DETERMINANTS OF EMPLOYEE PRODUCTIVITY IN SELECTED SMALL AND MEDIUM MANUFACTURING INDUSTRIES IN KAFA ZONE

MBA THESIS

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DECLARATION

I, the undersigned, declare that this MBA thesis is my original work and has not been submitted to any other college, institution or university other than Wolkite University for academic credit and all sources of material used for this thesis have been duly acknowledged.

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DEDICATION

Firstly I dedicate this thesis to my late mother Mamitu Gebrie who could not witness and share this achievement. Secondly, to my families for their hard work and tireless support of my studies and career at all times. Finally, I dedicate to my beloved kid Kalkidan Mengistu who was born during my study year.

LIST OF ACRONYMS

CSA	Central Statistical Agency
FeMUDH	Federal Ministry of Urban Development & Housing
FeDRE	Federal Democratic Republic of Ethiopia
FeMSEDA	Federal Micro and Small Enterprise Development Agency
GTP I	First Growth and Transformation Plan o
GTP II	Second Growth and Transformation Plan
MDGs	Millennium Development Goals
MOFED	Ministry of Finance and Economic Development
MSE	Micro and Small Enterprise
MSME	Micro, Small and Medium Enterprise
PASDEP	Plan for Accelerated and Sustained Development to End Poverty
SNNPR	Southern Nation, Nationalities and Peoples Region
SME	Small Medium Enterprises
SPSS	Statistical Package for Social Sciences
TVET	Technical and Vocational Education and Training
WKU	Wolkite University

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ABSTRACT

The objective of this study was to assess the factors that determine employee productivity in SMEs manufacturing industries in Kafa zone. In the study, explanatory research design and quantitative approach was adopted in order to investigate the problem. The target population were employees of the SMEs industries totally 356. Purposive non probability sampling technique employed to select three woredas and three SMEs sectors. Simple random sampling technique was applied to select 188 employees' respondents from each sample SMEs industry. The study used primary source of data and which was collected using five scaled structured questionnaires. After data accuracy checked and coded, it was analyzed by applying Statistical Package for Social Sciences (SPSS) to obtain both descriptive and inferential statistics. The study revealed that the level of productivity of employee in SMEs manufacturing industries were heavily rely on personal characteristics .Specifically experience of employee, age of employee, motivation of employee ,education level ,ability, satisfaction ,training level and engagement of employee to his/her work enhance their productivity level. In relation to organizational factor the study revealed that managerial practice in SMEs manufacturing industry had been highly affecting their employee productivity level to below. Next to managerial practice motivation providing practice, training and capacity building practice, and performance appraisal practice affecting their productivity level to be low. In relation to environmental factor the study revealed that the employee working environment, training and career development, work-life balance, and pay and reward practice were not favorable to improve employee productivity. Based on the findings it is recommended that in order to improve employee productivity, SMEs industries themselves should strive to develop positive personal characteristics improve their management practice and improve working environment. Also Concerning zonal and woreda SMEs manufacturing sectors do prominent roles and give close support, re-evaluate the business service strategy for SMEs industries to improve employee productively.

Key word: *Employee personal characteristics, Organizational Factor, Environmental factor, level of employee productivity.*

CHAPTER ONE

INTRODUCTION

1.1. Background of the Study

Every organization desires to be productive. Productivity is a key concept, which has been long practiced as a means of companies' resource utilization assessment. The ultimate goal of productivity measurement is, indeed, productivity improvement, which involves a combination of increased effectiveness and a better use of available resources. To date, most field areas like Economics, Accounting, Management, Psychology, Human Resource Management, and Industrial Engineering have dominated the practice of productivity (Grunberg,T, 2004). These fields of studies have complicated a search for any exact definition of the concept of productivity. Regardless of the type of production, economic or political system, the simple definition of productivity, which is the ratio of output to input, remains the same. Initially, productivity measurement and analysis focused on the individual level, especially at the assembly and production lines (Brill M., 1990). Modern Dynamic concept of employee/ labor productivity is a revealing indicator of several economic indicators as it offers a dynamic measure of economic growth, competitiveness, and living standards within an economy. Employee/Labor productivity is equal to the ratio between a volume measure of output (gross domestic product or gross value added) and a measure of input use or the total number of hours worked or total employment(Grunberg ,2004).Labor (employee) Productivity is the amount of goods and services that a labor produces in a given amount of time. It is one of several types of productivity that economists measure. Labor productivity can be measured for an individual, a firm, a process or a country. It is a required tool in evaluating and monitoring the performance of an organization, especially a business organization. When directed at specific issues and problems, employee productivity measures can be very powerful. In essence, employee manage are concerned with productivity as it relates to making improvements in their firm. Proper use of productivity measures can give the manager an indication of how to improve productivity (PoojaYadav, Col.Sachin Marwah, 2015). The employee productivity measurement has always been an important aspect in manufacturing firms other than service delivering companies. Manufacturing industry refers to those industries which

involve in the manufacturing and processing of items, creation of new commodities or value addition on existing commodities through mechanical or chemical transformation. Economists and other nonacademic researchers referred that manufacturing is a wealth-producing sector of any country, whereas a service sector tends to be wealth-consuming sector (European commission, 2015b). Higher employee productivity leads to a reduction in cost of production, reduces the sales price of an item, expands markets, and enables the goods to compete effectively in the world market. It yields more wages to the workers, shorter working hours and greater leisure time for the employees. In fact the strength of a country, prosperity of its economy, standard of living of the people and the wealth of the nation are very largely determined by the extent and measure of its production and productivity. By enabling an increase in the output of goods or services for existing resources ,productivity increase lead to decreases the cost of goods per unit, and makes it possible to sell them at lower prices, thus benefiting the consumers while at the same time leaving a margin for increase in the wages of the workers. The satisfaction of the customers is very valuable for the business organization. The satisfied customers repeat the purchase of same products or services in future (Chad Syverson, 2011).

In Ethiopian context manufacturing organizations development categorized in scales as large, medium and small. The classification of manufacturing firms as micro, small, medium-sized and large depends on the level of development of enterprises and the level of development of the economy of the countries. Small and Medium manufacturing industries are an independent business, having a small market share and managed by its owner or part-owners. The MSMEs or SMEs are some of the key strategic sectors the government of Ethiopia selected and provided a special attention in the successive five years plans of the country particularly since the launch of GTP I and GTP II plans. This MSEs or SMEs firms are considered carrying the nation to the planned industrialization development and to create a lot of jobs, especially for the unemployed youth. More over the importance, particularly for the low-income, poor and women groups, is evident from their relatively large presence, share in employment and small capital requirement (MOFED, 2013 GTP annual progress report of 2011/12).

Thus, the health of micro and small manufacturing business sectors is very important for the overall economic growth potential and future strength of an economy since they utilize

local resources, satisfying vital needs of large segment of the population with their products and services, serve as sprees of technological, marketing and management capacity and skill acquisition, and enable technological process via adoption technology (FeMSEDA, 2016). Furthermore SMEs manufacturing is one of the key sectors of development and the government also encourages this sector through different reforms like financial support, market support, Cluster and incubation center development, technology development and transfer, product development and diffusion services, industry extension, Capacity building of support institutions and MSE human resource development programs. Regardless of the efforts made at ensuring the successful implementation of the MSE strategy, they couldn't bring the intended result. The challenges in creation of a competitive SMEs industrial sector is not the problem for only one region of the country but it is countrywide problem in Ethiopia as whole and it has been hindered by poor infrastructure (energy, transport, communications, raw materials cost, employee attitude and low productivity etc.), resulting in higher production and transaction costs (FeDMSE,2014). Therefore, it can be concluded that there is no doubt that the problems caused for the sector's failure are many

In light of this, Kafa zone MSE manufacturing practice takes more than a decade starting from 1997 first MSEs policy implemented. In this time many encouraging results were obtained. But also there are many challenges like low profitability, employees inefficiency, resource wastage ,employees competency problem ,problem of competitiveness ,unable to transfer next level of SMEs development etc are current real problem of the sector in this zone (Kafa zone Manufacturing sector,2018/19).

1.2. Statement of the problem

Theoretically and empirically productivity in MSEs or SMEs or other large manufacturing firm is determined by a number of factors, including the quality and availability of natural resources, industrial structure and inter sectoral shifts, capital accumulation, the rate of technological progress, quality of human resources, the macroeconomic environment, and the microeconomic environment. A company may purchase or acquire the best technology and manpower. Human resources are the sources of achieving competitive advantage because of its capability to convert the other resources (money, machine, methods and material) into output **(**Oswald, 2012). Akinyele (2007) stated that employee performance can

be a function of many features, including the worker's effort, education, age, or experience and the firm's characteristics, such as work environment, wages, or incentives. As the efforts of the government of Ethiopia to support micro, small and medium manufacturing industry's increases, other road blocks such as institutional weakness coupled with lack of experiences and commitment of operators are identified as pressing problem in this sector (Federal MSEA, 2016). Generally above previous researches confirm that employee productivity drivers results from various factors.

In Kaffa zone context in general, even though there are some encouraging achievements regarding small and medium-Scale manufacturing industries development, there are problems like poor level of profitability, unproductive SMEs industries and their employees' are ineffective in productivity. The competitiveness and sustainability of the industries still remain under huge challenges. Regardless of the efforts made at ensuring the successful implementation of the MSE Manufacturing Development strategy, the industries couldn't bring the intended result in this zone. More over employee productivity in SMEs manufacturing industries in this zone has stagnated over the last three years in spite of the various initiatives has put in place aimed at enhancing productivity (kafa zone trade & industry,2018/19). This problem is real problem in this area researcher is a witness by himself. When the researcher working in administration area got the chance to lead and monitor this sector with different group of leaders for about two years and heard a lot about the problem of MSEs manufacturing low productivity related to employee performance. During the time of field supervision in most SMEs manufacturing industries poor performing or time idle employees are many in number, most of them did not work full time as planned per day, most employees waste their time without work(kafa kafa zone trade & industry ,2018/19). This situation has been of great concern to the administration, operators, business service provider, and SMEs human resource capacity building institutions. Because of these reasons, the researcher believes that it is crucial and timely to study the .determinants of employee productivity in SMEs manufacturing industries in selected area.

As such above, abundant literature exists on factors driving to employee low productivity in small manufacturing sector, however, most of the researches focus on aggregate or total productivity factors. Some of studies focus on large industries in country and in regional

level, some focus on performance of SMEs in general. Also some of studies conducted in large scale industries as form of case study at one organization. According to the past studies reviewed, it is evident that not much research has been carried out in Ethiopia regarding determinants of employee productivity in SMEs Manufacturing industries. The researcher didn't find previous studies in depth on small & medium manufacturing industries employees' productivity determinants. Moreover no locally conducted research for above zonal problem. Therefore, the researcher is motivated to study the determinant factors of employee productivity at selected SMEs manufacturing industries in Kaffa Zone. This study is different from the above other researches as it focus only employee productivity as partial productivity input factor not total productivity factors. Hence, the study is aimed on to assess determinants of employee productivity in selected SMEs manufacturing industries prevailing in Kafa zone .In order to achieve the purpose of the study the following basic research questions were developed.

