150 (70.42%) of the total sample size 213, while 63 (29.58%) did not return/respond to the questionnaires. The response rate of 70.42% gave the study high degree of representativeness that could be relied upon confidently to generalize the respondents' views on this study. Otieno *et al.* (2015) in their study found a response rate of 76.6%.

### Demographic statistics

#### Age bracket of the Study Respondents

The study result shows none of the respondents are in the age range of 15-17. The study shows that the majority (66.67%) of the Private Security Guards who responded to the study were in the age bracket of 18-35 years old. This implies that the PSI attracts youthful workforce. According to Article 260 of Kenya's Constitution, the youth are those who are in the age range of 18-35 years. The study results concurs with Murunga (2015), who found that 83 (55.41%) of the security guards are of age between 21-30 and only 12 (12%) are between 41-50. The study results also shows that (26.67%) of the study respondents are in the age range of 36-47 years, (5.33%) are in the age range of 48-64 years and (1.33%) are in the age range of 65 years and above. Ngari (2015) study results in the PSI in Kenya showed that age bracket 20-40 (59%). Similarly, a study by Friedrich Ebert Stiftung (2011) on Wages and Working Conditions of Private Security Workers in Ghana showed that more than half of the study respondents, (54%) are between ages 15-35 years, who are considered as youth. Table 4.1 shows the age of the study respondents.

**Table 4.1. Age bracket of the study respondents**

Age	Frequency	Percent
15 – 17	-	-
18 – 35	100	66.67
36 - 47	40	26.67
48 – 64	8	5.33
65 and above	2	1.33
Total	150	100

### Gender of the Study Respondents

The study result shows that 100 (66.67%) were males, while 50 (33.33%) were females. This is an indication that the PSI is still a male dominated sector; however, the female employees are slowly coming up and breaking the barrier. This shows that there is an effort towards narrowing the gender gap in terms of employment opportunity and labour force participation in this sector. The study results concurs with that of Murunga (2015), who found that majority of the security guards (79%) were males and (21%) were female. Table 4.2 shows the gender of the study respondents.

**Table 4.2. Gender of the study respondents**

Gender	Frequency	Percent
Male	100	66.67
Female	50	33.33
Total	150	100

### Period of Service of the Study Respondents

The study results show that only 1 (0.68%) security guard has the longest period of service of 18 years. The results shows that only 5 (3.42%) have stayed for 10 years in the organizations, 2 (1.37%) have stayed for 12 years and 2 (1.37%) have stayed for 14 years. Majority, 24 (16.44%) of the guards who responded to the study have stayed for 1 year and 23 (15.75%) have stayed for 2 years. The shortest period of service is 1 month, with only 1 (0.68%) study respondent. The results concurs with Murunga (2015) who found that most (80%) of the security guards have worked for 6 years or less and Ouma (2014) found that majority 18 (45%) of the security guards had worked for 2 – 3 years.

The data further indicated that the respondents with period of service less than 1 year was, 34 (23.27%); 1-5 years were 85 (44.49%), 6 – 10 years, 22 (15.06%), 11-15 years 4 (2.74%) and finally, between 16 – 20 years. The study result shows a slight variation when compared to the study results by Mbuvi (2015) shows that 25 (41.0%) have been in the private security service for a period between 1–10 years 18 (29.5%) have stayed between 11-15 years, (14.8%) have been in the organization for a period between 16-20 years, 11.5 % have served for more than 20 years and 3.3% have served for less than one year. Generally, the survey results showed by this study and that of Mbuvi (2015), has policy implication on the rate of turnover in this sector, that can be justified by study conducted by Githinji (2014), which showed that the rate of employee turnover in the private security firms, that were interviewed, stood at (73.1%) in 2013. This implies that majority of the workers express their feelings that they may not want to stay longer in that job. Table 4.3 shows the period of service.

**Table 4.3. Period of Service**

Period of Service (Years)	Frequency	Percentage
Less than 1 year	34	23.27
1 – 5	85	44.49
6 – 10	22	15.06
11 - 15	4	2.74
16 – 20	1	0.68
Total	146	86.24

### Salary of the Study Respondents

The study results shows that the maximum salary that the PSGs who responded to the study, are paid Ksh.30,000 as

gross salary, minimum salary is, Ksh.6,000. The results also shows that the mode is Ksh.10,000, implying that majority of the firms pays Ksh.10,000, the median is Ksh.11,500, indicating the average amount earned by the PSGs, according to this study. The study results shows that about 96 (64%) of the study respondents, earns below the minimum wage.

