THE STRATEGIC ROLE OF EFFECTIVE PERFORMANCE
MANAGEMENT IN AN ORGANIZATION: A CASE STUDY OF
WORLD FOOD PROGRAMME-SOMALIA

BY

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UNITED STATES INTERNATIONAL UNIVERSITY-AFRICA

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A Research Project Report Submitted to the Chandaria School of Business in Partial Fulfilment of the Degree of Masters in Business Administration (MBA)

UNITED STATES INTERNATIONAL UNIVERSITY-AFRICA

SUMMER 2016
STUDENT’S DECLARATION

I, the undersigned, declare that this is my original work and it has not been submitted to any other college, institution or university other than United States International University – Africa for academic credit.

Signed: ________________________ Date: ________________________________

Ruth Wambui Njoroge (ID: 633362)

This research project report has been presented for examination with my approval as the university appointed supervisor.

Signed: ________________________ Date: ________________________________

Prof. Paul Katuse

Signed: ________________________ Date: ________________________________

Dean, Chandaria School of Business
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ABSTRACT

The purpose of the study was to examine the factors affecting strategic role of effective performance management in an organization with a focus on the World Food Programme-Somalia. The study aimed at determining the impact of strategic performance management on employee performance, evaluating the effect of strategic performance management on business processes and establishing the effects of strategic performance management on business productivity.

The study adopted a descriptive research design to examine the factors affecting strategic role of effective performance management in an organization. The descriptive research design helped in looking at the strength of relationship between strategic performance management on employee performance, business processes and business productivity. The relevant information from the respondents was obtained using questionnaires. The study focused on 120 employees at World Food Programme based in Nairobi. Probability sampling technique was used to determine the sample size (40 respondents) and collect data from the sample. In data analysis and presentation, this study used inferential and descriptive statistics. Correlation analysis, regression analysis, cross-tabulation and frequencies were obtained and presented in tables.

The study analyzed and determined the impact of strategic performance on employee performance. From the study, it was found that competency of the employee is a major determinant of performance reward system. Strategic performance management facilitates recognition and rewarding of top performers. The study found that strategic performance management links performance to compensation clearly. Strategic performance management provides appropriate learning and development opportunities. The study examined that strategic performance management has enabled evaluation of performance and delivery of incentives in a fair and consistent manner.

The study established the effects of strategic performance management on business processes at World Food Programme. The study found that at World Food programme, communication trickles down to all employees effectively due to an effective organizational structure. The study revealed that the organization has a clear strategy and strong execution infrastructure guiding them. The organization’s credibility and visibility has been achieved through strategic partnerships. The organization has an established
cash flow system to run all of its programs at ease. The study shows that at World Food Programme, Employees are given an opportunity to share their ideas and build on them for organizational success. The organizations operations are aligned with the corporate strategy.

The study established that strategic performance management on business productivity. The study found that resources are used efficiently in accomplishment of the organization’s objectives. Through an effective performance system at the organization, employees with exceptional capabilities are hired and retained. The organization delivers its operations efficiently without compromising quality. The study revealed that the organization relies on innovative technology solutions to implement performance management. From the study, it is well shown that the organization fully utilizes its capital and labor for improved productivity. The study also found that the organization experiences cycles in demand that affect capacity utilization.

The study concludes that competency of the employee is a major determinant of performance reward system. Strategic performance management links performance to compensation clearly. The study also concludes that World Food Programme has a clear strategy and strong execution infrastructure guiding them hence communication trickles down effectively to all employees. From the study, it is recommended that World Food Programme to enhance its performance reward system as it brings on board competent employees. The study recommends organizations to have clear strategy and strong execution infrastructure guiding them. The study also recommends installation of effective performance management system in an organization as it helps in hiring and retaining employees with exceptional capabilities.
ACKNOWLEDGEMENT

I would like to thank the Lord almighty for giving me the Strength, capacity and determination, to finish this research. I pass my special thanks to my family and friends for their support throughout my study. I am also grateful to my supervisor, Professor Paul Katuse for the guidance and advice throughout the project. Lastly, I wish to express my gratitude to United States International University Africa where I have garnered adequate knowledge and opportunity to develop mastery in my field by providing all the necessary material.
DEDICATION

This research is dedicated to all my family members and friends for their continued support which has enabled me carry out this project proposal.
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CHAPTER ONE

1.0 INTRODUCTION

1.1 Background of the Problem

According to Nielsen (2013), performance management is the procedure in which administrators and employees cooperate to plan, monitor and survey their employers work targets and their general commitment to the organisation. As indicated by Armstrong and Baron (1998), performance management is the strategic and coordinated way to deal with increase in the effectiveness of organizations by enhancing the accomplishment of the general population that work in them and by building up the abilities of groups and individual contributors. It is a continuous process for providing coaching and feedback, assessing progress and setting objectives to ensure employees meet their career goals and objectives. Performance management includes activities which ensure that goals are consistently being met in an effective and efficient manner. It can concentrate on the performance of an association, a division, worker, or even the procedures to assemble an item or management, and several different zones (Vilkinas, Cartan, & Piron, 1994).

The fundamental goal of performance management is to promote and improve employee effectiveness. The process for linking a company’s compensation plan to individual or team performance includes setting, measuring and rewarding achievable performance expectation (Kagaari, Munene, & Ntayi, 2010). Many people associate performance management with performance appraisal however this is a typical misguided judgment. Anderson and Foss (2005) contends that performance management is the term used to allude to activities, tools, processes, and programs that organizations make or apply to deal with the performance of individual workers, groups, department, and other hierarchical units inside their authoritative control. In contrast, performance appraisal refers to the appraisal of assessing or assessing performance amid a given performance period to decide how well employees, a vendor or an organizational unit has performed in respect to concurred destinations or objectives, and this is one and only of many imperative exercises inside the general idea of performance management (Mohrman and Cohen, 1995).
Performance Management started as a wellspring of wage justification 60 years back that was applied to resolve employee’s compensation taking into account their performance. It was developed in Australia, later in United Kingdom and the United States used by organizations to get specific outcomes by driving behaviors from the employees. This worked well to employees driven solely by financial rewards and failing on employees driven by learning and development of their skills. This resulted into a big problem in the use of performance management due to a gap between the development of skills and knowledge and the justification of pay evident in the late 1980s bringing the realization of a more comprehensive approach to manage and reward performance required (Mohrman & Cohen, 1995).

In the recent decade, the process of managing people has become more specialized and formalized absorbing old performance appraisal methods into the concept of Performance Management aiming to be more extensive and comprehensive (Porter & Siegel, 2006). Other authors tend to differ arguing that, the original goal of performance management was simple to not only track workers’ progress and continual improvement, and also to engage, motivate and reward employees based on their individual efforts (Arvey & Murphy, 1998). Shores (2015) states that, somewhere along the line, the process jumped the tracks and the madness to the current method that is actually creating disengagement and turnover, exactly the opposite of what organizations hope to achieve. This has resulted in complains over years about the ineffectiveness of the annual performance review and merit-pay-increase matrix.

Studies performed by Deloitte press show that only 8% of companies believe their performance management process is highly effective in driving business value, while 58% say it’s not an effective use of time (Nabaum, Barry, Garr, & Liakopoulus, 2014). Other statistics confirm high levels of employee dissatisfaction largely related to lack of career growth, pay or recognition. MTD Training (2010) indicates that, there are several problems associated with performance management for instance; business moves too quickly for annual goals to remain static, people wait too long to give performance feedback, traditional reviews do not help employees grow and develop and ranking and rating actually reduces engagement and de-motivates employees. This has led to issues of employees looking for new jobs for growth opportunities and jobs that pay better.
According to a December 2014 Saba survey conducted by Harris Poll, nearly half of American employees searching for a new job say they are looking for more growth opportunities and 43% cite unhappiness with their current level of pay. These are the issues that need to be addressed as part of the performance process.

In spite of that, Quinn, Anderson and Finkelstein (1996) state that separation of workers or talent management, consistent checking and survey and management by purposes are a portion of the progressions that have formed performance management in the recent years. This was accelerated by the introduction of human asset management as a key driver coordinated as a way to deal with the management and progression of employees and the understanding that the process of performance management is something that's completed by line managers throughout the year and not a one off annual event coordinated by the personnel department.

According to Nielsen (2013), organizations and companies typically manage employee performance over a formal 12-month period (otherwise known as the formal company performance period). The results of performance management exercises are used in employee development planning to select the most appropriate and suitable development; intervention to improve employees' behavior and knowledge skills; as factual basis for compensation and rewards (pay raise & bonuses being the most common) and as a factual basis in consideration with other factors for mobility (Example: transfers and promotions) (Nielsen, 2013).

According to Kaplan (2001), accountability and performance measurement has become urgent for nonprofit organizations as they encounter increasing competition from a proliferating number of agencies, all competing for scarce donor, foundation, and government funding. Yet the public performance reports and many internal performance measurement systems of these organizations focus only on financial measures, such as donations, expenditures, and operating expense ratios.

World Food Programme (WFP) is the food aid arm of the United Nations system. Food aid is one of the many instruments that can help to promote food security, which is defined as access of all people at all times to the food needed for an active and healthy life. The policies governing the use of World Food Programme food aid must be oriented
towards the objective of eradicating hunger and poverty. The ultimate objective of food aid should be the elimination of the need for food aid and the fact that targeted interventions are needed to help to improve the lives of the poorest people—people who, either permanently or during crisis periods, are unable to produce enough food or do not have the resources to otherwise obtain the food that they and their households require for active and healthy lives (World Food Programme, 2016).

The mission of WFP is to end global hunger. Every day, WFP works worldwide to ensure that no child goes to bed hungry and that the poorest and most vulnerable, particularly women and children, can access the nutritious food they need (World Food Programme, 2016). According to their website, WFP (2016) supports national, local and regional food security and nutrition plans. It partners with other United Nations agencies, international organizations, non-governmental organizations, civil society and the private sector to enable people, communities and countries to meet their own food needs. WFP plays its part as an active member of the United Nations system to bring the issue of hunger to the center of the international agenda. In its dialogue with recipient governments and the aid community, WFP advocates policies, strategies and operations that directly benefit the poor and hungry.

At WFP Somalia, performance management is implemented by employees with supervisory roles. Normally, the goal of managing performance is to allow individual employees to find out how well they had performed relative to performance targets or key performance indicators during a specific performance period from their supervisors and managers. Employee performance management at the organization includes planning work and setting expectations, continually monitoring performance, developing the capacity to perform, periodically (normally yearly) rating performance in a summary fashion, and rewarding good performance (Taylor & Pierce, 1999).

1.2 Statement of the Problem
Presently, organizations are faced with new competitive conditions, and have to cope with dynamic environments, leading them to the era of continuous improvement, value added, doing more with less, and productivity (Kagaari, Munene, & Ntayi, 2010). These developments have brought performance management to center stage. Accordingly, organizations are beginning to implement performance management that reflects the new shape of the organization and its emphasis on integration of work, multidimensional
influence, and flexible jobs (Mohrman & Cohen, 1995). The managers and constituents of nonprofits are increasingly concerned about measuring and managing organizational performance. Financial measures alone, or even supplemented with a collection of ad hoc nonfinancial measures that are not sufficient to motivate and evaluate mission accomplishments (Kaplan, 2001).

Due to rapidly changing business environment, Human Resources Development practitioners are demanded to actively participate in improving organizational effectiveness as performance management specialists. Performance management is fast becoming an essential part of every firm’s business strategy. Having feasible and effective processes in place to manage and measure your employees’ performance is no longer a HR nice-to-have; it’s very much a business obligation (Anthony & Bhattacharyya, 2010). Business improvement initiatives have benefits for both an organization’s operational effectiveness and its knowledge acquisition capabilities. These have a synergistic effect upon the ability to gain and maintain competitive advantage (Gareth & Svetlana, 2015). Performance management is a form of business improvement initiative resulting in the need to examine the major determinants of performance management forming the problem of this study which is to evaluate the strategic role of effective performance management in organization.

1.3 General Objective
The main objective of this study is to examine the factors that affect the strategic role of effective performance management in an organization with a focus on World Food Programme-Somalia.

1.4 Specific Research Objectives
1.4.1 To determine impact of strategic performance management on employee performance
1.4.2 To evaluate the effects of strategic performance management on business processes.
1.4.3 To establish effects of strategic performance management on business productivity
1.5 Significance of the Study

1.5.1 Human Resource Department at World Food Programme-Somalia

By measuring performance, nonprofit organizations can improve their effectiveness and enhance their ability to deliver on their mission. Developing a useful performance management system with related measures might realistically be viewed as an essential component of effective program management and service delivery.