1.3. Basic research question

1. Which employees' personal characteristics affect their productivity at small and medium scale manufacturing industries?
2. What are the major organizational factors that affect employee productivity at small and medium scale manufacturing industries?
3. Which environmental factors affecting employee productivity at small and medium scale manufacturing industries?

1.4. Objective of the Study

1.4.1. General objective

The purpose of this study is to determine the factors that influence employee productivity in SMEs manufacturing industries in kafa zone.

1.4.2. Specific Objectives

- To decide which employee personal characteristics affect their productivity in the small and medium scale manufacturing industries.
- To indicate the major organizational factors that affect employee productivity in small and medium scale manufacturing industries.

- To determine the major environmental factors affect employee productivity in small and medium scale manufacturing industries.

1.5. Significance of the study

Investigating determinants of employee productivity in SMEs manufacturing industries is important to identify major factors that lead to low employee productivity in SMEs manufacturing industries in kafa zone. Therefore, the researcher believes that this study is likely to benefit various key stakeholders. Specifically it will have the following significances: First and the most benefit to be for Kafa zone Small and Medium scale manufacturing industries and concerning zonal and woreda SMEs sector offices. SMEs manufacturing industries managers will capacitate and leverage their human resource productivity improvement in relation of the finding. The SMEs sector's management will be able to obtain to access current information that will feed in their policy direction especially with regard to human resources capacity building and training aimed at enhancing productivity. Industry players/ employers/ benefit by understanding how different factors influence employee productivity, industry players will be able to adopt the best approaches for enhancing it. This will lead to an overall increase in the productivity of the industry hence contribute positively to the growth and development of the industry. Academicians/researchers may enable in future to understand better the factors that influence the productivity of employee. This will enhance further research in this subject area by scholars. The potential investors will benefit from the study whereby they will be equipped with the information that is necessary in investing in the private manufacturing sector since the investors will be aware of the difficulties that may be faced in improving productivity in the ventures.

1.6. Scope of the Study

Geographically the scope of this research was only delimited to the Kafa zone selected three woredas and selected three kind of SMEs manufacturing industries. Methodologically, the study employed explanatory design with only quantitative study approach and it was limited to one point of data collection through cross-sectional survey. Conceptually, employees' productivity in SMEs manufacturing industries are affected by many factors in kaffa zone, but this study was only limited on employee major personal

characteristics, organizational factor and major environmental factors as partial productivity factors.

1.7. Limitations of the study

There are many factors affecting employee productivity in small and medium manufacturing industries, however this study was only cover employee personal characteristics, organizational and environmental factors that affect employee productivity in selected SMEs manufacturing industries in kafa zone. Therefore, this specific study was not warrant for generalization and extrapolation to others factors that determine employee productivity. Though plenty of data are available for research purpose but the quality of data matters in arriving at a good results. Most social science data are not -experimental in nature i.e. there was some omission, errors , approximation & round off the numbers when computing had might cause errors of measurement. Data collation instrument used in this study was only quantitative questionnaire. Also the study focused in three woredas and three selected SMEs manufacturing industries. This all might affect the reliability of the result. However, in general to reduce all mentioned limitation and to obtain valid and reliable data greater effort was exerted by researcher in data handling and analyzing, also attention was given in convincing the employees and the concerning bodies about the objectives of the study and confidentiality of the given information. In nutshell, the study was met the objectives within the revealed limitations.

1.8. Operational definition of terms

Productivity: Productivity is the relationship between the outputs generated from a system and the inputs that are used to create those outputs, ratio between a measure of output and a measure of input.

Total productivity: When productivity is measured by taking into account the effects of all factors used in production of goods or services.

Partial productivity: While measuring the productivity only one factor is taken into account it can be the computed ratio of total output to a single input.

Employee: human resources or labor skilled or unskilled and who are working in Small and medium industries to obtain fixed payment for their work.

Employee productivity: is the amount of goods and services that a labor produces in a given amount of time.

Organization: Small and medium manufacturing industry working place

Manufacturing: is the process of mechanical, physical, or chemical conversion of a raw material, substance, or component by using machine, equipment or labor into products that worth better value

Small Manufacturing industry: An industry having a total capital, excluding building, from Birr 100,001 to Birr 1 ,500,000 in the manufacturing sector and engages from 6 to 30 workers including the owner, his family members and other employees**;**

Medium Manufacturing Industry: an industry having a total capital, excluding building. From Birr 1,500,001 to Birr 20,000,000 in the manufacturing sector and engages from 31 to 100 workers including the owner, his family members and other employees.

1.9. Area of the study

The study was carried out in SNNP region Kafa zone small and medium scaled manufacturing sector. Kafa zone is located in 449 km from Addis Ababa south west direction to its capital of Bonga. This zone constitutes 12 weredas and two town administrations. Hence the study was undertook among employees of small and medium selected manufacturing industries in this zone. Based on the 2007 census conducted by CSA, as 2017 projection, this zone has a total of 1,102,278 of whom 541,682 are men and 560,596 are women inhabitants. Its Surface area: 760,000 hectares (420,000 hectares of forest) Altitude: 500 to 3,350 meters above sea level.

CHAPTER TWO

2. REVIEW OF RELATED LITERATURE

2.1. Theoretical Review

The theoretical aspects of the literatures reviewed were focuses on the concepts of productivity and employee productivity meaning, definition, productivity forms, objectives, employee productivity affecting factors are reviewed.

2.1.1. Meaning and Definition of Productivity

Productivity can be defined in many ways in previous literatures. The experts, consultants, academician and practitioners have expressed their views on productivity. Some of the accepted definitions of productivity are given below: Rolloos (1997) defined the productivity as that which people can produce with the least effort. Productivity is a ratio to measure how well an organization (or individual, industry, country) converts input resources (labor, materials, machines etc.) into goods and services. Productivity can also be defined as human endeavor (effort) to produce more and more with less and less inputs of resources so that the products can be purchased by a large number of people at affordable price. Dorgan C. (1994) defines productivity as "the increased functional and organizational performance, including quality", and claims that "productivity is that which people can produce with the least effort".

To build long-term competitive advantage, productivity is indispensable. According to Drucker (1999 p.26), "Without productivity objectives, a business does not have direction. Without productivity measurement, a business does not have control. "Representing the ratio of outputs to inputs, it measures a firm's production efficiency.Most of the studies defined productivity as output per worker or employee. Productivity probably already existed since the beginning of mankind. It is clear, that the major and most influential development that was happening in the past 250 years in the area of labor productivity is the foundation of today's wealth and standard of living. Without any labor productivity and the associated economic growth it is not possible to have any increase or to meet the challenges in the international context. The basis for growth and each and every increase of the productivity can always be traced back on the human element. It is the human being the worker or the employee that introduces or implements the necessary steps for any

improvement and optimization of working steps or working processes Essentially, productivity is a ratio to measure how well an organization (or individual, industry, country) converts input resources (labor, materials, machines etc.) into goods and services. This is usually expressed in ratios of inputs to outputs. That is (input) cost per (output) good / service. It is not on its own a measure of how efficient the conversion process is. Productivity is an average measure of the efficiency of production (Drucker, 1999)

2.1.2. Employee/Labor productivity

Employee/Labor productivity is the relationship between the output (goods and services produced) to input (consumed resources in the manufacturing as well as the transformation process). Employee productivity as how much and how well employees produce more with fewer resources. According to Dorgan (1994) Employee/Labour productivity is the value added per employee divided by the average number of employees during the year converted into full-time equivalents. The quantity of goods and services that someone can produce with a given expenditure of effort, usually measured or averaged out in terms of time spent working or labor time. Dorgan stated in short employee productivity is the ratio of the amount produced to the amount of labor put in it, measured as product per person-hour or person-year

2.1.3. Forms of productivity Measurement

Productivity is an overall measure of the efficiency or ability to convert the inputs into goods or services. Rolloos (1997) stated more specifically, productivity is the measure that shows how efficiently the required resources are utilized to achieve the objectives interims of quantity and quality with reference to a point of time. Productivity may also be defined as an index that measures output (goods and services) relative to the input (labor, materials, energy, etc., used to give the finished goods or services). The productivity is the ratio of output to input. The ratio can be increased or decreased by decreasing or increasing the denominator. Further, in similar way the productivity can be increased by increasing the inputs and outputs but the output is increased faster than input or the inputs and outputs decrease but the inputs decrease faster than output. Productivity is can be expressed different forms like partial factor productivity, multifactor productivity, and total productivity. To link and differentiate this research from other productivity forms each of three forms stated in short as follows.

2.1.3.1. Partial Productivity Measurement

Partial productivity measurement is used when the firm is interested in the productivity of a selected input factor. It is the ratio of output values to one class of input. Murthy (2006) stated the formula as; PPM = Outputs/Labor Input or Outputs/Material Input or Outputs/Capital.

2.1.3.2. Multi-factor Productivity Measurement

This productivity measurement technique is used when the firm is interested to know the productivity of a group of input factors but not all input factors. The formula stated by Murthy (2006) indicates: MFPM = Outputs/Labor + Capital or Outputs/Labor + Material

2.1.3.3. Total (Composite) Productivity Measures.

A firm deals about composite productivity when it is interested to know about the overall productivity of all input factors. This technique will give us the productivity of an entire organization or even nation. The formula Stated by Murthy PM = Outputs/Inputs or Goods and services provide/All resources Used.The above measurement techniques can be grouped into two popular productivity measurement approaches the first uses a group-generated model and is called normative productivity measurement methodology. The second is less participative in that one model can be modified to fit any organization scheme.

2.1.4. Employee/Labor Productivity Measurement

Labor productivity is the measure of efficiency at which the inputs are converted into output through various manufacturing processes. To know the relative worthiness the measurement is necessary. This measurement is very helpful for the management for future planning and actions. The measurement can be carried out as per the need of the organization. Aswathappa and Bhat (2010) stated the following ways of measuring labor productivity:

(A) Output per Man-Hour

Labor productivity only partially reflects the productivity of labour in terms of the personal capacities of workers or the intensity of their effort.The ratio between output and labour input depends to a large degree on the presence of other inputs. As stated by Aswathappa and Bhat (2010)Labour Productivity = Output /Man-hours used .It can be known that whether the performance is going as per the pre-decided standards or not.Limitation of

labor productivity is a partial productivity measure and reflects the joint influence of a host of factors. In this method the total output given by employees is divided by total man hours.

(b) Labor Hours per Unit Output

Labour Productivity = Total labour hours used /Output in second method the total labour hour are divided by total output given by the employees. From this the labour hours taken for production of one unit of output is calculated. From this method the labour hours planning can be done so that the target orders can be supplied in time to meet the customers' requirements.

(c) Added Value per Unit of Labor Cost

Economic analysts toss around the term "productivity growth" as if there were one widely agreed definition. Based on the definition and arguments made by different practitioners, academicians and institutes it may be possible to characterize productivity as under Ram, Naresh Roy, (2005) I. Become efficient: output increases with little or no increase in input; (II) Expand: both output and input grow with output growing more rapidly; (III) Achieve breakthroughs: output increases while input decreases; (IV) Downsize: output remains the same and input is reduced; and (V) Retrench: both output and input decrease, with input decreasing at a faster rate; Productivity Improvement (PI) is the result of managing and intervening in transformation or work processes. Labour Productivity = Added value for the products Total wages .Productivity is the relationship between the outputs (O) generated from a system and the inputs (I) that are used to create those outputs. .

