

**EMPLOYEE COMMITMENT AND ORGANISATIONAL PERFORMANCE IN NILE
BREWERIES LIMITED UGANDA**

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**A PROPOSAL SUBMITTED TO THE SCHOOL OF BUSINESS AND MANAGEMENT IN
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CHAPETER ONE

INTRODUCTION

1.1 Introduction

The study will examine the effect of employee commitment and organisational performance in Nile Breweries Limited in Uganda. In this study, employee commitment is the independent variable and organisational performance is the dependent variable. The proposal is structured under the introduction, literature review and methodology chapters. To begin with is the introductory chapter which covers the background of the study, the statement of the problem, the purpose of the study, objectives of the study, the research questions, the hypotheses, the conceptual framework, the scope of the study, the significance, justification and operation definition of terms and concepts.

1.2 Background of the Study

1.2.1 Historical Background

In a fast changing business environment and tough global competition, employee commitment is now considered a natural process for effective performance of individuals and organisations (Armstrong, 2005, pp.185). Employee commitment may seem a relatively new concept but actually it goes back over 20 years when the term first appeared in an academic journal in 1990. Work and employee commitment was being researched as early as the 1950s in terms of a single and a multidimensional perspective (Wei and Tai, 2010, pp.904). During the 70s and 80s, HR's focus was on employee satisfaction. By the end of the 1990s, leaders did not find the value in understanding whether or not their people were more or less committed to the organisation. It was particularly frustrating that leaders could see that people committed to the organisation were not as

committed to the strategic change initiatives, the majority of which failed to live up to expectations (Saher, 2012, pp.247-251).

But this had little or no connection with performance and was more about the employee than the organisation or the employee's relationship with it. According to Tolentino (2012, pp.51-53), The focus then moved from satisfaction to commitment in return for a job and possibly a job for life, the employee would be loyal and commit himself to the organisation. Organisational commitment develops through stages, as outlined by Becker (1960, pp.35-36) as compliance, identification and internalization. The first stage, namely compliance centralizes around the employee accepting the influence of others mainly to benefit from them, through remuneration or promotion. At this stage, attitudes and behaviours are adopted not because of shared beliefs but simply to gain specific rewards. The nature of organisational commitment in the compliance stage is associated with the continuance dimension commitment, where the employee is calculative with the need to stay in the organisation when evaluating the rewards (Gul, 2002, pp.39). This implies that at this stage, employees stay in the organisation because of what they receive (Allen and Meyer, 1990, pp.1-8). The second stage, namely identification, occurs when employees accept the influence of others in order to maintain a satisfying self-defining relationship with the organisation (O'Reilly, 1989, pp.17).

Employees feel proud to be part of the organisation, they may regard the roles they have in the organisation as part their self-identity. Organisational commitment at this stage is based on the normative dimension (Allen and Meyer, 1990, pp.1-18). The individual stays because he or she should and is guided by a sense of duty and loyalty towards the organisation. The last stage, namely internalization takes place when the employee finds the values of the organisation to be intrinsically rewarding and congruent with his or her personal values (Fitnat, 2011, pp.219-263). Organisational commitment at this level is based on the effective dimension (Allen and Meyer,

1990, pp.1-18). The employee at this stage develops not only the sense of belonging but passion to belong to the organisation hence the commitment is based on a want to stay basis. The values of the individual are therefore congruent with those of the group and the organisation (Uyguc, 2004, pp.92).

1.2.2 Theoretical Background

The study will be anchored on the Becker's theory and Exchange theory that signify the relationship between the independent and dependent variables of this study as well as assisting to measuring the level of an organization's performance against the organisational expectations. The most prominent single-dimensional approach to employee commitment is the attitudinal approach of Steers (1979, pp.46), which views commitment largely as an employee attitude or a set of behavioral intentions. Becker's theory also known as the side-bet theory, has been widely used to explain commitment from a behavioral perspective (Becker, 1960, pp.36-38). He describes side-bets as consequences to other interests and activities that result from a particular line of action. In life's routines, individuals stake value on continuing a consistent line of behaviour. Together, this line of action may come to represent a series of side-bets that an individual is willing to lose (Allen and Meyer, 1996, pp.253).

According to Allen and Meyer (1990, pp.4-15), the most popular multi-dimensional approach to organisational commitment is that of Meyer and Allen who in 1991, basing their argument on Becker's theory, introduced the dimension of continuance commitment to the already existing dimension of affective commitment. They later added a third, normative commitment component. Exchange theory has filled the literature on commitment and represents a widely used variation of the behavioural approach to the determination of commitment. According to the exchange theory, an employee who perceives a favourable exchange and greater rewards is more likely to be a committed employee (Allen and Meyer, 1990, pp.4-15). The behavioural perspective on

commitment implies those consequences of the initial pursuit of a line of action which constrain the actor to continue that line of action. The theories may help explain the poor organisational performance, when they emphasize the need for organisations to ensure proper organisational commitment so as to remain sustainable. This implies that if Nile Breweries Limited does not comply with what is suggested by the theories, then its performance could remain low despite management's effort to implement employee commitment.

1.2.3 Conceptual Background

Two concepts constitute the major variables of this study namely; employee commitment and organisational performance. This section gives a brief overview of the conceptualization of those two variables for their understanding is important to their application in the study. Though regarded as the vital aspect of any successful organisation, employee commitment definitions vary depending on the researcher's specific domain. Tolentino (2012, pp.51-53) described employee commitment as an individual's psychological bond to the organisation, including a sense of job involvement, loyalty and belief in the values of the organisation. Employee commitment from this point of view is characterized by employee's acceptance of organisational goals and their willingness to exert effort on behalf of the organisation (Rhoades, et.al., 2001, pp.825-826).

Allen and Meyer (1990, pp.1-15) used the tri-dimensional model to conceptualize organisational commitment in three dimensions namely, affective, continuance and normative commitments. These dimensions describe the different ways of organisational commitment development and the implications for employees' behaviour. The first dimension is affective commitment, which represents the individual's emotional attachment to the organisation. The second dimension is continuance commitment. Saher (2012, pp.247-251) defined continuance commitment as awareness of the costs associated with leaving the organisation. It is calculative in nature because

of the individual's perception or weighing of costs and risks associated with leaving the current organisation.

The last dimension is normative commitment. Allen and Meyer (1990, pp.4-15) defined normative commitment as a feeling of obligation to continue employment. Internalized normative beliefs of duty and obligation make individuals obliged to sustain membership in the organisation (Jing & Xiao-hua, 2009, pp.621). In terms of the normative dimension, the employees stay because they should do so or it is the proper thing to do. On the other hand, Utapao (2003, pp.5) measured organisational commitment in terms of acceptance of division goals and values and desire to stay with the organisation, whereas, Quevedo (2006, pp.7-8) measured organisational commitment according to a sense of identification with the organization's goals, feeling of involvement in organisational duties and feeling of loyalty for the organisation. This study will adopt the dimensions used to measure organisational commitment by Saher (2012, pp.247-251).

Organisational performance refers to the level of performance of an organisation over a specified period of time, expressed in terms of overall profits and losses during that time (Joseph and Dai, 2009, pp 117-119). According to Stoner (2003, pp.5), organisational performance refers to performance as the ability to operate efficiently, profitably, survive, grow and react to the environmental opportunities and threats. The performance of firms can be measured by using accounting based, market based, cash flow as well as value based performance measures. Accounting based performance measures reflect a firm's past performance. The focus of the majority of these measures is on profitability. Classical management theorists considered maximization as the legitimate objective of firms (Verweire & Berghe, 2005, pp.5-6).

