FACTORS AFFECTING EMPLOYEE SATISFACTION IN THE MANUFACTURING SECTOR IN KENYA: A CASE STUDY OF KRONES EAST AFRICA LIMITED

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DECLARATION

This Research Project is my original work and has not been presented for a degree in any other University

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BML/15/00606/3/2016

This research project has been submitted for examination with my approval as University Supervisor

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DEDICATION

I humbly dedicate this project to my heaven father for his sufficient grace until this far, my husband Jeff Koskei and my children Jay and Scarlette for the material and moral support during my study.

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To you all, God bless you

ABSTRACT

Kenya's manufacturing sector that is considered the most vibrant in the East African region has been growing at a slower rate than the economy on average .This kind of growth can be cascaded to firms in the sector among them Krones East Africa Limited whose production dropped from 300 million worth of sales in 2016 to 290million worth of sales in 2017. This study therefore sought to establish if this kind of drop is associated with employee satisfaction. In doing so, the study set out to establish the effect of management style, communication, remuneration and working conditions on employee satisfaction in the manufacturing sector in Kenya with a focus on Krones East Africa Limited. The study utilized descriptive research design in examining the factors affecting employee satisfaction in the manufacturing sector in Kenya. The target population for this study was 450 employees of Krones East Africa Limited categorized into Top Management, Middle Management and Operational staff. The study selected 10% of the target population giving a total sample of 45 respondents for the study. The study utilized structured questionnaires as a data collection tool which comprised both open and closed ended questions. A pilot study was done on five employees not included in the sampled population. The results of the pilot study were used to test the validity and reliability of the research instrument. Primary data was used in this study. Once collected, the data was edited, coded, and analyzed using Statistical Package for Social Science (SPSS). This study was both qualitative and quantitative in nature giving rise to the use of descriptive statistics. The descriptive statistics used in the study included frequencies and mean. The computed frequencies and mean was presented in form of tables, pie charts and bar charts to give a clear picture of the research findings at glance. The study revealed that the management rarely invites employees to participate in the decisionmaking process and that upward communication helps employees to interact with their seniors which improve their level of satisfaction with their job. The study also revealed that adequate pay is the main source of satisfaction for the employees of the firm and that relationship between supervisor and employees is crucial in ensuring employee job satisfaction. The study recommended that themanagement of Krones East Africa limited to embrace participative leadership style and the need to train supervisors and managers on aspects of delegation and communication. The study concluded that concluded that management style, level of remuneration, communication and working environment affect employee job satisfaction at Krones East Africa Limited

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ACRONYMS AND ABBREVIATIONS

MU- Management University of Africa

- HR Human Resource Management
- **GDP** Gross Domestic Product
- **KNBS** Kenya National Bureau of statistics

OPERATIONAL DEFINITION OF TERMS

- Management Style –Refers to the management styles such participative, autocratic, paternalistic, democratic, persuasive and laissez-faire
- **Communication** –Means the various styles of passing information in the organization that include upward communication, downward communication and lateral communication
- **Remuneration-**Includes various forms of compensation such as basic salary or pay fringe benefits, compensation, bonus, commissions and employee stock option that are used by organisation
- **Working Environment** –Refers to the factors within the work place such as the tools of work, office space, physical environment (ventilation, aeration, heating, nature of floor) and ability of the supervisor

CHAPTER ONE

INTRODUCTION

1.0 Introduction

The background of the study, problem statement, research objectives and questions to be addressed by the study, benefits of the study and scope are explored in this section.

1.1 Background of the Study

Employee satisfaction has become a major concern for organizations interested in upping their competitive position in the ever changing business environment (Ewell, 2003). The measure of the extent to which employees are happy with not only their job but also their work environment is referred to as employee satisfaction. It basically explains the level of contentment of the employee with their job. It has been established that employees are said to be satisfied if they are happier at their Job (Armstrong, 2006) .A number of other studies including that Dickson (2000), Baron (2002) and Varghese (2011) unequivocally indicate that organisations greatly benefit from a highly satisfied workforce. Additionally, there is need to put in place conditions that favour employee commitment and co-operation with the help of policies that facilitate satisfaction so as to achieve organisational goals. This will give that organisation a satisfied workforce that is energetic, ardent, inspired, and committed to their work (Syptaket, 1999).

Employee satisfaction has been extensively researched globally. Such research studies date back to the Elton Mayo's Hawthorne studies of between 1924 and 1933 which kicked off a solid discourse on employee satisfaction. Elton Mayo, a Harvard Business School Professor looked at the effect of physical conditions such as illumination of the productivity of workers. He established from his experiments that a change in work conditions increased productivity of workers though temporarily. This slight increase in productivity was however associated the fact that employees knew that they are now being observed and not the new conditions. This showed that workers do not necessarily work for pay but other factors that have a bearing on their satisfaction (Armstrong, 2006).Being a key indicator of not only individual but also organisational performance, employee satisfaction has continued to receive increased attention

from scholars and managers .For instance, Abassi(2015) established that work environment pay, promotion and employee supervisor relationship are the key indicators of satisfaction amongst employees in Pakistan's manufacturing industry.

Herzberg's two factor theory has also immensely contributed to the aspects of satisfaction and motivation of employees in organisation. Herzberg classified achievement, recognition and availability of promotion opportunities as motivational factors that not only drive employees towards performing but also make them satisfied with the job. These factors are said to be intrinsic to the job. Herzberg also considered hygiene factors to include work environment factor s such as pay company policy and supervisor (Dickson, 2000).

The subject of employee satisfaction has also been extensively studied across Africa. A study by Onyebuenyi(2016) focusing on employee satisfaction in Nigerian Oil firms indicated that working conditions, employee-supervisor relations ,compensation and employee category to be the key factors. Similarly, Mataya (2015) established that employee remuneration, recognition and training influence the job satisfaction of medical interns in Malawi. The study further notes that such satisfied workforce is more likely to provide quality service, take fewer days off, and stay loyal to the medical facility (Matayo, 2015)

In Kenya, the concept of employee satisfaction has been extensively studied in a number of sectors by a number of scholars. For instance, Mbobua (2015) establish a link between knowledge and skills, a safe and conducive work environment, remuneration, effective and fair promotional policy and employee satisfaction in the Energy Regulatory Commission, Kenya. In the same vein, Ssegawa (2015) noted that pay, style of leadership and team spirit significantly contributed to employee satisfaction at Unilever Kenya. A further study by Letangule (2012) notes that job security; employee – supervisor relationship, opportunity for advancement and the working conditions affected the level of job satisfaction among the employees at the City Council of Nairobi.

As evidenced from above, a number of scholars have documented factors that affect employee satisfaction .For instance .there are different management styles that can be used by managers and such styles may impact the satisfaction of employees differently (Watson, 2003).The success

of any organisation is dependent on the manager's style of leadership. Management styles should be geared towards enhancing the performance of employees and thus achieving the objectives of the organisation (Prasetya and Kato, 2011). The manager can therefore utilize such styles as participative, autocratic, laissez-faire, paternalistic, persuasive, democratic management style among others to achieve organisational objectives (Okon, 2016).

On the other hand communication plays a critical role in ensuring the employees an organisation work together harmoniously for the achievement of organisational Objectives (Quirke, 2000).On the global scale, a study done in the polish jurisdiction showed that communication seeks to control the behaviour of employees .It was further noted that by clarifying to employees what is needed of them and how they are progressing in their jobs, motivation is achieved (Winska,2010).The use of such communication models as lateral communication, upward and downward communication can help the manager steer the organisation towards achieving its objectives. It is therefore important for managers at all levels to enhance their communication skills if the firm is to be effective and gain competitive advantage in the industry (George, 2011).

Remuneration which is also known as compensation significantly determines workers choice of the organisation which they want to work for. This underscores the need for organizations to put in place the various remuneration types that can help in not just attracting and retaining employees but also ensuring that they are competitive. Remuneration affects the ability of an organisation to not only attract new staff but also retain them and ensure they perform to their best so that the organisation can attain its objectives. (Puwanenthiren, 2011).Several remuneration programmes such as Basic salary or pay Fringe benefits, and bonuses among others can be used by the organisation for purposes of improving employee motivation and performance well as attracting and retaining them(Kubr, 2002).

Work environment encompasses those factors that enable employees to perform their work with ease and comfort. Working environment has been pronounced by scholars among them Garbie (2014) to be the most significant factor that contributes to employee satisfaction in today's turbulent business environment. Jain & Kaur (2004) identify workload ,complexity of jj the job ,culture industry setting and relationship amongst workers as the main elements of the working

environment .They further unequivocally underscore the significance of work environment in determining employee welfare and job satisfaction.

The manufacturing sector in Kenya is suggested to be the most sophisticated manufacturing industry in East Africa (Were, 2016). The sector has however experienced fluctuation in growth due to different factors. For instance the sector grew at the rate of 3.2% in 2014 and at 3.5% in 2015. This resulted is a 10.3% contribution Kenya's gross domestic product (GDP) (KNBS, 2016) and this points to the position that on average, the manufacturing sector has been growing at slower rate than the Kenyan economy. This suggests that the portion of contribution by the manufacturing industry to the GDP over time has been on a downward trend. It is therefore valid to argue that Kenya is actually on a reverse gear in terms of her industrialization efforts for the reason that the manufacturing sector still largely remains underfunded, underinvested and underdeveloped (Were, 2016).

Recently, the construction of the Chinese building manufacturing hub for construction technologies that also acts as a training Centre for manufacturing technologies boosted the manufacturing firms in Kenya (Xinhua, 2017). The high competition in the manufacturing industry in Kenya and the high cost of production has been the two greatest challenges in the manufacturing firms. This has resulted to some manufactures firms in Nairobi for instance Sammer Africa which manufactures tires to be dismantled and taken elsewhere (Omondi, 2017).