2.1.5. Theories of labor productivity

2.1.5.1. Theory of Smith`s Labor Productivity

Smith`s basic module of labor productivity is largely based on labor division. Therefore, there is his basic definition of An Inquiry into the Nature and Causes of the Wealth of Nations of his first book titled: Of the causes of improvement in the productive powers of labour, and of the order according to which its produce is naturally distributed among the different ranks of the people: (1) Labor Division, (2) Skill, (3) Expertise, (4), Experience. This is the basis for a basic and positive productiveness. Adam Smith emphasizes his theory on productivity by giving the example of manufacturing pins. If a worker would

start to manufacture pins on his own - under the condition that he would do it for the first time and that there would not yet be any learning curve - and he additionally would do all working steps on his own, this single. Worker would - according to Smith - not be able to manufacture 20 complete pins a day. On the other hand, if there is a technical separation or even a specialization of the different work steps, it can be seen that a small staff of approximately 10 workers can manage to manufacture up to 48.000 pins a day. This observation alone emphasizes Smith's theory on the increased productivity by the labor division that was publicized by him. Smith writes and explains that as soon as a separation of the individual work steps of the production flow is possible in an industry, it results in an increased productivity and this on the other hand results in a diversification and the development of different professions and industries, since separate processing steps result in a professional specialization (Smith, A., 2009).

2.1.5.2. Theory of Marx`s Labor Productivity

Marx defined the labor productivity as: the increase of labor productivity is said to be a change of the working process that reduces the working time of the society necessary for the production of a product. Therefore, less work is needed to produce a bigger amount of practical value. Furthermore, he limits his statement by adding the added value he had developed: Only such a worker is productive that creates added value for the capitalist or that is used for the self-exploitation of the assets .Additionally, Marx states that with regard to productive work not only the relation of work and efficiency, but also the social integration and the conditions of the integration of the production processes must be considered. Therefore, Marx concludes: To be a productive worker is not luck, but bad equates the natural value of work with the necessity to produce the amount of provisions the worker needs to survive Marx says that all work that exceeds this equilibrium is the so-called added value and this added value must be divided into the absolute added value and the relative added value. The absolute added value basically is the work of the workers to earn their wages. According to Marx, the labor productivity is achieved in two different ways. On the one hand, there is the absolute added value, and on the other hand, there is the relative added value. Therefore, the productivity of the work would be the worker himself as well as the production conditions and the working conditions that are created by the employer (Marx, K., 1867).

2.1.5.3. Theory of Taylor`s Labor Productivity

The principal object of management should be to secure the maximum prosperity for the employer, coupled with the maximum prosperity for each employee. Taylor's theory of labor productivity was based on both involved parties - the employees and the employers - both of which are somehow interconnected in a mutual relationship with one another. Besides taking into account the employers and employees that can only mutually have a positive influence on labor productivity Taylor attempted as one of the first persons ever to scientifically analyze the work process to create optimum output on behalf of the whole organization. His analyze and observations result a clear definition of the individual work steps and a differentiation between executed work and managed work, the choice of a suitable workforce and its further training and instruction, the co-operation of workers and management, the reasonable distribution and joint responsibility of workers and management. Frederick W. Taylor developed the key points of his theory on the basis of his time studies and used them to derive detailed work processes. The most famous example is his observation of shovel works (Taylor, F. W. ,1998).

2.1.5.4. Theory of Fayol's Labor Productivity

Henri Fayol's approaches are based on this organizational nature and that is why Fayol - next to Max Weber - is one of the co-founders of the organization theory in the field of science. Fayol, too, has a principle aim of increasing productivity as a whole that is achieved by optimizing the administration and organization. Fayol's approach was based on the need - created because of the technological change of the industrial age and the resulting growth - to supplement the purely technical .part of the manufacturing process with a management theory to satisfy the requirements of the change. Henri Fayol's theory was based on five key elements of the industrial administration / management. Outlook and Planning, Coordination and Governance, Organization, Control), Instructions. These five modules go hand in hand with 14 general management principles that were derived by Fayol while working as head of an industrial enterprise. Fayol suspected that productive work can only be achieved, if the management has certain leadership qualities and managerial skills .Identified 14 principles were Labor Division, Authority ,Discipline , Unity of Placing of Orders , Scalar Principle , Organization ,Equality, Unified Orientation, Subordination , Just Payment, Centralization , Low Labor Turnover , Initiative , Esprit de

Corps. Like Taylor's "Principles of Scientific Management" Fayol's theory should satisfy the industrial change that was happening during that time and it should initiate the associated rationalization in the manufacturing sector (Fayol, H., 1969)

2.1.6. Implementation of New Productivity Systems in the modern Era

2.1.7. Toyota Production System

Due to the changed framework conditions the limits of mass productions were reached and new production systems were necessary to be able to properly react to the new conditions and the changed challenges. By doing this - the waste of resources was avoided and eliminated and a whole new form was created - the Toyotismus and the Toyota Production System emerged. The Toyota Production System is the next step in the development of efficient production processes since the implementation of mass production by Henry Ford. The TPS equally is known as Lean Production or Lean Manufacturing. (Liker 2004). Ohno T. (1998) summarized the complexity of the aims of TPS in one single statement. The concentration and the strategy of TPS is the elimination of all Non-Value Adding Wastes to minimize the duration of time between the incoming orders and the cash flow.For this purpose TPS uses various methods of the so-called Toyota Way to achieve the best possible result(Toyota 2010). These are (1) Challenge; each task is considered to be a challenge to achieve the intended result and to be able to realize long-term visions. (2) Kaizen; Ongoing improvement – There are constant improvements and optimizations of all processes of the company. Never shall there be a state of idleness. To get the necessary information it is important to go to the source of the information / the location of its origin and to consider this source or location to be the point of departure. (4) Respect; Individual responsibility and mutual respect are the basis for creating long-term trust (5) Team work; every aim and success can only be achieved together.

2.1.8. SMEs Manufacturing in Ethiopia.

The classification of manufacturing firms as micro, small, medium-sized and large depends on the level of development of enterprises and the level of development of the economy of the countries. Definitions of Micro and Small Enterprises differ from country to country, depending on one or more of brinks lay down in respect of investment, employment, poverty reduction, turnover etc. It is guided by each country's law and regulation in line with the country's economic development policy and strategy. The categorization and

function of each business enterprise type is differ country to country. But the definition takes into account three criteria which includes number of employees, annual sales turnover and annual balance sheet (European commission 2015b). Small and Medium Enterprises' (SMEs) is an independent business, having a small market share and managed by its owner or part-owners. Actually there are wide diversity of the businesses, so there is no single definition of a small firm because each country have their own definition for SME Firm.

In Ethiopia classification of manufacturing industries are based on amount of capital and number of employees they have. According to Ethiopian Council of Ministries of proclamation No. 373/2016a "Manufacturing" means a mechanical, physical, or chemical conversion of a raw material, substance, or component by using machine, equipment or labour into products that worth better value "small manufacturing industry" means an industry having a total capital, excluding building, from Birr 1 00,001 to Birr 1 ,500,00 in the manufacturing sector and engages from 6 to 30 workers including the owner, his family members and other employees; "medium manufacturing industry" means an industry having a total capital, excluding building. From Birr 1,500,001 to Birr 20,000,000 the manufacturing sector and engages from 31 to 100 workers including the owner, his family members and other employees. Micro, small and medium enterprises in Ethiopia are considered carrying the nation to the planned industrialization development and to create a lot of jobs, especially for the unemployed youth. The core intention of establishing and institutionalizing micro, small and enterprises is therefore to eliminate poverty by fostering industrialization and job creation **(**FDRE. 2016a).

In Ethiopian Context in general, even though in country and regional level there are some encouraging achievements regarding small and medium-Scale manufacturing enterprises development, the high level of poverty and unemployment in urban areas as well as the low level of productivity and competitiveness of the enterprises still remain to be huge challenges (MOFED, 2013).As Federal SMEs development policy & strategy document of Ethiopia (2nd Ed. 2016) Under SMEs performance evaluation part challenges faced with human resource were lack of knowledge about potential of MSEs ,Preference for paid employment, attitude of dependency and assuming MSEs fund as subside, lack of development oriented democratic culture, capacity limit to absorb funds fully, lack of

confidence to hand risk, lack of skill to use new working method and technology transfer, lack of open mind, shortage of need based and market skill training, poor support and follow up, poor management practice leading the sector to low competitiveness and profitability. The employees in this sector ineffective and inefficient to do as expected. They were characterized by dependency and syndrome is common and is expressed in an expectation of receiving subsidies and charity rather than working and investing in one's own future.

2.1.9. SMEs Manufacturing in SNNP Regional state and Kaffa Zone.

Southern Nations, Nationalities and Peoples State (SNNP) is one of the nine federate states of Ethiopia. It is located in the southern and south western part of Ethiopia bordering to Kenya at south, Gambela Regional State at south west and Oromia Regional State at north and west. SNNP as many other federated states is the beneficiary of the current Ethiopian government national policy and strategy designed to organize and strengthen micro and small enterprises all over the country. FDRE MSEs (2013) report indicated that, micro and small enterprise expansion will facilitate the needed industrial transition which in turn will help to eliminate poverty. This is mainly because micro and small enterprises are labor-intensive and usually performed using moderate technology and medium-level skill to generate employment. However, inefficient and ineffective undertaking of micro and small enterprises is constraining efforts of poverty elimination and industrial development within SNNP as well as in the rest of the country (Gebrechristos Nuriye, 2014)

KAFFA zone is located south west region and is endowed with ample natural resource. As a country's economic development policy and strategy MSEs is implementing more than a decade beginning from 1st MSEs policy 1997 in this zone. In these years many encouraging results obtained as mentioned before in country and regional level. However, even if ample resource is available in this zone they have not performed creditably well and hence have not played the expected vital role in the economic growth and development as expected. (Kafa Zone Enterprise and Industry Development, 2018/19).Therefore, the basis for this study is that the government formulated some policies, and established many institutions to promote the smooth functioning of SMEs. However, the sector is not performing up to the expectations of many stakeholders as it has been suffering from several problems. More of the problems are related to low productivity

2.1.10. Determinant Factors affecting employee Productivity

The productivity is affected by multiple factors. Sometime one or more factors play there role to increase or decrease the labor productivity. The factors those affect the performance or productivity are the same. Because when the productivity of individual is increased automatically his performance is also increased**.**

2.1.10.1. Employee Characteristics and Productivity

According to Eagan and Garvey (2015) a characteristic is a kind of a salient feature that serves as a distinguishing factor for a human or any substance. If something is characteristic of or to someone, it goes to say that it is unique to that person. It becomes a sort of trademark for a person. A characteristic in an individual is a means to tell one apart from another, in a way that the person will be described and recognized. In this sub-section, employee characteristics and how they affect productivity are reviewed. Among the characteristics reviewed include level of education, marital status, experience, age, gender among others

2.1.10.1.1. Education

The first prominent variable which is a representative of human capital is education. Becker (1964) considered it as a formal process of learning. To him, education is a formal form of learning in which knowledge, skills, and habits about particular field(s) are transferred through a formal process. It is considered a fundamental facet of human capital. Dixon and Lim (2012), asserted that education in general is a kind of learning where knowledge, skills, and habits of a group of people are passed from one generation to the next one through teaching, training, or research. Education frequently takes place under the guidance of others, but may also be autodidactic. Becker, 1964) used it as an indicator of human capital. The number of school years, literacy rate, enrolment rate and degree of technical education are taken as indicators of human capital productivity level.

