

Effect of Performance Coaching on Employee Performance: A Case of Tetra Pak Limited, Kenya

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Abstract

Employee performance is important in determining a firm's capacity to confer sustainable competitive advantage and high performing employees are those who improve firm's performance. Despite the value attributed to employees' performance on the overall firm performance, there is an increased decline of individual employee performance in public sector globally and even locally. The purpose of this study was to establish the effect of performance coaching on employee performance of Tetra Pak Limited, Kenya. A descriptive survey design was used and target population was 150 employees in Tetra Pak Limited. A sample of 108 respondents was selected using stratified random sampling technique. Structured questionnaires were used to collect primary data. Descriptive statistics (frequencies, percentages, means and standard deviations) and inferential statistics (correlation and regression) were generated. The results indicated that job coaching has a positive and significant effect on employee performance ($r = .696^{**}$, $P = 0.000$). Based on the findings, the study concluded that coaching practices have a positive and meaningful effect on employee performance in Tetra Pak limited, Kenya. The study, therefore, recommends that Tetra Pak limited should strengthen performance coaching related aspects including programs that support employees in identification of their interests and skills, as well as providing opportunities for employees to identify and develop new abilities in order to boost employees' performance.

Keywords: *Performance coaching, Employee performance, Tetra Pak Limited*

1.0 Introduction

Organizations are constantly searching for different ways and approaches to allow them to handle the human factor optimally in the face of the current rigid competition, while rivals continue to enjoy sustainable competitive advantages, new technology and improved production methods. Organizations need to make exceptional efforts by using modern tools to deal with this type of competition and sustainable development (Hagen, 2010; Pousa & Mathieu, 2015; Delery & Roumpi, 2017).

As such, Pusan (2017) recommends the idea of improving employee performance through managerial coaching practices. If the management of the organizations is done poorly, then the development and existence of the organization is likely to be unstable and certain risks and uncertainties in business would possibly not be mitigated let alone be forecasted. Therefore, coaching was promoted as a strategy to improve organizational leadership in order to gain sustainable competitive advantages and increase sales volume (Deeter-Schmelz, et al., 2008; Dahling et al., 2016; Pousa et al., 2017).

Employee performance is a very instrumental arm of the organization towards the overall organizational performance. Achieving a targeted/highest-level performance includes the company's continuous development and the continuous growth of industry standards. This assumes not only that the service and products are of quality, but also that the workforce / human resource is effective. The more the employees exceed expectations, the greater company's competitive advantage will be. Just as the financial resources, human capital has the capacity to generate a successful competitive advantage for their organizations (Rabbi, Ahad, Kousar & Ali, 2015).

Ogbonnaya and Valizade (2018) analyze the mediating role of employee outcomes in relation to high-performance work practices and have shown a positive relationship with employee satisfaction. Pfeifer, Janssen, Yang and Backes-Gellner (2011) endorse this by suggesting that micro-and macro-level development of human capital after entrance into the labor market is considered essential to economic performance next to education. Further Elnaga and Imra (2013) argue that in order to develop the employees ' necessary knowledge, skills and abilities, to perform well on the job, effective training programs are needed which may also affect the morale and dedication of employees.

In China, McGill IV (2010) confirms the finding that coaching has been successful in improving leadership development and managerial efficiency by building self-awareness, emotional control, interaction techniques, self-reflection and empathy. The level of management has resulted in increased satisfaction and confidence and reduced stress due to a motivated staff base, which is a benefit for the organization. In Nigeria, Okechukwu and Raymond (2015) looked at the Nigeria liquefied natural gas company's bonny industrial area and suggested that introducing the coaching and mentoring system had a significant impact on employee performance while decreasing employee turnover.

Mwapira (2015) studied the influence of employees training initiatives on organizational performance at Tanzania Revenue Authority (TRA) and found that training initiatives had a significant role to play in ensuring a successful organization performance. A case by Muriithi (2016) of Standard Chartered Bank Kenya Limited revealed that without an effective feedback provision network, structured coaching plan and conducive coaching environment organizations will not achieve their goals as expected. Therefore, considering the country's target of industrialization by 2030, the manufacturing companies have an important role to play. To order to do this successfully, the commitment of employees to terms of increased productivity and improved performance is crucial, hence the need for best coaching practices contributing to success of employees.