1.1.2 Profile of Krones East Africa

The Krones East Africa is a member of the Krones Group, of companies with their headquarters based in Germany in a place called Neutraubling. The company is majorly concerned with machine development and manufacture, design and development of technology used in packaging. The company also engages in designing factory plans and manufacturing of valves in house. The companies has also a competitive advantage in the manufacture of cans and bottles and other containers used in the liquor and soft drinks industry. It has also extended its line of business to the cosmetics and food industries.

1.2 Statement of the Problem

Firms both international and local are under pressure to remain competitive in the ever changing, in increasingly competitive and globalized business environment. It is for this reason that firms need to look all aspects including employee satisfaction that may have an impact on their competitiveness. Kenya's manufacturing sector that is considered the most vibrant in the region has been growing at a slower rate than the economy on average (Were, 2016). This kind of growth can be cascaded to firms in the sector among them Krones East Africa Limited whose production dropped from 300 million worth of sales in 2016 to 290million worth of sales in 2017. (Krones Marketing report, 2017). The firm has also lost 25 employees in the same period with higher proportion of them being those who has served the firm since its inception.

Among the factors identified to be leading to this poor performance is employee satisfaction. However, one of the most basic challenges faced by managers is the creation of a context within which employee satisfaction is enhanced and sustained (Letangule, 2012). From research, is noted that the main causes of employee dissatisfaction/satisfaction include management style, communication, remuneration and working conditions (Rajan and Kumar,2015).This has however not been established for the case of manufacturing sector in Kenya ,particularly Krones East Africa Limited. It is in the light of this that the researcher set out to examine how job satisfaction of employees in the manufacturing sector in Kenya is affected by the style of management, remuneration, communication, and conditions of work at Krones East Africa Limited

1.3 Objectives of the Study

1.3.1 General Objective

This research mainly sought examine the factors affecting employee satisfaction in manufacturing sector in Kenya.

.1.3.2 Specific Objectives

- i) To evaluate how the style of management affects employee satisfaction at Krones East Africa Limited.
- ii) To examine how communication affect employee satisfaction at Krones East Africa Limited.
- iii) To assess how remuneration affects employee satisfaction at Krones East Africa Limited.
- iv) To evaluate how working environment affects employee satisfaction at Krones East Africa Limited

1.4 Research Questions

- i. How does the style of management affect the employee satisfaction at Krones East Africa Limited?
- ii. How does communication affect the employee satisfaction at Krones East Africa Limited?
- iii. How does Remuneration affect employee satisfaction at Krones East Africa Limited?
- iv. To what extent does working environment affects employee satisfaction at Krones East Africa Limited?

1.5 Significance Of The Study

1.5.1 Krones East Africa Management

The study findings will provide the management with information regarding the current state of employee satisfaction. The recommendations of the study will assist the management develop a guideline for improving the satisfaction of their staff leading to increased commitment and productivity

1.5.2 Government

Government departments in Kenya will find the recommendations of this study applicable for purposes of enhancing the delivery of service

1.5.3 Other Researchers

This research will provide additional empirical literature to researchers who have interest in the subject of employee job satisfaction not only in the manufacturing industry but other sectors too.

1.6 Scope of the Study

This study analyzed the factors touching on worker satisfaction within the Manufacturing sector in Republic of Kenya with specific reference of Krones East Africa located in Ruiru on Thika Road. A target population of 134 staff from the company were targeted and a sample size forty five staff was used from the 3 level of management. The study lasted for a period of 3 months starting from March 2018 to June 2018

1.7 Chapter Summary

Chapter one reviewed the introductory literature on the factors affecting employee satisfaction in the manufacturing sector in Kenya. The background to the study reviewed the introduction to the concept and context of the study. The research problem reviewed the problem that the study intent to solve followed by the research objectives and questions that the research intent to answer. Then the significance of the study is reviewed to show the parties that will benefit from the study and finally the scope of the study. The next chapter will review past literature on this area of knowledge.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

In this chapter, literature regarding the factors affecting employee satisfaction in the manufacturing sector is presented with aim of finding the gaps in knowledge. The theoretical literature is reviewed followed by empirical literature that involves a review of past studies on the factors affecting employee satisfaction in the manufacturing sector followed by the chapter summary.

2.1 Theoretical Literature Review

The study's theoretical review is based on three theories that try to explain the factors that affect employee satisfaction. These are the Herzberg's Two Factor, Affect and the Theory of Hierarchy of Needs.

2.1.1 The Hierarchy of Needs Theory

This theory was brought up from the work of Abraham Maslow (1943). The theory suggests that human needs are of five types. These include basic, security, affiliation, esteem, and self-actualization needs depicted in five hierarchical levels within a pyramid. (MacLeod, 2007). Failure to meet any of these five needs will give rise to a reduction in the performance of employees because their level of satisfaction will be affected. This will in effect lead to a reduction in the performance of the organization (Maslow, 1943). However, when the firm ensures that these needs are met, the employees will be motivated which will also enhance their satisfaction and work performance.

The theory has been modified by other researchers for instance; the theory was expanded in 1970s to include cognitive, aesthetic and transcendence needs. This makes it an eight stage model. The theory is however criticized on the grounds that it is highly subjective as it is based

on the scholar's view. The theory is further by MacLeod (2007) on the grounds that it cannot be empirically tested making it difficult to establish a causal relationship. The theory is however relevant to this study by supporting it through its suggestion that employee satisfaction is determined by needs such as pay.

2.1.2 Affect Theory

The Affect theory was developed by Edwin Lockes (1976) and is considered one of the most prominent theories on job satisfaction. Lockes (1976) proposes that the gap between what the employee expects of the job and what the job actually offers is what determines their level of satisfaction. The theory also indicates that the value an employee attaches to a given task or work determines how he or she will be satisfied or be dissatisfied when his or her expectations are met or not. According to the theory, the level of satisfaction of an employee will be determined by the extent to which they are able to meet the expectations of a job or work that they value.

On few occasions modifications have been done to this theory. For instance Tomkins (1980) modified it by revising the ambiguity in the theory so that it is not considered an analogic amplifier. The theory was also modified to include factors such as motivation and experience. The effect theory is however criticized by Ruth Leys on the grounds that the theory's implications are only in artistic as well as its adoption in approaches to trauma theory (Leys, 2011). The relevance of this theory to the current study was that it underlines the need to meet the needs of employees so that their level of satisfaction with the job can also be enhanced.

2.1.3 Herzberg Two Factor Theory

The Herzberg Two Factor theory was brought up by Herzberg (1959). Herzberg theory was developed from an examination of 203 engineers and accountants of several firms. The respondents who were workers were asked to describe their work citations, in terms of the time they felt so happy (satisfiers) and also the time they felt so unhappy (dissatisfies). From this experiment, Herzberg concluded that workers are affected by different factors which as classified into two; motivation factors and hygiene factors. Motivation factors include factors relating to

the job itself. Hygiene factors on the other hand include factors that do not relate to the employee work thus are external.

The theory opines that there are factors that improve employee satisfaction (satisfiers). These include factors such as employee responsibility, work itself, job advancement, achievements, recognition and individual growth and development (Herzberg, 1959). The theory also classifies conditions of work, pay and other benefits, ability of supervisor and job security as hygiene factors. The assumption that whenever employees are happy then satisfaction and productivity are assured has been criticized .The has also been dismissed on the basis that it does not provide any explanation on how the traits of employees contribute to their satisfaction and performance. (Leadershiop-central.com/2016). This theory is applicable as it suggests that the satisfaction of workers is affected by factors which relate to the job itself and others that are external and this what this research sought to establish.

2.2 Empirical Literature Review

The empirical review section is based on the objectives of the study which involve determining the relationship between factors such as management style, communication, remuneration, working environment and organization structure and employee satisfaction in the manufacturing sector.

2.2.1 Management Style and Employee Satisfaction

Management style is defined as a process through which an individual or individuals attempt to influence other group of individuals towards achieving group goals.

In democratic management style, the manager gives opportunity to workers to participate in making decisions that affect their work and in the end all decisions are majoritarian in nature. In this style of management, every employee is freely engaged in discussions and the manager considers the opinions of all employees before arriving at a final decision. This promises better decisions outcomes. Any input in terms of thoughts, ideas and feelings are feely shared for purposes of enhancing value of the organization (Okon, 2016)

A manager is engaged in autocratic style of management if they make unilateral decisions without employers on sight. The decisions purely originate from the manager with zero input from subordinates. This is the exact opposite of participative style of management where employees are allowed to participate in the making of decisions, setting of goals and problem solving. Autocratic management is credited for quick decision making as it is only the manager that is involved and communication is one way. However the style has also been criticized for its potential to negatively affect employee motivation because of the absence of feedback and proper communication (Basil, 2005)

In some other cases, the manager is required to not only look at the interest of employees but also that of the business. This is a paternalistic style of management .This style of management emphasizes downward communication .There is no input from employees as upward communication has no space otherwise that is tantamount to questioning authority. (Okon, 2016).The manager is the father of all employees as he or she takes care of all their work and personal challenges making it look like a father-child relationship. Though he allows them to be innovative in how they do their work, the manager keeps control over all the employees (Basil, 2005)

There exists a nexus between persuasive and autocratic style of management as the two share some characteristics. It is however different in the sense that in persuasive style of management, the process of making decision is controlled by the manager. The role of the manager is to interpret and analyze the environment and use his ability to convince employees do things his way. There is a low level of employee motivation as their commitment and initiative are ignored by not actively involving in the decision making process (Afshinpour, 2014).