The first King report stated that the profitability of firms must be amongst the important driving forces of governance. If there is no profitability in a firm, none of the stakeholders will have any

enduring interest. The two profitability measures that are used to measure firm performance appear to be Return On Assets (ROA) and Return On Equity (ROE). In addition, the Earnings Per Share (EPS) and the dividend payout ratio are also frequently used accounting based performance measures (Verweire & Berghe, 2005, pp.5-6). These four accounting based measures will be used in this study to measure performance. Market based performance measures evaluate the market's perceptions of a firm's performance and risk. These ratios relate the firm's share price to its earnings and book value per share, giving an indication to managers of investors' perceptions of the firm's past performance and prospects for the future. If a firm's liquidity, asset and debt management as well as profitability ratios are high, the market value ratios will probably also be high with the share price as high as can be expected (Moyer, McGuigan & Kretlow, 2009, pp.26-34). Total Shareholder Return (TSR) is a concept used to compare the performance of shares of different firms over time. It combines both share price appreciation and dividends paid to indicate the total return to the shareholder. The following commonly used market value ratios will also be considered; the price-earnings ratio, price-to-book ratio and dividend yield. In addition, a multi-factor market price model will then be employed, such as the Fama and French three factor model.

1.2.4 Contextual Background

Nile Breweries Limited (NBL) manufactures beer and produces purified drinking water in Uganda. NBL stated as a singled brewery in Jinja in 1951 and nationalized in 1972. In 1997, South Africa Breweries bought a 40 percent share in the brewery and this was raised to full ownership in 2001 (NBL, 2016). NBL's share of the Ugandan beer market was estimated at 52 percent in 2013. the company current produces brands such as Nile Special, Nile Gold, Club Pilsener, Castle Lite, Castel Milk Stout, Eagle Lager, Eagle Extra, Eagle Dark, Redd's and Chairma's ESB. One locally produced traditional African beer Chibuku, two imported lagers Castle Lager and Grolsch, one ready to drink product Redd's Vodka Lemon and Rwenzori Mineral Water (NBL Annual Report,

2014). In Uganda, the brewery sector has undergone several reforms geared among other things towards improvement of organisational performance.

Barigaba (2013, pp.1-4) avers that NBL's approach to employee commitment is based on a well established HR structures and relies on both individual responsibility and collective oversight supported by employee engagement. According to NBL Performance Report (2015), effective policies and procedures have enabled NBL to maintain sound grading standards, monitor and control risk and properly evaluate new business opportunities. Despite the existence of a robust HR management framework, NBL has continued to record poor performance. Most of these problems are linked to failure to realize projected profits which continues to affect the level of liquidity at the company. This is also affected by unstable high inflation rates in the money markets, devaluation of the Shilling against foreign forex and increasing energy cost of production. The move by the company to slash prices of some of its low-end beer brands brewed for the low end market, also partly affected the company's profitability. According to the financial statements for NBL for the period 2011 to 2014, the company's deferred income showed a steady increase of 9 percent, the company recorded increases in stock levels of 12 percent, operational costs were steadily increasing and failure to meet sales targets.

Much as NBL commands a 55/56 percent market share, the customer units per annum still remain low partly attributed negative promotion such as alcohol consumption may be harmful to your health and consumption of alcohol is limited to those above 18 years of age (NBL Sales Performance Report, 2014). Industry statistics show that Ugandans are still average drinkers, consuming about 10 litres annually compared to South Africans' 80 litres and Czechoslovakia leading with 100 litres per person annually, making them the highest alcohol consumers in the world. Nile Breweries Limited (NBL) is targeting the informal drinkers, those who drink local

brew. Similarly, the NBL Annual Report (2011) showed that excessive pressures on the staff to deliver on set targets have promoted staff attrition at the company.

Evidently, this explains why the organisation has become prone to pilfering of its outstanding employees by competitions. Furthermore, it is perceived that the huge disparity between workload and remuneration is also encouraging quality staff to seek better employment terms and conditions in other organisations. Additionally, improvements in systems and procedures have also been hindered by senior management who abruptly change day to day work routines and practice favouritism. The above weaknesses may be responsible for the growing poor performance at NBL. It is upon this background that the study seeks to examine the effect of employee commitment on NBL's performance.

1.3 Problem Statement

In order to ensure efficiency in the performance of organisations, management should support and encourage structural adjustments that promote employee commitment in these organisations. Joseph and Dai (2009, pp.117-119) suggest that in order to promote organisational performance, there should be normative commitment, continuance commitment and affective commitment on the part of the employees for organisational work processes to perform as required. According to Katou and Budhwar (2007, pp.1-7), organisational performance is a function of the management of employee's commitment which has a significant effect on the overall performance. Nile Breweries Limited (NBL) still struggles with poor organisational performance which is evidenced by the persistent profitability, growth, liquidity problems against increasing operational costs over the years (NBL Performance Report, 2014). According to the NBL Annual Report (2014), the company continued to record declines in profitability, revenue levels, market share, sales against dissatisfied customers which have contributed to the company's poor performance. According to

the company's Annual Report (2013), the company had failed to meet the 15% projected annual sales for the last three consecutive years only being able to realize 9-11% annually. The report also revealed that the company had failed to attain the preferred 65% optimum level of working-capital resulting from increase in trade receivables averaging between 5%-10% annually. According to NBL's Strategic Plan for the period 2011-2015, the main challenge for implementing all the various strategies was found to be financial shortage or financial constraints. For the period 2011 to 2015, the company's market share declined from brewery share dropped from 65% to 59% contributing to the reductions in the company's profits, liquidity, revenues and sales (NBL Annual Report, 2015). Also pointed out by the reports were the increasing importation costs of raw materials rising by 10%-15% annually which affected the company's performance. If the management of NBL does not pay attention to the declining organisational performance, this may endanger the sustainability of the company and result into its collapse. It is upon this background that this study will attempt to examine the effect of employee commitment on the performance of the company.

1.4 General Objective of the Study

The study will examine the effect of employee commitment on organizational performance in Nile Breweries Limited (NBL).

1.5 Specific Objectives

- i) To establish the effect of normative commitment on organizational performance at NBL.
- ii) To examine the effect of continuance commitment on organizational performance at NBL.
- iii) To establish the effect of affective commitment on organizational performance of at NBL.

1.6 Research Questions

- i) What is the effect of normative commitment on organizational performance at NBL?
- ii) What is the effect of continuance commitment on organizational performance at NBL?
- iii) What is the effect of affective commitment on organizational performance of at NBL?
- iv) What is the effect of Regulations Polices and competition to organization Performance of NBL?