This study results concurs with that of Murunga (2015) who found that majority (80%) of the security guards are paid Ksh.10,000-15000, per month while the majority (60%) of the clients they serve are paid between Ksh20,000 – 30,000. The results also concurs with that of Ouma (2014), who found that 45.5% receive salary of Ksh.7,0001 – 10,000, and 45% receive Ksh.4001-7,000. Ouma (2014) further reported that only 5% received Ksh.10,001 -13000. In Kenya, the gazetted monthly minimum wage in urban areas, for the period 2015-2016 remained Ksh 12,221 for night guard (RoK, 2017) and the Ksh.12,926.55 for day guard in the agricultural sector (RoK, 2017). Table 4.4 shows gross salary of the study respondents.

**Table 4.4. Salary of the Study Respondents**

Salary Range	Frequency	Percentage
0 – 6000	2	1.33
6001-12000	94	62.67
12001-18000	42	28.0
18001-24000	11	7.33
24001-30000	1	0.67
Total	150	100

## Empirical Results

This section sought to answer the specific objective on the assessment of the influence of employee engagement on employee performance. Table 4.14 shows how the respondents rated various employee engagement best practices or attributes that enhances employee performance in an organization. The results show that majority 85 (56%) agreed that their job designed well while few 4 (2.67%) strongly disagreed. The study results shows that job design as an indicator of employee engagement had a mean of 3.81 and standard deviation of 0.90 was obtained job design variable or indicator, when the study sought their views on whether work is effectively organized. According to Odhong *et al.*, (2014) good job designs helps the employees feel that the work they do is satisfying, provides task identity, task significance, autonomy and feedback. Table 4.5 shows that majority 79 (52.67%) work life balance enhances employee performance while a few 8 (5.33%) strongly agreed that there is work life balance. Work life balance as an indicator of employee engagement had a mean of 3.19 and standard deviation of 1.21.

The workers would prefer flexible working hours, and work arrangements given the characteristics or nature of their job. Wekesa *et al.*, (2013) found that majority (67.8%) of the study respondents were apprehensive of the existence of work-life balance practices at their organizations with part-time being most prevalent at (100%) and shift swapping at (97.7%). The results also show that majority 86 (57%) while a few 7 (4.70%) agreed that clear channels of communication enhance employee performance. Communication as an indicator of employee engagement shows that the mean is 3.56 and the standard deviation is 1.18. Clear channels of communication and respect in the organization as well as providing feedback enhances effective communication, hence promotes employee engagement.

Mansoor and Hassan (2016) in their study found positive relationship with employee engagement where, job roles Communication R squared =0.322, Job role R squared = 0.197, team work contributes to 0.64 per cent. The best practice in organization reward system is the provision of total reward. Table 4.14 shows that the majority, 129 (86%) strongly disagreed that there is total reward while a few 2 (1.33%) agreed that there is total reward, which enhance their performance. The mean of total reward is 1.2 and standard deviation is 0.56. Results shows that majority 149 (99.33%) strongly disagreed that they are given opportunity to use IT system while a few 1 (0.67%) indicated they have never used IT systems such as employee self service online tools.

The IT systems had a mean of 1.01 and standard deviation of 0.16. This implies that IT systems enhances communication, leads to quality work hence improves employee performance. A survey by Watson Wyatt Worldwide found that companies with highly engaged employees have 26% higher revenue per employee (Tyler, 2011). Based on surveys by Gallup organization, business units with the highest employee engagement have an 83% chance of performing above the company median (Facts, 2010). Study by Towers Perrin on employee engagement, concluded that only 21% of the global workforces is engaged while 40% is disengaged (Rich, 2010). Table 4.5 shows the results of employee engagement and employee performance.