A Laissez-faire manager is hands-off and gives leeway to employees to make decisions. The manager seeks to empower workers so that they are able to set their own objectives and arrive at their own decisions without his or her interference. The choice of style of management differs amongst managers and situations. It is however important to note that such choice should be geared towards improving the performance of the employees and that of the organization (Babalola, 2013).

Studies have sought to link the style of management to the level of satisfaction of employees. Rad and Yarmohammadian (2006) looked at how the job satisfaction of employees is influenced the managers style of leadership at an Iranian University Hospital called Isfahan. The data used in the study was obtained from a stratified random sample of 814 employees using questionnaires .The employees were drawn from operational, middle and top level management. In addition to establishing that participative style was dominantly used by managers, thy also found out that they were less satisfied with promotion plans, work environment ,pay and communication. The workers were however satisfied with their job and the competency of their supervisors. A significant relationship was also found to exist between the style of leadership and employee job satisfaction. A recommendation that managers should select a leadership based on the culture of the organization and maturity of employees for improved performance

Al-Ababneh and Lockwood (2010) examined the influence that managerial leadership style has on employee job satisfaction in Jordanian Resort Hotels. A sample of 220 employees provided data for the study. This sample included 110 managers and 110 line employees. The study established that there are demographic characteristics have a bearing on employee job satisfaction. The study further made a revelation that although leadership styles varied according to the managers' demographic profile, the most commonly used style that had a significant was democratic leadership. The study however suggested that although the relationship between leadership style and employee satisfaction cannot be denied, data obtained from the respondents can neither refute that assertion. The study thus concluded that the influence of leadership style on employee job satisfaction cannot be proved or discounted. A recommendation for further research to be done on this area of knowledge was made.

Babalola (2013) set out to examine how the style of leadership, employee job satisfaction and relationship between employee and supervisor influence job performance and commitment of employees to the organization. A sample of 255 employees whose age ranged from 20 to 57 years was used. The researcher established that laissez-faire style leadership and supervisor-employee relationship influenced job satisfaction which in turn positively and significantly affected organizational commitment. The researcher also found that work experience and education also affect job satisfaction which in turn significantly influences job performance. It was concluded that the style of leadership positively and significantly influences employee

satisfaction which in turn enhance on job performance and organizational commitment. The researcher then recommended that the management should develop programs that would continue to engage employees on the activities that will encourage not just job satisfaction but also good working relationships with the superior which will enhance their performance.

Afshinpour (2014) examined how the style of leadership influences employee job satisfaction. This was done by measuring five common styles of leadership against employee satisfaction. The styles included transformational, transactional, autocratic, situational and charismatic leadership. The researcher established that the five styles leadership were positively and significantly affected employee satisfaction however, situational leadership style was the most dominantly applied style in a number of companies. The study however did was not able establish how gender and age relate to employee job satisfaction

Tepret and Tunab (2015) focusing on the telecommunications sector in turkey, established that the style of leadership and approach to management affects the job satisfaction of employees. The study used the Ekvall and Arvonen Leadership scale to interpret the perception of employees on the management approaches and leadership styles adopted by the firm. The researchers also used the Minnesota Job Satisfaction Survey to evaluate the level of employee job satisfaction. Using data from 22 employees, the study found the job satisfaction of employees is positively and significantly affected by the manager's style of leadership. The study concluded that there is a nexus between all leadership styles and employee job satisfaction and that this relationship is positive and significant. However none of the studies focused on how the style of management impacts on the satisfaction of employees in the manufacturing sector in Kenya.

2.2.2 Communication and Employee Satisfaction

Various researchers have examined how communication influences employee job satisfaction in organization. In assessing how communication influences employee job satisfaction and performance, Kumar (2010) established that communication directs affects job satisfaction and performance of workers. The study further revealed that the perception of job satisfaction by employees in different levels was not the same. A communication Scale by Roberts & O'Reilly, (1974), was used data from 380 respondents who served as managers at different levels in Indian

organizations. The study thus concluded that communication behaviour of an organization influences employee job satisfaction and performance

Carrière and Bourque (2013) examined how organizational communication affects job satisfaction and commitment .Using data from 91 paramedics that participated, the researchers found that internal communication practices improve communication satisfaction in the firm which in turn improved job satisfaction hence organizational commitment. The study further recommended that organizational managers are not in a position to achieve effective organizational commitment and job satisfaction through internal communication practices unless they recognize and appreciate the kind of information that is valued by employees. The researchers also recommend that managers must have a clear understanding of both the quality and quantity of information that is required by employees so as to design internal communication systems that would meet the information needs of employees.

Using data obtained from Utah University, Proctor (2014) examined how communication influences employee job satisfaction .The study established that effective communication contributed to satisfied and happy employees .The study further established that two way communications abundantly contributes to employee happiness and job satisfaction

On examining how internal communication and job satisfaction of employees influences the integration of the supply chain, Jacobs and Chaves (2015) established that communication influences employee satisfaction. The study utilized data from 214 manufacturing firms based in China. A recommendation of enhancing communication for improved firm performance was made. However none of the studies focused on how communication effects employee job satisfaction in Kenya's manufacturing sector

2.2.3 Remuneration and Employee Satisfaction

Remuneration is the compensation that is accepted by the employee for his or her efforts to the organization either in the form of money or non -money as remuneration given to the employee's efforts to the organization (Gaol, 2014). Remuneration is suggested to be one of the most critical factors that determine job satisfaction (Oshagbemi & Hickson, 2003). Employee satisfaction from remuneration is the reduced gap between the employee's expectations of the remuneration

and the actual remuneration. According to Jackson and Schuler (2000) employees evaluate their remuneration basing on the equity principle, which involves "a comparison between what people believe they deserve to be paid and what others deserve to be paid."

The employees use both internal and external equity criteria when assessing remuneration. Internal criteria equity allows the employee to assess his or her remuneration in the context of his or her services to the organization. An external equity criterion on the other hand allows the employee to assess his or her level of remuneration in the context of those received by other members of the organization or on similar positions in other organizations. When the employee feels under-rewarded it can lead to a decrease in satisfaction, decreased work-efficiency, decreased commitment to work and also an increase in performance fluctuation (Bochy skamigielska, 2002). According to Faulk (2002), satisfaction from remuneration is of different levels. These include; sources of consequences (employees' emotional or rational basis for working) and scope of reference (directing employee actions either on their own work or the entire organization)

The relationship between remuneration and employee satisfaction has been reviewed by various researchers for instance; Most scholars have established a positive and significant relationship between remuneration and job satisfaction however the extent of the relationship differs on demographic factors or country of origin due to factors such as cultural and economic differences (Fang, 2011). It has also been established that base needs, such as remuneration, constitute a more significant motivator especially in developing countries where the standards of living are lower (Suresh ,2015). Further, in an effort to evaluate the relationship between remuneration and job satisfaction in Hungary , Westover and Taylor (2010) found out that employees see intrinsic rewards, such as having autonomy at work and doing an interesting job of great importance than other rewards such as remuneration.

Salisu, Chinyio and Suresh (2015) determined the impact that compensation has on the job satisfaction of public sector construction workers of Jigawa State of Nigeria. The researchers developed a theoretical framework based on the Equity Theory and used it to examine the way compensation packages influence the job satisfaction of workers. The study adopted a questionnaire to gather the data on workers' job satisfaction. The study used four compensable

aspects which include; salary, gratuity, allowance and pension. The researchers' data was acquired from 260 employees of Jigawa State public sector construction workers in Nigeria. The researchers established that compensation has a positive and significant impact on workers' job satisfaction.

Onsardi, Asmawi, Abdullah (2016) evaluated the effect of compensation, empowerment, and job satisfaction on employee loyalty. The study used a quantitative research design. The study established that compensation has a direct positive effect on job satisfaction which implies that the higher the level of employee compensation, the higher the level of employee job satisfaction. The researchers established that there is direct positive influence of empowerment, job satisfaction compensation, to employee satisfaction. The researchers also established that there is a direct positive influence of compensation and empowerment to job satisfaction. The study then concluded that there is a direct positive influence of compensation and employee satisfaction to job satisfaction and employee satisfaction. However none of the studies focused on the relationship between remuneration and employee satisfaction in the manufacturing sector in Kenya which leaves a gap in knowledge.

2.2.4 Working Environment and Employee Satisfaction

The organizational working environment involves two broader dimensions that are work itself and context. Work itself includes all job characteristics of the job such as the way the job is carried out or completed. Researchers such as Skalli, Theodossiou and Vasileiou (2008) have found that work has a positive and significance relationship with employee job satisfaction. The context on the other hand includes the physical working conditions of the organization and the social working conditions (Gazioglu & Tanselb, 2006). Many organizations have most times ignored the employee working environment and as such have experienced adverse effect on the performance of their employees. Organizational working environment involves factors such as; job security, recognition for good performance, the safety to employees and good relations with co- among other factors (Spector, 1997).

Various researchers have undertaken to review how the working environment influence the satisfaction level of employees .Among the scholars is Bakotic (2013) who sought to establish

how the work environment influences the satisfaction of workers at Croatian Shipbuilding Company .In his study, he specifically sought to establish the difference that exists in terms of satisfaction between administrative staff who work under normal conditions and factory staff who work under difficult conditions. The study did not point to any statistical difference in job satisfaction between the two calibers of staff. It was however established that administrative staff working under normal conditions were more satisfied than factory staff operating under difficult conditions. The study arrived at a conclusion that working conditions are considered by employees as an important factor contributing to their overall job satisfaction

Atambo, Otundo and Nyamwamu (2013), while focusing on the Ministry of Education sought to establish how perceived work condition impacted on the satisfaction of employees in Kenya's counties of Nyamira and Kisii. By use of cross sectional survey design, data was obtained from a sample of 30 respondents (field officers) using open and closed ended questionnaires. The study established that perceived work conditions play a very crucial role on the satisfaction of ministry of education employees in the two counties. As a recommendation, the study outlined the need for organizations to improve conditions of work if they are to keep a workforce that is not only satisfied but also steer the organization towards excellent performance

Using a sample size of 84 respondents, Mokaya, Musau, Wagoki and Karanja (2013) sought to investigate how the working conditions in an organizations can affect the job satisfaction of workers in the hospitality industry in Kenya. This was descripto-explanatory research design focusing on the hotels in Nakuru Town. To collect data, the study used a self-administered questionnaire. The study established that the conditions of work positively and strongly influenced the satisfaction of hotel staff. It was concluded that organizational work conditions are critical in ensuring that employees are satisfied .As a recommendation, the need for hotel management to regularly review employee working conditions and train staff to enhance their working skills was emphasized.