1.5.2 Employees of United Nations World Food Programme-Somalia

The employees are an integral and indispensable part of running a business smoothly and efficiently. Thus, performance Managements helps a manager tap the full potential of the employees. Consistently following progression against performance objectives and goals additionally gives the chance to perceive and remunerate workers for performance and outstanding effort, adding to employment fulfillment and profitability (Arvey and Murphy, 1998).

Employees need to feel effective, to do well at their occupation and feel they are making an important commitment. Keeping in mind the end goal to guarantee this happens, workers require an unmistakable comprehension of individual objectives and how they fit into the bigger organization. New technology based arrangements offered can give objective visibility crosswise over whole associations, offer broad reporting choices and can lessen printed material by as much as 90% (Nabaum, Barry, Garr, and Liakopoulus, 2014).

1.5.3 Organizations and Human Resources Development Consultancy firms

This study aimed to identify the issues relevant to those elements as major determinants of successful performance management, with some practical suggestions that will be of benefit to the organization. Performance management is the companywide process of discussing business performance, goals and work and it’s therefore the process that links directly to organizational goals and the bottom-line.

1.5.4 Researchers

This study will give an empirical evidence of the strategic role of performance management in organizations and will also identify areas that can be pursued for future research.
1.6 Scope of the Study
The study was undertaken within the World Food Programme Somalia based in Nairobi, Kenya. The study was limited to the employees of the organization and questionnaires used to gather information from them for this research. The whole study took approximately five months. One of the main limitations would be the willingness for employees to spare some of their time to answer the questionnaire. Also due to the limited time, the study was only limited to the personnel based in Nairobi.

1.7 Definition of Terms
1.7.1 Performance Management
Performance management is the regular process or activity that involves its workers, as persons and members of a group, in cultivating organizational effectiveness in the achievement of agency task and goals (Armstrong & Baron, 1998).

1.7.2 Performance Appraisal
Performance appraisal refers to the act of appraising or evaluating performance during a certain performance period to limit how well an employee, a vendor or an organizational unit has achieved comparative to agreed objectives or areas. This is only one of several significant activities within the overall concept of performance management (Mohrman & Cohen, 1995).

1.7.3 Strategic Performance Management
According to Wall, Strategic performance management is defined as the process where steering of the organization takes place through the systematic definition of mission, strategy and objectives of the organization, making these measurable through critical success factors and key performance indicators, in order to be able to take corrective actions to keep the organization on track (Wall, 2007).

1.7.4 Employee Performance
Employee performance is defined as whether a person executes their job duties and responsibilities well. Various companies asses their employee's performance on an annual or quarterly basis in order to define certain areas that need improvement (Armstrong & Baron, 1998).
1.7.5 Business Productivity
Business productivity is an average measure of the efficiency of production. It can be expressed as the ratio of output to inputs used in the production process, i.e. output per unit of input (Kaplan & Norton, 1996).

1.7.6 Business Process
A business process is a collection of linked tasks which find their end in the delivery of a service or product to a client. It can also be defined as a set of activities and tasks that, once completed, will accomplish an organizational goal (Cousins & Stewart, 2002).

1.7.7 Performance Indicators
Performance indicators or key performance indicators (KPI) are a set of quantifiable measures that a company or industry uses to gauge or compare performance in terms of meeting their strategic and operational goals. KPIs vary between companies and industries, depending on their priorities or performance criteria. They are also referred to as key success indicators (KSI) (Gareth & Svetlana, 2015).

1.8 Chapter Summary
The objective of this report is to examine the strategic role of effective performance management in an organization on employee performance, business process and business productivity. The chapter has given a background of the study, the problem statement and has also identified the main stakeholders and how the study will benefit them. The next chapter examines the scholarly literature which included the current knowledge and substantive findings, as well as theoretical and methodological contributions to performance management. Chapter three dealt with the methods intended for data collection while analysis of data was done in chapter four. The summary, discussion, conclusion and recommendations for this study were given in the last chapter.
CHAPTER TWO

2.0 LITERATURE REVIEW

2.1 Introduction

This chapter assesses the information from the available literature on the role of strategic performance management based on specific objectives highlighted in chapter one. These includes; determining the impact of strategic performance management on employees performance, evaluating the effect of strategic performance management on business processes and the effect of strategic performance management on business productivity. The chapter completes with a chapter summary.

2.2 Impact of Strategic Performance Management on Employees Performance

Performance management is a proactive partnership between the management and employees that help employees to perform at their best and align their contribution with the goals, values, and initiatives of the organization (Gareth & Svetlana, 2015). Employee performance management is about aligning organizational objectives establishing an understanding among the workforce that is achieved at the level of the organization with the employees agreed measures, skills, competency requirements, development plans and the delivery of results. The emphasis is on change, learning and improvement keeping in mind the end goal to accomplish the general business procedure and to make a high performing workforce (Armstrong & Baron, 1998).

Performance management is fast becoming an integral part of every company’s business strategy. Having workable and effective processes in place to manage and measure your employees’ performance is no longer a HR nice-to-have: it’s very much a business got-to-have (Hinton, 2015). In an ever-more regulated business environment, it’s vital that your performance management processes can instil the right core values for your organization and promote behaviors which drive your business strategy forward. Aligning performance with your overall strategy is vital. This is particularly true in more heavily regulated industries such as financial services, construction and oil and gas etc., where meeting targets are part of governance requirements (Muogbou, 2013). The impact of strategic performance management on employee performance entail employee behavior; performance management acuities, goal setting and motivation.
2.2.1 Employee Behavior and Performance
Goals have a persistent impact on employee behavior and performance in an establishment and management practice. Nearly every modern organization has some form of goal setting in operation. The development of specific goals entails high performance work practices (HPWPs), Programs such as management by objectives (MBO), stretch targets, management information systems (MIS), benchmarking, as well as strategic planning and systems thinking (Lunenburg, 2011).

Employees set of working responsibilities is essential in the improvement of his or her quarterly work progression arrangement. Such a successful set of working responsibilities builds up a base for employees to clearly understand what they have to advance and contribute inside the organization. Sets of responsibilities give a chance to clearly impart about on the organization course, and set clear prospects of what is required (Sahoo and Mishra, 2012).

Taking a strategic approach to managing human resource in an organization can be the spark that ignites enterprise wide initiatives that support the achievement of corporate priorities. These initiatives may not fit into traditional areas of HRM, but may in fact challenge basic assumptions about the business and cause core business processes to be reviewed. High performing organizations recognize that they need to be thoughtful with their strategic investments. The most discerning corporations invest in high yield activities that can motivate their people towards achieving common goals. High performing organizations continually review and evolve their strategic priorities to best suit the “maturity” of individual departments or areas (KPMG, 2011).

With the unpredictable business environment and intense business competition, the companies are required to reach certain standards by improving their performance to align with such great demands; otherwise, a lot of problems will surface, including running the risk to close down the business. This performance relates to the firm or individual level which sees the human resource becoming the most determining factor to achieve the organizations’ objectives (Muda, Rafiki & Harahap, 2014).
According to Hostler (2015), performance management drives workers conduct to adjust to authoritative objectives and goals. This arrangement happens in light of the employment obligations and desires being clear, bringing about expanded individual and gathering profitability; better data being accessible to use for pay and advancement choices. Powerful management of performance is a wellspring of supportable upper hand. For a firm to accomplish this, performance management framework must be utilized as assessment and documentation instrument as well as a key device. Along these lines, there is an all-encompassing examination of performance at authoritative, procedure and individual levels for individual fulfillment, duty and objective achievement (Sahoo and Mishra, 2012).

2.2.2 Performance Management Acuities
Unfortunately, performance management is seen as an unwelcome movement in numerous associations. Managers delay to give genuine input and have fair exchanges with their workers and regularly neglect to separate in the appraisals they give. They fear backlash or harmed associations with the very people they depend on to complete the work. Workers feel that their chiefs are bad at examining their execution and are incapable at instructing them on the best way to build up their abilities. A few workers don't trust they require input, or they're confounded about how the criticism influences future profession prospects (Hostler, 2015).

According to Hostler (2015), today, many organizations are using competency models as a basis for their performance management systems. Competency models articulate the knowledge, skills, abilities and characteristics deemed most important in achieving organizational goals. Competency models are especially useful because they communicate what is important to an organization and also provide a common foundation for developing integrated HR management systems, such as staffing, training, promotion, succession planning and performance management.

Pulakos (2006) adds that, while goals and expected results can be established for the entire rating cycle, many employees are in jobs that are characterized by continual change. Under these circumstances, it may be necessary to set nearer-term goals in order to ensure that they are sufficiently specific and achievable to have positive motivating
effects. In addition, feedback should be given and appraisals can be performed as employees reach key milestones or achieve goals during the rating period. Strategic performance management has a positive correlation with the rate at which employees perform their tasks. With the unpredictable business environment and intense business competition, the companies are required to reach certain standards by improving their performance to align with such great demands; otherwise, a lot of problems surface, including running the risk to close down the business (Muda, Rafiki & Harahap, 2014).

According to Hostler (2015), performance management drives workers conduct to adjust to hierarchical objectives and goals. This arrangement happens in light of the fact that occupation obligations and desires are clear, bringing about expanded individual and gathering efficiency; and better data is accessible to use for remuneration and advancement choices.

Despite what might be expected, Sahoo and Mishra (2012), highlights that, most associations have invested deficient energy to build up objectives for worker performance and estimates that an exact evaluation of performance is accessible. Performance surveys are not a satisfactory impression of a representative's work. Sahoo and Mishra includes that performance surveys infrequently concentrate on accomplishments identified with quantifiable objectives. The essential reasons why performance audits are not a satisfactory impression of a employee work throughout the year is that; yearly execution surveys tend to concentrate on the latest execution and disregard the commitments employees made throughout the entire year, performance audits are not objective or measured legitimately, and supervisors once in a while look for input from different managers and collaborators around a employees performance.

Operative management of performance is a fountain of achievable competitive advantage. For a firm to accomplish this, performance management framework must be utilized as assessment and documentation device as well as a vital device. Along these lines, there will be an all-encompassing investigation of performance at authoritative, procedure and individual levels for individual fulfillment, duty and objective accomplishment (Sahoo and Mishra, 2012).
2.2.3 Goal Setting in Performance Management

What an individual is consciously trying to do is defined as a goal. Goal-setting theory was proposed by Edwin Locke 1968. This theory proposes that the personal goals set by an employee play an important role towards motivating him for higher performance. This is because the employees keep to their goals. If these goals are not met, they either increase their performance or amend the goals to make them more genuine. In case the performance improves it will result in accomplishment of the performance management system aims (Salaman, Storey & Billsberry, 2005). Locke's research showed that there was a relationship between how difficult and specific a goal was and people's performance of a task. He found that specific and difficult goals led to better task performance than vague or easy goals.

Locke and Latham hypothesize that the procedure in which one experiences one’s value decisions 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, goals, therefore, direct attention and action challenging goals mobilizing energy that leads to higher effort, and increasing 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 (Lunenburg, 2011).

To motivate, goals must have clarity, challenging and involve commitment. Clear goals are measurable and unambiguous. You ensure the clarity of the goal by making it Specific, Measurable and Time-bound. One must ensure setting of an appropriate balance between a challenging goal and a realistic goal ensuring that goals are achievable or attainable. Goals must be understood and agreed upon if they are to be effective (Yates, 2012).

In order for commitment the goal must be realistic or relevant and motivate the goal setter. Feedback provides opportunities to clarify expectations, adjust goal difficulty, and gain recognition, and this ensures that clear feedback can be provided. Task complexity; the whole point of goal setting is to facilitate success. Therefore, a manager would want to make sure that the conditions surrounding the goals don’t frustrate or inhibit people from accomplishing their objectives (Yates, 2012).
2.2.4 Motivation in Performance Management

According to Parijat and Bagga (2014), in any business organization, motivation is necessary whether a private or public enterprise. Humans are basically psychological beings and need inspiration whether extrinsic or intrinsic for achieving organizational as well their personal objectives and goals. In the modern world when competition, both among the individuals as well as the business organizations has assumed such high importance, motivation has become all the more necessary.

Expectancy theory is a cognitive process theory of motivation that is based on the idea that people believe there are relationships between the effort they put forth at work, the performance they achieve from that effort, and the rewards they receive from their effort and performance. In other words, people will be motivated if they believe that strong effort will lead to good performance and good performance will lead to desired rewards (Lunenburg, 2011; Salaman, Storey, & Billsberry, 2005).

The theory emphasizes some very important aspects or variables of management that are efforts, performance, rewards and personal goals. It establishes relationships between effort performance, rewards and personal goals and tries to synthesize all these into one theory of motivation (Parijat & Bagga, 2014). According to Parijat and Bagga (2014), employees have personal goals which they like to achieve and for this reason they work in organizations. These personal goals can be fulfilled by organizational rewards or work outcomes. Therefore, the relationship between organizational rewards or work outcomes and personal goals is important. variables that influences employee that matter him/her in motivation. These variables are individual effort, individual performance, organizational rewards or work outcomes, and personal goals.