1.7 Hypotheses of the Study

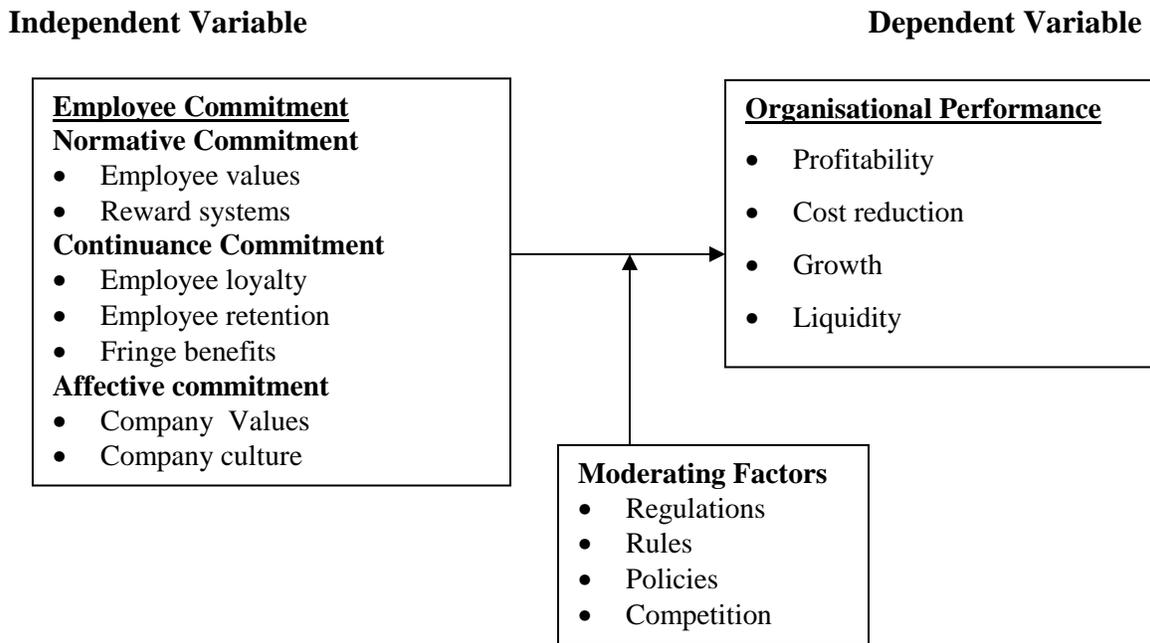
The study will be guided by the following hypotheses;

- i) Normative commitment significantly influences organisational performance.
- ii) Continuance commitment has a positive significant effect on organisational performance.
- iii) Affective commitment has a positive influence on organizational performance.
- iv) Regulations, Polices and completion influence organizational performance.

1.8 Conceptual Framework

The framework shows the relationship between independent variable and dependent variable. According to Mugenda and Mugenda (2003, pp.35-36), an independent variable is a variable that has an influence on the dependent variable. When the independent variable is present, the dependent variable is also present and with each unit of increase in the independent variable, there is an increase or decrease on the dependent variable as well. In other words, the variance in the dependent variable is accounted for by the independent variable. The conceptual framework shows the relationship between the study variables under investigation. The independent variable will be employee commitment with organisational performance as the dependent variable. The model shows that employee commitment influences organisational performance.

Figure 1.1: Conceptual Framework



Source: Adopted with modifications from the literature of Brisco and Claus, 2008, pp.26-43; Katou and Budhwar, 2007, pp1-7; Joseph and Dai, 2009, pp.117-119

Employee commitment plays a vital role in the enhancement of organisational performance. Therefore, the study attempted to establish the relationship between employee commitment and organisational performance in Nile Breweries Limited. The key factors related to organisational performance are synthesized to form this presented conceptual framework. The dependent variable is organisational performance whereas, the independent variables comprised of normative commitment, continuance commitment and affective commitment. Organisational performance is the variable of interest in which the variance is attempted to be explained by dimensions of employee commitment; normative commitment, continuance commitment and affective commitment. According to Udu and Ameh (2016, pp.1-4), employee commitment contributes a crucial role in the enhancement of effective and efficient organisational performance. In regard to normative commitment, O'Reilly (1989, pp.17) observes that the effectiveness of organisational performance of an organisation rests on having or ensuring normative commitment in regard to employee values and organisational reward structures. However, this depended on the integrity and

competence of the staff operating it. For some organizations, continuance commitment is paramount in determining the performance of organisations (Khyzer, Zulfiqar, Shafi and Shaheen, 2011, pp.87-88). Therefore, higher levels of continuance commitment tend to result in an increase in organisational performance (Allen and Meyer, 1990, pp.6). On the other hand, an organization's performance can be improved through affective commitment since company values and culture help a firm to focus on responding and adapting to its staff needs effectively (Fitnat, 2011, pp.219-263). Therefore, the study will attempt to establish how the identified employee commitment dimensions affect organisational performance with policies, rules, regulations and competition moderating the relationships.

1.9 Significance of the Study

The study will inform a larger breweries sector related purpose, such as benefiting practitioners in their respective roles in engaging the world. Scientific-based evidence, information, research and technical support to build knowledge and capacity are needed to help the brewery sector support their companies, both in terms of efficiency and the services they provide.

It will be used for other research references; as it is with all research work, there are always gaps. So to academicians and researchers, the study should help to generate more intensive knowledge for further research on the response of breweries to other operational areas of service provision.

To the NBL policy formulation and review, this study's findings on the effect of employee commitment and organizational performance are expected to provide guidelines. Within the different departments, the recommendations of this study can be translated to the rest of the organisation for implementation to continuously improve on organisational performance.

The findings of the study will also be vital to policy makers as it clearly points out the effect of employee commitment on organizational performance in breweries as well as other factors which

affect performance. The possible solutions to these causes may be used by policy makers since they are a point of reference while writing company and government policies.

1.10 Justification of the Study

The study was justified in such away that employee commitment is paramount in determining organizational performance at NBL. In regard to management's concern on the efficient and effective use of organisational resources, it then becomes a necessity to review NBL's current employee commitment in relation to organizational performance. From the existing literature of (Armstrong, 2006, pp.185) and (Kepner, 2001, pp.17-26) among others, there has been extensive research carried out on employee commitment on business organizations but no study has been done to investigate the influence of employee commitment on organizational performance in the brewery sector. This creates a research gap in literature that will be bridged by undertaking this study.

1.11 Scope of the Study

1.11.1 Subject Scope

This study will focus on assessing the influence of employee commitment on organizational performance in the Nile Breweries Limited to further explain why the decline in performance resulting from poor employees commitment. In this study, the independent variable will be employee commitment whereas organizational performance will be the dependent variable.

1.11.2 Geographical Scope

The study will be centred on Nile Breweries Limited headquarters and main brewery located in the town of Njeru in Buikwe District and the branches in Kampala and Mbarara district. This is because the headquarters of NBL are located there and because that is where all governance decisions are centralized. The study will be restricted to the staff at the head office.

1.11.3 Time Scope

The study covered a period of 3 years from 2012-2015. This is the period when the negative effect of employee commitment at NBL became of concern to the management of the company when the company continued to experience declining normative commitment, continuance commitment and affective commitment resulting into staff turnover, deviant behaviours and declining employee productivity (NBL Report, 2015). Likewise, this is the period during which the brewery share dropped from 65% to 59% an indication that the company was facing major performance.

1.12 Operational Definitions

Given the varied conceptualizations of “employee commitment” and the many connotations of “organisational performance,” and other used terms herein, it is important to outline our perception of these terms.

- Affective commitment refers to the employee’s emotional attachment to identifying with and involvement in the organization.
- Continuance commitment refers to the commitment the employee experience towards the organization because of investments they have made or because of the costs associated with leaving the organization.
- Employee Commitment is the attachment an employee has to an organization, it’s the emotional interest employees attach to their jobs and this is the motivating factor behind their interest in the job which will determine how well they will perform their duties.
- Organisational performance refers to an analysis of a company's performance as compared to goals and objectives.
- Performance means both behaviours and results or employee outputs that focus on quality and quantity of work and the time taken to release such outputs.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter presents the literature on the dimension of employee commitment and how it relates to organisational performance. The purpose of reviewing the literature was to bring out a relationship amongst the variables in this study, present what other researchers have written in connection to this dimension and to identify the gaps in their reviewed studies but will then be closed by this study. The literature reviewed was from journal articles, research dissertations, books from the libraries and NBL reports. The chapter will be structured in four sections; the first is an introduction that gives general views of previous researchers, followed by the theoretical review; the third is an overview of literature of employee commitment, followed by literature on organisational performance and lastly the summary and conclusions.