Sukdeo (2017) evaluated the effect of firm working environment on employee satisfaction and productivity in a clothing manufacturing factory. The study adopted five determents of work environment which included; remuneration, fairness of treatment, working conditions, training and career development and job stability. The study used a questionnaire which was developed

and validated using Cronbach Alpha Coefficient. The researchers used a sample of 212 respondents. The study established a very strong casual effect between the work environment and employee satisfaction which in turn determined the productivity of employees. The study thus concluded that that firm working environment plays a critical role in employee satisfaction as well as on productivity.

Agbozo, Owusu, Hoedoafia and Atakorah (2017) set out to determine how the environment in which employees in the Banking sector in Ghana work affects their job satisfaction. The study focused on the merchant bank in Ghana. The study sought to specifically ascertain the effect that physical and mental environment have on the performance of employees. To ascertain the overall employee satisfaction level the study evaluated whether social, physical and psychological work environment have an effect on employee job satisfaction. The researchers used stratified sampling technique in selecting the samples sample. The study employed a questionnaire to collect data. The researchers established that most of the staffs at the bank were satisfied with their work environment has a positive and significant effect on employee satisfaction. The study thus concluded that firm management should improve the work environment of employees to enhance productivity. However none of the studies sought to determine how the working environment of employees in the manufacturing Sector in Kenya influences their jobe satisfaction.

2.3 Summary and Research Gaps

A number of studies have focused on management style and employee satisfaction with that of Lockwood (2010) examining how the leadership style of managers influence the satisfaction of workers in the Resort hotels of Jordan. The study did not clearly indicate whether the job satisfaction of employees is directly influenced by the manager's style of leadership nor did it provide evidence to the contrary. The study went ahead to recommend that a study be done to ascertain how the job satisfaction of employees is influenced by the manager's leadership style, a gap the current study sought to fill .This study was also done in a different industry so as to help in benchmarking the findings with the hospitality industry. A further study by Babalola (2013) to examine how style of leadership, employee satisfaction and employee –supervisor relations

influences work performance and commitment of employees in the Telecommunication sector in Indonesia concluded that the style of leadership positively and significantly influences the satisfaction of workers in their job. This research sought not only focused on the manufacturing sector but was also based in a developing country, Kenya whose economic conditions may be slightly different from those in Indonesia. A Similar study conducted by Tepret and Tunab (2015) examined how management affected the satisfaction of workers in Turkey's Telecommunication Sector and it was concluded that all leadership styles are positively related to job satisfaction and that the relationship is significant. This study focused on how the style of management affects employee job satisfaction in the manufacturing sector in Kenya.

As evidenced from the literature review above, communication plays a crucial role in organizations .This has been supported by studies done by Kumar (2010), Knutson (2010), Bourque (2013) ,Proctor (2014) and Chaves (2015) all of which have sought to establish how employee job satisfaction is influenced by organizational communication. In summary, the studies established that employee job satisfaction is directly and positively influenced by effective organizational communication. The researchers concluded that recommended that effective communication is essential if the level of satisfaction of employees is to be improved which will in return promise excellent overall organisational performance. However none of the studies focused on the relationship between communication and employee satisfaction in the manufacturing sector in Kenya.

A number of studies including that of Gaol (2014), Hickson(2003), Suresh (2015) and Abdullah (2016) have documented the influence of remuneration on employee satisfaction. The studies generally agree that compensation influences level of satisfaction of employees in their job. However minimum attention has been paid towards examining employee satisfaction is influenced by remuneration in the manufacturing sector in Kenya which leaves a gap in knowledge.

A number of researchers such as Tanselb (2006), Babic (2013), Nyamwamu (2013), Karanja (2013) and Atakorah (2017) evaluated the effect that work environment has on job satisfaction in .A summary of the findings from the studies show that employee work environment has a positive and significant effect on employee satisfaction. The studies recommended that there is

need for the management to improve the work environment of employees to enhance productivity. The studies have however not exhaustively analyzed the influence of the conditions of work on the satisfaction of employees in the manufacturing sector in Kenya, a gap that the study endeavored to fill.

There is however a gap in knowledge in that the literature focused on other contexts other than the context of this study which is Krones East Africa .A number of the studies have also been done in other countries with different socio-economic conditions. Those done locally have not focused on the manufacturing sector and Krones East Africa in particular. This brings a gap in knowledge that this study seeks to bridge by determining the factors affecting employee satisfaction in the manufacturing sector in Kenya with a focus on Krones East Africa.

2.4 Conceptual Framework

Conceptual framework gives a summary of the study structure. This study's conceptual framework is given by the dependent and the independent variables. The dependent variable is the employee satisfaction in the manufacturing sector. The independent variables on the other hand include the factors that affect employee satisfaction which include; management style, communication, organization structure, working environment and remuneration.

Independent Variable

Dependent Variable

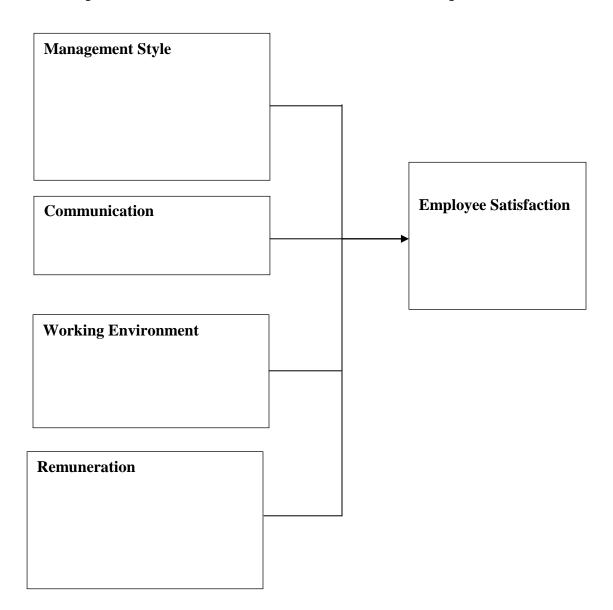


Figure 2.1: Conceptual Framework

2.5 Operationalization of Variables

The various variable that include management style, communication, work environment and remuneration that will be used in this this study will be operationalized as explained below

2.5.1 Management Style

Management style is the study's independent variable. The effect of management style and employee satisfaction has seen mixed results from different scholars, some of them suggesting a positive relationship while others suggesting a negative relationship. By use of a likert measurement scale of 1-5, the study will seek to establish the extent to which management styles such participative, autocratic, paternalistic, democratic, persuasive and laissez-faire management style affects employee satisfaction at Krones East Africa.

2.5.2 Communication

The study utilized communication as an independent variable. The study used upward communication, downward communication and lateral communication as indicators for establishing the expert to which organizational affects employee satisfaction at Krones East Africa. The influence of this will be measured using a five point scale of strongly agree (5), agree (4), Neutral (3).disagree (2) and strongly disagree (1)

2.5.3 Remuneration

The influence of remuneration on employee satisfaction has been established to be a positive one. This study however sought to establish how various forms of remuneration basic salary or pay fringe benefits, compensation, bonus, commissions and employee stock option affects employee satisfaction at Krones East Africa. Using a five point Likert scale, the study measured the extent to which basic salary or pay, fringe benefits, compensation, bonus and commissions affect employee satisfaction

2.5.4 Working Environment

The indicators of what the working environment of an organisation portends include the tools of work, office space, physical environment (ventilation, aeration, heating, nature of floor) and ability of the supervisor. This study sought to establish the extent to which tools of work, office space, physical environment (ventilation, aeration, heating, nature of floor) and ability of the supervisor affect employee satisfaction Krones East Africa.

2.5.5 Employee Satisfaction

A number of factors influence employee satisfaction .This study however focused on determining whether and to what extent factors such as management style, organizational communication, employee remuneration, and employee working environment and organizational structure affect employee satisfaction. The extent of employee satisfaction was measured in

terms of units produced, number of accidents at work, employee loyalty, collaboration among employees, employee turnover and levels of absenteeism. The operationalization of the above variables is as summarized shown in the table below

Table 2.1: Operationalization of Variables

Variable	Indicator	Measurement
Management Style	Participative/consultative	(1-5) Likert scale
	Participative	
	Autocratic	
	• Paternalistic	
	Democratic	
	• Persuasive	
	Laissez-Faire	
Communication	Downward	(1-5) Likert scale
	• Upward	
	• Lateral	
Remuneration	Basic salary or pay	(1-5) Likert scale
	• Fringe benefits,	
	• Bonus,	
	Commissions	
Working Environment	Tools	(1-5) Likert scale
	• Office space	
	Physical environment	
	• Supervisor capabilities	
Employee Satisfaction	Units produced	(1-5) Likert scale
	• Number of accidents at	
	work	
	• Employee turnover	
	• Absenteeism	

2.6 Chapter Summary

This chapter reviewed the literature on the factors affecting employee satisfaction in the manufacturing sector. The chapter commenced with the introduction which was then followed by the study's theoretical review. The empirical section was reviewed according to the study's objectives which involved determining the effect of factors such as; management style, communication, organization structure, working environment and remuneration on employee satisfaction. The conceptual framework is then reviewed followed by the operationalization of variables and then the chapter summary. The next chapter will outline the methodology that will be used in data collection and analysis.