1.1 Problem Statement

The performance of the employees is important in determining a firm's capacity to confer sustainable competitive advantage and high performing employees are those who improve firm's performance (Shafloot, 2012). Despite the value attributed to employees' performance

on the overall firm performance, there is increased decline in individual employee performance in public sector in Kenya. According to Muriithi (2016) only about 50% of frontline staff continuously achieve good ratings on their scorecards, month on month. A case of Standard Chartered Bank, indicates that the bank continues to lose an average 5% of sales frontline staff laid off due to poor performance. This is evidence that there is poor employee performance among organizations.

In previous studies, coaching has been attributed to improved employee performance (Jones & Mahon, 2012). Coaching can also be conducted in groups to build high-performing teams, according to Kets (2015). In addition, coaching is relevant because of the privilege of having accountability for the reasons that it could offer the employees confidence. Coaching can also motivate the employees to change and it can also enhance employee's cooperation (Kruzela, 2011).

Despite the existence of research on coaching in organizational settings, several research gaps exist. Cherono (2017) studied employee development and organizational performance and provided insightful findings although the focus was not on Tetra Pak Ltd, thus present a contextual gap. Migwe (2018) examined the impact on the performance of youth development officers in Kenya of strategic human resource development practices. The research poses a theoretical void as the coaching activities were not the subject. In light of the aforementioned studies, this research aimed to fill existing research gaps by assessing the effect of performance coaching on employee performance by specifically focusing on Tetra Pak Ltd, Kenya.

2.0 Literature Review

2.1 Theoretical Framework

The study was supported by cognitive theory. Training is based on cognitive theory, absorbing or reorganizing the cognitive mechanisms through which human processes and stores information (Good & Brophy, 1990). Mcleod (2012) discovered that this theory describes how people learn to recognize and define issues and experiment in order to provide solutions. Here the focus is on the importance of knowledge, context, problem solving and insight creation. This theory developed the concept that at different times people have different needs and concerns, and that in different contexts they have subjective perceptions.

Cognitive theory promotes the use of on - the-job training approaches where new employees are often partnered for the first few weeks or months with experienced employees and learn how to respond much more effectively to a variety of situations through the vicarious learning process than they could by reading an employee handbook. In order to interpret information and solve problems, it enables employees to develop conceptual knowledge, skills, techniques and procedures (Mcleod, 2012).

The cognitive theory is relevant to this study because it emphasizes on the importance of gaining experience and solving problems on their own as coaching encourages coaches to come up with their own solutions to problems so as to create ownership of the solutions and also to build confidence. Employees are expected to gain experience and problem-solving skills through various coaching practices including job, performance, career and life coaching. With the experience and proper skills, the performance of employees is likely to be enhanced.

2.2 Empirical Review

In Turkey, Kalkavan and Katrinli (2014) studied the impact of managerial coaching actions on the perception of job satisfaction, organizational engagement, and job performance in the insurance industry by employees. The results showed that the managerial coaching actions of the insurance sector had a beneficial impact on employees' better understanding of position comprehension, job satisfaction, workplace participation, job performance, and organizational commitment. It was mentioned at the same time that the consistent understanding of the employee's position had a beneficial impact on the employee's business involvement, organizational commitment and productivity at work. Work satisfaction has also been found to have a beneficial impact on career engagement and organizational commitment. No correlation was noted, however, between job satisfaction and job performance. This study has also found, on the contrary that work involvement and organizational engagement have a beneficial impact on job performance.

Jones, Woods and Guillaume (2016) analyzed organizational coaching's impact on coaching success outcomes. The study showed that coaching has positive effects on organizational outcomes as well as on specific forms of outcome indicators such as skill-based, affective, and individual outcomes. Coach form, quality in coaching suggested a significant impact on the results of the company. The effect sizes support the potential usefulness of organizational coaching. Implications for study and training coaching will be discussed. Therefore, there is a power relationship between line managers and their subordinates that is missing in the helpful relationship that a coach would have with an independent coach. Managers and supervisors may recommend coaching as a developmental activity for their workers, but in line with the relational concept of coaching, the developmental relationship that promotes training and growth would be with a coach instead of the manager or supervisor.