2.2 Theoretical Review

Mugenda and Mugenda (2003, pp.35-39) defined a theory as a system of explaining phenomena by stating constructs and the laws that interrelate these constructs to each other. The study can be based on several theories that link employee commitment and organisational performance. This study is suitably anchored on Affective Events Theory (AET) propounded by Howard in 1974. The theory explains how emotions and moods influence employee commitment and organisational performance. It emphasizes the linkages between employees' internal influences such as cognitions, emotions, mental states and employees' reactions to such incidents that occur in their work environment which affect their job performances, commitment and job satisfaction.

Affective events theory maintains that positive inducing (up lifts) as well as negative inducing (hassles) emotional incidents at work are distinguishable and have a significant psychological

impact upon worker's job satisfaction. The results of internal factors such as cognition, emotions, mental states and external affective reactions displayed through job satisfaction, job performance and employee commitment. Workers who report low satisfaction are likely to engage in planned quitting whereas, employees who report high job satisfaction will remain, display high level of commitment, influence organisational market share locally and internationally and invariably leads to recognition of the employees and the organisation locally and globally.

The increase in market share of the organization's products/services as a result of general acceptance of the organization's offerings influences both the employees and the organisation locally and internationally and as well lead to increase in the profitability of the organisation. In breweries, employee's commitment is affected by events within the working environment like the level of share of the market of the company's products/services, the level of acceptance or recognition of the presence of the company locally and globally, the level of profitability of the company which may lead to job satisfaction and retention or intention to quit which in the long run affect the sustainability and overall performance in the brewery industry.

In this regard, the application of affective events theory influences the company's leaders to consider the performance of developed companies in the global financial markets and strategize their effort toward improving their performance locally and globally through value reorientation of their employees. Affective events theory enables organisations to change their market orientation. This is because market orientation is the organisation wide generation of market intelligence pertaining to current and future customer needs, dissemination of the intelligence across departments and organisations wide responsiveness to it.

2.3 Employee Commitment

Employee's commitment is a feeling of dedication to one's employing organisation, willingness to work hard for that employer and the intent to remain with that organisational attachment of the individual to the organisation. Cohen (2003, pp.xi) asserts that employees are regarded as committed to an organisation if they willingly continue their association with the organisation and devote considerable effort to achieving organisational goals. Creating commitment among employees is important because without this it will become difficult for an organisation to achieve strategic goals (Fitnat, 2011, pp.219-263). Organisational commitment means the involvement of an employee to perform his work with zeal and excitement. The high levels of effort exerted by employees with high levels of organisational commitment would lead to higher levels of performance and effectiveness of both the individual and the organisational levels.

Organisational commit can be perceived in three distinct dimensions which include continuance commitment, affective commitment and normative commitment (Arnold, 2005, pp.625). Continuance commitment refers to the commitment the employee experience towards the organisation because of investments they have made or because of the costs associated with leaving the organisation (Udu and Ameh, 2016, pp.1-4). This form of commitment developed when employees realise that they have accumulated investments they would lose if they left the organisation of because their alternatives are limited (Irefin and Mohammed, 2014, pp.33-36). Affective commitment refers to the employee's emotional attachment to identifying with and involvement in the organisation. it shows the extent to which the individual identifies with the organisation in terms of identification, involvement and emotional attachment (Miller, 2003, pp.73).

Employees with a strong affective commitment continue employment with the organisation because they want to do so. The difference between affective commitment and continuance commitment is that employees high in affective commitment stay with the organisation because they want to, while employees high in continuance commitment stay because they have to, while normative commitment is a form of commitment concerning a feeling of obligation to remain in the organisation (Udu and Ameh, 2016, pp.1-4). Meyer, Allen and Gellantly (1990, pp.711) describes the extent to which an individual believes he/she should be committed to an organisation and may be influenced by social norms. Therefore, employees with a high level of normative commitment feel that they ought to remain with the organisation. What these three dimensions have in common is that they all indicate the extent to which employees are willing to remain in an organisation (Saher, 2012, pp.247-251).

2.4 Organizational Performance

The ultimate goal of a business organisation is higher financial performance or maximization of wealth for stakeholders (Joseph and Dai, 2009, pp.117-119). Nonetheless, attaining the organization's goals depends upon the extent to which its organisational performance is reached (Katou and Budhwar, 2007, pp.1-7). Organisational performance is generally indicated by effectiveness, efficiency, satisfaction of employees and customers, innovation, quality of products or services and ability to maintain a unique human pool. The organisational performance variables of the present study included features such as product quality, customer satisfaction, new product development, ability to attract employees, ability to retain employees and relationship between management and employees.

According to Kaplan and Norton (1993, pp.135-139), organisational performance means the transformation of in-puts into outputs for achieving certain outcomes. With regard to its content,

performance informs about the relation between minimal and effective cost (economy), between effective cost and realized output (efficiency) and between output and achieved outcome (effectiveness). Sales performance can be explained as all the activities or investment carried out in the firm in the given period of time. It can be measured by total amount of revenue collected for the goods/services sold. Growth revenue is defined as total amount of money collected by the company for the goods they sold in a specific time and this amount is calculated before any expenses are subtracted. Effectiveness of the organisation depends on the three basic performance determinants which include; efficiency and process reliability, human resource and relations and innovation and adaptation to environment (Joseph and Dai, 2009, pp.117-119).

Efficiency is defined as a term practiced by an organisation or a firm to use people and resources to carryout important operations in a way which minimizes the costs. According to Khyzer, Zulfiqar, Shafi and Shaheen (2011, pp.87-88), when the resources are used in a proper way as compared to the competitors, the cost of operation will decrease and the profit margin will increase. Efficiency is important when the competitive strategy of the firm offers products and services at lower rates than the competitors. Human resource relation is defined as trust, organisational commitment, collective identification and cooperation among the employees (Joseph and Dai, 2009, pp.117-119). Most organisations view their performance in terms of effectiveness in achieving their mission, purpose or goals. Most public organisations, for example, would tend to link the larger notion of organisational performance to the results of their particular programs to improve the lives of a target group (Katou and Budhwar, 2007, pp.1-7). At the same time, a majority of organisations also see their performance in terms of their efficiency in deploying resources. This relates to the optimal use of resources to obtain the results desired.

Finally, in order for an organisation to remain viable over time, it must be both financially viable and relevant to its stakeholders and their changing needs. In the organisational performance framework, these four aspects of performance are the key dimensions to organisational performance. Organisations exist within certain external contexts or environments that facilitate or impede their performance. Key factors in the policy or regulatory environment and in the economic, political, socio-cultural, environmental and technological contexts, affect how the organisation does its work or the work it does (Kaplan and Norton, 1993, pp.134-136). Internally, performance is driven by the organization's motivation to perform which refers to the organisational culture, history, mission, values and incentive systems. These factors affect the quality of work, the nature of how the organisation competes and the degree of involvement of internal stakeholders in decision making processes. Performance is driven, in part, by organisational capacity which we now understand as existing in seven basic areas; strategic leadership, human resources, financial resources, infrastructure, programming and process management and inter-institutional linkages (Khyzer, et. al, 2011, pp.87-88).

Each of these areas may be described in sub-components, as for example in the organization's strategic leadership capacity which is understood as its structure, governance, leadership, strategic plans and niche management. Human resources, financial resources and infrastructure are seen as resources as well as the management of these resources (Katou and Budhwar, 2007, pp.1-7). Organisations also have capacities that result from the relations, partners and alliances they have established with other organisations referred to as inter-institutional linkages. Kaplan and Norton (1993, pp.134-136) explain balanced scorecard methodology as a comprehensive approach that analyses an organization's overall performance in four ways, based on the idea that assessing performance through financial returns only provides information about how well the organisation

did prior to the assessment, so that future performance can be predicated and proper actions taken to create the desired future.