2.3 The Effect of Strategic Performance Management on Business Processes

Cousins and Stewart (2002) states that a business procedure is an arrangement of sensibly related business exercises that consolidate to convey something of worth (e.g. items, merchandise, administrations or data) to a client. A typical high-level business process, such as “Develop market” or “Sell to customer”, describes the means by which the organization provides value to its customers, without regard to the individual functional departments (e.g. the accounting department) that might be involved. As a result, business processes represent an alternative and in many ways more powerful way of looking at an
organization and what it does than the traditional departmental or functional view. Business procedures can be seen separately, as discrete strides in a business cycle, or all in all as the arrangement of exercises that make the quality chain of an association and partner that worth chain with the prerequisites of the client.

Škrinjar (2007) state that, organizations must reevaluate their business models and underlying business processes as a result of continuous competitive pressures in the market. Despite the importance of the business processes, they have been for a long time neglected in managerial studies due to the fact that departments in companies are structured in a functional or product oriented way. However, McCormack and Johnson (2001) state that managing a business requires managing its processes that represent a core of the functioning of an organization because the company primarily consists of processes and not products or services.

There is extensive literature on business process management that suggests that organizations can enhance their overall performance by adopting a process view of business (Davenport, 2006). Business process management (BPM) is a field in operations management that focuses on improving corporate performance by managing and optimizing a company's business processes (Panagacos, 2012). It is argued that BPM enables organizations to be more efficient, more effective and more capable of change than a functionally focused, traditional hierarchical management approach.

Strategic performance management results into the creation of a well aligned business process (Balaban, Belic, & Gudelj, 2011). According to Ryan (2009), strategic performance management influences business processes by impacting on growth of the organization, strategic partners, organizational structure and financial performance of the organization.

2.3.1 Growth of the Organization

Strategic performance management impact on the growth of the organization since it is dependent on the size of an organization, and the proclivity to change of its business environment. Therefore, a global transnational organization may employ a more structured strategic management model, due to its size, scope of operations, and need to encompass stakeholder views and requirement (Ayako, 2013). Organizations face
strategic issues that can affect the overall growth and development of the organization. This leads organizations to make strategic choices even in the face of external constraints to address fundamental issues such as their infrastructure constraints, raw materials input, appropriate level of technology and resource base (Boyne & Walker, 2014).

According to Ogholaja (2010), growth mean increase, enlargement and expansion of an organization. This is something most organizations strive to become as organizational growth is necessary for an organization to maximize its profits. However, for an organization to achieve success, an understanding of the organization growth must be understood inorder to identify at what stage of the business process that a particular stage of organizational growth is required. Liabotis (2007) states that companies fail to achieve their growth targets in profitability and revenue as a result of not having a clear strategy and strong execution infrastructure guiding them. Growth is achieved on the basis that the organizations have clear strategies set and as a result, one without the other impedes the success of the organization.

2.3.2 Strategic Partners
In the recent years as organizations try to maintain competitive advantage, a number of alliances, partnerships and joint ventures have risen (Gonzalez, 2001; Googins & Rochlin, 2000; Mohr & Spekman, 1994). Through partnerships organizations can share expertise, stakeholders, resources inorder to access new markets achieve greater outcomes and spur innovations (Bloomfield, 2006; Googins & Rochlin, 2000). They also provide benefits when used as a communication or marketing tool for stakeholders especially when working with recognizable partners (Streets & Thome, 2009). This has led many organizations to invest in partnerships and it is being enshrined in business processes of many organizations (ASAE, 2012).

Chung (2015) state that strategic partners represents other organizations that organizations work with in the attainment of their objectives. This efforts help in boosting efficiency of an organization to work on their strategies. The partnerships offer a slew of attractive benefits from improving outreach efforts to enhancing programs and services improving an organization’s efficacy, impact, and sustainability. Important to note is that strategic partners help an organization run its business processes efficiently and thus influenced by strategic performance management that an organization adopts.
According to Baum and Wally (2003) strategic partners help in increasing the visibility of an organization through natural cross-promotion reaching out easily to the organization’s network. In addition, strategic partnerships advance the mission of an organization through the enhancement of programmatic impact by providing access to tools, services and resources required to achieve organizational objectives. Partnerships also help organizations to supplement each others services broadening offerings that cut on costs of an organization. They also elevate organization’s credibility and support through partnering with well-known and trusted entities increasing their visibility and improving the public’s perception of their own brand building on trust and attracting support for the organizations work (Chung, 2015). Hoying, Sambourskiy and Sanders (2010) indicate that, organizations that are financially strapped can take advantage of strategic partnerships to restructure or merger and integrate program, administrative and governance functions allowing the leverage of resources, expanding programmatic abilities, and become more cost-effective.

2.3.3 Organizational Structure

The structure of an organization influences how communication flows in the organization and the ability of departments to collaborate to respond to various issues within and outside the organization. This has significant implications to performance and also is influenced by the strategic performance management system that an organization adopts. An effective organizational structure ensures that information trickles down to the employees easily enabling them to work efficiently towards attainment of the organization’s goals and objectives (CPA Australia, 2009).

Applying coordination mechanisms such as planning of activities, Standardized programs and procedures and matrix structures, task forces cross-functional teams, project committees are seen as important components high strategic performance management system. Organizational structures facilitate the sharing of information between departments in an organization and also the cross-fertilization of ideas leading to organizational development (Miles & Snow, 2008).

Using an effective strategic performance management systems the organization structure is able to empower its employees through shared information given them the opportunity to express themselves. In this process, management policies are used to specify
acceptable work behaviors and are shared among employees driving the performance of an organization (CPA Australia, 2009). Academic literature also points out that boundary systems including the formal policies and statements that management uses to limit the activities of, and risks taken by their subordinates in their work are particularly important and shared to all employees. Precaution reviews are also provided which is a mechanism for top management to guide, review and restrict subordinate actions and projects before implementation, while providing an avenue for subordinates to propose new ideas and initiatives leading to organizational success (Schein, 2004; Simon, 2005).

2.3.4 Financial Performance
The act of performing a financial activity to the degree that financial objectives have being accomplished refers to financial performance. It entails the process of measuring firm’s policies results and operations in monetary terms. Financial performance measures the financial health of an organization in a given period of time and is used to compare similar firms across the same industry or to compare industries or sectors in aggregation. (Metcalf & Titard, 2010).

According to Sumlin (1998), strategic performance management impacts on financial performance. This argument was backed up with a study conducted by the Boston Consulting Group/HOLT financial database to track the financial performance of 437 publicly held U.S. companies from 1990 through 1992. The study compared the financial performance of organizations with strategic performance management systems in their business processes with those without and found that companies that had systems had higher profits stronger stock market performance better cash flow and a great stock value than companies without strategic performance management (Hewitt Associates, 1994). In 1995, researchers conducted an additional analysis of the impact strategic performance management on financial performance focusing on the financial ratios seen as the best in measuring the financial strength of an organization including; stock return to market index, real value to cost and price to book total capital and found that companies with strategic performance management had higher ratios than those that did not practice strategic performance management (Bernthal, Sumlin, Davis, & Rogers, 1997).
2.4 Effects of Strategic Performance Management on Business Productivity

There are many different productivity measures. The choice between them depends on the purpose of productivity measurement and, in many instances, on the availability of data (Giovannini & Nezu, 2001). Productivity is an average measure of the efficiency of production. It can be expressed as the ratio of output to inputs used in the production process, i.e. output per unit of input. When all outputs and inputs are included in the productivity measure it is called total productivity (Panagacos, 2012). Productivity is the relationship between output produced by a system and quantities of input factors utilized by the system to produce that output. Output can be any outcome of the process, whether a product or service, while input factors consist of any human and physical resources used in a process. In order to increase productivity, the system must either produce more or better goods from the same resources, or the same goods from fewer resources (Pekuri, Haapasalo and Herrala, 2011).

Economic environment is changing rapidly and this change is characterized by such phenomena as the globalization, changing customer and investor demands, ever increasing product market competition. To complete successfully in this environment, organizations continually need to improve their performance by reducing cost, innovating products and processes and improving quality, productivity and speed to market (Muogbou, 2013). In making international comparisons of firm performance, benchmarks based on productivity can be more insightful than more standard measures of profitability. Profitability alone is unlikely to provide an accurate gauge of productivity, particularly for organizations that are young or growing rapidly and not-for-profit institutions (Lieberman & Kang, 2016).

According to State of California (2007), Performance Management requires good, verifiable information on performance, and assessments of what went right and what went wrong. These assessments serve to guide both future program level annual Action Plans and department and agency Strategic Plans. The level of review in the program, and all assessments must include an assessment of Goal and Objective attainment. State of California (2007) also states that once the strategic planning process is complete and the Vision, Mission and Goals are in place and defined, it is necessary to create a method for measuring the progress and success of the organization. By measuring progress, an
agency can determine if the actions they are implementing are moving the organization closer to achieving its goals and objectives.

Productivity is the relationship between output produced by a system and quantities of input factors utilized by the system to produce that output. Output can be any outcome of the process, whether a product or service, while input factors consist of any human and physical resources used in a process. In order to increase productivity, the system must either produce more or better goods from the same resources, or the same goods from fewer resources (Pekuri et al. 2011).

Strategic management can depend upon the size of an organization, and the proclivity to change of its business environment. Therefore, a global transnational organization may employ a more structured strategic management model, due to its size, scope of operations, and need to encompass stakeholder views and requirement (Muogbou, 2013). According to Sumlin (1998), performance management systems directly influence five critical organizational outcomes: financial performance, productivity, product or service quality, customer satisfaction, and employee job satisfaction. When performance management systems are flexible and linked to strategic goals, organizations are more likely to see improvement in the five critical areas. Team objectives, non-manager training, appraiser accountability, and links to quality management are the specific practices most strongly associated with positive outcomes.

Human resources are regarded as one of the most important foundations of today's firms. Human resources management is more important than other competitive sources because these people use other assets in the organization, create competitiveness and realize objectives for business productivity (Cania, 2014). According to Sumlin (1998), strategic performance management impacts on the operating efficiency, innovation, capacity utilization and value addition.

2.4.1 Operational Efficiency
Managers must ensure that resources are obtained and used effectively and efficiently in accomplishment of the organization’s objective (Armesh, Salarzehi, & Kord, 2010). Burrows (2012) states that operational efficiency entails reducing costs impacting on business objectives including the service quality of an organization. Worth to note is that
with reduction in costs the quality of a company’s products/services should not be compromised as may lead a company out of business when customers move to other business offering better good/services.

Efficiency is associated with the relevant actions performed by an entity by doing things right selecting the best action. While operational efficiency involves the ability to deliver products and services cost effectively without sacrificing quality (Lee & Johnson, 2013). According to (Martin, 2007) to remain competitive in an increasingly competitive world, businesses must boost operational efficiency wherever possible. Through performing efficiently, organizations are able to utilize their resources to the maximum reducing on expenditures, improving customer satisfaction and staying ahead of the competition (Lee & Johnson, 2013).

According to Kliest and Singh (2012), many technical issues were raised with respect to the efficiency of WFP’s programming, such as the cost of importing supplies, losses due to infestations, issues in using international tenders, high cost of logistics, WFP’s approach to assessing support cost. A couple of evaluations suggested that WFP staff are aware of issues of cost efficiency, have the necessary skills to manage difficult logistics and are attentive to costs in planning and procurement. The most common concern with respect to the timeliness of WFP’s interventions is delays in the delivery or distribution of food or the inability to carry out activities as planned, including reduced rations. The evaluations reviewed also revealed observations on WFP’s systems and procedures, including inadequate financial and/or human resources and weaknesses in the organizational structure and culture. The organizational weaknesses within WFP suggest that the organizational structure and culture do not optimally support flexible planning, design and implementation approaches to respond to rapidly changing situations and that opportunities are missed for analysis, reflection and learning (Kliest & Singh, 2012).

Strategic performance management, being a business function where business owners and managers develop activities or tasks to gauge the overall effectiveness and efficiency of their company (Conjecture Corporation, 2016), can be used to streamline WFP strategic inefficiencies and weaknesses. According to Conjecture Corporation (2016), this can be done because strategic performance management is a process that often involves taking a detailed look at the organization and setting specific goals or objectives for divisions,
departments, managers, and employees. Leaders will set goals or objectives for business processes, gathering information to measure performance and making changes to correct issues or improve the organization’s performance realtime.