2.1.10.1.2. Training

It is the process of learning vocational, practical, or/and interpersonal skills that are linked to specific useful expertise. It is also considered "activities or deliverables designed to enable end users to learn and use new processes, procedures, systems and other tools efficiently and effectively in the performance of their work"(Lai Wan, 2007). Training is the process that enables people to acquire new knowledge, learn new skills and performs

tasks differently and better than before (Eagan, & Garvey, 2015). Its objectives are to teach employees how to perform particular activities or a specific job. They also stated that, smooth and efficient running of any organization depends directly on how well employees are equipped with relevant skills. New employees will need some form of training before taking up their jobs while older employees will need some of training to keep them abased of technology development. Therefore employees must be from time to time trained to perform better in their present positions and to prepare them for transfer, promotion and introduction of new technology and ways of doing things. In addition to the basic training related to a particular profession, human capital experts highlight the need of continuous training for maintaining and/or upgrading skills throughout the professional life.

2.1.10.1.3. Attitude

Generally, attitude is the emotion of a person about people, objects or events. It persuades an individual's choice of action and response to challenges, incentives, and rewards The attitude of employees is considered their evaluation and feelings about their job and organization 'The focal point of an employee's attitude is job satisfaction Job satisfaction is a pleasurable or positive emotional state resulting from the appraisal of one's job or job experiences (Patel& Conklin, 2012).

2.1.10.1.4. Ability

Robbins T, W & Everitt, B. J (1996) expressed the ability refers to an individual's capacity to perform the various tasks in the job. It is a current assessment of what one can do. An individual's overall abilities are essentially made up of two sets of skills, intellectual and physical. He argued abilities are capabilities to engage in some behavior. Abilities derive from knowledge (awareness of information, techniques or facts), skills (proficiency at basic task necessary for achieving more complex behaviors) and aptitudes (potential abilities that have not yet been fully developed or applied)

2.1.10.1.5. Work Motivation

It is psychological force that determines the direction of an employee's behavior, his level of effort and persistence in an organization. It can be measured as the willingness and enthusiasm of employees to exert high levels of efforts toward their organizational goals (Rainlall, 2004; Robbins &Everitt, 1996).Motivation is defined as a set of energetic forces that originate both within and outside an employee, initiate work-related effort, and

determine its direction, intensity, and persistence (Latham &Pinder, 2005) They stated that motivation represent "those psychological processes that cause the arousal, direction, and persistence of voluntary actions that are goal directed". Gibson &Donnelly, Jr. (1985) defines motivation as a concept used to describe the impulses that arise in an individual which then mobilize and redirect its behavior. For an employee who works in an organization, the motivation to achieve organizational goals will make him eager to perform his job. If employees have high working spirit, so performance will increase. In addition, employees will be formed also a commitment to achieve the established performance to succeed. Based on the above description, it can be seen that employee motivation has a significant relationship to performance.

2.1.10.1.6. Satisfaction

According to Locke (1976, p. 1304), employee satisfaction is "a pleasurable or positive emotional state resulting from the appraisal of one's job or job experiences". It represents employees 'feeling about their jobs and conditions. It is mainly employees' feelings about fairness in the organization, the value of their work, understanding what is expected of them and their perception of having the opportunity to develop their career which can depict their levels of satisfaction. Employees are satisfied when organizations successfully align their individual goals with the organizational goals, such alignment also attracts them to be more engaged towards their jobs because they are satisfied that organizational goal achievement will ultimately result in their own goal attainment (Ostroff, 1992)

2.1.10.1.7. Engagement

It refers to the employees' commitment and connection to work as measured by the amount of discretionary effort they are willing to expand on behalf of their employer .Luthans& Peterson, (2002) stated highly- engaged employees go above and beyond the core responsibilities outlined in their job descriptions, innovating and thinking outside the box to move their organizations forward - much like volunteers who are willing to give their time and energy to support a cause of which they are truly passionate (Kong, 2009). An engaged employee is emotionally invested in the mission of the organization. Kong, (2009) has defined employee engagement as "being positively present during the

performance of work by willingly contributing to intellectual effort, experiencing positive emotions and meaningful connections to others.

2.1.10.1.8. Work Experience

Work experience is the time spent by a person to acquire knowledge, skills and attitudes in accordance with the tasks assigned to him (Supono, 1996). Another opinion states that work experience is the length of a person carrying out the frequency and types of duty according to his ability (Soekarno,1997). Based on the above opinion can be concluded that work experience is time spent by a person to acquire knowledge, skills and attitudes in accordance with the frequency and type of task. A company will tend to choose an experienced worker than the inexperienced. It is because they are more experienced in performing job responsibilities at the same time provided the company can be done in accordance with the provisions of or demands for the company. Thus, the work experience has benefits for neither the company nor the employee. Soekarno (1997) argued that the benefits of work experience are: (a.) Trust; get the belief that better than anyone else in the execution of their duties (b.) Authority; The authority will be increased so it can influence others to work in accordance with her wishes. (c). Execution of work; Implementation of work goes smoothly because the person already has some knowledge, skills and attitudes. (d.) Earn revenue. With the better work experience, then people will earn more income. Professional service firms with a good record for taking able people usually place a higher value on basic ability and attitude of mind than on specific technical skills However, this does not undermine at all the past experience of the employee which involves knowledge, skills, practice and situational familiarity. (Smith, A.2009, pg. 166).

2.1.10.1.9. Workforce Stability

One of the major risks associated with human capital Productivity is its mobilization since the human being is not a tangible asset and it moves from one firm to other, which affects the firm's overall employees' stability . This refers to the rate of employee turnover and absenteeism. It also refers to employee longevity which is the average length of service of an employee with a firm (Bontis& Fitz-Enz, 2002). It is measured the stability by studying the employee turnover, absenteeism and longevity. According to Bontis & Fitz-Enz, work environment is also one of the main causes for employee turnover. Employees mostly want

to be work in an environment that is favorable to them. This is the common reason that make employee move from one organization to another from time to time. Work environments that are not safe, like below standards work environments have a wide range of implication

2.1.10.1.10. Age

Age plays an important role in performance. Generally speaking there is a direct relationship between age and performance, assuming that we learn something every day and become more experienced every day. However, we must note that with some specific jobs that need physical attributes the performance is generally inversely related to age. Age also inhibits ambition and could make man complacent (Njururi Edwin Mukundi, 2016).

2.1.10.2. Organizational Factors and Employee Productivity

A number of institutional factors are reviewed while linking them to employee productivity. These include rewarding employees, career development and motivation factors.

2.1.10.2.1. Employee Motivation

Alazzaz and Whyte (2015) contended that motivating employees can be the biggest challenge to a manager. Motivating employees is the key to the overall effective performance in an organization. Organizational behavior which is the understanding of the applied psychology within the workplace, can assist in achieving a highly motivated workforce in the organization. Legitimate staff promotion carried out on the basis of employees' performance at work, greatly motivates employees. However, failure by the organization management to carry out promotion on basis of performance can be a key demotivating factor to employees. Fahed-Sreih J. (2012), observed two types of behaviors that can occur during motivation: intrinsically motivated behavior. Being a behavior that is performed for its own sake, the source of the motivation is actually performing the behavior, and motivation comes from doing the work itself; the other type is, the extrinsically motivated behavior, which is the behavior that is performed to acquire material or social rewards or to avoid punishment and thus employees who are working purely for monetary purposes are an example of extrinsically motivated. Fahed-Sreih (2012 affirmed that application of ineffective performance appraisal systems influences

rewarding of non-performing employees since they are rated to be the best and this demotivates most of the hardworking employees whose efforts are not \ recognized.

High performance levels contribute to the organization's efficiency, effectiveness and overall objectives (Dixon and Lim (2012).

2.1.10.2.2. Performance Appraisal

According to Yao, Chen and Cai (2013) as more businesses try to achieve greater efficiencies with fewer employees, productivity measurement is becoming a common labour metric for many organizations. Measurement systems lack uniformity because employees perform a variety of tasks-some routine, some complex and some that defy easy assessment (Shafer & Moeller, 2012). Nevertheless, employers use several approaches to measuring employee productivity. Budget-conscious employers track several core measures related to employee performance. Employee productivity or the relative efficiency of how employees produce goods or provide services is a part of a larger package of measures, including overtime rates, annual employee turnover and staff satisfaction (Deadrick & Stone, 2014). All these measures taken together give executives insight on how to achieve superior performance from their workforce. Companies in the service industry may use a "unit of service" as the basis for measuring labour productivity (Parakandi & Behery, 2016). Managers define targets by looking at industry best practices, or by performing a time study to determine the optimum amount of time needed to complete a specific task. Productivity scores unrelated to a target or average performance provide little information to help the manager or the employee to improve their scores. While appraisal schemes are basically beneficial to organizations to enable the management to reward able employees or improve their work conditions, they are equally important to the employee since – if carried out properly – would give him the assurance of fair treatment and an opportunity to improve upon his weak areas. At the individual level the most important factor to employee would be the perception of fairness and the desire for equity (Deadrick& Stone, 2014).

2.1.10.2.3. Availability effective of Managerial Experience

Many SMEs owners or managers apply poor managerial system. Inadequate strategic management of the firm, insufficient competences in marketing or in commercial management, an inability to (adequately) anticipate the future of the firm and the evolution

of its environment, an inability to (correctly) adapt the firm to changes, to external or internal pressures, insufficient competences in operational and day-to-day management, deficient competences in accounting or in finance, difficulties to control, monitor, measure the activities, the personnel or the costs are major problems related to managers in SMEs industries. The typical owner or managers of small businesses develop their own approach to management, through a process of trial and error. As a result, their management style is likely to be more intuitive than analytical, more concerned with day-to-day operations than long-term issues, and more opportunistic than strategic in its concept (Hill H. & Kalirajan, K. P 1993). Phusavat, K. (2010) looks at management as a process of getting tasks accomplished with and through people by guiding and motivating their efforts. Much depends on the competencies of supervisors/ seniors/managers in improving the employee's performance by advising how to achieve the goals and setting the example. Moreover a good effective supervisor will know the team members strength and weakness and using this knowledge to get the best out of his team. The degree of competence of the supervisors and managers shape in many ways the employees performance whether positive or negative.

2.1.10.2.4. Defined policies and procedures by management

Organization policy in regard to employee behavioral expectations should be created and enforced in compliance with the policies of the organization (Fahed-Sreih, 2012). Any grievances, be it from employees or customers, should be handled promptly and within the stipulated regulations. Employees who behave in ways that endanger anyone should be cautioned or terminated as required to both follow legal handling of the situation and ensure a safe work environment for everyone. Reward schemes policy plays an important role in employee's performance and achievement of the feel of care and fair treatment. The role of organization justice in the reward given to employees plays an important fact in employee /organization relationship. It lends better to the employee's perception of fair or unfair treatment and subsequent work behavior and performance (Shah. A.2014).