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

3.0 Introduction

This chapter presents the research design, target population, sample and sampling technique ,instruments, pilot study, validity, reliability test, data collection procedure, data analysis and presentation, ethical considerations and chapter summary.

3.1 Research design

A plan that is used by the researcher in seeking answers to research questions is called a research design(Cooper and Schindler, 2013) .This study used a descriptive research design to answer questions concerning the factors affecting employee satisfaction in the manufacturing sector in Kenya (Mugenda & Mugenda, 2009).Descriptive research describes things as they exist presently (Kothari, 2009). Cooper and Schindler (2013) observe that descriptive research is concerned with finding out who, what, where, when and how much. The researcher prefers this research as she would like to report things as they exist at Krones East Africa Limited.

3.2 Target Population

In research, inferences have to be made on a collection of elements called a population (Cooper and Schindler, 2013). Additionally, this elements should have observable characteristics that are common. (Mugenda and Mugenda, 2009) . On the other hand, the target population constitutes the population results of the study will be generalized (Ibid). This study utilized 450 employees of Krones East Africa Limited as the target population. These target population was categorized as top, middle and operations staff as represented in table 3.1

Table 3.1 Target Population

Category	Number	Percentage		
Top Management	20	04		
Middle Management	155	34		
Operative Staff	275	62		
Total	450	100		

Source: Krones East Africa Limited Human Resource Department (2018)

3.3 Sample and sampling technique

The process of selecting individuals from the accessible population is called sampling. This is necessary because the available time and resources cannot permit the research to engage the entire population (Mugenda & Mugenda, 2009). This study utilized stratified random sampling because the population from which the sample was drawn was heterogeneous. First, the population was organized into subpopulations or strata and then sample items are drawn from each stratum to form the final sample. Selection of sample items from each stratum may be done randomly (Kothari, 2014). Descriptive studies require a sample size of between 10% and 30% of the target population (Ibid). This study therefore made use of a sample size of 45 respondents representing 10% of the target population as shown in table 3.2

Table 3.2Sample size

Population Category	Target Population	Sample size	Percentage
Top Management	20	02	04
Middle Management	155	16	36
Operative Staff	275	27	60
Total	450	45	100

Source: Krones East Africa Limited Human Resource Department (2018)

3.4 Instruments

Questionnaires are commonly used to obtain important information about a population. Each item in the questionnaire is developed to address a specific objective, research question of the study (Kumar, 2010). Structured questionnaire were preferred as they ensure consistency of question and answer from the respondents. Most respondents find questionnaires ideal due to anonymity and convenience. The researcher will use structured questionnaires as a data collection tool which will comprise both open and closed ended questions. This is because questionnaires are easier to administer, analyze and saves time and money. The questionnaire was divided into six sections namely; A (Demographic information) ,B(Management Styles),C(Communication),D(Remuneration),E(Working Environment) and E(Employee satisfaction)

3.5 Pilot Study

Vague questions and unclear instructions in an instruments can be detected through a pilot study. It also helps enhance instrument efficiency through inclusion of any suggestions put forth by the respondents (Mugenda and Mugenda, 2009). A pilot study on tenth of the sample size is recommended for descriptive studies(Ibid). In this study, a Pilot study involving five employees not included in the sampled population was done. This represented approximately a tenth of the total sample .The outcome of the pilot study was used to test the validity and reliability of the research instrument (Sekaran, 2015)

3.5.1 Validity

The degree to which data collected captures the contents of the concept under study is called validity. Validity can measured using the input from experts in the particular aspect under study (Mugenda and Mugenda ,2012). The researcher sought the indulgence of the research supervisor in aligning the instrument items to the concept under study. His suggestions helped in enhancing the suitability and relevance of the questionnaire items thus improving the content validity of the data obtained from the respondents

3.5.2 Reliability test

It is important for the instruments to be used in the study to be consistent. That is, be able to obtain same data from different sets of the same population (Best & Kahn, 2014). The Cronbach's alpha reliability coefficient for the independent variables is normally computed to ascertain the reliability of the instruments. Generally, a coefficient of over 0.8 is considered good .The Cronbach coefficient for the study was estimated to be 0.83 meaning that the instruments were considered reliable (Sekaran 2015)

3.6 Data collection procedure

After getting introductory letter from MUA, the researcher informed the management of Krones East Africa Limited of her intention to collect data from the organization's employees. Upon getting consent to proceed with the research by the HR manager, a date was agreed upon during which the questionnaires were to be distributed personally by the researcher and picked immediately after the respondents completed filling them so that data analysis can be commenced.

3.7 Data Analysis and Presentation

Before commencement of analysis of data, there was need to ensure consistency and completeness editing all the questionnaires. It was also necessary to not only code the data but also ensure that it is checked for errors and omissions. With the help of statistical package of social sciences, the data then analyzed. Given that the study was both qualitative and quantitative in nature descriptive statistics that included frequencies and mean were used. The computed frequencies and mean were presented in form of tables and pie charts and bar charts

3.8 Ethical Considerations

Ethics has been defined as that branch of philosophy which deals with one's conduct and serves as a guide to one's behavior (Mackinnon, 2011). The purpose of ethics in research is to ensure the researchers conduct research with integrity and do not undertake research for personal gain or research that will have a negative effect on others. In addressing research ethics, the study concern itself with informed consent, voluntary participation, confidentiality, privacy and anonymity.

3.8.1 Informed Consent

The ethical requirement that the respondents are empowered to participate in the study based on adequate information is referred to as informed consent (Silverman 2002). To achieve this, the researcher explained to the participants not only the aim but also the procedures involved in the study. It was necessary therefore to lay bare the purpose of the study to the participants for them to willingly participate in the exercise.

3.8.2 Voluntary Participation

The researcher ensured that voluntary participation as principle of which ensures that no respondent was coerced into participating in study was observed. (Trochim, 2006).

3.8.3 Confidentiality

Since certain information is confidential, researchers can only use confidential information if permission from the respondents and organization is sought. The researcher obtained permission from both Management University of Africa and Krones East Africa Limited to facilitate data collection. The researcher guaranteed the participants of their confidentiality. An introduction letter to the respondents was attached to the questionnaires to assure them that information provided was to be used only for academic purpose. A copy of the final report was to be shared with the management as the findings of the study were of great benefit to their performance.

3.8.4 Privacy

The privacy of respondents was upheld by ensuring that no respondents can be identified through their responses to the questionnaires or interview. The study therefore used codes and Pseudonyms so as to protect the identity of the respondents

3.8.5 Anonymity

In observing anonymity, the researcher is not supposed to give out details of the participant that may lead to disclosure of their identity. Such details may include cultural background and ethnicity (Mugenda, 2009). To ensure anonymity all the respondents were coded and were therefore not required to write their actual names on the questionnaires. This helped in protecting their identity.

3.9 Chapter Summary

This section describes the methodology used in the study; the research design, the sample population and the targeted sample size, the tools for data collection and how the data was analyzed.

CHAPTER FOUR

RESEARCH FINDINGS AND DISCUSSION

4.0 Introduction

This section entails the presentation and discussion of the factors affecting employee satisfaction in the manufacturing sector in Kenya looking at Krones East Africa Limited.Questionnaires were used to collect data whose analysis and presentation was done as follows

4.1 Presentation of Research Findings

4.1.1 Response Rate

The researcher distributed 45 questionnaires to the respondents and the response rate was as summarized in table 4.1.

Questionnaires	Number	Percentage	
Returned	40	89	
Not returned	05	11	
Total	45	100	

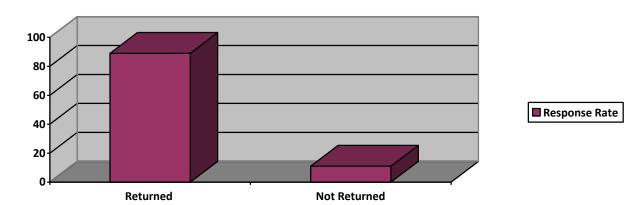


Figure 4.1: Response Rate

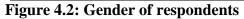
From the data analyzed in table 4.1 and figure 4.1.of the 45 questionnaires given out only 5 were not returned. The response rate therefore stood at 89% and this was considered sufficient enough for data analysis to commence.

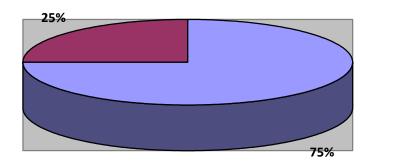
4.1.2 Gender

The study sought to establish the gender of the respondents involved in the study. The data obtained from the respondents is as summarized in table 4.1 and figure 4.1

Table 4.2: Gender

Gender	Number	Percentage	
Male	30	75	
Female	10	25	
Total	40	100	







From the data summarized in the table 4.2 and figure 4.2, 25% of the respondents were female whereas 75% were male. This showed that more males were involved in the study compared to females

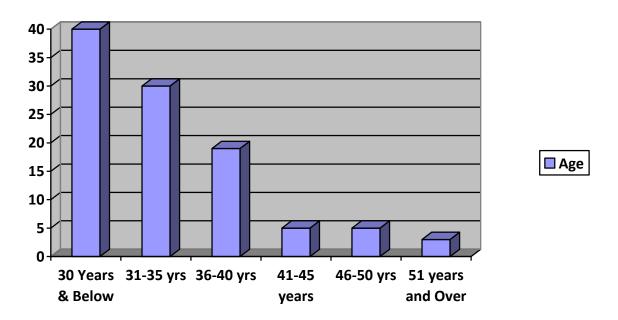
4.1.3 Age of Respondents

The study sought to find out the age of the respondents involved in the study. Data obtained from the respondents was summarized and presented in table 4.3 and figure 4.3

Age	Number	Percentage	
30 years and below	16	40	
31 – 35 years	12	30	
36 – 40 years	07	19	
41 – 45 years	02	05	
46 – 50 years	02	05	
51 years and above	01	03	
Total	40	100	

 Table 4.3: Age of Respondents

Figure 4.3: Age of Respondents



Source: Author (2018)

From the data analyzed and presented in table 4.3 and figure 4.3 ,majority(40%) of the respondents were aged below 30 years,30% aged between 31-35 years,19% aged form 36-40 years,5% aged from 41-45 years ,5% aged between 46-50 years and 3% aged over 51 years. This showed that majority of the respondents were youthful and within the productive age bracket.