2.4.2 Innovation
Innovations are one of the main sources of a competitive advantage and they are essential for a company’s growth. Fast technology development, combined with the globalization and fast changes in customer demand, implies that a competitive advantage of a company can be only temporary (Burns & Stalker, 1961). Companies put great effort in beating the competition and improvement in the market game by introducing innovations. On the macro level, innovations have a vital influence on economic development of a country. However, many external and internal factors can affect product innovations, business process innovations or their combination. In this work, we focus our attention on the following factors: industry maturity, customer needs and expectations, technological opportunities (Zakic, Jovanovic & Stamatovic, 2008).

Having the right infrastructure in place to deliver your performance management is critical and the expanding use of cloud-based technology and Software as a Service (SaaS) tools is helping to improve the effectiveness not just of the underlying infrastructure, but the delivery and the measurement of performance management as a whole. What’s more, it gives you the data you need to support critical decisions you make about your workforce (Panagacos, 2012). More organisations are depending on creative innovation answers to actualize performance management best practices and automate manual procedures. The automated systems are affordable due to the move to web-based, on-demand technology regardless of the size of the organization (Barroso, Carrión, & Roldán, 2011).

As indicated by Balaban et al. (2011), strategic performance management leads to business innovation and optimization through implementing business strategies leading to business productivity throughout the business cycle. Performance planning, monitoring, measuring and enhancing is the essence of performance control. In strategic performance management process, process monitoring implies constant observing, surveying and tracking an organization’s activities, processes and segments, and also the effect of these
activities, in order to insight into the scale and rate of progress towards achieving the set objectives and producing specified desired results.

2.4.3 Capacity Utilization

Capacity utilization within an organization, country or regional economy can be used to measure productivity (Australian Government Productivity Commission [AGPC], 2015). There are many reasons why the rate of utilization of capital, or more generally, the rate of utilization of capacity of a firm varies over time. For instance, a change in demand conditions, seasonal variations, interruptions in the supply of intermediate products or a breakdown of machinery are all examples of factors that lead to variations in the flow of capital services drawn from a stock of assets (Giovannini & Nezu, 2001) Strategic performance management actively factors in these business analytics in strategy execution. Business output responds to market demand. Demand rises or falls over time depending on the business cycle or other influences, necessitating firms to adjust their output. In the case of cyclical downturn, many firms will reduce output volumes, but cannot easily reduce their capital and labour inputs as they need these inputs ready for when demand recovers.

As a result, firms are likely to underutilize their capital and labour inputs in a downturn and productivity will be lower. When business is flourishing, organizations will fully utilize their capital and labour. Hence, measured productivity tends to be pro-cyclical as utilization rates of inputs rise in upswings and fall in downswings (AGPC, 2015). Strategic performance management will minimize the cyclical effects by targeting alternative markets to cushion the business (Bourne & Pavlov, 2016) or employ flexible “leasable” or contract capacity. Being an iterative process, strategic performance management makes the organization agile in capacity utilization and new market development (Conjecture Corporation, 2016). Many industries experience cycles in demand that affect capacity utilization but industries with high levels of fixed capital, such as manufacturing, tend to be more exposed to the business cycle. This means that annual productivity estimates are likely to under or overstate the underlying trend level of productivity depending on where the industry is in the business cycle.
2.4.4 Value Addition
Multi Factor approach to measuring productivity can be used, in this case the amount of Value addition by a company during its fiscal year. Value-addition is simply the difference between the firm’s total sales and its purchases of raw materials and contracted services (Lieberman & Kang, 2016). For example, given the research report by Kliest and Singh, (2012), inventory received for humanitarian efforts (this can be represented by inbound stock at the WFP stores) is not what reaches the the target population (represented by sales in profit-making organizations) due to damage, infestation etc. this therefore denotes negative value addition in productivity hence putting WFP in a less than desired state loss of value in its offering.

Likewise, a frequently stated objective of measuring productivity growth is to trace technical change (Giovannini & Nezu, 2001). A positive shift in technological change can impact the value offering of an organization. According to Griliches (1987) technology has been described as the currently known ways of converting resources into outputs desired by the economy and appears either in its disembodied form (such as new blueprints, scientific results, new organizational techniques) or embodied in new products (advances in the design and quality of new vintages of capital goods and intermediate inputs). In spite of the frequent explicit or implicit association of productivity measures with technical change, the link is not straightforward.

2.5 Chapter Summary
This chapter surveyed literature review directed by the objectives of the study; strategic performance on worker performance, business processes and business productivity. Chapter three discusses the research procedure used for this study as well as the approaches of data collection.
CHAPTER THREE

3.0 RESEARCH METHODOLOGY

3.1 Introduction
The research methodology that was used in this research was presented in this chapter discussing the; the research design, population and sampling design entailing subsections on the sampling frame, sampling technique and sample size. The chapter also discussed the data collection method used, the research procedures adopted and the data analysis method applied in this research. The chapter concludes with a chapter summary.

3.2 Research Design
Three main purposes of research is to describe, explain, and validate findings, and according to VanWyk (2012), research design is the overall plan for connecting the conceptual research problems to the pertinent (and achievable) empirical research. A research design articulates what data is required, what methods are going to be used to collect data and analyses of this data, and how it is going to answer the research question, and different design logics that are used for different types of study. Research design is not related to any particular method of collecting data or any particular type of data (Vaus, 2001). It is the glue that holds a research project together (Trochim, 2006).

Descriptive research design was appropriate because it gave adequate results between the various variables. In this research, and according to USC (2016), descriptive research designs helped provide answers to the questions of who, what, when, where, and how associated with a particular research problem. Descriptive research was used to obtain information concerning the current status of the phenomena and described "what exists" with respect to variables or conditions in a situation (Saunders, Lewis, & Thornhill, 2012).

The study obtained and described the views of the respondents from World Food Programme- Somalia in Nairobi with regards to strategic role of performance management in the organization. The focus of the study included a survey in form of standardized questions in a questionnaire and adopted a quantitative approach in order to gain a better understanding and more insightful interpretation of the results.
The performance of World Food Programme was the dependent variable of the study and the independent variables entailed; employee’s performance, business processes and business productivity. There was no manipulation of variables and the researcher did not attempt to control the research setting in this study. However, the data collection was undertaken by use of administered questionnaires. The conditions were standardized to enhance data quality, and hence provide recommendations that were specific and relevant.

3.3 Population and Sampling Design

3.3.1 Population

According to Cooper and Schindler (2006), the total collecting of constituents that a researcher uses to make as source for collecting information is known as a population. The target population for this study were employees of World Food Programme-Somalia working in the various departments based in Nairobi. The organization has a total of 400 employees based in both Kenya and Somalia. 120 employees are based in Nairobi and the rest are spread out in several stations in Somalia. The focus of this study was the staff based in Nairobi totaling 120 employees.

Table 3.1: Total Population

<table>
<thead>
<tr>
<th>Position</th>
<th>Composition</th>
<th>Target Population</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management</td>
<td>Directors</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Supervisors</td>
<td>Heads of department</td>
<td>8</td>
<td>7</td>
</tr>
<tr>
<td>Other Employees</td>
<td>Line staff</td>
<td>109</td>
<td>90</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>120</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Author, (2016)

3.3.2 Sampling Design

How cases are selected for observation represent the sampling design (Cooper and Schindler, 2006). This maps out the process that is followed to draw a sample of a study.
3.3.2.1 Sampling Frame
A sampling frame represents a list from a population of people, households or an institution from which a sample is drawn from (Zikmund & Babin, 2012). In this study, the human resource department gave the list of employees of World Food Programme - Somalia to constitute a sample frame for this study.

3.3.2.2 Sampling Technique
A sampling technique includes the process of selecting an example from a population (Cooper & Schindler, 2008). According to Mugenda and Mugenda (2003), sampling is the process of choosing the study subjects or objects from a larger population. It is important because the method used determined whether or not the study sample represented the entire population from which it is drawn.

Stratified random sampling technique was used since population of interest is not homogeneous and could be subdivided into groups or strata to obtain the sample. The sampling technique also ensured that the representation of the population was equitable by allowing views from all management levels as well as the lower levels. This made it easier to obtain high quality information (Cooper & Schindler, 2014).

3.3.2.3 Sample Size
This is the smaller set of the larger population that is selected carefully as a representative of the population requiring the researcher to ensure the subdivisions that are entailed in the analysis are catered for accurately (Cooper & Schindler, 2008).

From the initial population of 120 staff, a sample of 30% was selected from within each group in proportions that each group bears to the study population with the exception of the management level that the study proposed to get responses from two managers because of the need for triangulation and to increase the response rate generating a sample of 40 respondents that the study sought information from. The sample that was collected is summarized in Table 2 below:
Table 3.2: Sample Size Distribution

<table>
<thead>
<tr>
<th>Strata</th>
<th>Population size</th>
<th>Sample Ratio</th>
<th>Sample Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior Management</td>
<td>3</td>
<td>0.3</td>
<td>2</td>
</tr>
<tr>
<td>Supervisors</td>
<td>8</td>
<td>0.3</td>
<td>2</td>
</tr>
<tr>
<td>Other Employees</td>
<td>109</td>
<td>0.3</td>
<td>36</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>120</strong></td>
<td><strong>100</strong></td>
<td><strong>40</strong></td>
</tr>
</tbody>
</table>

Source: Author, (2016).

### 3.4 Data Collection Methods

Primary data was gathered through the use of a questionnaire that was the principle data collection instrument used in this research. The questionnaire provided questions in a semi structured format while others were open ended questions to capture opinions of the respondents regarding the performance variables in the study (Cooper & Schindler, 2014). The close-ended questions were in the form of a 5-point Likert scale (agree, strongly agree, neutral, disagree or strongly disagree) to investigate the strategic role of effective performance management in an organization.

The study assumed that the data used is valid and reliable. According to Golafshani (2003), “the extent to which results are consistent over time and an accurate representation of the total population under study is referred to as reliability and if the results of a study can be reproduced under a similar methodology, then the research instrument is considered to be reliable” (pg.598). The procedure used guaranteed the degree of the results obtained was repeatable and the stability is a clear indication of high degree of reliability.

According to Joppe (2000), “Validity determines whether the research truly measures that which it was intended to measure or how truthful the research results are. In other words, does the research instrument allow you to hit "the bull’s eye" of your research object?” (pg.1). Therefore, the researcher ensured that the amount of respondents was efficient so
as to minimize errors. The questionnaires were separated into four segments. The first dealt with the general information of the respondent and sections two to four dealt with the three study variables.

3.5 Research Procedures

The data collection exercise was preceded by a pilot-test of the questionnaire on a small sample size of 5 respondents, equivalent to 10% of the target sample. A pilot-test is done to detect weakness in the design (Saunders, Lewis, & Thornhill, 2012). Five questionnaires were developed, pre-tested and reviewed by a focus group which was carried out to evaluate the precision, completeness, accuracy and clarity of interview questions. Before administering the final questionnaire, feedback gotten from pretest was incorporated. The 5 respondents were excluded from the main study.

Questions were standardized because all the respondents were posed with similar questions; therefore, there was minimal scope for the data to be affected by interpersonal factors. Before issuing the questionnaire the researcher sought permission from the various supervisors from the various departments at World Food Programme, and this was done through an official communication from the human resource department in the organization accompanied by a letter from United States International University which was presented by the researcher and attached to the appendix. The respondents were given sufficient time to fill in the surveys. The information received was treated confidentially for academic purpose only and the researcher communicated to the organization about the results of the findings.

3.6 Data Analysis Methods

According to Huberman and Miles (1998), data analysis is the process of transforming and modeling data, cleaning and analyzing data collected in research. Denscombe (2003) added that it entails both quantitative and qualitative techniques. Both techniques were used in this research. Data was coded according to different variables of the study for ease of data entry and interpretation. This study used Statistical Package for Social Sciences (SPSS) which helped to depict the information and decide the degree utilized. The data collected was presented through percentages, means, standard deviations, frequencies,
graphs and charts where applicable. Regression and correlation analysis was used where pertinent.

3.7 Chapter Summary
This chapter presented the research methodology that was adopted in this research the population, research design, data collection method, the sampling design, research procedures and the data analysis and presentation techniques. The next chapter presents the analysis of data after collection.
CHAPTER FOUR

4.0 RESULTS AND FINDINGS

4.1 Introduction

This section shows the results and findings for the data gathered from the respondents. The first part of this chapter covers the response rate. The background information representing the demographics of the respondents was presented in the second part of this research. The third part determines the impact of strategic performance management on employee performance. The fourth part evaluates the effects of strategic performance management on business processes. The fifth part establishes the effects of strategic performance management on business productivity and the final section is the summary of the whole chapter.

4.2 Response Rate

A response rate is the total number of respondents or individuals participated in a study and it is presented in the form of percentage. This study had a sample size of 40 individuals working with World Food Programme-Somalia.