## Qualitative Analysis of employee engagement and employee performance

Qualitative analysis of the explanatory variable, employee engagement was conducted. The study respondents were interviewed were expected to give their views on why they think acquiring IT systems can enhance employee engagement and employee performance. The study results shows that the majority, 149 (99.33%) of the study respondents indicated (YES), that they think acquiring IT systems will enhance employee engagement and their performance. Only respondent 1 (0.67%) indicated (NO), that IT systems will not enhance employee engagement and performance.

The study respondents expected to indicate the benefits of the IT systems in their line of work, whereby 63 (42.28%) indicated that IT systems helps improve customer service, 56 (37.58%), indicated that IT systems helps in crime prevention, 29 (18.79%) indicated that IT systems helps in enhancing employee performance and 2 (1.34%) helps in maintaining peace and order.

The study respondents were also asked to state ways in which employee engagement helps improve employee performance. Gatoto *et al.*, (2015) in their study concluded that use of technology strategic fitness between organizational structures prompt redress of grievances, are the main strengths that PSCs need. Majority of the respondents 47 (32.87%) indicated that employee engagement improves employee performance; It enhances motivation 27 (18.88%) indicated that it enhances motivation, while 23 (16.08%) indicated that in enhances employer-employee relationships. Bersin (2015) reported that Gallup's 2014 research shows that only 13% of employees are highly engaged and 26% per cent are actively disengaged. Table 4.15 below shows the study results the respondents' views on how they think employee engagement can improve employee performance.

Table 4.5. Employee Engagement and Employee performance

Employee engagement	N	SA %	A %	N %	D %	SD %	Mean	Standard deviation
Job design	150	18	56	16	6.67	2.67	3.81	0.90
Work life balance.	150	5.33	52.67	12	15.33	14.67	3.19	1.21
Communication	149	14.09	57.72	10.74	4.70	12.75	3.56	1.18
Total reward	150	0	1.33	3.33	9.33	86	1.2	0.56
IT systems	150	0	0	0.67	0	99.33	1.01	0.16

Table 4.6. Respondent's views on how employee engagement can improve performance

Employee engagement and performance	Frequency	Percentage
Helps in decision making	13	9.09
Improved psychological contract	18	12.59
Enhanced employee performance	47	32.87
Enhanced employer-employee relationship	23	16.08
Promotes effective communication	6	4.20
Promotes organizational citizenship behaviour	2	1.40
It enhances motivation	27	18.88
It improves customer service	7	4.90
Total	143	100

### 1. Correlation Coefficient Analysis

The results of the analysis show that there is a positive correlation between employee engagement and employee performance. The correlation coefficient is 0.2567, implying a weak correlation between the two variables. The positive attributes of these elements of employee engagement promotes effective employee performance, this is manifested in a good job design, good communication and clear channels of communication, and having organizations systems that are aligned to total reward. The study results concurs with that of Mansoor and Hassan (2016) who found that concluded that job roles as a function of employee engagement has a correlation coefficient of 0.19, on employee performance. Mansoor and Hassan (2016) in their study found a positive significant relationship between employee engagement and employee performance with communication indicating correlation coefficient of 0.322. Jobs role contributing to 0.194, teamwork and collaboration contributes to 0.643, company management or leadership contributes to 0.298, while learning and development was 0.181. A system in place that recognizes that IT systems enhances both employee engagement and employee performance, hence improves organizational productivity and individual performance.

### 2. Regression results

#### Influence of employee engagement on Employee Performance

The regression results show that employee engagement has a positive relationship with employee performance. The coefficient of this variable is 0.232 with a t-value 2.79 and p-value of 0.006. According to the result, the coefficient of employee engagement is statistically significant at 1% level of significance. The magnitude of the coefficient of employee engagement is 0.232; this implies that, *ceteris paribus*, one unit change in the score of employee engagement leads to 0.232 units change in the score of employee performance. The study results concurs with of Anitha (2014) conducted a study on determinants of employee engagement and their impact on employee performance, and found that employee engagement had a significant impact on employee performance at  $R^2$  of 0.597. Druta (2017), reported that the survey results showed that 50% of the respondents indicated that developing a unified employee engagement strategy is critical to the success of the organizations Cox (2015) stated engaged employees reduces turnover by 87%. Cox (2015) further reported that Aon

Hewitt's engagement report of 2014, found that organizations in the top quartile for engagement (where more than 7 in 10 employees are engaged) saw a 4% increase in sales growth compared to an average company. Highly engaged employees significantly outperform others in all Key Result Areas (KRA). According to the survey results by Kaliannan and Adjovu (2015), employees believes that work environment contributes to 86.9% on employee engagement and good supervision contributes to 86.3% contributes and is highly supportive towards employee engagement. The regression results of job roles and employee engagement was 40.3%, while company leadership was 53.9%. A key indicator for employee engagement is communication. Communication enables employees to feel good and stay informed. It reduces uncertainty and stress. In conclusion, there is a statistically significant relationship between employee engagement and employee performance.