The methodology examines performance in four areas; cost analysis in terms of procurement is the most traditionally used performance indicator, which includes assessments of measures such as opening costs and return on investment. customer analysis looks at customer satisfaction and retention, internal analysis looks at production and innovation, measuring performance in terms of maximizing profit from current products and following indicators for future productivity and finally, learning and growth analysis explores the effectiveness of management in terms of measures of employee satisfaction and retention and information system performance (Joseph and Dai, 2009, pp.117-119). As a structure, balanced scorecard methodology breaks broad goals down successively into vision, strategies, tactical activities and metrics.

2.5 Normative Commitment and Organisational Performance

Normative commitment is obligation based and is measured by the individual's feeling that they have to stay with the organisation (Wiener and Vardi, 1980, pp.86). Saher (2012, pp.247-251) claimed that this kind of commitment arises from the person's sense of obligation to the organisation. These feelings of obligation may come because the employer took a chance on the employee when nobody else would. In turn, the employee feels indebted to the employer. Therefore, by a show of loyalty and duty, it would be difficult to leave. Normative commitment involves staying with the organisation because you ought to (Udu and Ameh, 2016, pp.1-4). It is also a reflection of how much a person's values and beliefs are aligned to the organization's core values. Meyer and Allen (1984, pp.61-65) revealed that normative commitment is positively related to performance. For example, an employee may feel a sense of obligation to stay with their

employer during its time of need even though it is no longer advantageous to do so. They may fear the potential disappointment in their employer or teammates.

Normative Commitment (NC) has grand value for organisations and their human resources. NC reveals visible responsibility of staying with institute or organisation (Irefin and Mohammed, 2014, pp.33-36). NC relaxes an employee's compulsory feelings towards collaborators or management, people stay because they think an obligation to perform (Mowday, Porter and Steers, 1982, pp.26). Normative commitment is sensation of responsibility, well behaved and faithful employees can do work better having fewer opportunity, considering themselves employees of the organisation. Employees are vital resource in any organisation and any society (Zafar, 2015, pp.1-2). Organisations have to care for employees fairly in order to catch the attention of and support good employees (Saher, 2012, pp.247-251). Individual and collective action affects the organisational commitment, term intention and eagerness for efforts of the workers.

Organisations ignore the value of the normative commitment which has naturally great importance for the organisations and their employees. if organisations have normative commitment culture towards employees it will create psychological positive effects on employees which improve their performance (Meyer and Allen, 1984, pp.61-65). These are willingness, loyalty and emotions of employees, which make able the employees to use their vigour, ability and knowledge with full concentration to do their job. Organisational commitment functionally, it is dynamic naturally to attract the employee's faithfulness and eagerness to expose attempt to the organisation, for achieving the level and importance of the organization's goals and want to maintain relation with the organisation (Steers, 1977, pp.46). He recognized that commitment brings changing in feelings and actions of the employees (Irefin and Mohammed, 2014, pp.33-36). Individuals with higher

level of organisational attachment will be more willing to work for the organisation and to say as a member of the organisation, which brings about higher levels of productivity in the organisation.

2.6 Continuance Commitment and Organizational Performance

Continuance commitment relates to how much employees feel the need to stay at their organisation. In employees that are continuance committed, the underlying reason for their commitment lies in their need to stay with the organisation (Saher, 2012, pp.247-251). Possible reasons for needing to stay with organisations vary, but the main reasons relate to a lack of work alternatives and remunerations. A good example of continuance commitment is when employees feel the need to stay with their organisation because their salary and fringe benefits won't improve if they move to another organisation (Udu and Ameh, 2016, pp.1-4). Such examples can become an issue for organisations as employees that are continuance committed may become dissatisfied (and disengaged) with their work and yet are unwilling to leave the organisation.

Continuance commitment refers to an employee feeling that he/she has to stay with the company because the costs of leaving are too great. This is manifested by an individual who maintains commitment to the organisation because he/she is unable to match salary and/or benefits with another employer (Zafar, 2015, pp.1-2). Continuance commitment involves staying with the organisation because you have to (Porter, et. al., 1974, pp.604). For example, an employee that has already vested many years in a company building up years of leave, employee benefits and salary. If the employees were to leave the company, he/she may lose the time vested, as well as seniority and pension loss. It would not be beneficial for this employee to leave, so he stays because he has to, not because he wants to stay loyal to the company. While employees may remain with an organisation, they do not necessarily feel compelled to perform at a high level. Continuance

commitment is cost based. This kind of commitment is grounded on the value that the employees derive from the organisation (Irefin and Mohammed, 2014, pp.33-36).

With this kind of commitment, employees stay primarily to avoid losing something of value such as income, benefits and seniority. As such, continuance is the willingness to remain in an organisation because of the investment that the employee has with nontransferable investments. Nontransferable investments include things such as retirement, relationships with other employees or things that are special to the organisation (Irefin and Mohammed, 2014, pp.33-36). Continuance commitment also includes factors such as years of employment or benefits that the employee may receive that are unique to the organisation (Meyer and Allen, 1984, pp.61-65). It is proposed that the continuance component of organisational commitment will also develop on the basis of two factors, the magnitude and/or number of investment (or side-bets) individuals make and perceived lack of alternative (Udu and Ameh, 2016, pp.1-4).

According to Becker (1960, pp.35-36), people committed to the organisation due to three reasons, the generalized culture expectation where people feel that a man ought not to change his job too often and that one who does is erratic and untrustworthy, impersonal bureaucratic arrangement where a man who wishes to leave his current job may find that, because of the rules governing the firm's pension fund, he is unable to leave without losing a considerable sum of money he has in that fund, individual adjustment to social positions where a person may so alter his patterns of activity in the process of conforming to the requirement for one social position that he unfits himself for other positions he might have access (Shahid, 2013, pp.260-263). Employee would be more attached to their organisation if they cannot obtain the same benefits in another firm (Zafar, 2015, pp.1-2). It is generally agreed that continuance commitment develops when a person makes investments, or side-bet, that would be lost if he or she were to discontinue the activity (Mowday,

Porter and Steers, 1982, pp.26). Saher (2012, pp.247-251) further explains that employees who share continuance commitment with their employer often make it very difficult for an employee to leave the organisation.

2.7 Affective Commitment and Organizational Performance

Affective commitment refers to one's feelings of loyalty to a company or organisation because he or she believes in the organisation (Best, 1994, pp.69). Because of this loyalty, one is fully willing to accept the company's goals and values as his/her own. Affective commitment can enhance organisational performance because employees agree with the organization's objectives and principles, because employees feel they are treated fairly in terms of equity and because employees receive organisational care, concern and support (Meyer and Allen, 1997, pp.106). According to Tetrick (1995, pp.589), affective commitment involves staying with the organisation because you want to. This type of commitment is typically the result of a supportive work environment in which individuals are treated fairly and the value of individual contributors is embraced. An employee's affective commitment is dependent on the employee's positive feelings towards the organisation and is often the result of organisational policies and activities that promote a positive connection with the work group (Allen and Meyer, 1990, pp.6).

Porter, et. al., (1974, pp.604) claimed that employees with a strong affective commitment stay because they want to and are more likely to carry out their duties well. The common point of organisational commitment components is the employees continue to remain in the organisation whatever they feel positive or negative (Shahid, 2013, pp.260-263). However, the main important point here for the organisation is the performance and efficiency of the employee. The attitudes and performance of employees in work place depends on what they perceive about the organisation (Zafar, 2015, pp.1-2). For instance, when employees perceive that their organisation

acts as a true organisation, they form positive images about it. They feel proud to identify with such an organisation, develop their self-esteem, form affective bonds with the organisation, develop a sense of loyalty and make efforts to perform better and to benefit the whole organisation. Individuals, who bond to their organisation emotionally, have higher work performance (Fitnat, 2011, pp.219-263).