4.1.4 Highest Education Level

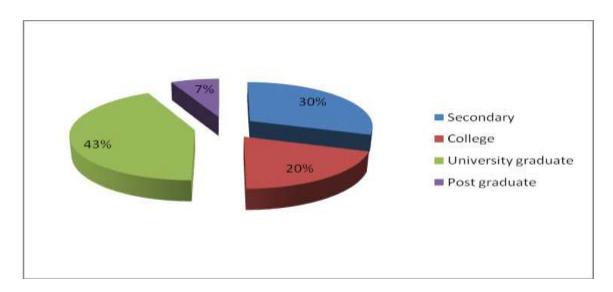
The question sought to establish the highest level of education of the employees in the organization. The findings are as shown in table 4.3

Level	Frequency	Percentage		
Secondary	12	30		
College	08	20		
University graduate	17	43		
Post graduate	03	07		
Total	40	100		

Table 4.4 Highest Education Level

Source: Author (2017)





Source: Author (2016)

The table and figure above indicate that the majority (43%) of employees is university graduates, 30% are secondary school leavers and only 7% hold a postgraduate degree graduate. The data shows that the company been able to attract highly qualified staff.

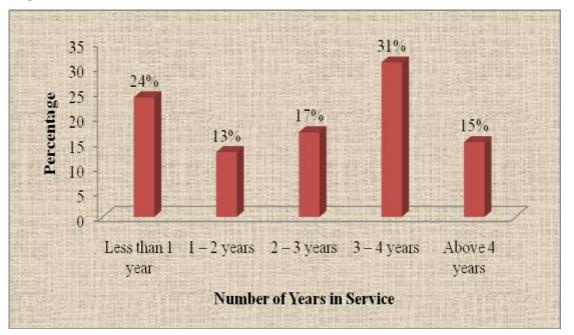
4.1.5 Number of Years of Service

Category	Frequency	Percentage		
Less than 1 year	10	24		
1-2 years	05	13		
2-3 years	07	17		
3-4 years	12	31		
Above 4 years	06	15		
Total	40	100		

Table 4.5 Number of Years of Service

Source: Author (2018)

Figure 4.5 Numbers of Years of Service



Source: Author (2018)

Table 4.5 and figure 4.5 indicates the analysis of work experience. Twenty four percent had worked for less than 1 year, 13% had 1-2 years' experience, 17% 2 - 3 years, 31% represented those within 3 –4 years and 15% had over 4 years work experience. This indicated that majority of the respondents had the sufficient work experience to be able to adequately respond to the questionnaire items

4.1.6 Management Styles and Employee Satisfaction

The study sought to find out the effect of management style on employee performance. The data obtained from respondents is as summarized in table 4.6.

Statement							$\mathbf{\nabla}$	
Statement	1.Str ongl	2.A	3.Ne utral	4.L	5.Str ongl	\sum^{f}	$\sum fx$	$Mean = \frac{\sum fx}{\sum x}$
	gg tr	P 00	al de)is	° tr			Σf
Democratic Style								
Employees have enough freedom	1	2	1	23	13	40	165	4.125
to make their own decision within								
the given responsibility								
Management Welcomes	1	1	0	35		40	3190	4.750
questioning by the staff in matters								
related to their work								
The management permits staff to	1	2	0	24	13	40	166	4.150
use their own judgment in solving								
problems								
	Part	icipati	ive Sty	yle			_	
The management invites	1	4	1	20	14	40	162	4.050
Employees to participate in the								
decision-making process								
The managers make affective use	4	2	1	20	13	40	156	3.900
of Employees individual capacity								
and talent								
My manager delegates some of his	1	4	1	20	14	40	162	4.050
responsibilities to Employees								
I do not hesitate to discuss any	5	2	0	12	21	40	164	4.100
problems relating to my work with								
my boss								
I am encouraged by my supervisor	1	2	4	15	18	40	167	4.175
to share my thoughts, ideas,								
feelings that will add value to the								
organization								
The management of our	2	1	0	25	12	40	163	4.075
organization takes into								
consideration the opinions of the								
employee before making decisions								
Dictatorship style								
Our manager makes decisions	27	10	1	2	1	40	63	1.575
unilaterally, and without much								
regard of our input								
Am satisfied with the management	1	2	1	22	14	40	166	4.150
style in our organization								

The study sought to find out the respondents position as regards various statement relating to leadership styles at Krones East Africa Limited. According to the data analyzed in table 4.5, majority of the respondents dis agree(Mean=4.150) that they are satisfied with the management style in their organization .The respondents further disagree (Means of 4.125,4.750 and 4.150 respectively)that employees have enough freedom to make their own decision within the given responsibility ,management welcomes questioning by the staff in matters related to their work and that the management invites employees to set their performance targets and make decisions. In conclusion however, Babalola(2013) indicates that no matter the kind of management style the manager adopts, the bottom line is that of improving employees' performance and that of the organisation

The findings from the study further showed that majority of the respondents disagree (Means of 3.900, 4.050 and 4.150 respectively) that managers make affective use of employees individual capacity and talent, delegate some of their responsibilities to employees and permits staff to use their own judgment in solving problems. It was further indicated from the findings that majority of the respondents disagreed (Means of 4.100, 4.175 and 4.175 respectively) that they do not hesitate to discuss any problems relating to their work with their managers, they are encouraged by their supervisor to share their thoughts, ideas, feelings that will add value to the organization by the manager and that management of our organization takes into consideration the opinions of the employee before making decisions. However, the respondents agreed (men=1.575that the manager makes decisions unilaterally, and without much regard of their input. This is in contrary with the findings on Rad and Yarmohammadian (2006) participative leadership style directly influences employee satisfaction and performance

4.1.7 Communication

The study sought to find out the effect of communication on employee satisfaction. The data obtained from respondents is as summarized in table 4.7.

Table 4.7: Communication And Employed Statement						$\sum f$	$\sum f_{x}$	$\sum f_{Y}$			
	1.Strongly agree	2.Agree	3.Neutral	4.Disagree	5.Strongly Disagree	Ζ'	$\sum T_N$	$lean = \frac{\sum fx}{\sum f}$			
Downward communication											
The management rarely allows us to air our views on various aspects relating to our work	27	10	0	2	3	40	65	1.625			
Through downward communication I am able to understand what is expected of me	27	10	1	2	1	40	63	1.575			
Through downward communication I am able to perform my assigned tasks better	1	1	0	35		40	3190	4.750			
Downward communication enhances employee job satisfaction	1	4	1	20	14	40	162	4.050			
Up	ward c	ommui	nicat	ion							
The management allows us to air our views on various aspects relating to our work	1	4	1	20	14	40	162	4.050			
Through upward communication we are able to have interactions with our seniors	26	10	0	3	1	40	67	1.675			
Interacting with our seniors improves our level of satisfaction with our job	24	12	0	2	02	40	66	1.650			
We are able to raise complains to the management whenever they are not satisfied with the working conditions	5	2	0	12	21	40	164	4.100			
		ommui									
Lateral communication allows interaction between staff in the same level which improves employee job satisfaction	24	12	0	2	02	40	66	1.650			
Through lateral communication w are able to work in groups and improve their output	27	10	0	3	1	40	67	1.675			
Lateral communication enhances team work	24	12	0	2	02	40	66	1.650			
Working in teams improves employee satisfaction	27	10	0	3	1	40	67	1.675			

Source: Author (2018)

The study required the respondents to indicate their extent of agreement or disagreement with various statements relating to downward, upward and lateral communication in their organisation as shown in table 4.7. According to the findings, majority of the respondents as shown by a mean score of 1.625 agree that the management rarely allows them to air their views on various aspects relating to their work. They also agreed (Mean=1.575) that through downward communication they are able to understand what is expected of them. It was further noted that majority of the respondents as shown by a mean of 4.750 and 4.050 disagree that through downward communication enhances employee job satisfaction respectively.

As regards upward communication, majority of the respondents as shown by a mean of 4.050 disagree with the position that management allows us them to air their views on various aspects relating to our work. They further disagreed (Men=4.100) with the indication that they are able to rise complains to the management whenever they are not satisfied with the working conditions. The study findings however indicate that majority of the respondents agreed (Mean of 1.675 and 1.65. respectively) that through upward communication they are able to have interactions with their seniors and that such interaction improves their level of satisfaction with their job.This agrees with Rodwell, Kienzle & Shadur (1998) finding that organizational communication has a significant effect on job satisfaction and job performance of the employees.

Relating to lateral communication, majority of the respondents agree as shown with mean of 1.650 that lateral communication allows interaction between staff in the same level which improves employee job satisfaction. The findings further show with a mean of 1.675 that the respondents agree that through lateral communication employees are able to work in groups and improve their output .with a mean of 1.650 and 1.675 respectively, the study findings show that the respondents agreed that lateral communication enhances team work and working in teams improves employee satisfaction

4.1.8 Remuneration

The study sought to find out the effect of remuneration on employee satisfaction. The data obtained from respondents is as summarized in table 4.8.