2.1.10.2.5. Nature of work/assignment

The nature of the job and type of assignment given to an employee has much to do with his performance. One important aspect of motivation that has been completely neglected by most psychologists, namely possibility. On the whole, we yearn consciously for that which

might conceivably be actually attained (Maslow, 1987, pg. 12). Therefore setting realistic attainable targets is important.

2.1.10.3. Environmental Factors and Employee productivity

Various environmental factors are reviewed based on what already exist while linking them to productivity. These include work environment, infrastructure and employee appraisal.

2.1.10.3.1. Working Environment

Employees need to have essential tools to carry out their duties. This consists of appropriate equipment, machinery and computer technology and also sufficient lighting, working space and ergonomically-correct seating .Poor work conditions owing to physical components leads to low production levels and an overall job dissatisfaction . Githinji, A. (2014)., stated that electrical and other hazards should be avoided in the workplace through proper maintenance, work equipment should be frequently serviced and safety precautions, such as wearing safety goggles and other safety gears that includes helmets, gloves or steel-toed work boots, should be enforced by the organization. A safe working environment is something that organizations as well as the staff should continuously be focused on achieving. Existence of well-equipped first aid kit portrays ability of organization to handle emergency (Robertson, Birch & Cooper, 2012). Cases such as accidents in the work place and this instill confidence amongst employees. Because of the nature of bad environments, there is often a lower employee turnover rate, and they typically fail to work to their full potential. Alazzaz& Whyte (2015) were of the opinion that a safe working environment leads to increased level of job satisfaction and this can help the organization to retain employees for a longer time. This makes the organization to have an experienced workforce which is more skilled and perform better at work.

2.1.10.3.2. Work Infrastructure

Alazzaz&Whyte (2015), argued that office infrastructure and work equipment increase the level of employees' job satisfaction, which plays a big role towards realization of increased employee turnover rates. Uddin, Luva&Hossain (2012), were of the opinion that a lack of open office layout leads to an isolated working environment that hinders employees from interacting freely with their colleagues and thus influence cases of

employees' turnover. In addition to make working environment suitable, organization should be well prepared in case of an emergency situation. A first aid kit box and emergency foodstuff and water supplies should be stored accessibly with the items changed occasionally to ensure their freshness (Phipps, Prieto&Ndinguri, 2013). Emergency preparedness drills and meetings can be arranged to help the organization work towards a safer working environment as would be possible in cases of a natural disaster such as a floods.

2.1.10.3.3. Employee Rewards

According to Harris & Artis, A. (2014) designing and implementing an effective reward system is a critical human resources activity which influences the attainment of performance targets and effectiveness of an organization to deliver on its mission and mandate. A reward system is a very important tool in managing the human capital and failure to reward the staff for their collective and individual efforts often leads to dissatisfaction manifested in various forms for example industrial strikes, go slows or the so called wild cat strikes and grievances against the employer (Guest, D. & Peccei, R. 1994). This affects productivity and leads to loses in terms of lost man hours, high staff turnover and loss of profits or revenue. Harris & Artis, A. (2014), were of the opinion that majority of employees consider pay and other monetary rewards as the significant motivating factors, although, non-monetary factors such as job security, career prospects, and working conditions, are also very important. Improved monetary rewards are regarded as the most important motivational factor by employees across all types of organizations in most countries.

According to Ekere& Amah (2014), employee benefit constitutes an integral part of the remuneration package. This benefit is seen to provide economic security for employees and, as a consequence, improve staff retention rates.

2.1.10.3.4. Work-life balance

Nauert (2013) claims that employees are subjected to numerous challenges relating to balancing their lives and work commitments. Chittenden & Ritchie (2011) state that most organizations are striving to formulate policies that are inclusive in nature. However, on the opposite end, Nauert (2013) argues that the support services offered by organizations are not sufficient as this may require a shift in organizational culture

2.1.10.3.5. Safety and job security

Safety and security are among the basic requirements and needs of human beings. Once the basic physiological needs are relatively well gratified, then according to Maslow's Hierarchy of Needs, a new set of needs emerge, which we may categorize roughly as the safety needs (Maslow, 1987, pg. 18). Much of the management of job security lies in the hands of the management, especially building confidence about the future expectations of employment security and promoting progressive human resources policies and practices (Huselid, M. A., 1995).

2.2. Empirical Literature Review

Determinants of employee productivity in Small and medium manufacturing sector results from various factors. Different literatures classified the factors different ways but central idea is close to each other. Gemechu Abdissa & Teklemariam Fitw (2016) carried out a study of the factors affecting operational productivity in small and medium sized manufacturing firms in in South West Ethiopia. He found out that the level of quality technology, management systems and human resource were the main factors that affect productivity levels of the employees in SMEs manufacturing firms. Ashraf H. Abeid (2015) Mzumbe University Mzumbe, Morogoro Tanzania, studied on workplace environment and employee productivity. Findings from the study indicated that many workplaces environment are affected by a number of factors such as lack of proper furniture, insufficient light, excessive noise, poorly designed work centers, insufficient working tools/facilities, lack of safety gears and high temperature environment. All these factor play a vital role as they greatly affect employee's performance. Furthermore workers who are working in those environment suffered from a number of occupational diseases which absolutely affect their performance. According to Armstrong, M. & Murlis, H. (2004), challenging job designs tend to give employees the drive to achieve the goals set which could be demanding yet achievable. Such job designs motivate the employees to be at their best hence utilizing their time and resources to the optimum. Training and development imparts on the employees the skills they need to effectively execute their duties and responsibilities.

Abdi Angerasa (2018) conducted study on Determinants Labor Productivity Measurement and Improvement: In Case of Ethiopian Medium and Large Footwear Industry. His finding shows different factors that drive employee productivity. He categorized under five prominent factors which are quality of workforce, human resource sophistication, labor turnover, other production inputs and management and scheduling. Tsegay G Tekleselassie (EDRI),KidanemariamBerhe (PSRC) ,Tigabu D Getahun (EDRI) GirumAbebe (EDRI) GebrehiwotAgeba (EDRI)(2018) together conducted research on Productivity Determinants in the Manufacturing Sector in Ethiopia: Evidence from the Textile and Garment Industries. Their findings were specifically that human capital came out as one of the strong correlates of productivity is in line with empirical research in the field. Secondly there is positive relationship between productivity and location in industrial zone.

2.3. Conceptual framework

According to Mugenda and Mugenda (2003) conceptual framework is a diagrammatic presentation of the relationship between dependent and independent variables. In this study, the dependent variable is employee productivity while independent variables are determinants of employee productivity which include individual employee characteristics, organizational factors that influence employee productivity, and environmental factors that affect productivity.

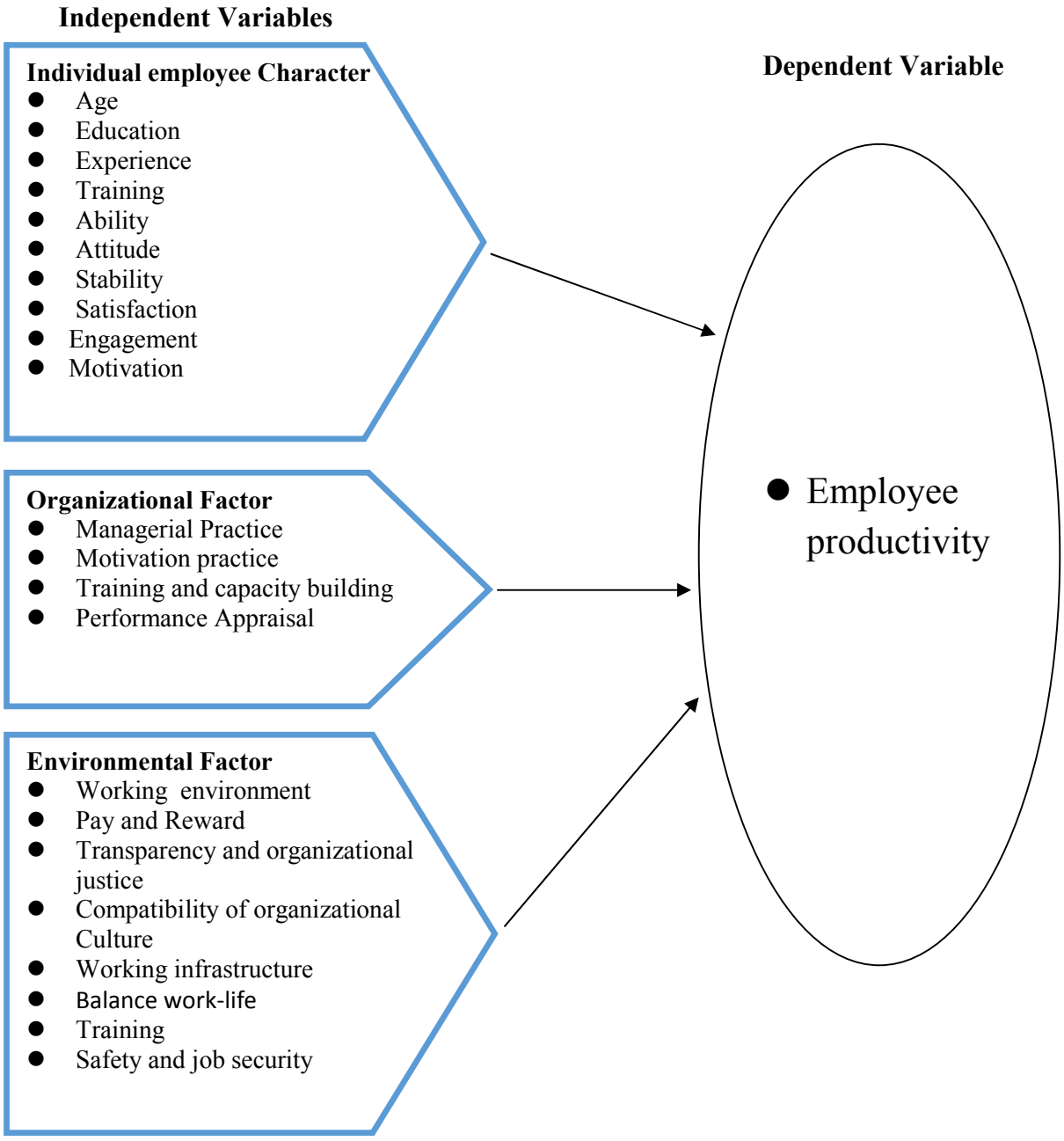


Figure 1.Conceptual frame work,

Source: Muhammad Shujaat Mubarik (2015) & modified by researcher (2020)

CHAPTER THREE

3. RESEARCH METHODOLOGY

3.1. Research Design

According to the formulated purpose of the inquiry the researcher applied an explanatory research design. This design seeks to answer the why and how of the problem under study. Also it is used to identify the sources or causes of problems and effects, it provides reasons, determine which of several explanations is best.

3.2. Research Approach

Quantitative research approach was employed. According to Babbie, E. & Mouton, J. (2002) quantitative research can be described as involving a collection of numerical data and as presenting a view of the relationship between theory and research as a deductive and objectivist conception of social reality. The objective of this research needs to quantify the magnitude of the impact of each independent variable on dependent variable. Quantitative research can be used to create models that predict whether or not someone holds a particular opinion or would act in a certain way based on an observable characteristic. More over quantitative research approach search for quantify data by applying some form of statistical analysis with quantitative methods. The quantitative aspect of the data focused on description of personal, organizational and environment related variables, and analysis of relationship among the dependent and explanatory variables for the study (Leedy and Ormord, 2013:147).