According to Shahid (2013, pp.260-263), the organisation's success depends on employees' performance. However, if the employees feel alienated to their job, they will only do the minimum amount required. This isn't a desired situation for the profit oriented organisations. Suitable working environments which satisfy and motivate the employees, lead them to have higher works performance. The working conditions shouldn't create a climate of silence that makes people feel helpless and inadequate. Otherwise, the employees continue to work in the organisation because they ought to or they have to. They lose their self confidence, motivation and willingness to change the undesired issues and their beliefs on organisational goals (Fitnat, 2011, pp.219-263). In order to create effective commitment, the psychological needs of the employees such as feeling comfortable and competent have to be fulfilled. According to (Udu and Ameh, 2016, pp.1-4), organisational reliability, openness to new ideas, equity, role and purpose clarity meet the needs of employees' feeling comfortable in the work place. On the other hand, a challenging job, difficulty of goals, feedbacks made by the management and participation in decision making lead people to feel competent.

2.8 Empirical Studies

Employee will be considered as committed when he will remain with the organisation for a long time period and desires to live in the same organisation. Over the years, tremendous researchers have been conducted to support that statement. At the end it was concluded that committed

employees stay in the organisation for a long time period in contrast of those who are relatively less committed with the organisation. Steers (1977, pp.46-56) found that more committed employees wish to terminate from the organisation at minimum level. There is higher intention of committed employees to remain in the organisation and they work hard in performing their tasks that will increase the positive attitude towards the organisation and that this will ultimately increase the productivity of the organisation. This will result in higher organisational performance.

Arthur (1994, pp.670-687) concluded that organisational performance will be enhanced by higher level of employee commitment. He further found productivity of the organisation ultimately increased with the help of organisational commitment. Ows (2006, pp.163-171) also found that committed employees lead to higher organisational performance and very low level of employee shift from the organisation. Effective organisational commitment is always a result of the core behaviour of the major employees along with their behavioral factors.

In Africa, studies on employee commitment and organisational performance have been conducted although not extensively as in the western world. Some of the studies have been selected to be presented in this paper. Irefin and Mechanic (2014) carried out a study examining the effect of employee commitment on organisational performance with special interest in Coca Cola Nigeria Limited. The study focused the influence of employee commitment on organisational performance and employee's turnover. Both descriptive and explanatory research methodologies were adopted in this study. A questionnaire was constructed and administered among selected staff of Coca Cola Nigeria Limited. The result shows that the level of employee commitment of the staff of Coca Cola Company was very high, there was a fairly high relationship between employee commitment and organisational performance, there was also a very high relationship between employee commitment and employees' turnover.

Chinomona and Dhurup (2015, pp.32-38) conducted a study on the mediating role of organisational commitment on organisational citizenship behaviour and employee intention to stay in Zimbabwean SMEs. The results indicated that there are positive relationships between the posited research variables. Nomakhuze (2008, pp.36-44) carried out a study to investigate the relationship between organisational commitment and work performance in an Agricultural company. Allen and Meyer's organisational commitment questionnaire was used as well as the organization's verbal performance rating tool. The organisational commitment questionnaire was completed by a sample from the organisation and the performance ratings of the employees in the sample were used as comparison. A positive relationship between the two constructs was established while no statistically significant relationship could be established.

In Uganda, studies on employee commitment and organisational performance have been conducted. However, the literature on the subject is still in its infancy stage. Some of the studies that have been conducted are discussed below. Obicci (2014, pp.22-34) undertook a study to examine the determinants of employee commitment for organisational performance in the Ministry of Public Service and established that employee commitment determined a variance in the general organisational performance of the Ministry of Public Service in Uganda. Using the Ministry of Public Service in Uganda, as a case, this study sought to establish the affective, continuance and normative commitments of the employees for organisational performance. Quantitative data was collected from 96 staff of the Ministry. From his findings, he showed that it was obvious that affective, continuance and normative commitments had a significant impact on organisational performance at the Ministry.

Odoch and Nagoli (2014, pp.165-171) in their study on the effect of organisational commitment on job satisfaction in Uganda Colleges of Commerce. The respondents of the study included lecturing

staff and administrative staff. The structured questionnaires were used to gather information on the relationship between the variables under study. The findings indicated that job satisfaction relates positively with organisational commitment in UCCs. Tumwesigye (2010) investigated the role played by organisational commitment in the relationship between perceived organisational support and turnover intentions. The results provide evidence that organisational commitment has a significant mediating effect on the relationship between perceived organisational support and turnover intentions. Managerial implications of the findings were highlighted.

2.9 Synthesis of the Literature Review

The reviewed literature puts a lot of emphasis on employee commitment and organisational performance in public organisations focusing less on private organisations. This has contributed to inadequate literature on the association between employee commitment and organisational performance and more specifically in Uganda's brewery sector. On the other hand, much of the available literature is centred on developed economies and little or no research has been conducted on the subject in developing economies such as Uganda. This has left a literature gap which the study intends to close by carrying out a study on the effect of employee commitment on organisational performance in Uganda's breweries sector. As observed from the assertions of the studies reviewed in literature, there is some level of employee commitment in Uganda's private sector. However, this is still in its infancy stage given that Uganda's private sector has just been undergoing reforms over the years. To this end, private companies have not realized the tangible benefits of employee commitment as a growth strategy. This may explain why NBL is still facing challenges of growth in revenues, profits, liquidity, sales and costs. The literature review presents gaps and arguments that need to be authenticated through investigation. This has left a literature gap which the study intends to close by carrying out a study on the effect of employee commitment on organisational performance in NBL in Uganda.

CHAPTER THREE

METHODOLOGY

3.1 Introduction

This chapter describes how the study will be conducted. It focuses on the research design and approaches that will be adopted, the study area, target population, sampled population, sample size and selection. The chapter examines data collection instruments, sampling techniques and procedures, pre-testing of instruments, methods and procedures for data collection and analysis.

3.2 Research Design

The study will adopt a cross-sectional research design to help explain the current situation on organisational performance and analyze the inherent problem when dealing with quantitative and qualitative data. Cross sectional case study is a research design in which one or more samples of the population is selected and information is collected from the samples at one-time assert (Kothari, 2003, pp.35-39). The design will be descriptive and analytical in nature. For qualitative data, the study will adopt the field research method where the researcher will go to the field take extensive field notes which will be subsequently coded and analyzed in a variety of ways.

3.3 Study Population

Population refers to an entire group of individuals, events or objects having a common observable characteristic as Kothari (2003, pp.35-39) posit. The population of the study will be 222 comprising of the 7 management committee members, 67 sales and distribution officers, 82 technical staff, 29 HR staff, 15 marketing officers and 22 administrative staff as stated in the Nile Breweries Limited HR Report of 2015.

3.4 Sample Size Determination

A sample is a proportion of the population whose results can be generalized to the entire population as defined by Kothari (2003, pp.35-39). The sample size of the study will be 188. The sample size will be derived using the (Krejcie and Morgan, 1970, pp.607-610) statistical table adopted from.

Table 3.1: Sample Size Determination

Respondent Category	Total Population	Sample
Management committee members	7	5
Sales and distribution officers	67	56
Technical staff	82	66
HR staff	29	28
Marketing officers	15	14
Administrative staff	22	19
Total	222	188

Source: Human Resource Report, 2015

3.5 Sampling Technique and Procedure

According to Sekaran (2003), sampling is the process of choosing the research units of the target population, which are to be included in the study. This study will adopt both probability and non-probability sampling techniques.