Statement	1.Strongly agree	2.Agree	3.Neutral	4.Disagree	5.Strongly	$\sum f$	$\sum fx$	$Mean = \frac{\sum fx}{\sum f}$
I am satisfied with the basic pay provided by my organisation	1	2	4	15	18	40	167	4.175
The pay given to me by the firm is adequate.	2	1	0	25	12	40	163	4.075
Adequate pay is the main source of satisfaction for me as an employee	27	10	1	2	1	40	63	1.575
The firm gives me fringe benefits.	1	1	0	35		40	3190	4.750
Provision of fringe benefits to employees is a source of job satisfaction	27	10	0	3	1	40	67	1.675
The firm gives me bonus at the end of the year	4	2	1	20	13	40	156	3.900
The firm pays commission for sales /production target surpassed	1	4	1	20	14	40	162	4.050
Provision of bonus and commission to employee is a source of job satisfaction	27	10	0	3	1	40	67	1.675
The level of remuneration in my firm is adequate	2	1	0	25	12	40	163	4.075
I am satisfied with the basic pay provided by my organisation	5	2	0	12	21	40	164	4.100

Source: Author (2018)

The study sought to find out from the respondents the extent to which they agree or disagree with various statements relating to employee remuneration. According to the findings, majority of the respondents disagree (Mean=4.175) that they are satisfied with the basic pay provided by their organisation. The respondents further disagree (Mean=4.075) that the pay given to them by the firm is adequate. However the respondents agreed (Mean=1.575) that adequate pay is the main source of satisfaction for them as employees. This is in support of the findings by Onsardi, Asmawi, Abdullah (2016) that compensation has a direct positive effect on job satisfaction The respondents also disagree that firm gives them fringe benefits and bonus at the end of the year and that the firm pays commission for sales /production target surpassed. According to the findings however, majority of the respondents agree (Mean=1.675) that provision of fringe benefits, bonus and commission to employee is a source of job satisfaction. This point to the position by Salisu, Chinyio and Suresh (2015) compensation packages that include salary, gratuity, allowance and pension influence the job satisfaction of workers. Finally the respondents indicated that they are not satisfied with the basic pay provided by my organisation

4.1.9 Working Environment

The study sought to find out the effect of working environment on employee satisfaction. The respondents were asked to rate on a scale of 1 to 5 (1=strongly agree, 2=agree, 3=Neutral, 4=disagree, and 5=strongly disagree.) the statements regarding working environment in their organisation. The data obtained from respondents is as summarized in table 4.9.

Table 4.9	Working	Environment	and Emplo	yee Satisfaction
	, or ming	Linvinointene	and Emplo	yee buildenon

able 4.9 working Environment al	iu Emp	loyee	Jausi	action					
Statement	1.Strongly agree	2.Agree	3.Neutral	4.Disagree	5.Strongly Disagree	\sum_{f}	$\sum fx$	$Mean = \frac{\sum fx}{\sum f}$	
Tools									
The management provides me with tools for my job	1	2	1	23	13	40	165	4.125	
Having the right tools for my job contributes to my satisfaction as an employee	27	10	0	3	1	40	67	1.675	
	0	ffice	space						
The office space in my organisation is sufficient for my work	4	2	1	20	13	40	156	3.900	
Adequate office space greatly contributes to employee satisfaction	27	10	1	2	1	40	63	1.575	
	Physic	cal env	vironr	nent	•			·	
Our work place is well lit and ventilated	1	4	1	20	14	40	162	4.050	
Poorly lit work place with poor ventilation causes employee dissatisfaction	27	10	1	2	1	40	63	1.575	
Supervisor capabilities									
My supervisor is well trained and guides me well in performing my tasks	1	2	4	15	18	40	167	4.175	
My relationship with my supervisor determines my job satisfaction	27	10	1	2	1	40	63	1.575	

Source: Author (2018)

The study required that the respondents indicate their level of agree or disagreement concerning various statements relating to their working environment. As regards tools, the findings showed that majority of the respondents disagree (Mean=4.125) that the management has provided me with tools for my job. The respondents agreed (mean=1.675) that having the right tools for their job satisfaction

In relation to office space, the respondents disagree (Mean=3.900) that the office space in the organisation is sufficient for their work. They however agree (Mean=1.575) that adequate office space greatly contributes to employee job satisfaction. According to the findings relating to physical environment, Majority of the respondents disagree (Mean=3.900) that their work place is well lit and ventilated but agreed (mean=1.575) that poorly lit work place with poor ventilation causes employee dissatisfaction. This is in agreement with Owusu, Hoedoafia and Atakorah (2017) that employee's physical work environment has a positive and significant effect on employee satisfaction. In terms of supervisory capabilities, study findings indicate that majority of the respondents disagree with the position that their supervisor are well trained and that they guide them well in performing their tasks. The respondents however agreed (Mean=1.575) that their relationship with the supervisor determines their job satisfaction. This corroborates the findings of Atambo, Otundo and Nyamwamu (2013) and Babalola (2013) supervisor-employee relationship influenced job satisfaction which in turn positively and significantly affected organizational commitment.

4.1.10 Employee satisfaction

The study sought to find out the level of job satisfaction amongst employees at Krones East Africa Limited. The respondents were asked to rate on a scale of 1 to 5 (1=strongly agree, 2=agree, 3=Neutral, 4=disagree, and 5=strongly disagree.) the statements regarding job satisfaction in their organisation. The data obtained from respondents is as summarized in table 4.10

Table 4.10: Employee satisfaction

Statement	1.Strongly agree	2.Agree	3.Neutral	4.Disagree	5.Strongly Disagree	$\sum f$	$\sum fx$	$Mean = \frac{\sum fx}{\sum f}$
I feel I am being paid a fair amount for the work I do.	1	2	1	22	14	40	166	4.150
I am not satisfied with the benefits I receive.	13	20	1	4	2	40	86	2.150
There is rampant absenteeism and turnover in my organisation.	27	10	1	2	1	40	63	1.575
Employees leave my organisation because they are dissatisfied	13	20	1	3	3	40	83	2.075
There is really too little chance for promotion on my job.	13	20	1	4	2	40	88	2.200
My supervisor is quite competent in doing his/her job.	1	2	0	24	13	40	166	4.150
Many of our rules and procedures make doing a good job difficult.	13	20	1	4	2	40	90	2.250
My job being meaningless is what I feel sometimes.	14	20	0	3	3	40	81	2.025
Communications seem good within this organization.	1	2	0	24	13	40	166	4.150
Those who do well on the job stand a fair chance of being promoted.	5	2	0	12	21	40	164	4.100
The benefits we receive are as good as most other organizations offer.	2	1	0	25	12	40	163	4.075
I do not feel that the work I do is appreciated.	27	10	1	2	1	40	63	1.575
I feel that I am satisfied with my job	1	2	4	15	18	40	167	4.175

Source: Author (2018)

The study sought to find out the extent of agreement or disagreement of respondents with a number of statements relating to their satisfaction at work. According to the findings, the respondents disagree as shown by mean of 4.150 that they are being paid a fair amount for the work they .Nevertheless, they agreed (Mean=2.150) that they are not satisfied with the benefits they receive. They also agreed as indicated with mean of 1.575 that there is rampant absenteeism and turnover

in their organization with majority of them agreeing (Mean=2.075) that employees leave the organization because they are dissatisfied.

The study findings further show that majority of the respondents disagree(Mean \geq 3.5) that their supervisor is quite competent in doing his/her job, there is good communication within the organization, those who do well on the job stand a fair chance of being promoted and that benefits they receive are as good as most what other organizations offer.

The respondents however agree (Mean ≤ 2.5) that is really too little chance for promotion on their job, many of their rules and procedures make doing a good job difficult, they sometimes feel their job is meaningless and that they do not feel that the work they do is appreciated. The study findings further showed majority of the respondents disagree (Mean=4.175) that they are satisfied with their job

4.2 Limitations of the study

Some employees feared that the information they gave could be accessed by their supervisors. This affected their willingness to fill all the questions honestly. To mitigate this problem, a cover letter was written to the management and to the specific respondents and the researcher assured them of confidentiality of the information given and that the data was to be used specifically for academic purposes.

4.3 Chapter summary

This chapter started with analysis of the response rate in which 40 out 45 questionnaires were returned. The chapter also explores the limitations and challenges encountered while conducting the study key among them being that

CHAPTER FIVE

SUMMARY, RECOMMENDATIONS AND CONCLUSIONS

5.0 Introduction

This section contains the summary of findings for the study, recommendations and conclusion

5.1 Summary of Findings

This study sought to evaluate the factors affecting employee satisfaction in the manufacturing sector in Kenya looking at Krones East Africa Limited. The major findings of the study were as follows

As regards the effect of management style on employee performance, the study found out that the employees are not satisfied with the management style and that they do not have enough freedom to make their own decisions within the given responsibility .It was also revealed that managers make decisions unilaterally, and without any participation from the employees. This was considered by employees as a major cause of dissatisfaction at their place of work. This is in concurrence with the findings of Rad and Yarmohammadian (2006) that participative leadership style directly influences employee satisfaction.