3.3. Population, Sample size and sampling Techniques

3.3.1. Population of the Study

The population for this study were the employees working in selected small and medium manufacturing industries in Kafa zone.

Table 1: Population distribution

SMES Manufacturing industry	Number of enterprises	Population Size	Percentage
wood and metal work manufacturing	5	173	49%
Textile and garment	3	110	31%
Agro-processing	3	73	20%
.Total population	11	356	100

Source: Kaffa zone Ent/Ind/Dev/Dep (2020)

3.3.2. Sample size and Sampling Technique

This study employed both Simple random sampling and non-probability sampling designs. In Kaffa zone there are 12 woredas and two town administrations. Among this four rural woredas and one town administration have no small and medium manufacturing industries. For this study two woredas and one town administration namely Gimbo,Decha and Bonga town administration was selected by using deliberate or Purposive non-probability Sampling technique . This is why to make the study manageable with time and cost. The proposed non- probability sample lets the researcher to conform to certain criteria to select sample. Therefore, selected woredas have relatively with high number of employees and have well-structured SMEs manufacturing industries than the rest woredas. More over these wordas started SMEs Practice for long years relatively others and they have relatively long experience employees about this sector. In addition in study zone there were 6 major kind of SMES manufacturing sectors. Namely metal and wood work, textile and garment, agro processing, chemicals and chemical products, leather and leather product, and hand craft and cultural cloths. Out of which 3 SMEs sectors namely metal and wood work, textile and garment and agro-processing were selected by using purposive sampling technique. The reason for these SMEs sectors inclusion was, they are relatively practiced for long years and widely found study woredas. Rest of SMEs sectors are newly organized and some found in only one or two woredas. Not only this selected SMEs Manufacturing industries were located in many numbers in selected woreda ,and seem to have relatively long years of manufacturing and marketing experience as well as access to long experienced labor, and with better manufacturing technologies and practices relatively other small industries. Additionally selected three SMEs manufacturing sectors had totally

11 enterprises. To make the study manageable, from 5 wood and metal work manufacturing enterprises 3 enterprises were selected by employing simple random lottery sampling method. Textile and garment, and agro-processing all enterprises' were included, because employees' number were manageable.

To select sample employee participants form selected SMES industries simple random sampling technique was employed. To do this list of population obtained from formally developed and registered number members in Kaffa zone Enterprise and industry development department until the end of 2019 .The data registered shows the total population of the study were from selected woreda, manufacturing sectors and enterprises constitute 356 labors/employees. From this to determine sample size from the total population Yamane's (1967:886) sample size formula employed. He was provided widely used simplified formula in calculation of sample when population is finite i.e. countable sample size can be decided by setting the alpha level a priori at .05, plans to use a proportional variable, has set the level of acceptable error at 5%, and has estimated the standard deviation of the scale as 0.5.

The formula stated as; $n=\frac{N}{1+N(\mathcal{E})^2}$ Where,

n= sample size, N = Size of population,

$\mathcal{E}$ = tolerable sampling error, by using this formula $n=\frac{356}{1+356(0,05)^2}=188$ sample employees selected from total population. This sample size selected here was considered as representative of MSEs in study zone and also large enough to allow for precision, confidence and general ability of the research findings. The decided sample size includes heterogonous employee from three deferent SMEs manufacturing industries. To make the sample homogenous stratified probability sampling technique is employed. Kothari (2004) pointed out; stratified random sampling is commonly used probability sampling method if the population from which a sample is to be drawn does not have a homogenous group. To get information across the component part of the strata population proportionate stratified sample technique was carried out. Accordingly, employing proportionate allocation of sample size from three sub- sector the following sample determination

method/formula/will be $n_i = (n_0)\ x\ p_i\ /N$. Where n_i is each strata sample, n_0 is required sample size total, P(i) population of strata, N is total population .After sample size and proportional distribution of samples from each strata decided, names of samples will be written on independently from each proportionally distributed sample and select the participant employees simple random sampling lottery method was employed. It enabled every member of the strata population to have an equal and independent chance of being selected as respondent. Also it is considered the simplest, most convenient and bias free selection method and simple to execution.

Table 2: Sample size determination and distribution

R.no	SMEs Manu-facturing Industries	Population by sector	Population by woreda			Sample by sector		Sample by worda		
			Bonga	Gimbo	Decha	N	%	Bonga	Gimbo	Decha
1	wood and metal work manufac.	173	102	44	27	91	53	54	23	14
2	Textile& Garment	110	61	24	25	58	55	32	13	13
3	Agro-processing	73	46	18	9	39	53	24	10	5
	Total	356	209	86	61	188	53	110	46	32

Source: Kaffa zone En/Ind/Dev/Dep. (2020

3.4. Types of data source and Instruments of data collection

When collecting data for this study, the researcher engaged in five steps: selecting sources and participants, obtaining permissions, selecting types of data, identifying instruments, and administering data collection.

3.4.1. Sources of data

The researcher employed primary data in line with defined research problem and objective. Primary data sources were employed to get first hand data and original sources directly from respondents. .

3.4.2. Data collection instrument

In this research questionnaire data collection instrument was utilized. As stated research problem and purpose, written structured questionnaire with both closed and open ended questions were used .The utilized questionnaires were Structured and contain two types of questions rating scales and open ended questions. Closed-ended and open- ended questions included. Closed-ended questionnaire are quick and easy to answer respondents in sticking to the offered choices, and respondents may try all responses without boring. Open-ended questions enable the respondents to raise new issues related to research problem. Closed ended questionnaire are many types but the researcher used Scaled questions, they responses are graded on a continuum, they a rescaled questions. Among others five Likert scale (Strongly disagree to strongly agree) questions were employed. In addition to this empty space completion question items included in open ended questions. Balancing closed- ended and open-ended questionnaires was used to get triangulated data. According to level of variable measurement categorical ordinal and nominal Scale was used in line with research question and purpose.

3.4.3. Validity and Reliability of the instrument

Firstly Content validity of the questionnaire was tested by giving it to the advisors and they identified items that are inadequate and suggest necessary corrections. Secondly ensure reliability of the instrument, the researcher conducted pilot test. Cronbach's Coefficient Alpha was utilized to test for internal consistency of the questionnaire, which is a measure of its ability to consistently measure the variables of interest. If R (Alpha) value equaled to 0.7 and above, then the instrument was considered satisfactory (Sekaran & Bougie, 2010).

Table: 3 Reliability analysis Statistics

Reliability Statistics		
Items	Cronbach's Alpha	N of Items
Employee personal Characteristics	.921	10
Organizational factors	.944	17
Environmental factors	.959	8

Source: pilot test data (2020)

After reliability analysis the findings for each of the variables given as above Table 3 shows employee personal characteristics Cronbach's Alpha 0.921,organizational factor 0.944,environmental factor 0.959 and overall reliability statistics was 0.855.This statistics result was above 0.7 and acceptable in line with literature. Thereafter the second version of the questionnaire was developed by the researcher based on consistency and correlation of the respondents' answers from the pilot study. To make clear and understandable for all respondents the questionnaires were translated to Amharic by English language graduated higher professional. This version was approved by the researcher's supervisors and returned back. Recommendations from the Supervisors were incorporated in the final questionnaire after correction it was given to real sample for data collection.

3.4.4. Data collection Procedure

Before implementing any of the tools above the relevant data collection instruments were designed, based on the objective of the study and the review of related literature. Then, the instruments were commented by research advisors and other researchers' colleagues to make necessary changes. Following these, discussion with Kaffa zone Enterprise and Industry development department manufacturing office experts were made on the area of aim and time to apply these tasks. The same discussion also made with three sample woreda Enterprise and Industry development office management bodies about the research purpose and data collection procedures. This created smooth relation with concerned bodies and help to get their willingness to collect necessary data on its appropriate time. Two Strategies was implemented for data Collection to this study. First the researcher himself dispatched and collected back the questionnaire from some a representative samples that represents all the subjects. Secondly for rest of respondents questionnaires printed and mailed by researcher and sent by researcher assistant to respondents living different places and respondents filled them out and mail them back also collected by assistants and was delivered to researcher. To do this three assistants were selected and given orientation to collect data from selected woredas .They carefully informed and understood about study and what was expected of them. They got short written guideline on the aspects of the questionnaire and how to handle the respondents to ensure that they observe ethical considerations.

3.5. Data analysis

Data analysis was done after all the relevant data have been gathered from the respondents. Thus, the researcher analyzed through this all mentioned operations. The raw data collected was classified and tabulated after ensuring that it was carefully checked for completeness and consistency of information. Processes of analyzing and interpreting data included data preparing and organizing, analyzing it descriptively and inferentially, summarizing the results visually and in a discussion, and concluding a study by summarizing and explaining the results. The study data analysis included descriptive and inferential statistics. Descriptive statistics help to analyze descriptive questions .The basic descriptive statistics in this study was the summary of frequency distribution tables, percentages, bar graphs and the appropriate measures of central tendency like mean and median, variability measures like variance and standard deviation which serve to provide the reader with some insight into the nature of the respondents. Statistical inference is based on the idea that it is possible to generalize results from a sample to the population. Inferential statistics analysis are the statistical procedures that are used to reach conclusions about associations between variables. They are explicitly designed to test basic research questions**.** Evaluations of Estimates had help to identify the reliability of the results whether they are theoretically meaningful & statistically satisfactory results. Specifically theoretical and practical acceptance of the result, Statistical significance of the results, and test of econometric criterion was conducted.

3.5.1. Regression Analysis

Regression analysis is concerned with the study of the dependence of one variable, the dependent variable, on one or more other variables, the explanatory variables, with a viewto estimating and/or predicting the (population) mean or aver-age value of the former in terms of the known or fixed (in repeated sampling) (Cooper, D. R. & Schindler, P. S. ,2008). The regression equation helps for understanding the interrelationships of variables among them. In this stage the researcher specified the relationships between the dependent & independent variables on the basis of theories. The magnitude or the size of the numerical values of the coefficients of the independent variables was be determined by theory & empirical observation of the real world. The functional relationship between the dependent and independent variable was linear. Independent

variables was more than one .Therefore; multiple linear regression model was applied. Multiple regression is used to develop equations that describe relation-ships among several variables. After the model was defined and the cross sectional data have been collected, next the parameters of the model was estimated based on the collected data by using least squares method. Estimation of the coefficients of the independent variables was computed. After estimating & obtaining the coefficients of the variables next preceded to the evaluation of the results obtained using econometric methods. MR formula was be employed is, $Yi=b+b1X1+b2X2+b3X3+\ldots\ldots bnXn + \mathcal{E}$

Where Yi is dependent variable, X1-Xn are independent, b is intercept, b1-b3 are coefficients and e is error term.