Beltrán-Martín and Bou-Llusal (2018) explored the intermediate function of employee ability, motivation and opportunities to participate in the relationship between HR bundles and quality of employees. The study used matched data from eighty-three HR directors, eighty-three R&D managers and 262 R&D employees in a sample of Spanish companies. The results showed that the skill-enhancing and opportunity-enhancing HR bundles improve both employee abilities and motivation; the opportunity-enhancing HR package also helps to increase employee engagement opportunities.

In a microfinance institution in Cameroon, Fonkeng (2018) studied the effects of job stress on employee performance. For choosing the sample size of eighty respondents, purposeful and simple random technique was used. Using questionnaires and focus group conversation, data collection was performed. The findings show that workers with excessive stress are less motivated to work, and the effect has an impact on their productivity as many of them feel that management is putting pressure on them to improve their efficiency.

3.0 Research Methodology

A descriptive survey design was used and target population was 150 employees in Tetra Pak Limited. A sample of 108 respondents was selected using stratified random sampling technique. Structured questionnaires were used to collect primary data. Descriptive statistics (frequencies, percentages, means and standard deviations) and inferential statistics (correlation and regression) were generated.

4.0 Results and Discussion

4.1 Descriptive Statistics

The study sought to establish effect of performance coaching on employee performance of Tetra Pak Limited, Kenya. Table 1 presents the descriptive statistic results on performance coaching.

Table 1: Descriptive Statistic on Performance Coaching

Statement	S. D	D	N	A	S. A	Mean	Std. Dev
The organization encourages employees to work independently	0.0%	0.0%	0.0%	53.8%	46.2%	4.46	0.50
The organization puts emphasis on employee's quality of work in their deliverables.	0.0%	7.7%	15.4%	30.8%	46.2%	4.15	0.95
The organization supports employees in identification of interests and skills.	31.9%	7.7%	23.1%	29.7%	7.7%	2.74	1.38
The organization provides opportunities for employees to identify and develop new abilities	7.7%	7.7%	24.2%	38.5%	14.3%	3.21	1.42
There are programs aimed at equipping employees with skills to enable better performance.	0.0%	15.4%	0.0%	46.2%	38.5%	4.08	1.00
Average score						3.73	1.05

Findings in Table 1 indicate that majority of the respondents agreed with the statement that the organization encourages employees to work independently ($m=4.46$), the organization puts emphasis on employee's quality of work in their deliverables ($m=4.15$), and there are programs aimed at equipping employees with skills to enable better performance ($m=4.08$). Further, the respondents moderately agreed with the statement that the organization supports employees in identification of interests and skills ($m=2.74$), and the organization provides opportunities for employees to identify and develop new abilities ($m=3.21$). The overall average of 3.73 indicate that majority of the respondents agreed with most of the statements on performance coaching, with the responses spread out from the mean as shown by the standard deviation of 1.05.

4.2 Correlation between Performance Coaching and Employee Performance

Table 2 presents the correlation results between performance coaching and employee performance.

Table 2: Correlation Matrix

		Employee performance	Performance coaching
Employee performance	Pearson Correlation	1	
	Sig. (2-tailed)		
	N	91	
Performance coaching	Pearson Correlation	.696**	1
	Sig. (2-tailed)	0	
	N	91	91

The findings in Table 2 indicate that there is a positive and significant correlation between performance coaching and employee performance as supported by ($r = .696^{**}$, $P = 0.000$). These findings imply that an increase in performance coaching is associated with increase in employee performance.

5.0 Conclusion

The study concluded that performance coaching had a positive and significant effect on employee performance of Tetra Pak Limited, Kenya. The implication of this finding is that increase in performance coaching is likely to increase employee performance of Tetra Pak Limited, through increased output and innovation as well as reduced error rates.

6.0 Recommendations

The findings revealed that performance coaching had a positive and significant effect on employee performance of Tetra Pak Limited, Kenya. The study, therefore, recommends that Tetra Pak limited should strengthen performance coaching related aspects including programs that support employees in identification of their interests and skills, as well as providing opportunities for employees to identify and develop new abilities in order to boost employees' performance.

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