In relation to communication and employee satisfaction, the study found out that management rarely allows employees to air our views on various aspects relating to their work. Nevertheless, it was revealed from the same study that downward communication negatively influences employee's ability to perform assigned tasks better but upward communication enables employees to interact with their seniors with lateral communication enhancing team work. Both upward and lateral communications were found to positively contribute to employee satisfaction. This is in agreement with the findings of Giri and Kumar (2010) that organizational communication has a significant effect on job satisfaction. The findings further agree with those of Carrière and Bourque (2013) that internal communication practices improve communication satisfaction in the firm which in turn improves job satisfaction

The study set out to establish the effect of remuneration on employee satisfaction. It was revealed that adequate pay is the main source of satisfaction for the employees of the firm. The study further revealed that provision of fringe benefits, bonus and commission to employee is a source of job satisfaction. This is in support of the findings by Onsardi, Asmawi, Abdullah (2016) that compensation has a direct positive effect on job satisfaction which implies that the higher the level of employee compensation, the higher the level of employee job satisfaction. It is however not concurring with the findings of Westover and Taylor (2010) that intrinsic rewards such as autonomy at work and doing an interesting job are more satisfying than remuneration.

In considering the effect of working environment on employee satisfaction, the study found out adequate office space greatly contributes to employee job satisfaction. It was further revealed that poorly lit work place with poor ventilation causes employee dissatisfaction. In terms of supervisory capabilities, the study found out that relationship with the supervisor determines influences employee job satisfaction. This corroborates the findings of Skalli, Theodossiou and Vasileiou (2008) who found out that work environment has a positive and significance relationship with employee job satisfaction. In addition, the study found out that the physical environment had an impact of employee job satisfaction. This supports the findings of Gazioglu & Tanselb(2006) citing physical working conditions to play a very crucial role on job satisfaction among employees.

5.2 Conclusion

The general objective of this study was to examine factors affecting employee satisfaction in manufacturing sector in Kenya particularity focusing on Krones East Africa Limited .The study specifically sought to evaluate the effect of Management Style, communication, remuneration and working environment on the employee satisfaction at Krones East Africa Limited. It was concluded that the management style at Krones East Africa Limited negatively affects employee satisfaction .It was also concluded from the study that downward communication negatively influences employee's ability to perform assigned tasks better .It was further concluded that lack of fair remuneration leads to high rates of absenteeism and labour turnover in the organization

5.2 Recommendations

Based on the findings summarized above, the study makes the following recommendations;

The management of Krones East Africa limited to embrace participative leadership style that allows staff to participate in the decision-making process. They instead make decisions unilaterally, and without much regard of their input

The management of Krones East Africa limited to design policy that compels managers to effectively utilize employees' individual capacity and talent

There is need for the management to encourage managers to delegate and also train them on the need for delegation

The communication policy of Krones East Africa limited should allow for upward and lateral communication and little downward communication

It is also recommended that the management of Krones East Africa limited seeks to improve the basic pay of employees

Finally the study recommends the management of Krones East Africa limited to provide adequate tools of work to employees and ensure that office space for staff is adequate. This office should also be properly lit work with adequate and with adequate ventilation

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International Journal of Small Business and Entrepreneurship Research Vol.4, No.1, pp.51-61, February 2016 ____Published by European Centre for Research Training and Development UK (www.eajournals.org) 51 ISSN 2053-5821(Print), ISSN 2053-583X(Online) MANAGEMENT STYLES AND EMPLOYEES' PERFORMANCE IN SMALL SCALE BUSINESS ENTERPRISES IN AKWA IBOM STATE, NIGERIA. Francis I. Okon (Ph.D) and Ekaette Ubong Isong Department of Vocational Education, University Of Uyo P.M.B. 1017, Uyo, Akwa Ibom State, Nigeria

APPENDICES

APPENDIX I: INTRODUCTION LETTER

Dear respondents,

I am Sigei Evaline, a student at MUA. I am conducting a study on the **FACTORS AFFECTING EMPLOYEE SATISFACTION IN THE MANUFACTURING SECTOR IN KENYA: A CASE STUDY OF KRONES EAST AFRICA LIMITED.** Please answer the following questions honestly and objectively to the best of your knowledge, the information obtained will be treated with strict confidentiality. Please do not write your name on the questionnaire.

Thank you for your acceptance and support.

Yours faithfully,

<u>Sigei</u>

APPENDIX II: QUESTIONNAIRE

Section A: Demographic information of respondents

1. What is your gende	er?
-----------------------	-----

Male () Female ()

2. What is your age bracket?

30 years and below	()
31 – 35 years	()
36 – 40 years	()
41 – 45 years	()
46 – 50 years	()
51 years and above	()

3. What is your highest level of formal education completed?

Secondary	()
Diploma	()
Bachelor's degree	()
Post-graduate diplor	na ()

Master's degree	()
Doctorate	()
Others, please specify		

4. How many years have you worked at **Krones East Africa Limited**?

1-2 years ()
2-3 years ()
3-4 years ()
4 years and above ()

Section B: Management Styles

On a scale of 1 to 5, how would you rate each of the following statements regarding management style in your organization? Note: 1=strongly agree, 2=agree, 3=Neutral, 4=disagree, and 5=strongly disagree .(Tick where appropriate)

Statement	Rating				
	1	2	3	4	5
Am satisfied with the management style in our					
organization					
Employees have enough freedom to make their					
own decision within the given responsibility					
Management Welcomes questioning by the					
staff in matters related to their work					
The management invites Employees to					
participate in the decision-making process					
The managers make affective use of Employees					-
individual capacity and talent					
My manager delegates some of his					
responsibilities to Employees					
The management permits staff to use their own					
judgment in solving problems					
I do not hesitate to discuss any problems					
relating to my work with my boss					
I am encouraged by my supervisor to share my					
thoughts, ideas, feelings that will add value to					
the organization					
The management of our organization takes into					1
consideration the opinions of the employee					
before making decisions					
Our manager makes decisions unilaterally, and					1

without much regard of our input			
Am satisfied with the management style in our			
organization			
Employees have enough freedom to make their			
own decision within the given responsibility			

SECTION C: Communication

In a range of 1 to 5, how would you rate each of the following statements regarding communication in your organization? Note: 1=strongly agree, 2=agree, 3=Neutral, 4=disagree, and 5=strongly disagree. (Tick where appropriate)

Statements	Rating						
	1	2	3	4	5		
The management rarely allows us to air our							
views on various aspects relating to our work							
Through downward communication I am able							
to understand what is expected of me							
Through downward communication I am able							
to perform my assigned tasks better							
Downward communication enhances							
employee job satisfaction							
Upward communication							
The management allows us to air our views							
on various aspects relating to our work							
Through downward upward communication							
we are able to have interactions with their							
seniors							

Interacting with our seniors improves our			
level of satisfaction with our job			
We are able to raise complains to the			
management whenever they are not satisfied			
with the working conditions			
Lateral Communication			
Lateral communication allows interaction			
between staff in the same level which			
improves employee job satisfaction			
Through lateral communication w are able to			
work in groups and improve their output			
Lateral communication enhances team work			
Working in teams improves employee			
satisfaction			

SECTION D: Remuneration

In a range of 1 to 5, how would you rate each of the following statements regarding remuneration? Note: 1=strongly agree, 2=agree, 3=Neutral, 4=disagree, and 5=strongly disagree

(Tick where appropriate)

Statements	Rating			5	
	1	2	3	4	5
I am satisfied with the basic pay provided by my					
organisation					
The pay given to me by the firm is adequate.					
Adequate pay is the main source of satisfaction for me as an					
employee					
The firm gives me fringe benefits.					

Provision of fringe benefits to employees is a source of job			
satisfaction			
The firm gives me bonus at the end of the year			
The firm pays commission for sales /production target			
surpassed			
Provision of bonus and commission to employee is a source			
of job satisfaction			
The level of remuneration in my firm is adequate			

Section E: Working Environment

7. In a range of 1 to 5, how would you rate each of the following statement?

Note: 1=strongly agree, 2=agree, 3=Neutral, 4=disagree, and 5=strongly disagree

(Tick where appropriate)

Statements	Rating					
Tools	1	2	3	4	5	
The management provides me with tools for my job						
Having the right tools for my job contributes to my satisfaction as an employee						
Office space						
The office space in my organisation is sufficient for my work						
Adequate office space greatly contributes to employee satisfaction						
Physical environment						

Our work place is well lit and ventilated			
Poorly lit work place with poor ventilation causes employee			
dissatisfaction			
Supervisor capabilities			
My supervisor is well trained and guides me well in			
performing my tasks			
My relationship with my supervisor determines my job			
satisfaction			

Section F: Employee satisfaction

9. In a range of 1 to 5, how would you rate each of the following factors?

Note: 1=strongly agree, 2=agree, 3=Neutral, 4=disagree, and 5=strongly disagree

(Tick where appropriate)

Employee Satisfaction Survey

Please circle one number for each question									
that comes closest to reflecting your opinion									
about each statement to reflect the extent to			ngly	gree		igree	sure	8	ngly
which you agree or disagree with it.			Strongl	Dsagree		Disagree	Not sure	Agree	Strongly
I feel I am being paid a fair amount for the	5	4	3	2	1				
work I do.									
I am not satisfied with the benefits I receive.	5	4	3	2	1				
There is rampant absenteeism and turnover	5	4	3	2	1				
in my organisation.									
Employees leave my organisation because	5	4	3	2	1				
they are dissatisfied									
There is really too little chance for promotion	5	4	3	2	1				

on my job.	
My supervisor is quite competent in doing his/her job.	5 4 3 2 1
Many of our rules and procedures make	5 4 3 2 1
doing a good job difficult.	
I sometimes feel my job is meaningless.	5 4 3 2 1
Communications seem good within this	5 4 3 2 1
organization.	
Those who do well on the job stand a fair	5 4 3 2 1
chance of being promoted.	
The benefits we receive are as good as most	5 4 3 2 1
other organizations offer.	
I do not feel that the work I do is appreciated.	5 4 3 2 1
I feel that I am satisfied with my job	5 4 3 2 1

End.

Thank you for your time