The study in Figure 4.1 represents the response rate of the study. From the study, it is clear that 90% of the respondents took part in the study while 10% did not participate in the study. The study, therefore, implies that the response rate was good to be used.

![Figure 4.1: Response Rate](image)

Figure 4.1: Response Rate
4.3 Background Information

4.3.1 Gender of Respondents

Figure 4.2 shows the gender representation of the study. From the figure, it is well shown that 61.1% of the population in the World Food Programme is male while 38.9% is female. The study implies that there are more male employees than female employees at World Food Programme.

![Gender of Respondents](image)

**Figure 4.2: Gender of Respondents**

4.3.2 Work Experience of Respondents

Figure 4.3 shows the work experience of respondents. From the study, 38.9% of respondents have worked with World Food Programme for less than a year, 41.7% have worked for 1 to 2 years, 13.9% have worked for 3 to 5 years and 5.6% have worked for 6 to 10 years. The study implies that more of the respondents have worked for WFP for 1 to 2 years.

![Work Experience of Respondents](image)

**Figure 4.3: Work Experience of Respondents**
4.3.3 Level of Education of Respondents

The study used Table 4.1 to show the level of education of the population at WFP. From the table, it is indicated that 11.1% of respondents have certificate level of education, 52.8% have diploma level of education, 22.2% have bachelor’s degree and 13.9% have graduate degree.

The implication of the study is that majority of the population working at WFP have diploma level of education.

<table>
<thead>
<tr>
<th>Table 4.1: Level of Education of Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Level of Education</td>
</tr>
<tr>
<td>Certificate</td>
</tr>
<tr>
<td>Diploma</td>
</tr>
<tr>
<td>Bachelor’s degree</td>
</tr>
<tr>
<td>Graduate degree</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

4.3.4 Work Position of Respondents

Table 4.2 shows the respondents’ work position of respondents. From the study, it is revealed that 5.6% of respondents are in senior management, 16.7% are supervisors and 77.7% are general staff.

<table>
<thead>
<tr>
<th>Table 4.2: Work Position of Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Work Position</td>
</tr>
<tr>
<td>Senior Management</td>
</tr>
<tr>
<td>Supervisor</td>
</tr>
<tr>
<td>General Staff</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

4.3.5 Work Position of Respondents

Table 4.3 shows the cross-tabulation between work experience and management performance program. From the study, it is revealed that 64.3% of respondents who have a work experience of less than one year agree that WFP have performance management
program and 7.1% of the same category of respondents disagreed. For respondents with 1 to 2 years of experience, the study shows that 40% agree that WFP have performance management program, 26.7% disagreed and 33.3% were not sure.

The study also shows that 20% of respondents with 3 to 5 years of work experience agreed with the statement that WFP has a performance management program and 80% were not sure about the statement. Finally, 100% of respondents with 6 to 10 years of work experience agreed that World Food Programme has a performance management program.

Table 4.3: Work Position of Respondents

<table>
<thead>
<tr>
<th>How long have you been employed in the organization?</th>
<th>World Food Programme has a performance management program</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Less than a year</td>
<td>9</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>64.3%</td>
<td>7.1%</td>
</tr>
<tr>
<td>1-2 yrs</td>
<td>6</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>40.0%</td>
<td>26.7%</td>
</tr>
<tr>
<td>3-5yrs</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>20.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>6-10yrs</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>100.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Total</td>
<td>18</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>50.0%</td>
<td>13.9%</td>
</tr>
</tbody>
</table>

4.4 Strategic Performance Management on Employee Performance

The objective of the study was to determine the impact of strategic performance management on employee performance. The study sought information from competency, reward system, strategic performance, performance appraisal, development, learning, incentives and innovation.

The study in Table 4.4 shows that strategic performance management enhances employee performance. The study reveals that competency of the employee is a major determinant of performance reward system. Strategic performance management facilitates recognition and rewarding of top performers. Strategic performance management links performance to compensation clearly. The study also shows that strategic performance management provides appropriate learning and development opportunities. The study reveals that the
organizations performance management system motivates me to be more creative and innovative in the set output.

When the mean range is analyzed on the likert-scale it provides a mean range of 4.36-3.64, which is 0.72. The mean range shows that strategic performance management has a big impact on the employee performance. The standard deviation and variance range is from 1.301-0.439 and 1.692-0.193 respectively and this shows little to no variation from the mean.

Table 4.4: Strategic Performance Management on Employee Performance

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Competency of the employee is a major determinant of performance reward system</td>
<td>36</td>
<td>4.25</td>
<td>.439</td>
<td>.193</td>
</tr>
<tr>
<td>Strategic performance management facilitates recognition and rewarding of top performers</td>
<td>36</td>
<td>4.36</td>
<td>.487</td>
<td>.237</td>
</tr>
<tr>
<td>Performance appraisals get done because the system requires it (i.e. it is a bureaucratic chore)</td>
<td>36</td>
<td>3.86</td>
<td>.639</td>
<td>.409</td>
</tr>
<tr>
<td>Strategic performance management links performance to compensation clearly</td>
<td>36</td>
<td>4.36</td>
<td>.683</td>
<td>.466</td>
</tr>
<tr>
<td>Strategic performance management provide appropriate learning and development opportunities</td>
<td>36</td>
<td>4.00</td>
<td>.717</td>
<td>.514</td>
</tr>
<tr>
<td>Strategic performance management has enabled evaluation of performance and delivery of incentives in a fair and consistent manner.</td>
<td>36</td>
<td>4.14</td>
<td>.899</td>
<td>.809</td>
</tr>
<tr>
<td>The organizations performance management system motivates me to be more creative and innovative in the set output</td>
<td>36</td>
<td>3.67</td>
<td>1.095</td>
<td>1.200</td>
</tr>
<tr>
<td>Strategic performance management has facilitated delivery of regular relevant job feedback</td>
<td>36</td>
<td>3.64</td>
<td>1.125</td>
<td>1.266</td>
</tr>
<tr>
<td>Setting and communicating clear performance expectations has been facilitated by strategic performance management.</td>
<td>36</td>
<td>3.92</td>
<td>1.131</td>
<td>1.279</td>
</tr>
<tr>
<td>Strategic performance management has enabled WFP identify organizational career paths for employees.</td>
<td>36</td>
<td>3.72</td>
<td>1.301</td>
<td>1.692</td>
</tr>
</tbody>
</table>

4.4.1 Facilitated Delivery

Table 4.5 shows the level at which respondents agree and disagree with the statement of delivery of regular job feedback.
Table 4.5: Facilitated Delivery

<table>
<thead>
<tr>
<th>Strategic performance management has facilitated delivery of regular relevant job feedback</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Disagree</td>
<td>9</td>
<td>25.0</td>
</tr>
<tr>
<td>Uncertain</td>
<td>4</td>
<td>11.1</td>
</tr>
<tr>
<td>Agree</td>
<td>14</td>
<td>38.9</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>9</td>
<td>25.0</td>
</tr>
<tr>
<td>Total</td>
<td>36</td>
<td>100.0</td>
</tr>
</tbody>
</table>

From the table above, the study confirms that 25% of respondents disagreed that strategic performance management has facilitated delivery of regular relevant job feedback, 11.1% were uncertain about the statement, 38.9% agreed and 25% strongly agreed to the statement.

4.4.2 Employee Competency

Table 4.6 shows how employee competency enhances employee performance. From the table, 75% of respondents agreed and 25% strongly agreed that competency of the employee is a major determinant of performance reward system.

Table 4.6: Employee Competency

<table>
<thead>
<tr>
<th>Competency of the employee is a major determinant of performance reward system</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agree</td>
<td>27</td>
<td>75.0</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>9</td>
<td>25.0</td>
</tr>
<tr>
<td>Total</td>
<td>36</td>
<td>100.0</td>
</tr>
</tbody>
</table>

4.4.3 Recognition and Reward

To establish how recognition and reward affects employee performance, Table 4.7 was used. From the table, 63.9% of respondents agreed that and 36.1% strongly agreed that strategic performance management facilitates recognition and rewarding of top performers.
Table 4.7: Recognition and Reward

<table>
<thead>
<tr>
<th>Strategic performance management facilitates recognition and rewarding of top performers</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agree</td>
<td>23</td>
<td>63.9</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>13</td>
<td>36.1</td>
</tr>
<tr>
<td>Total</td>
<td>36</td>
<td>100.0</td>
</tr>
</tbody>
</table>

4.4.4 Compensation

Table 4.8 shows how respondents agreed and disagreed with the statement of performance and compensation. From the study, 11.1% of respondents were uncertain that strategic performance management links performance to compensation. 8.9% disagreed that the company has established competitive strategies to differentiate from competitors, 45% of respondents were not sure about the latter statement, and 35% of respondents strongly agreed to the statement that the company has established competitive strategies to differentiate from competitors.

Table 4.8: Compensation

<table>
<thead>
<tr>
<th>Strategic performance management links performance to compensation clearly</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Uncertain</td>
<td>4</td>
<td>11.1</td>
</tr>
<tr>
<td>Agree</td>
<td>15</td>
<td>41.7</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>17</td>
<td>47.2</td>
</tr>
<tr>
<td>Total</td>
<td>36</td>
<td>100.0</td>
</tr>
</tbody>
</table>

4.4.5 System Requirement

Table 4.9 shows how system requirement enhances employee performance. From the table, 27.8% of respondents were uncertain that performance appraisals get done because the system requires it, 58.3% agreed and 13.9% strongly agreed to the statement.

Table 4.9: System Requirement

<table>
<thead>
<tr>
<th>Performance appraisals get done because the system requires it (i.e. it is a bureaucratic chore)</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Uncertain</td>
<td>10</td>
<td>27.8</td>
</tr>
<tr>
<td>Agree</td>
<td>21</td>
<td>58.3</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>5</td>
<td>13.9</td>
</tr>
<tr>
<td>Total</td>
<td>36</td>
<td>100.0</td>
</tr>
</tbody>
</table>
4.5 Strategic Performance Management on Business Processes

The study aimed at evaluating the effects of strategic performance management on business processes. The study sought information from execution, infrastructure, partnership, credibility, visibility, success, cash flow system, and corporate strategy among others. The study employed correlation analysis to test the relationship between variables.

Table 4.10 reveals a correlation between communication and other factors of business processes. From the study, communication trickles down to all employees effectively when the organization has a clear strategy and strong execution infrastructure ($r = 0.348^*$, $p<0.05$, N= 36). The study shows that through partnerships the organization has improved its outreach efforts and enhanced its programs ($r = 0.459^{**}$, $p<0.01$, N=36). The organizations credibility and visibility has been achieved through strategic partnerships ($r = 0.789^{**}$, $p<0.01$, N=36) hence communication is important.

The study reveals that employees are given an opportunity to share their ideas and build on them for organizational success ($r = 0.449^{**}$, $p<0.01$, N=36). The study also shows that the organization has an established cash flow system to run all of its programs at ease ($r = -0.887^{**}$, $p<0.01$, N=36). The study shows that the organizations operations are aligned with the corporate strategy ($r = -0.794^{**}$, $p<0.01$, N=36).

<table>
<thead>
<tr>
<th></th>
<th>Communication trickles down to all employees effectively due to an effective organizational structure</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Pearson Correlation</strong></td>
<td><strong>Sig. (2-tailed)</strong></td>
</tr>
<tr>
<td>The organization has a clear strategy and strong execution</td>
<td>$.348^*$</td>
</tr>
<tr>
<td>infrastructure guiding them</td>
<td></td>
</tr>
<tr>
<td>Through partnerships the organization has improved its outreach</td>
<td>$.459^{**}$</td>
</tr>
<tr>
<td>efforts and enhanced its programs</td>
<td></td>
</tr>
<tr>
<td>The organizations credibility and visibility has been achieved</td>
<td>$.789^{**}$</td>
</tr>
<tr>
<td>through strategic partnerships</td>
<td></td>
</tr>
<tr>
<td>Employees are given an opportunity to share their ideas and</td>
<td>$.449^{**}$</td>
</tr>
<tr>
<td>build on them for organizational success</td>
<td></td>
</tr>
<tr>
<td>The organization has an established cash flow system to run</td>
<td>-.887^{**}$</td>
</tr>
<tr>
<td>all of its programs at ease</td>
<td></td>
</tr>
<tr>
<td>The organizations operations are aligned with the corporate</td>
<td>-.794^{**}$</td>
</tr>
<tr>
<td>strategy.</td>
<td></td>
</tr>
</tbody>
</table>
4.5.1 Strategic Choices

The study in Table 4.11 reveals the correlations between strategic choices and other factors of business processes. The study found that the organization makes strategic choices to address fundamental issues such as resource constraints. It was found that through partnerships the organization has improved its outreach efforts and enhanced its programs ($r = 0.727^{**}$, $p<0.01$, $N=36$). WFP has provided sufficient resources to enable strategic performance management implementation ($r = -0.371^{*}$, $p<0.05$, $N=36$).