3.6. Ethical Considerations

This study considered all the ethical issues. Before collecting data, an authorization or cooperation requesting letter allowing this process was obtained from department of management Wolkete University and then appropriate communication was undertaken with the management body of Kaffa zone Enterprise and industry development department. The zonal department also written the same cooperating letter with the reference of university's letter for three sample woreda offices. Then the researcher submitted this letter and discussed with concerning bodies to smooth all data collecting process. During data collection respondents was informed the objective of the research is for the academician purpose. The participants was assured that the data sought from the employees was kept confidential and no information related to the participants used other than that of the academic and empirical objectives; thus no violate of confidentiality. All the data collection process was acquired from the participants with their permission and consent. Utmost care was taken to ensure that all work borrowed from other scholars was acknowledged to ensure no plagiarism. Data were collected properly from the right sources, and results were reported genuinely. In these ways, the study tried to satisfy the rules, policies and codes in relation to research ethics of Wolkite University.

CHAPTER FOUR

4. DATA ANALYSIS AND RESULTS

4.1. Questionnaires Response Rate

The study targeted the 188 respondents as the sample size for the study. The researcher distributed a total of 188 questionnaires to each Small and medium manufacturing industry employees. Of the 188 administered questionnaires as indicated below Table 4 182 questionnaires were completed and returned giving a response rate of 96% which is excellent in research. According to Mugenda and Mugenda (2003), above 70% is an excellent response rate, 60% response rate is good while 30% is not viable. In this section, the study presents the empirical findings and discussions from the data obtained and analyzed using descriptive analysis.

Table 4: Response Rate

	Frequency	Percent
Respondents	182	96
Non-Respondents	6	4
Total	188	100

Source: Primary data from researcher survey 2020

4.2. Results

4.2.1. Descriptive statistics.

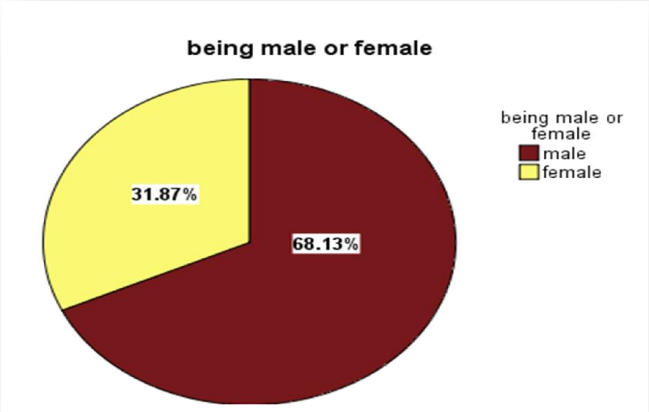
This Section will present descriptive statistics on the demographics of the surveyed employees as well as employee individual character, organizational factor and environmental factor determining employee productivity in SMEs manufacturing industries

4.2.1.1. General demographic Profile of the Respondents

The demographic profile of the respondents was presented in this section. The personal profile of the respondents were analyzed as per their gender, age, levels of educational & training, years of experience in the organization and marital status. Descriptive statistics were performed on the demographic variables as a means of describing the respondents.

4.2.1.2. Gender of Respondents'

Figure 2 Respondents' gender

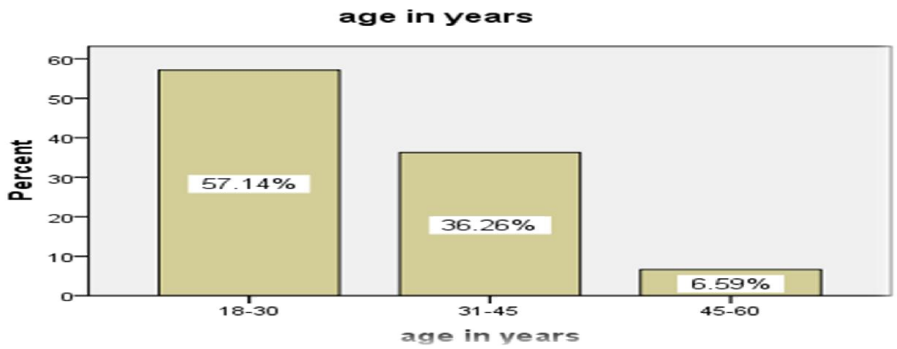


Source: Primary data from researcher survey 2020

The respondents' were asked to indicate their gender in questionnaire. A total of 188 questionnaires were distributed and out of this 182 were received from the field and the analyses are made from the responses received. . As indicated above in figure 2, out of them 124 (68%) of the respondents were male, while 58(31.9%) were female. This shows that most of the respondents were male. This means that SMEs manufacturing industries employees in Kaffa zone were occupied by male,and this gender imbalance affect employee productivity.

4.2.1.3. Age of Respondents' in years

Figure 3. Respondents' age category

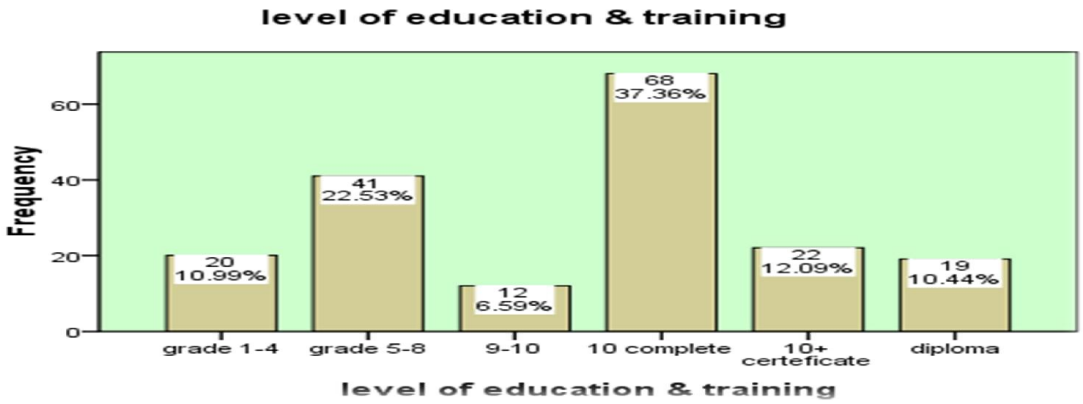


Source: Primary data from researcher survey 2020

.The researcher divided respondents' age into three age groups ranging 18-60 years. According to the findings as indicated above in Figure 3, 104(57.1%) of the respondents indicated that they were aged between 18 and 30 years, 66(36.3%) indicated were aged between 31 and 45 years, 12(6.6%) were aged between 46 and 60 years. Majority of 104 or 57.14% of the respondents fall between 18-30 years old. This implies that majority of SMES manufacturing employees are junior, and fresh with their age level .Therefore this level of age category is important to enhance employee productivity.

4.2.1.4. Respondents' Level of Education and Training

Figure: 4. Respondents 'education & training level



Source: Primary data from researcher survey 2020

The respondents were further requested to indicate their level of education and training. According to the findings in figure 4, 20(11%) of the respondents indicated that they were 1-4 grade level the same way 41(23%) indicated that they were 5-8 grade level, 12(6.59%) indicated that they were 9-10 grade level, 68(37.36%) indicated that they were grade 10 complete, 22(12.09%) indicated they had certificate, 19(10.44%) indicated that they had diploma qualifications. The analysis of educational background of the respondents in the organizations shows the most and clustered area of the whole respondents 68 or 37.36% were in the level of grade 10 complete which shows the majority of employees in SMEs manufacturing were less in education qualification in study zone. This finding shows that in Kaffa zone SMEs manufacturing industries employees educational level is low and this their education level determine their productivity level.

4.2.1.5. Year of Experience of Participants

Figure 6. Year of Experience of Participants

Source: Primary data from researcher survey 2020

As sex, age, educational qualification and marital status of individuals are different; individuals also differ in their work experience durations. Respondents were asked to indicate the experience year they had in SMEs manufacturing activities and the data collected shows on the following Figure 6,according to the findings indicated in figure 4.5, 72(39.78%) of the respondents indicated that they had been working for between 2 and 5 years, 74(40.88%) indicated working for between 6 and 10 years 24 (13.26%) indicated for working for between 11 and 15 years, 7(3.87) 16-20 years and 4(2.21%) employees had work experience above 21 years. The majority of the respondents had been working in their industries for between 2 to 5 years. This shows most employees had less experience in their work and the finding shows experience is one of the determiner of their productivity level.

4.2.1.6. Cross-tabulation between Age of Respondents and gender

Table 5: Cross-tabulation between Age of Respondents and gender

Count		age in years			Total
		18-30	31-45	45-60	
Gender	male	71	47	6	124
	female	33	19	6	58
Total		104	66	12	182

Source: Primary data from researcher survey 2020

Table 5 above provides a summary of the linkage between age and the respondents'

gender. From the table, employee aged between 18 –30 years, male were 71and 33 were females. 47 males and 19 females were between ages 31-45 years. Employees aged 45-60 years, 6 males and 12 females. From the result majority of male and female employees Were young in productive age and this implies that gender age level between genders enhance employee productivity.

4.2.1.7. Cross-tabulation between Gender of Respondents and the Level of Education

Table 6: Cross-tabulation between Age of Respondents and gender

being male or female * level of education & training Cross tabulation								
.		level of education & training						Total
		grade 1-4	Grade 5-8	9-10	10 complete	10+ certificate	diploma	
Gender	male	12	27	7	51	15	12	124
	female	8	14	5	17	7	7	58
Total		20	41	12	68	22	19	182

Source: Primary data from researcher survey 2020

Table 6.provides a summary of the linkage between gender and the respondents' e education. From the table, male 20 and female 11 employee were in 1-4 grade level, 17 male and 14 female employees had 5-8 grade education level, 46 male and 22 female employees were grade 10 complete.23 male and 7 female employees had certificates qualification. Male 18 and 4 female employees had diploma qualification. .This result shows that majority or totally 68(37%) male and female employees had acquired mostly grade 10 complete level of education compared to others. This implies education level between genders can affect employee productivity level.

4.2.1.8. Cross-tabulation between Sex of Respondents and experience

Table 7 provides a summary of the linkage between sex and the respondents' experience.

employee work experience * gender Cross tabulation				
Count		Sex		Total
		male	female	
employee work experience	2-5 years	56	28	84
	6-10 years	44	18	62
	11-15 years	16	8	24
	16-20 years	4	3	7
	above 21 years	3	1	4
Total		123	58	181

Source: Primary data from researcher survey 2020

From the table 7, employee experienced between 2-5 years, male were 56 and 28 were females. 44 males and 18 females were experienced between 6-10 years. Employees between 11-15 years experienced were males 16 and 18 females. Males 4 and females 3, males 3 and female 1 has working experience between 16-20 years, and above 21 years respectively. From the finding it can be concluded that majority of males were with long working experience than females. This implies that work experience difference among gender can affect employee productivity.

4.2.2. Descriptive Statistics Result about Determinants of Employee productivity in SMES Manufacturing Industry

Descriptive statistical analysis was conducted to understand the frequency distribution of respondents' answers. The result of the questionnaire included independent variables were employee employees' individual characters, organizational factors and environmental factors.

4.2.2.1. Analysis of Employees' personal characteristics

This section represents respondent's responses on their perception regarding employee characteristics and how these may affect productivity. Indicated attributes and respondents were requested to relate their productivity to age, level of education or schooling, experience, training, ability, attitude, stability, engagement, Satisfaction, and motivation.