Probability Sampling Techniques

A probability sampling method is where all elements have an equal chance of being selected (Kothari, 2003, pp.35-39). This will entail simple random sampling. The simple random sampling method selects a sample without bias from the target/accessible population. The method will be used to select random samples from the sales and distribution officers, technical staff, HR staff, marketing officers and administrative staff. This method is justified for the study because it ensures that all subjects of the sub groups are given an equal chance of being selected. This minimizes bias and simplifies analysis of results.

Non-Probability Sampling Techniques

Non-probability sampling is a sampling technique where the samples are gathered in a process that does not give all the individuals in the population equal chances of being selected. Under this category, the purposive sampling method will be used. This is a method used by the researcher to decide who to include in the sample based on their relevance. Purposive sampling technique will be used to collect focused information from particular respondents which will include management committee members. The technique will be used because the focus of the researcher is to get in-depth information and not simply making generalizations.

3.6 Data Collection Methods

This employee commitment study will adopt questionnaire survey, interviews and documentary analysis methods of data collection. Both qualitative and quantitative approaches will be considered as this will be an integral part of research strategy.

3.6.1 Questionnaire Survey

Data will be collected through a survey study. The researcher will develop a questionnaire that will be used to answer specific objectives of the study for respondents to complete in writing. The questionnaire will be structured (close ended) to elicit specific responses which are easy to analyze, compare among different groups and are economical in terms of time and energy as per (Kothari, 2003, pp.35-39). The participants' literacy levels too will favor the self-administration approach, which will give an accurate profile of the situation and the data provided describes who, what, how, when and where of the variables in the study. The questionnaire survey will be used to collect data from the operations staff.

3.6.2 Interview Guide

An interview guide is a fixed format in which all questions are prepared beforehand and are put in the same order to each interviewee (Kothari, 2003, pp.35-39). Face to face interviews will be conducted and during the course of the interviews, notes will be taken and audio recording of the two directors. To obtain accurate information through these interviews, the researcher will need to obtain maximum co-operation from respondents. Interviews will be advantageous in that they will provide in depth information using a guide and the interactive nature of this approach scores highly on not only flexibility and adaptiveness but also heuristic, depth, and realism. This is a method that will be used to collect data from top executives and the heads of department.

3.6.3 Documentary Analysis

A documentary analysis is the process whereby each party to a case sorts through and analyzes the documents and data they possess to determine which are relevant to the case (Mugenda and Mugenda, 2003, pp. 35-39). As yet another qualitative focus tool, information on the study topic will be collected from already existing archived documents, and this will allow the researcher to examine the organization's performance. Documentary analysis will be the main source of secondary data from text books, internet, media, journals, articles, bulletins, reports, policies, minutes, newspapers, magazines and other researches.

3.7 Data collection Instruments

A structured self administered questionnaire, interview guide and document review list will be used as the main tools for collecting data. The selection of a self-administered questionnaire has been determined by the fact that the respondents are literate and unlikely to have difficulties responding to questionnaires, the population of the study is large against limited time, and the data required can be easily provided in writing. Likewise, questionnaires will be used since the study is

concerned with study variables that cannot be directly observed such as views, opinions, perceptions and feeling of the respondents. Such information is best collected through questionnaires (Kothari, 2003, pp.103-112). Given that the sample size of the study is large and the time constraint, the questionnaire is the ideal tool for collecting data. This tool will be used to collect data from operations staff. The interview guide has been chosen to allow the researcher to obtain information from key informants in the bank who are at the strategic level of decision making. These key informants will include top executives and the heads of departments. A document review list will be used to collect secondary information archived in the company's repository. This will enable the researcher to access historical information from reports, strategic plans, minutes, website among others.

3.8 Data Quality Control (Validity and Reliability)

In order to make sure that quality and relevant data is collected, the research instruments will be tested for validity and reliability as follows;

3.8.1 Validity of Instruments

According to Kothari (2003, pp.70-78), validity refers to the degree to which results obtained from data analysis actually represent the phenomenon under study. Validity being how data obtained in the study accurately represents the variables; it is the accuracy and meaningfulness of inferences that are based on research results. For purposes of producing a quality research study, the study will focus on external validity to ensure that research findings of this study are highly generalized to other organisations and the environment outside the study setting. In this case, the researcher will carry out a pre-testing method of piloting the same research instruments on a different but homogeneous sample of ten respondents before going to the field. This pre-testing is done to ensure content and construct validity of the instrument by improving on the questions, the format and scales of measurement. The researcher will also incorporate responses and comments of the

pilot study into the final improved instrument. The content validity index (CVI) shall be computed using the formula below;

$$\text{CIV (CVI)} = \frac{K}{N}$$

Where;

CVI = Content Validity Index

K = Total number of items rated as relevant

N = Total number of items in the questionnaire

3.8.2 Reliability of Instruments

This is the measure of the degree to which a research instrument yields consistent results after repeated trials (Kothari, 2003, pp.70-78). Random error being the deviation from the true measurement, it influences the instrument's reliability by reducing on it whenever it is high. Reliability threats will always exist in research studies and do arise from inaccurate data coding; ambiguous instructions; interviewer/interviewee fatigue and bias. In this study, the researcher will address reliability by reducing on the inaccuracy of both the instrument and the researcher's scoring thus reducing on the inconsistencies in the measurements that would affect the reliability of the collected data. Reliability of instruments in this study will be attained through employing the internal consistency method of assessment using the Cronbach's coefficient Alpha computation to determine the items' correlation among themselves. In this method, scores of a single test will be done on a sample subject, where a score on 1 item is correlated with those from other items in the instrument. According to Kothari (2003, pp.70-78), an alpha of 0.5 or higher is sufficient to show reliability; implying that the closer the alpha to 1, the higher the internal consistency reliability. Below, is the expression of the Cronbach's coefficient Alpha or Kuder-Richardson (K-R) 20 formula;

$$\text{KR20} = \frac{(K) (s^2 - \sum s^2)}{(S^2) (K-1)}$$

Where;

KR_{20} = Reliability coefficient of internal consistency

K = Number of items used to measure concept

S^2 = Variance of all scores

s^2 = Variance of individual items

From the researcher's computation results that will be obtained above, the higher the coefficient the higher the item correlation among themselves.

3.9 Data Collection Procedure

The researcher will submit her proposal to University for approval. Upon successful defense of the proposal, the researcher will obtain a cover letter from UTAMU authoring him to conduct the research. Questionnaires will be hand delivered to the respondents assuring them of voluntary, confidentiality and anonymity, completed questionnaires will be collected after 5 days. The researcher will contact key informants and provide them with the necessary details of the study seeking their consent to participate in the study and requesting for a date on which the interview can be conducted.

3.10 Data Analysis

After participants responding to the questionnaires and interviews, raw data will be cleaned, sorted and entered using statistical data entry form designed in Statistical Package for Social Sciences (SPSS) software for analysis according to the objectives of the study. Data will be organized and analyzed using a 5 Likert scale. Questionnaire data will be obtained from questionnaires each questionnaire will be given a unique serial number extracting of inertial summaries by data reduction using soft numbers coding by categorizing data, sorting and filling will be carried out. Statistical package for the social sciences (SPSS) student version of 20 will be used to aid the processing and summarizing of information got from the questionnaires.