Table 4.11: Strategic Choices

<table>
<thead>
<tr>
<th></th>
<th>Pearson Correlation</th>
<th>Sig. (2-tailed)</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Through partnerships the organization has improved its outreach efforts and enhanced its programs</td>
<td>.727^{**}</td>
<td>.000</td>
<td>36</td>
</tr>
<tr>
<td>The organization has an established cash flow system to run all of its programs at ease</td>
<td>-.383^{*}</td>
<td>.021</td>
<td>36</td>
</tr>
<tr>
<td>WFP has provided sufficient resources to enable strategic performance management implementation.</td>
<td>-.371^{*}</td>
<td>.026</td>
<td>36</td>
</tr>
</tbody>
</table>

4.5.2 Execution Infrastructure

Table 4.12 depicts the correlations between execution infrastructure and other factors of business processes. From the table it is shown that the organization has a clear strategy and strong execution infrastructure guiding them hence employees are given an opportunity to share their ideas and build on them for organizational success ($r = 0.416^{*}$, $p<0.05$, $N=36$).

Table 4.12: Execution Infrastructure

<table>
<thead>
<tr>
<th></th>
<th>Pearson Correlation</th>
<th>Sig. (2-tailed)</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees are given an opportunity to share their ideas and build on them for organizational success</td>
<td>.416^{*}</td>
<td>.012</td>
<td>36</td>
</tr>
</tbody>
</table>
4.5.3 Partnerships

Table 4.13 reveals a correlation between organizational partnerships and organizational performance. From the study, it is clear that through partnerships the organization has improved its outreach efforts and enhanced its programs hence WFP makes strategic choices to address fundamental issues such as resource constraints \((r = 0.727^{**}, p<0.01, N= 36)\). Through partnerships the organization has improved its outreach efforts and enhanced its programs hence communication trickles down to all employees effectively due to an effective organizational structure \((r = 0.459^{**}, p<0.01, N=36)\). Through partnerships WFP has provided sufficient resources to enable strategic performance management implementation \((r = -0.713^{**}, p<0.01, N=36)\).

<table>
<thead>
<tr>
<th>Through partnerships the organization has improved its outreach efforts and enhanced its programs</th>
<th>Pearson Correlation</th>
<th>Sig. (2-tailed)</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>The organization makes strategic choices to address fundamental issues such as resource constraints</td>
<td>.727**</td>
<td>.000</td>
<td>36</td>
</tr>
<tr>
<td>Communication trickles down to all employees effectively due to an effective organizational structure</td>
<td>.459**</td>
<td>.005</td>
<td>36</td>
</tr>
<tr>
<td>The organizations operations are aligned with the corporate strategy.</td>
<td>-.544**</td>
<td>.001</td>
<td>36</td>
</tr>
<tr>
<td>WFP has provided sufficient resources to enable strategic performance management implementation.</td>
<td>-.713**</td>
<td>.000</td>
<td>36</td>
</tr>
</tbody>
</table>

4.6 Strategic Performance Management on Business Productivity

The objective of the study was to establish effects of strategic performance management on business productivity. The study in Table 4.14 shows the relationship between gender of respondents and organizational resources.

From the study 83.3% of male respondents agreed that resources are used efficiently in accomplishment of the organization’s objectives, and 16.7% were uncertain about the statement. The study also shows that 50% of the female respondents agreed to the latter statement, 5.6% were uncertain and 44.4% disagreed that resources are used efficiently in accomplishment of the organization’s objectives.
Table 4.1: Resources

<table>
<thead>
<tr>
<th>Gender</th>
<th>Male</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Uncertain</th>
<th>Agree</th>
<th>Strongly Agree</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0</td>
<td>0</td>
<td>3</td>
<td>13</td>
<td>2</td>
<td>18</td>
<td>100.0%</td>
</tr>
<tr>
<td>Female</td>
<td>4</td>
<td>4</td>
<td>1</td>
<td>2</td>
<td>7</td>
<td>18</td>
<td>100.0%</td>
</tr>
<tr>
<td></td>
<td>22.2%</td>
<td>22.2%</td>
<td>5.6%</td>
<td>11.1%</td>
<td>38.9%</td>
<td>100.0%</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>4</td>
<td>4</td>
<td>4</td>
<td>15</td>
<td>9</td>
<td>36</td>
<td>100.0%</td>
</tr>
<tr>
<td></td>
<td>11.1%</td>
<td>11.1%</td>
<td>11.1%</td>
<td>41.7%</td>
<td>25.0%</td>
<td>100.0%</td>
<td></td>
</tr>
</tbody>
</table>

4.6.1 Hiring and Retention

Table 4.15 depicts the cross-tabulation between respondents’ work experience and employee hiring and retention. From the table it is shown that 100% of respondents with less than one year work experience agree that through an effective performance system at the organization, employees with exceptional capabilities are hired and retained. For respondents with 1 to 2 years of work experience, 73.3% agreed that through an effective performance system at the organization, employees with exceptional capabilities are hired and retained while 26.7% of the same category of respondents disagreed with the statement. The study also shows that 100% of respondents with 3 years and above of work experience agreed that through an effective performance system at the organization, employees with exceptional capabilities are hired and retained.

Table 4.15: Hiring and Retention

<table>
<thead>
<tr>
<th>How long have you been employed in the organization?</th>
<th>Through an effective performance system at the organization, employees with exceptional capabilities are hired and retained</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than a year</td>
<td>Disagree</td>
<td>Agree</td>
</tr>
<tr>
<td></td>
<td>0</td>
<td>100.0%</td>
</tr>
<tr>
<td>1-2 yrs</td>
<td>4</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>26.7%</td>
<td>60.0%</td>
</tr>
<tr>
<td>3-5yrs</td>
<td>0</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>0.0%</td>
<td>100.0%</td>
</tr>
<tr>
<td>6-10yrs</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Total</td>
<td>4</td>
<td>28</td>
</tr>
<tr>
<td></td>
<td>11.1%</td>
<td>77.8%</td>
</tr>
</tbody>
</table>
4.6.2 Organizational Delivery

The study in Table 4.16 reveals the relationship between respondents’ level of management and organizational delivery. The study shows that 100% of senior management respondents were uncertain that the organization delivers its operations efficiently without compromising quality. The study also reveals 50% of respondents within general staff agreed while 50% of the same management level were uncertain that the organizations delivers its operations efficiently without compromising quality.

<table>
<thead>
<tr>
<th>Which management level best describes your job level?</th>
<th>The organizations delivers its operations efficiently without compromising quality</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior Management</td>
<td>Uncertain</td>
<td>Agree</td>
<td>Strongly Agree</td>
</tr>
<tr>
<td></td>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>General Staff</td>
<td>11</td>
<td>7</td>
<td>4</td>
</tr>
<tr>
<td>Total</td>
<td>12</td>
<td>7</td>
<td>4</td>
</tr>
</tbody>
</table>

4.6.3 Innovative Strategy

The study in Table 4.17 reveals the relationship between respondents’ level of education and innovative strategy. The study shows that 33.3% of respondents with certificate level of education strongly agreed and 66.7% of the same category of respondents were uncertain that the organization relies on innovative technology solutions to implement performance management.

The study also reveals 30.8% of respondents with diploma level of education strongly agreed that the organization relies on innovative technology solutions to implement performance management, 46.2% were uncertain and 23.1% disagreed to the statement.

Contrary, 40% of respondents with bachelor’s degree level of education agreed, 20% were uncertain and 40% of the same category of respondents disagreed to the statement that the organization relies on innovative technology solutions to implement performance management. The study shows that 50% of respondents with graduate degrees were
uncertain that the organization relies on innovative technology solutions to implement performance management while 50% disagreed to the statement.

Table 4.17: Innovative Strategy

<table>
<thead>
<tr>
<th>Highest level of education</th>
<th>Certificate</th>
<th></th>
<th></th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Disagree</td>
<td>Uncertain</td>
<td>Strongly Agree</td>
<td></td>
<td>100.0%</td>
</tr>
<tr>
<td>0.0%</td>
<td>66.7%</td>
<td>33.3%</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>23.1%</td>
<td>46.2%</td>
<td>30.8%</td>
<td>13</td>
<td></td>
</tr>
<tr>
<td>40.0%</td>
<td>20.0%</td>
<td>40.0%</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>50.0%</td>
<td>50.0%</td>
<td>0.0%</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>6</td>
<td>10</td>
<td>7</td>
<td>23</td>
</tr>
</tbody>
</table>

4.6.4 Improved Productivity

Table 4.18 shows the relationship between the gender of respondents and improved productivity. From the study, 50% of male respondents agreed that the organization fully utilizes its capital and labor for improved productivity, 10% of the same category of respondents disagreed to the statement and 40% of the respondents were uncertain about the statement. Contrary, 15.4% of female respondents agreed that the organization fully utilizes its capital and labor for improved productivity, 38.5% disagreed to the statement and 46.2% were uncertain about the statement.

Table 4.18: Improved Productivity

<table>
<thead>
<tr>
<th>Gender</th>
<th>The organization fully utilizes its capital and labor for improved productivity</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Disagree</td>
<td>Uncertain</td>
</tr>
<tr>
<td>Male</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>10.0%</td>
<td>40.0%</td>
</tr>
<tr>
<td>Female</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td>38.5%</td>
<td>46.2%</td>
</tr>
<tr>
<td>Total</td>
<td>6</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>26.1%</td>
<td>43.5%</td>
</tr>
</tbody>
</table>
4.6.5 Capacity Utilization

Table 4.19 depicts the cross-tabulation between respondents’ work experience and capacity utilization. From the table it is shown that 75% of respondents with less than one year work experience agree that the organization experiences cycles in demand that affect capacity utilization and 25% were uncertain about the statement. For respondents with 1 to 2 years of work experience, 8.3% agreed that the organization experiences cycles in demand that affect capacity utilization while 91.7% of the same category of respondents was uncertain about the statement. The study also shows that 100% of respondents with 3 and above years of work experience were uncertain that the organization experiences cycles in demand that affect capacity utilization.

<table>
<thead>
<tr>
<th>How long have you been employed in the organization?</th>
<th>The organization experiences cycles in demand that affect capacity utilization</th>
<th>Uncertain</th>
<th>Agree</th>
<th>Strongly Agree</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than a year</td>
<td></td>
<td>2</td>
<td>4</td>
<td>2</td>
<td>8</td>
</tr>
<tr>
<td></td>
<td></td>
<td>25.0%</td>
<td>50.0%</td>
<td>25.0%</td>
<td>100.0%</td>
</tr>
<tr>
<td>1-2 yrs</td>
<td></td>
<td>11</td>
<td>1</td>
<td>0</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td></td>
<td>91.7%</td>
<td>8.3%</td>
<td>0.0%</td>
<td>100.0%</td>
</tr>
<tr>
<td>3-5 yrs</td>
<td></td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>100.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>100.0%</td>
</tr>
<tr>
<td>6-10yrs</td>
<td></td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>100.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>100.0%</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>16</td>
<td>5</td>
<td>2</td>
<td>23</td>
</tr>
<tr>
<td></td>
<td></td>
<td>69.6%</td>
<td>21.7%</td>
<td>8.7%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

4.6.6 Continuous Improvement

The study in Table 4.20 reveals the relationship between respondents’ level of management and organizational delivery. The study from Table 4.23 shows that 100% of respondents from senior management were uncertain that the organization has performance metrics for continuous improvement.

The study also reveals 68.2% of respondents within supervisors agreed, 9.1% disagreed and 25% was uncertain that the organization has performance metrics for continuous improvement.
Table 4.20: Continuous Improvement

<table>
<thead>
<tr>
<th>Which management level best describes your job level?</th>
<th>Senior Management</th>
<th>General Staff</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Disagree</td>
<td>Uncertain</td>
<td>Agree</td>
</tr>
<tr>
<td>Senior Management</td>
<td>0</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>0.0%</td>
<td>100.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>General Staff</td>
<td>2</td>
<td>5</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td>9.1%</td>
<td>22.7%</td>
<td>59.1%</td>
</tr>
<tr>
<td>Total</td>
<td>2</td>
<td>6</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td>8.7%</td>
<td>26.1%</td>
<td>56.5%</td>
</tr>
</tbody>
</table>

4.6.7 Multifactor Approach

The study in Table 4.21 depicts the relationship between respondents’ level of education and multifactor approach. The study shows that 66.7% of respondents with certificate level of education agreed and 33.3% of the same category of respondents were uncertain that the organization uses a multifactor approach to measure productivity.

