

**ASSESSMENT OF INDUSTRIAL UNREST INTERVENTIONS STRATEGIES
ON ORGANIZATIONS' EMPLOYEE PERFORMANCE**

A CASE STUDY OF MUMIAS SUGAR COMPANY

SIMON NYAKWARA

MKU/PHD/000210/112/17959

**A THESIS SUBMITTED IN PARTIAL FULFILMENT FOR THE AWARD OF
DEGREE OF DOCTOR OF PHILOSOPHY IN BUSINESS ADMINISTRATION
OF MOUNT KENYA UNIVERSITY**

FEBRUARY, 2014

ABSTRACT

Industrial unrest has been a major issue for most organizations all over the world. When employees within an organization persistently fail to realize their work goals and objectives in life that are tied to their work place, then they tend to develop negative attitudes towards their work on the employer. In Mumias Sugar Company, managers had managed to significantly minimize cases of industrial unrest. For this reason, the researcher sought to find out what intervention strategies were used and which ones when combined yielded the best results. The objectives of the study were: to determine the effects of remunerations and rewards; to examine the influence of working conditions; to establish the influence of managerial policies and; to establish the influence of industrial unrest intervention strategies used as components of industrial unrest intervention strategies on organizational performance in Mumias Sugar Company. Research questions were formulated to guide the researcher. The Contagion Theory by Gustav Le Bon of 1896 was adopted as theoretical framework for the study where the bargaining theory focused on the interactions between professional negotiators for employers and employees; the mobilization theory focused on the decisions of workers to participate in industrial conflict and; the comparative approach focused on economic and social - political institutions. A conceptual framework was developed from theoretical framework which guided the study. Related literature was reviewed and it was established that organizations have been taking measures to either avert or end industrial unrest and in turn improve their overall performance. However, these measures have been found to be effective only for a short period of time hence having minimal impact on organizational performance. This, as it was established, was due to the fact that each measure served a specific purpose hence did not address the employees' problems comprehensively. The study identified that no studies had ever measured the combined effect of using multiple industrial unrest intervention strategies on organizational performance at Mumias Sugar Company. Causal-comparative research design was adopted for this study. The study area was Mumias Sugar Company and the target population was 1938 at the time of the study. Morgan and Krejcie's formula for sample size determination was used to calculate the sample size of 321 respondents. Purposive sampling technique was used to identify one top level manager for the interview schedule and five middle level managers for the filling of questionnaires; while simple random sampling technique was used to select the 309 employee respondents for the study. The study collected quantitative data through closed-ended questionnaires and qualitative data through open-ended questionnaires, document analysis and interview schedules. The instruments were pilot tested and their validity verified by the two assigned supervisors. Reliability, coefficient was determined through the Cronbach's Alpha Coefficient. Data were collected, coded and entered into the SPSS package for analysis. Data were presented using frequencies, Chi-squares and percentages on the variables responses. The findings from the study indicated that the major forms of industrial unrest experienced by MSC were strikes and the main cause of this was inflexibility of terms and conditions of employment. The study concluded that industrial unrest intervention strategies employed at MSC did not only address the issue of unrest but also enhanced performance of the organization. The recommendations of the study were that MSC should address causes of unrest and formulate appropriate policy. This policy should target both the organization and the employees to enhance employee performance and eventually organizational performance. The study also made recommendations for further studies on Industrial unrest.