### 3. The ANOVA Results of employee engagement and employee performance

Table 4.7 shows the ANOVA results for employee engagement and employee performance. The ANOVA result shows that F-statistic is 3.22,  $df(11,136)$  and the  $Prob>F$  is 0.0006, implying that the coefficient of joint determination is statistically significant at 1% level of significance. This means that employee engagement determines employee performance, and that the influence is statistically significant. Basing the confidence level at 95%, the analysis indicates that high reliability of the results was obtained. The F-critical value at  $df(11,136)$  was 1.91, while the F-calculated reported was 3.22. This shows that F-calculated is greater than the F-critical, hence there is a positive significant linear relationship between employee engagement and employee performance. This also implies that, *ceteris paribus*, when there is an increase in employee engagement, there is a significant increase in employee performance. In addition, the p-value was 0.0006, which is less than the significance level of 0.05. The study results concurs with that of Preko and Adjetye (2013), who found a significant impact of employee engagement and performance with an ANOVA result of  $F=37.492$ ,  $df(1,48)$  and P-value of 0.000. Bartlett's Sphericity Test result for employee engagement is  $Prob>F$  is 0.0006. An indication that the variables in question are not intercorrelated since the P-values is less than 0.05. Hence, employee engagement has a statistically significant influence on employee performance.

**Table 4.7. ANOVA Result of Employee engagement and employee performance**

Model	Sum of squares	df	Mean squares	F	Prob>F (Sig)
Regression	7.26538758	11	0.660	3.22	0.0006
Residual	27.9202865	136	0.205		
Total	53.1856741	147	0.205		

Bartlett's test for equal variances:  $\chi^2(10) = 12.7663$  Prob> $\chi^2 = 0.237$

### Beta Coefficient result of employee engagement and employee performance

The results shows that the unstandardised  $\beta$  coefficient of employee engagement is 0.209, standard error of 0.086, t-value =2.42, p-value=0.017 and standardised  $\beta$  coefficient is 0.205. The  $\beta$  coefficient of employee engagement is positive, implying that, holding other things constant, for every one unit increase in the predictor variable - employee engagement, the outcome variable – employee performance will increase by 0.209. The t-value is statistically different from zero and p-value 0.017 shows the beta coefficient of employee engagement is statistically significant at 5 per cent level of significance. In conclusion, the relationship between employee engagement and employee performance is statistically significant. Cheche, Muathe and Maina (2017) in their study found beta coefficient of employee engagement to be 0.64 with a corresponding p-value of 0.000 which implies that the unit change in employee engagement results in 0.64 unit change in performance.

### Key Driver Analysis of the Study Independent Variables

The beta coefficients in the regression results were used to identify and rank the key drivers. The higher the beta coefficient the more a key driver a variable is. Based on this criterion the independent variables were ranked as follows in terms of explaining performance of employees in the Private Security Industry in Kenya. The study results show that employee engagement is a key human capital management driver in enhancing employee performance. This means that firms in PSI needs to give employee engagement priority, and ensure that their workers are engaged. This result is consistent with the explanation by Cucina, Walmsley, Gast, Martin and Patrick (2011) that SKDA is an analysis that attempts to identify a set of survey items called drivers, that have the greatest impact on a specified organizational outcome.