Table 4.21: Multifactor Approach

<table>
<thead>
<tr>
<th>Highest level of education</th>
<th>Certificate</th>
<th>Diploma</th>
<th>Bachelor’s degree</th>
<th>Graduate degree</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Strongly Disagree</td>
<td>Disagree</td>
<td>Uncertain</td>
<td>Agree</td>
<td>Strongly Agree</td>
</tr>
<tr>
<td>Certificate</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>0.0%</td>
<td>0.0%</td>
<td>33.3%</td>
<td>66.7%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Diploma</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>8</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>7.7%</td>
<td>15.4%</td>
<td>7.7%</td>
<td>61.5%</td>
<td>7.7%</td>
</tr>
<tr>
<td>Bachelor’s degree</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>20.0%</td>
<td>20.0%</td>
<td>0.0%</td>
<td>40.0%</td>
<td>20.0%</td>
</tr>
<tr>
<td>Graduate degree</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>50.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>50.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Total</td>
<td>3</td>
<td>3</td>
<td>2</td>
<td>13</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>13.0%</td>
<td>13.0%</td>
<td>8.7%</td>
<td>56.5%</td>
<td>8.7%</td>
</tr>
</tbody>
</table>

The study also reveals 69.2% of respondents with diploma level of education agreed that the organization uses a multifactor approach to measure productivity, 7.7% were uncertain and 23.1% disagreed to the statement. Contrary, 60% of respondents with bachelor’s degree level of education agreed, while 40% of the same category of respondents disagreed to the statement that the organization uses a multifactor approach to measure productivity. The study shows that 50% of respondents with graduate degrees
agreed that the organization uses a multifactor approach to measure productivity while 50% disagreed to the statement.

### 4.6.8 Making Changes

The study in Table 4.22 reveals the relationship between respondents’ level of management and impact of making changes. The study shows that 100% of respondents from senior level management agreed that for improved productivity, the organization should make changes to its performance management system. The study also reveals 50% of respondents within supervisors agreed while 50% of the same management level disagreed that for improved productivity, the organization should make changes to its performance management system.

For respondents from general staff, 81.3% of respondents agreed, 12.5% were uncertain and 6.3% of respondents in the same management category disagreed that for improved productivity, the organization should make changes to its performance management system.

#### Table 4.22: Making Changes

<table>
<thead>
<tr>
<th>Which management level best describes your job level?</th>
<th>For improved productivity, the organization should make changes to its performance management system</th>
<th>Strongly Disagree</th>
<th>Uncertain</th>
<th>Agree</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior Management</td>
<td>0</td>
<td>0</td>
<td>2</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td></td>
<td>0.0%</td>
<td>0.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td></td>
</tr>
<tr>
<td>Supervisor</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td></td>
<td>50.0%</td>
<td>0.0%</td>
<td>50.0%</td>
<td>100.0%</td>
<td></td>
</tr>
<tr>
<td>General Staff</td>
<td>1</td>
<td>2</td>
<td>13</td>
<td>16</td>
<td></td>
</tr>
<tr>
<td></td>
<td>6.3%</td>
<td>12.5%</td>
<td>81.3%</td>
<td>100.0%</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>2</td>
<td>2</td>
<td>16</td>
<td>20</td>
<td></td>
</tr>
<tr>
<td></td>
<td>8.7%</td>
<td>8.7%</td>
<td>82.6%</td>
<td>100.0%</td>
<td></td>
</tr>
</tbody>
</table>
4.7 Chapter Summary

This chapter presented the results and findings from the data collected from the respondents of World Food Programme that presented the sample for this study. The chapter provided analysis on the response rate, background information, strategic performance management on employee performance, strategic performance management on business processes and strategic performance management on business productivity. A summary, discussion, conclusion and recommendations of this research are given in the next chapter.
CHAPTER FIVE

5.0 DISCUSSION, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter presents the summary in section 5.2, discussion in section 5.3, conclusion in section 5.4 of the study and lastly the recommendations for this study in section 5.5 of this chapter.

5.2 Summary

The purpose of the study was to examine the factors affecting strategic role of effective performance management in an organization with a focus on the World Food Programme-Somalia. The study aimed at determining the impact of strategic performance management on employee performance, evaluating the effect of strategic performance management on business processes and establishing the effects of strategic performance management on business productivity.

The study adopted a descriptive research design to examine the factors affecting strategic role of effective performance management in an organization. The descriptive research design helped in looking at the strength of relationship between strategic performance management on employee performance, business processes and business productivity. Data from the respondents relevant for this research was obtained by use of questionnaires. The study focused on 120 employees at World Food Programme based in Nairobi. Probability sampling technique was used to determine the sample size (40 respondents) and collect data from the sample. In data analysis and presentation, inferential and descriptive statistics were adopted in this research. Correlation analysis, regression analysis, cross-tabulation and frequencies were obtained and presented in tables.

The study analyzed and determined the impact of strategic performance on employee performance. From the study, it was found that competency of the employee is a major determinant of performance reward system. Strategic performance management facilitates recognition and rewarding of top performers. The study found that strategic performance management links performance to compensation clearly. Strategic performance
management provides appropriate learning and development opportunities. The study examined that strategic performance management has enabled evaluation of performance and delivery of incentives in a fair and consistent manner.

The study established the effects of strategic performance management on business processes at World Food Programme. The study found that at World Food Programme, communication trickles down to all employees effectively due to an effective organizational structure. The study revealed that the organization has a clear strategy and strong execution infrastructure guiding them. The organization’s credibility and visibility has been achieved through strategic partnerships. The organization has an established cash flow system to run all of its programs at ease. The study shows that at World Food Programme, Employees are given an opportunity to share their ideas and build on them for organizational success. The organizations operations are aligned with the corporate strategy.

The study established that strategic performance management on business productivity. The study found that resources are used efficiently in accomplishment of the organization’s objectives. Through an effective performance system at the organization, employees with exceptional capabilities are hired and retained. The organization delivers its operations efficiently without compromising quality. The study revealed that the organization relies on innovative technology solutions to implement performance management. From the study, it is well shown that the organization fully utilizes its capital and labor for improved productivity. The study also found that the organization experiences cycles in demand that affect capacity utilization.

5.3 Discussion

5.3.1 Strategic Performance Management on Employee Performance

The study analyzed the impact of strategic performance management on employee performance at World Food Programme-Somalia. From the study, it was found that competency of the employee is a major determinant of performance reward system. Setting up a common workforce understanding what is to be accomplished at the authoritative level is the meaning of performance management as expressed by (Armstrong & Baron, 1998). Armstrong and Baron found in their study that performance management is about adjusting the organizational destinations to the workers’ concurred
measures, abilities, competency necessities, advancement and the conveyance of results. The accentuation is on change, learning and improvement with a specific end goal to accomplish the general business procedure and to make a high performing workforce. Hinton (2015) believes that performance management is fast becoming an integral part of every company’s business strategy. Having workable and effective processes in place to manage and measure your employees’ performance is what every successful business should have.

The study revealed that strategic performance management facilitates recognition and rewarding of top performers. Lunenburg (2011) confirmed that people will be motivated if they believe that strong effort will lead to good performance and good performance will lead to desired rewards. On the other hand, Parijat and Bagga (2014) believed that in any business organization, motivation is necessary whether a private or public enterprise. Humans are basically psychological beings and need inspiration whether extrinsic or intrinsic for achieving organizational as well their personal objectives and goals. The study found that to enhance organizational performance, management should be very much concerned with individual effort, individual performance, organizational reward or outcomes, and personal goals.

The study showed that strategic performance management clearly links performance to compensation. Kagaari et al, (2010) found that the fundamental goal of performance management is to promote and improve employee effectiveness. The process for linking a company’s compensation plan to individual or team performance includes setting, measuring and rewarding achievable performance expectation. Anderson and Foss (2005) opposes that performance management is the term used to allude to exercises, devices, procedures, and projects that organizations make or apply to deal with the performance of individual workers, groups, offices, and other organizational units inside their authoritative impact. Mohrman and Cohen (1995) added that it is also used by organizations to get specific outcomes by driving behavior from employees. In practice this working well on employees driven by financial rewards and failing on employees driven by learning and development of their skills.

From the study, it is well demonstrated that strategic performance management provide appropriate learning and development opportunities. Mohrman and Cohen (1995) reinforces the discoveries of this study demonstrating that the gap between improvement
of abilities and learning and support of pay have a massive issue in the utilization of performance management. Doorman and Siegel (2006) affirmed that in late decades the way toward overseeing individuals has turned out to be more formalized and concentrated. Performance management process expects to be an exhaustive and broad process that has assimilated large portions of the old performance examination strategies.

The study reveals that strategic performance management has enabled evaluation of performance and delivery of incentives in a fair and consistent manner. The study found that the organization’s performance management system motivates employees to be more creative and innovative in the set output. To reinforce the findings, Hostler (2007) shows that performance management drives workers conduct to adjust to hierarchical objectives and destinations. This arrangement happens on the grounds that employment obligations and desires are clear, bringing about expanded individual and gathering profitability; and better data is accessible to use for pay and progression choices. Also, Sahoo and Mishra (2012) state that successful administration of execution is a wellspring of maintainable upper hand. For a firm to accomplish this, execution administration framework must be utilized as assessment and documentation apparatus as well as a vital device. Along these lines, there is an all-encompassing examination of execution at authoritative, procedure and individual levels for individual fulfillment, responsibility and objective accomplishment.

As per the study, setting and imparting clear execution desires has been encouraged by vital performance management. This has encouraged conveyance of general applicable employment criticism. To support the findings, Hostler (2015) contends that performance management drives representative conduct to adjust to hierarchical objectives and targets. This arrangement happens in light of the occupation obligations and desires being clear, bringing about expanded individual and gathering profitability; and better data is accessible to use for pay and advancement choices. The study uncovers that most associations have invested inadequate energy to set up objectives for representative execution and estimations so that a precise appraisal of execution is accessible. Execution audits are not a satisfactory impression of a worker's work.
5.3.2 Strategic Performance Management on Business Processes

The study aimed at establishing the effects of strategic performance management on business processes. The study affirms that due to effective organizational structure, communication trickles down to all employees effectively. According to the study done by CPA Australia (2009), it was evident that the structure of an organization influences how communication flows in the organization and the ability of departments to collaborate to respond to various issues within and outside the organization. Miles and Snow (2008) assert that organizational structures facilitate the sharing of information between departments in an organization and also the cross-fertilization of ideas leading to organizational development. Simon (2005) indicates that using an effective strategic performance management systems the organization structure is able to empower its employees through shared information given them the opportunity to express themselves.

The study found that World Food Programme-Somalia has a clear strategy and strong execution infrastructure guiding them. Liabotis (2007) states that companies fail to achieve their growth targets in profitability and revenue as a result of not having a clear strategy and strong execution infrastructure guiding them. Growth is achieved on the basis that the organizations have clear strategies set and as a result, one without the other impedes the success of the organization. Contrary, Boyne and Walker (2014) reveals that organizations face strategic issues that can affect the overall growth and development of the organization. This leads organizations to make strategic choices even in the face of external constraints to address fundamental issues such as their infrastructure constraints, raw materials input, appropriate level of technology and resource base. Ogholaja (2010) confirms that for an organization to achieve success, an understanding of the organization growth must be understood in order to identify at what stage of the business process that a particular stage of organizational growth is required.

From the study, it is confirmed that through partnerships the organization has improved its outreach efforts and enhanced its programs. Chung (2015) confirms that strategic partners represent other organizations that organizations work within the attainment of their objectives. This efforts help in boosting efficiency of an organization to work on their strategies. The study found that strategic partners help an organization run its business processes efficiently and thus influenced by strategic performance management that an organization adopts. According to Baum and Wally (2003) strategic partners help
in increasing the visibility of an organization through natural cross-promotion reaching out easily to the organization’s network. In addition, Chung (2015) affirms that strategic partnerships advance the mission of an organization through the enhancement of programmatic impact by providing access to tools, services and resources required to achieve organizational objectives.

The study reveals that the organizations credibility and visibility has been achieved through strategic partnerships. Chung (2015) argues that partnerships help organizations to supplement each others services broadening offerings that cut on costs of an organization. They also elevate organization’s credibility and support through partnering with well-known and trusted entities increasing their visibility and improving the public’s perception of their own brand building on trust and attracting support for the organizations work. Hoying, et al., (2010) indicate that, organizations that are financially strapped can take advantage of strategic partnerships to restructure or merger and integrate program, administrative and governance functions allowing the leverage of resources, expanding programmatic abilities, and become more cost-effective.