Qualitative data collection will be sorted out and interpreted manually from respondents each interview will be analyzed and interpreted using content analysis to appropriate the nature of the collected data before emerging themes are identified using “Template analysis” approach analysis of qualitative data will be done to identify similarities across several accounts as well as direction. Data will be categorized into recurrent themes that seem relevant to answer the research question, descriptive analysis will be made from information obtained from the questionnaires and interviews key categorical variables such as gender, education of respondents will be presented in a table form. Triangulation is one of the several rationales for multi-method research and also offered the prospect of enhanced confidence. The researcher used data triangulation, which entailed gathering data through several sampling strategies, so that segments of data at different times, as well as on a variety of people were gathered. This provided invaluable information and gave the evaluation heightened status within the area of study.

3.11 Measurement of Variables

The variables will be measured by defining concepts. For instance the questionnaire will be designed to ask for responses about employee commitment and organisational performance. Employee commitment will be measured according to the scales adopted from Meyer, Allen and Gellantly (1990, pp.711) whereas, organisational performance will be measured basing on the items adopted from Joseph and Dai (2009, pp.117-119). The items will be altered according to the study and anchored on a 5 point Likert scale ranging from 1-strongly disagree to 5-strongly agree. These will be translated into observable and measurable elements so as to develop index of the concepts. The researcher will categorize the data collected in an orderly form using the 5 Likert scale used on the questionnaire as indicated below where; 1= Strongly agree, 2= Agree, 3= Undecided, 4= Strongly disagree, 5= Disagree. Socio economic attributes like age, sex,

employment period/duration of service, academic levels will be measured at nominal and ordinal scales depending on the variables.

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APPENDIX I
QUESTIONNAIRE

Dear Sir/Madam,

I am Patricia Kadama Anguzu, a student at Uganda Technology and Management University (UTAMU). I am carrying out a research study on “Employee Commitment and Organisational Performance in Nile Breweries Limited Uganda”. The study is being conducted in fulfillment of the requirement for the award of an Executive Master in Business Administration(Human Resource Management). This questionnaire is seeking information on the study. Therefore the information provided in this questionnaire will be used for academic purposes only and shall be accorded utmost confidentiality. Therefore, your contribution towards filling in this questionnaire will be a great contribution to my academic endeavor. Thank you.

Section I: Bio Data: Kindly tick (√) the appropriate answer option.

1. Gender

Sex	Tick
Male	
Female	

2. Age of the Respondent

Age	Tick
25 yrs & below	
26-30 yrs	
31-35 yrs	
36-40 yrs	
41 yrs & above	

3. Tenure of employment

Tenure of employment	Tick
Less than 1 year	
2 – 3 yrs	
4 – 5 yrs	
6 – 10 yrs	
Above 10 yrs	

4. Highest Level of Education attained

Level of education	Tick
Certificate	
Diploma	
Degree	
Masters	
Professional qualification	
Other	

5. Position held in the Organization

Position	Tick
Management	
Sales and distribution officers	
Technical staff	
HR staff	
Marketing officers	
Administrative staff	

Others please specify.....

Section I: Normative Commitment

Please indicate the extent to which you agree or disagree with the statements below

Key: 1=SD-strongly disagree; 2=D-disagree; 3=NS- not sure; 4=A-agree and 5=SA-strongly agree

Item	SD	D	NS	A	SA
I can move to another organization with ease	1	2	3	4	5
It is ethical for me to jump from one organization to another	1	2	3	4	5
I am very loyal to NBL	1	2	3	4	5
I feel a sense of moral obligation to remain at NBL	1	2	3	4	5
I can go for a better job elsewhere	1	2	3	4	5
I value NBL too much	1	2	3	4	5
I will spend the rest of my career at NBL because things are better	1	2	3	4	5
I feel sensible to work for the company	1	2	3	4	5

Section II: Continuance Commitment

Please indicate the extent to which you agree or disagree with the statements below

Key: 1=SD-strongly disagree; 2=D-disagree; 3=NS- not sure; 4=A-agree and 5=SA-strongly agree

Items	SD	D	NS	A	SA
I am afraid of leaving NBL without any clear job to take after here	1	2	3	4	5
It is easier for me to leave NBL at any time	1	2	3	4	5
I can have a lot of disruption if am to leave NBL now	1	2	3	4	5

It is very costly for me to leave NBL now	1	2	3	4	5
I stay with NBL as a matter of necessity	1	2	3	4	5
I have many options to consider if I leave NBL	1	2	3	4	5
I have plenty of alternatives after leaving NBL	1	2	3	4	5
I can enjoy a lot of benefits if I leave this company	1	2	3	4	5

Section III: Affective Commitment

Please indicate the extent to which you agree or disagree with the statements below

Key: 1=SD-strongly disagree; 2=D-disagree; 3=NS- not sure; 4=A-agree and 5=SA-strongly agree

Items	SD	D	NS	A	SA
I would be happy to spend the rest of my career at the company	1	2	3	4	5
I enjoy discussing about NBL with people outside it	1	2	3	4	5
I really feel as if this company's problems are my own	1	2	3	4	5
I think that I could easily be attached to another organization as I am to NBL	1	2	3	4	5
I feel part of the family of this company	1	2	3	4	5
I am emotionally attached to this company	1	2	3	4	5
I derive a lot of personal meanings from this company	1	2	3	4	5
I feel a strong sense of belonging to NBL	1	2	3	4	5

Section C: Organisational performance

Please indicate the extent to which you agree or disagree with the statements below

Key: 1=SD-strongly disagree; 2=D-disagree; 3=NS- not sure; 4=A-agree and 5=SA-strongly agree

Items	SD	D	N	A	SA
Our sales volume have steadily increased	1	2	3	4	5
The sales turnover of our products has increased over the years	1	2	3	4	5
Our customers have increased on their purchasing volumes	1	2	3	4	5
The financial position of our firm has improved	1	2	3	4	5
Over the last 3 years the profits of our firm have been steadily increasing	1	2	3	4	5
Over the last 3 years the profit margins of our firm have increased	1	2	3	4	5
The return on investment has increased over the last three years.	1	2	3	4	5
We have always bought fixed assets from our cash flows	1	2	3	4	5
We prepare cash budgets on a monthly basis	1	2	3	4	5
There is a well set procedure for cash control and expenditure	1	2	3	4	5
There is a centralized cash control mechanism	1	2	3	4	5
Payments for bills, salaries, expenses and creditors are always on time	1	2	3	4	5

Thank You

APPENDIX II

INTERVIEW GUIDE

Section A: Participants Details

1. Name (optional).....
2. Position in the organisation.....
3. Period in Position.....
4. Period Spent at NBL.....

A. Normative commitment

1. How does employees sense of obligation affect the performance of NBL?
2. Does NBL uphold employee values?
3. What emphasis is put on reward systems at NBL?

B. Continuance Commitment

1. Do you agree that employees are loyal to the company?
2. Is there adequate staff retention at NBL?
3. Does NBL offer fringe benefits to staff?

C. Affective commitment

1. What are the company values of NBL?
2. In your view, has company culture helped improve the performance of NBL?
3. What challenges are faced by NBL in ensuring affective commitment?

F. Organisational Performance

1. How important is performance to NBL?
2. What indicators are used to measure performance at NBL?
3. What can be done to improve the performance of NBL?

APPENDIX III
DOCUMENTARY REVIEW CHECKLIST

Documents Reviews

Key: A- Always, F=Frequently, O=Occasionally, R=Really, N=Never

General's Policy and Reports	A	F	O	R	N
Are there well documented HR policies?					
Do staff meet set targets?					
Mandate of line managers					
What is the overall adherence to set performance standards?					
Meeting minutes	A	F	O	R	N
Is there a policy on normative commitment?					
Is there a policy on continuance commitment?					
Is there a policy on affective commitment?					
Is business on employee commitment discussed by management?					
Journal articles	A	F	O	R	N
Is there discussion on employee commitment?					
Is there a relationship between employee commitment and organisational commitment?					