### Test of Hypothesis

$H_0$ : Employee engagement has no effect on performance of employees in the private security industry in Kenya

The regression result showed that the coefficient of employee engagement was 0.232 with a t statistic of 2.79 and a corresponding P value of 0.006. Since the p-value is less than 0.05 the calculated t is greater than the critical at five per cent level of significance. Therefore, at 1 per cent level of significance, the null hypothesis was rejected implying that employee engagement has an effect on performance of employees in the private security industry in Kenya. The magnitude of the coefficient of employee engagement is 0.232; this implies that, ceteris paribus, one unit change in the score of employee engagement leads to 0.232 units change in the score of employee performance. Otieno *et al.*, (2015) found that there is statistically significant relationship between employee engagement and performance. The correlation coefficient is 0.533 at 1% level of significance.

### Summary

The study sought to assess the influence of Employee Engagement on Employee Performance in the Private Security Industry in Kenya. The indicators that were assessed includes job design, work life balance communication, total reward and use of IT systems to enhance employee engagement and performance. Central measure of tendency, correlation coefficient regression analysis was conducted. The correlation coefficient result showed a weak positive correlation of 0.25, commoving to the same direction.

The regression results showed that employee engagement had a positive significant relationship with employee performance. The coefficient of this variable was 0.232 with a t-value 2.79 and p-value of 0.006. According to the result, the coefficient of this variable is statistically significant at 1% level of significance. Highly engaged employees significantly outperform others in all KRA. This concurs with the study results by Kaliannan and Adjovu (2015) who found regression results of job roles and employee engagement was 40.3%, while Kaliannan and Adjovu (2015), found that work environment contributes to 86.9% on employee engagement and good supervision contributes to 86.3% contributes and is highly supportive towards employee engagement.

### Conclusion

It is imperative to note that apart from salary or pay employees needs other incentives such as house allowance, commuter allowance, opportunity for career development, social protection and even bonuses. Employee engagement enhances employee performance and psychological contract. Disengaged employees have no incentive to work and improve effectively. They are checked in physically but absent mentally at work. The workplace can stagnate if workers have no reason to ever go above and beyond their basic responsibilities or call on duty.

Therefore, drivers for achieving sustainable employee engagement requires a proper job design that provides autonomy, skills variety and even opportunity for development, and clear channel and improved two way communication. Engaged employees have the ability to manage stress and can work even when under pressure. Good practices such as work life balance and balanced workload helps in promoting employees better health and wellness at work, hence employee assistance policy are key. The specific organizations objectives should be clear, effective supervision, coupled with equality and fairness, recognition, treating employees with dignity and respect. Therefore, organizations should consider rewarding employees with both extrinsic and intrinsic rewards and, repeat reward. In many situations, professionals in human capital management disciplines argue that workers don't leave the organizations, but they leave the supervisors or managers. In conclusion, employee engagement enhances employee performance.

## Recommendations

The study suggest that the PSI should consider best employee engagement mechanisms since the nature of their duty requires that one is physically and mentally fit and “checked in” when on duty. Clear job designs should be implemented to provide a clear task identity, task significance improve autonomy and provision of effective feedback that promotes productivity. Enhancing employee engagement through work life balance should be encourage, by having well arrange shifts and, provision of rest days and optional opportunity to work for paid overtime, improves workers productivity. Clear channels and two way communication, respect for everyone, enhances employee performance hence promotes productivity. Enhance communication by continuously embracing social dialogue with private security workers to discuss matters pertaining to their employment.

Set up forums in which experienced security expertise share experiences with new and intermediate private security officers. It is also important to note that apart from salary, organizations needs to enhance employee performance by improving their social protection mechanism/tools, contribution to National Hospital Insurance Fund (NHIF), National Social Security Fund (NSSF), risk allowance, hardship allowance, house allowance. The other benefits, such as transport allowance, and opportunity for career development promotes employee engagement, hence enhancing productivity. The total reward approach provides for both intrinsic and extrinsic motivation that promotes effective employee engagement as evident in this survey. It is imperative to consider integration of IT systems - having online portal for employee self service promote engagement and enhance feedback mechanism in the organization.

## Areas for future research

The study sought to establish the influence of employee engagement on employee performance in the Private Security Industry in Kenya. The study independent variable was employee engagement and employee performance as dependent variable. The study unit of observation was private security guards. Therefore, further studies can be done in this sector, since there are various categories of employees in the PSI. It is also important to note that at the time of this study other factors were held constant. Hence, further studies can be conducted to explore more on employee engagement in the PSI.

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