From the study, it is found that at World Food Programme, employees are given an opportunity to share their ideas and build on them for organizational success. From CPA Australlia (2009), it is confirmed that using an effective strategic performance management systems the organization structure is able to empower its employees through shared information given them the opportunity to express themselves. In this process, management policies are used to specify acceptable work behaviors and are shared among employees driving the performance of an organization. Schein (2004) found that precaution reviews are provided which is a mechanism for top management to guide, review and restrict subordinate actions and projects before implementation, while providing an avenue for subordinates to propose new ideas and initiatives leading to organizational success.

The study reveals that WFP operations are aligned with the corporate strategy. The organization has an established cash flow system to run all of its programs at ease. Gareth and Svetlana, (2015) found that performance management is a proactive partnership between the management and employees that help employees to perform at their best and align their contribution with the goals, values, and initiatives of the organization.
5.3.3 Strategic Performance Management on Business Productivity

The study confirms that effective strategic performance management enhances business productivity. The study found that at World Food Programme, resources are used efficiently in accomplishment of the organization’s objectives. Burrows (2012) states that operational efficiency entails reducing costs impacting on business objectives including the service quality of an organization. Lee and Johnson (2013) affirms that efficiency is associated with the relevant actions performed by an entity by doing things right selecting the best action. While operational efficiency involves the ability to deliver products and services cost effectively without sacrificing quality. Martin (2007) reveals that to remain competitive in an increasingly competitive world, businesses must boost operational efficiency wherever possible. Through performing efficiently, organizations are able to utilize their resources to the maximum reducing on expenditures, improving customer satisfaction and staying ahead of the competition.

The study found that through an effective performance system at the organization, employees with exceptional capabilities are hired and retained. Armesh, et al., (2010) affirm that managers must ensure that resources are obtained and used effectively and efficiently in accomplishment of the organization’s objective. Conjecture Corporation (2016) found that Strategic performance management, being a business function where business owners and managers develop activities or tasks to gauge the overall effectiveness and efficiency of their company. Armstrong and Baron (1998) found that performance management is the key and coordinated way to deal with expansion, the viability of organizations by enhancing the execution of the general population who work in them and by building up the capacities of groups and individual contributors.

From the study, it was found that World Food Programme delivers its operations efficiently without compromising quality. Barrows (2012) asserts that with reduction in costs the quality of a company’s products/services should not be compromised as may lead a company out of business when customers move to other business offering better good/services. A study done by conjecture Corporation (2016), reveals that strategic performance management is a process that often involves taking a detailed look at the organization and setting specific goals or objectives for divisions, departments, managers, and employees. Leaders will set goals or objectives for business processes, gathering
information to measure performance and making changes to correct issues or improve the organization’s performance realtime.

From the study, the organization relies on innovative technology solutions to implement performance management. Barroso, et al., (2011) found that more and more organizations depend on advanced technology solutions to implement performance management best practices and automate manual processes. The automated systems are affordable due to the move to web-based, on-demand technology regardless of the size of the organization. To confirm the findings, Burns and Stalker (1961) indicates that innovations are one of the main sources of a competitive advantage and they are essential for a company’s growth. Fast technology development, combined with the globalization and fast changes in customer demand, implies that a competitive advantage of a company can be only temporary.

The study found that World Food programme fully utilizes its capital and labor for improved productivity. Australian Government Productivity Commission (2015) found that capacity utilization within an organization, country or regional economy can be used to measure productivity. The organization experiences cycles in demand that affect capacity utilization. The organization has also performance metrics for continuous improvement. For improved productivity, the organization should make changes to its performance management system.

5.4 Conclusions

5.4.1 Strategic Performance Management on Employee Performance

The study concludes that competency of the employee is a major determinant of performance reward system. Strategic performance management links performance to compensation clearly. Through the performance appraisal, the skills required by employees are identified and action taken by the management to instilling the skills to their employees through training. The study concludes that the strategic performance management facilitates recognition and rewarding of top performers. The study also concludes that strategic performance management provides appropriate learning and development opportunities. Strategic performance management has enabled evaluation of performance and delivery of incentives in a fair and consistent manner. It is concluded from the study that the organizations performance management system motivates
employees to be more creative and innovative in the set output. Strategic performance management has facilitated delivery of regular relevant job feedback and this has been done through setting and communicating clear performance expectations.

5.4.2 Strategic Performance Management on Business Processes

The study concludes that World Food Programme has a clear strategy and strong execution infrastructure guiding them hence communication trickles down effectively to all employees. The study confirms that through partnerships the organization has improved its outreach efforts and enhanced its programs. The study revealed that the employees at World Food Programme are given an opportunity to share their ideas and build on them for organizational success. The study concludes that the organizations credibility and visibility has also been achieved through strategic partnerships. The organizations operations are aligned with the corporate strategy hence the organization has an established cash flow system to run all of its programs at ease. The study concludes that World Food Programme makes strategic choices to address fundamental issues such as resource constraints hence has provided sufficient resources to enable strategic performance management implementation.

5.4.3 Strategic Performance Management on Business Productivity

The study concludes that resources at World Food Programme are used efficiently in accomplishment of the organization’s objectives. Through an effective performance system at the organization, employees with exceptional capabilities are hired and retained. The study also concludes that the organization delivers its operations efficiently without compromising quality. The study found that the organization relies on innovative technology solutions to implement performance management. The study concludes that the organization has performance metrics for continuous improvement. The organization uses a multifactor approach to measure productivity. The study concludes that for improved productivity, the organization should make changes to its performance management system.

5.5 Recommendation

5.5.1 Recommendation for Improvement

5.5.1.1 Strategic Performance Management on Employee Performance
The study recommends World Food Programme to enhance her performance reward system as it brings on board competent employees. From the study, it is clear that an effective strategic performance management facilitates recognition and rewarding of top performers. The study recommends the use of strategic performance management as it links performance to compensation clearly. The study found that strategic performance management provides appropriate learning and development opportunities. The study recommends the organization to enhance strategic performance management system as it has enabled evaluation of performance and delivery of incentives in a fair and consistent manner. From the study, it was found out that the organizations performance management system motivates employees to be more creative and innovative in the set output. The study recommends the installation of strategic performance management system to facilitate and deliver regular relevant job feedback. The study recommends that setting and communicating clear performance expectations has been facilitated by strategic performance management.

5.5.1.2 Strategic Performance Management on Business Processes

The study recommends organizations to have clear strategy and strong execution infrastructure guiding them. Due to an effective organizational structure communication trickles down to all employees effectively. The study recommends the WFP to enhance partnerships as it improves the organization’s outreach efforts and enhanced its programs. The study found the organization’s credibility and visibility has been achieved through strategic partnerships. The study recommends leaders to give employees opportunities to share their ideas and build on them for organizational success. The organization’s operations should be aligned with the corporate strategy. This will make the organization to make strategic choices to address fundamental issues such as resource constraints. The study recommends management of organizations to align the strategies formulated in the organizations to the goals of the organization. This will enhance effective running of the organization’s program.

5.5.1.3 Strategic Performance Management on Business Productivity

The study recommends installation of effective performance management system in an organization as it helps in hiring and retaining employees with exceptional capabilities.
The study found that with effective performance management, the organization delivers its operations efficiently without compromising quality. The study also found out that the organization relies on innovative technology solutions to implement performance management. The study recommends the use of effective performance management as it helps the organization to fully utilize its capital and labor for improved productivity. This will allow organizational resources to be utilized efficiently in accomplishment of the organization’s objectives. The study recommends the fully utilization of organizational capital and labor for improved productivity. For improved productivity, the organization should make changes to its performance management system.

### 5.5.2 Recommendation for Further Research

The study aimed at evaluating the strategic role of effective strategic performance management in an organization with a focus on the World Food Programme-Somalia (WFP).

As strategy implementation is concerned, there are several areas in which research can be conducted:

1. The relationship between choice of strategy and the overall performance of the organization.
2. Investigate the administrative gaps in strategy implementation.
REFERENCES


Bourne, M., & Pavlov, A. (2016, June 3). *Strategic Performance Management*. Retrieved from Cranfield University School of Management:
http://www.som.cranfield.ac.uk/som/p13679/Programmes-and-Executive-Development/OEP-Home/Programmes/Strategy/Strategic-Performance-Management


APPENDICES
APPENDIX I: COVER LETTER

DATE
Dear Sir/Madam,

RE: INTRODUCTION LETTER

I am a master’s student at United States International University Africa studying the strategic role of performance management in an organization. The purpose of the study is to for academic purpose only and to enable me write an academic report as a part of a partial fulfilment of the course in Master’s Degree of Business Administration (MBA). I have chosen to do my research in your firm and I hereby kindly request for your permission to carry out the research.

Please note that any information given is valued and treated with discretion and at no occurrence will it be used for any other purpose other than for this research.

Thank you in advance.

Yours Sincerely,

RUTH W. NJOROGE
APPENDIX II: RESEARCH QUESTIONNAIRE

SECTION A: GENERAL INFORMATION

Please tick the most appropriate answer (√)

1. Gender:
   a) Male  □
   b) Female □

2. How long have you been employed in the organization?
   a) Less than a year □
   b) 1 to 2 years □
   c) 3 to 5 years □
   d) 6-10 years □
   e) 11 years and above □

3. Which management level best describes your job level?
   a) Top level □    b) Middle level □    c) Low level □

4. Highest level of education
   a) Certificate □
   b) Diploma □
   c) Bachelor’s degree □
   d) Graduate degree □

5. World Food Programme has a performance management program
   a) Yes [ ]    b) No [ ]    c) Not sure [ ]
SECTION B: TO DETERMINE IMPACT OF EMPLOYEE’S PERFORMANCE STRATEGIC PERFORMANCE MANAGEMENT.

6. Using a scale of 1-5 1-Strongly Disagree, 2-Disagree, 3-Uncertain, 4-Agree, 5-Strongly Agree rate the following statements about employee performance by ticking (√) appropriately

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Uncertain</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Strategic performance management has facilitated delivery of regular relevant job feedback</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>2. Strategic performance management provides appropriate learning and development opportunities</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>3. Strategic performance management facilitates recognition and rewarding of top performers</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>4. Setting and communicating clear performance expectations has been facilitated by strategic performance management.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>5. Strategic performance management links performance to compensation clearly</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>6. Strategic performance management has enabled evaluation of performance and delivery of incentives in a fair and consistent manner.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>7. The organizations performance management system motivates me to be more creative and innovative in the set output</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>8. Competency of the employee is a major determinant of performance reward system</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>9. Performance appraisals get done because the system requires it (i.e. it is a bureaucratic chore)</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>10. Strategic performance management has enabled WFP identify organizational career paths for employees.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>
SECTION C: TO EVALUATE THE EFFECTS OF STRATEGIC PERFORMANCE MANAGEMENT BUSINESS PROCESSES.

7. Using a scale of 1-5 1-Strongly Disagree, 2-Disagree, 3-Uncertain, 4-Agree, 5-Strongly Agree rate the following statements about business processes by ticking (√) appropriately

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Uncertain</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. The organization makes strategic choices to address fundamental issues such as resource constraints</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>2. The organization has a clear strategy and strong execution infrastructure guiding them</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>3. Through partnerships the organization has improved its outreach efforts and enhanced its programs</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>4. The organizations credibility and visibility has been achieved through strategic partnerships</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>5. Communication trickles down to all employees effectively due to an effective organizational structure</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>6. An effective organizational structure has led to increased control and consistency at the organization</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>7. Employees are given an opportunity to share their ideas and build on them for organizational success</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>8. The organization has an established cash flow system to run all of its programs at ease</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>9. The organizations operations are aligned with the corporate strategy.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>10. WFP has provided sufficient resources to enable strategic performance management implementation.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>
SECTION D: TO ESTABLISH EFFECTS OF STRATEGIC PERFORMANCE MANAGEMENT BUSINESS PRODUCTIVITY

Using a scale of 1-5 1-Strongly Disagree, 2-Disagree, 3-Uncertain, 4-Agree, 5-Strongly Agree rate the following statements about business productivity by ticking (√) appropriately

<table>
<thead>
<tr>
<th></th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Uncertain</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Resources are used efficiently in accomplishment of the organization’s objectives</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>2. Through an effective performance system at the organization, employees with exceptional capabilities are hired and retained</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>3. The organization delivers its operations efficiently without compromising quality</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>4. The organization relies on innovative technology solutions to implement performance management</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>5. The organization fully utilizes its capital and labor for improved productivity</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>6. The organization experiences cycles in demand that affect capacity utilization</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>7. The organization has performance metrics for continuous improvement</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>8. The organization uses a multifactor approach to measure productivity</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>9. For improved productivity, the organization should make changes to its performance management system</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>10. The organizations products value addition is compromised by damage and infestation</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>

THANK YOU FOR YOUR CO-OPERATION.