4.2.2.1.1. Age and Productivity

Table: 8. Age and Productivity

Your age level helps you to be productive.					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	18	9.9	9.9	9.9
	disagree	34	18.7	18.7	28.6
	neutral	5	2.7	2.7	31.3
	agree	83	45.6	45.6	76.9
	Strongly agree	42	23.1	23.1	100.0
	Total	182	100.0	100.0	

Source: Primary data from researcher survey 2020

Employees were asked to rate their age helps them to be productive. As indicated in above Table 8 , 18 or 9.9% of the respondents rated strongly disagree, 34(18.7%) rated disagree , 5(2.7%) rated neutral, 83(45.6%) responded agree , and 42(23.1%) strongly agree .The results indicates that a total of 125 or 68.7 % (45.6 % agree plus 23.1% strongly agree) of respondents agreed that their age level helps to be productive. This clearly depicts the productivity level of an employee is influenced by age level. In other words employees between productive ages are more productive in their work place.

4.2.2.1.2. Level of Education and Productivity

Employees were asked to rate their productivity level as affected by their level of education. Employees were asked to rate their age helps them to be productive. As indicated in Table 9 below, 16 or 8.80% of the respondents rated strongly disagree, 33(18.1%) rated disagree, 7(3.8%) rated neutral, 91(50%) responded agree, and 35(19.2%) strongly agree

Table 9. Level of Education and Productivity

Your education or schooling helps you to be productive.					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	16	8.8	8.8	8.8
	disagree	33	18.1	18.1	26.9
	neutral	7	3.8	3.8	30.8
	agree	91	50.0	50.0	80.8
	Strongly agree	35	19.2	19.2	100.0
	Total	182	100.0	100.0	

Source: Primary data from researcher survey 2020

The results in Table 9 indicate that a total of 126 or 69.2% (50% agree plus 19.2% strongly agree) of respondents agreed that their education level or schooling helps to be productive. This shows that productivity of employee is affected by their education level or schooling .In other words education level or schooling increment leads the employee to be better productive in their industry

4.2.2.1.3. Training and Productivity

Employees were requested to rate their performance level as affected by the training they have had. As shown in Table 10 below, 26 or 14.3% of the respondents rated strongly disagree, 41(22.5%) rated disagree, 2(1.1%) rated neutral, 106(58.2%) responded agree, and 7(3.8%) strongly agree.

Table: 10 .Training and Productivity

Your Previous Training helps you to be productive					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	26	14.3	14.3	14.3
	disagree	41	22.5	22.5	36.8
	neutral	2	1.1	1.1	37.9
	agree	106	58.2	58.2	96.2
	Strongly agree	7	3.8	3.8	100.0
	Total	182	100.0	100.0	

Source: Primary data from researcher survey 2020

The results in Table 10 indicate that a total of 113 or 62% (58.2% agree plus 3.8% strongly agree) of respondents agreed that their training helps to be productive. This implies that productivity of employee is enhanced by their training they had .In other words previous training leads the employee to be better productive in their industry.

4.2.2.1.4. Experience and Productivity

Employees were also requested to rate their productivity level as affected by experience in the job. As shown in Table 11 below, 17 or 9.3% of the respondents rated strongly disagree, 30(16.5%) rated disagree, 2(1.1%) rated neutral, 99(54.4%) responded agree, and 34(18.7%) strongly agree.

Table: 11. Experience and Productivity

Your experience helps you to be productive					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	17	9.3	9.3	9.3
	disagree	30	16.5	16.5	25.8
	neutral	2	1.1	1.1	26.9
	agree	99	54.4	54.4	81.3
	Strongly agree	34	18.7	18.7	100.0
	Total	182	100.0	100.0	

Source: Primary data from researcher survey 2020

The finding in Table 11 indicate that a total of 133 or 73.1% (54'4% agree plus 18.7% strongly agree) of respondents agreed that their experience helps to be productive. This clearly depicts employees job experience determine their productivity level. In other words job experience leads the employee to be better productive in their industry.

4.2.2.1.5. Ability and productivity

Employees were also requested to rate their productivity level as affected by ability. As shown in Table 12 below, 22 or 12.1% of the respondents rated strongly disagree, 36(19.8%) rated disagree, 3(1.6%) rated neutral, 114(62.6%) responded agree, and 7(3.8%) strongly agree.

Table: 12. Ability and Productivity

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	22	12.1	12.1	12.1
	disagree	36	19.8	19.8	31.9
	neutral	3	1.6	1.6	33.5
	agree	114	62.6	62.6	96.2
	Strongly agree	7	3.8	3.8	100.0
	Total	182	100.0	100.0	

Source: Primary data from researcher survey 2020

The finding in 12 indicate that a total of 121 or 66% (62.6% agree plus 3.8% strongly agree) of respondents agreed that their ability helps to be productive. This result showed employees ability or an individual's capacity to perform the various tasks in the job

determine their productivity level. In other words Individual employee's capacity to perform various tasks in industry makes the employee to be better productive.

4.2.2.1.6. Attitude and Productivity

Employees were also asked to rate indicate their agreement level if productivity level as affected by their positive attitude about job. As indicated in Table 13 below, 27 or 14.8% of the respondents rated strongly disagree, 43(23.6%) rated disagree , 3(1.6%) rated neutral, 103(56.6%) responded agree , and 6(3.3%) rated strongly agree

Table: 13. Ability and Productivity

Your positive attitude about your work helps you to be productive					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	27	14.8	14.8	14.8
	disagree	43	23.6	23.6	38.5
	neutral	3	1.6	1.6	40.1
	agree	103	56.6	56.6	96.7
	Strongly agree	6	3.3	3.3	100.0
	Total	182	100.0	100.0	

Source: Primary data from researcher survey 2020

The result in Table 13 above indicate that a total of 109 or 59.9% (56.6% agree plus 3.3% strongly agree) of respondents agreed that their positive attitude about their job helps to be productive. This result revealed employees attitude or good emotion a about their work determine their performance level. In other words the positive attitude of employee evaluation and feelings about their job and organization leads to better employee productivity.

4.2.2.1.7. Employee Stability and Productivity

Employees were also asked to rate or indicate their agreement level if productivity level is affected by stability in their job place . Table 14 provides below ,28 or 15.4% of the respondents rated strongly disagree, 41(22.5%) rated disagree , 3(1.6%) rated neutral, 102(56.0%) responded agree , and 8(4.4%) rated strongly agree

Table: 14. Stability and Productivity

Your Stability in your work place for long years helps you to be productive					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	28	15.4	15.4	15.4
	disagree	41	22.5	22.5	37.9
	neutral	3	1.6	1.6	39.6
	agree	102	56.0	56.0	95.6
	Strongly agree	8	4.4	4.4	100.0
	Total	182	100.0	100.0	

Source: Primary data from researcher survey 2020

The result in Table 14 above indicate that a total of 110 or 60% (56% agree plus 4.4% strongly agree) of respondents agreed that their stability in their job organization helps to be productive. This clearly reveals that stability or employee longevity which is the average length of service of an employee with a firm enhances their productivity to high level.

4.2.2.1.8. Engagement and Productivity

Participants were also asked to rate or indicate their agreement level if productivity level is affected by their engagement in their job. Table 15 provides below ,15 or 8.2% of the respondents rated strongly disagree, 40(22%) rated disagree , 8(4.4%) rated neutral, 93(51.1%) responded agree , and 26(14.3%) rated strongly agree .

Table: 15 Engagement and Productivity

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	15	8.2	8.2	8.2
	disagree	40	22.0	22.0	30.2
	neutral	8	4.4	4.4	34.6
	agree	93	51.1	51.1	85.7
	Strongly agree	26	14.3	14.3	100.0
	Total	182	100.0	100.0	

Source: Primary data from researcher survey 2020

The finding in Table 15 above indicate that a total of 119 or 65.4% (51.1% agree plus 14.3% strongly agree) of respondents agreed that their engagement/sacrifice to their job helps to be productive. This result clearly reveals that engagement or the employees' commitment to his/her job enhances their productivity to high level.

4.2.2.1.9. Satisfaction and Productivity

Participants were also asked to rate or indicate their agreement level if productivity level is affected by satisfaction. Table 16 provides below 16 or 8.8 % of the respondents rated strongly disagree, 38 (20.9%) rated disagree , 7(3.8%) rated neutral, 86(47.3%) responded agree , and 35(19.2%) rated strongly agree.

Table: 16 .Satisfaction and Productivity

Your Satisfaction at your work helps you to be productive					
		frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	16	8.8	8.8	8.8
	disagree	38	20.9	20.9	29.7
	neutral	7	3.8	3.8	33.5
	agree	86	47.3	47.3	80.8
	Strongly agree	35	19.2	19.2	100.0
	Total	182	100.0	100.0	

Source: Primary data from researcher survey 2020

The result in Table 16 above indicate that a total of 121 or 66.5% (47.3% agree plus 19.2 % strongly agree) of respondents agreed that employees satisfaction with their job helps to be productive. This result clearly shows that satisfaction or employees' positive feeling about their jobs and conditions enhance their productivity to high level.

4.2.2.1.10. Motivation and Productivity

Employees were also asked to rate or indicate their agreement level if productivity level is affected by motivation. Table 17 provides below ,18 or 9.9% of the respondents rated strongly disagree, 31 (17.0%) rated disagree , 7(3.8) rated neutral, 91(50%) responded agree , and 35(19.2%) rated strongly agree.

Table: 17 .Motivation and Productivity

Your motivation at your work determine to increase your productivity.					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	18	9.9	9.9	9.9
	disagree	31	17.0	17.0	26.9
	neutral	7	3.8	3.8	30.8
	agree	91	50.0	50.0	80.8
	Strongly agree	35	19.2	19.2	100.0
	Total	182	100.0	100.0	

Source: Primary data from researcher survey 2020

The finding in Table 17 above indicate that a total of 126 or 69.2% (50.0% agree plus 19.2% strongly agree) of respondents agreed that employees motivation with their job helps to be productive. This result clearly shows that motivation or the willingness and enthusiasm of employees to exert high levels of efforts toward their organizational goals enhance their productivity to high level.

4.2.2.1.11. Correlation analysis of Employee Characteristics and Productivity

A correlation test was carried out to identify the association of the personal characteristics with the productivity level of employee. To show this Correlation of Spearman's rho was used. Spearman's rho is a measurement of the strength of a linear or straight line relationship between two ordinal variables. As the results are summarized in Table 18 , there was a significant relationship between the employee personal characteristics and their productivity .Specifically the age of employee was found to have a significant relationship with employee productivity (R=.207, P value=.0.005). The table also shows that there was a significant relationship between the level of education of employee and their productivity (R=.178, P value=.016). The study established that the employee experience had significant relationship with their productivity (R=.016 P value=.002). The training of employee was also found to a have significant relationship with the productivity of employee (R=.536, P value=.000). The table also show that there was a significant relationship between the ability of employee and their productivity (R=.500, P

value=.000). Also the study established that there was a significant relationship between the employee relationship with attitude and their productivity (R=.559, P value=.000) and there was a significant relationship between employee stability, engagement, satisfaction and motivation and their productivity (R=.208 P=.005,R=.208,p value .005 , R=.241,p value .005 , R=.241,p value .001) respectively.

Table: 18. Correlation between elements of working conditions and employee productivity

Employees' personal characteristics		Correlation Coefficient or Spearman's rho(R)	Significance (2tailed)
Employee Productivity level		1.000	
Age and Employee productivity		.207**	.005
Education and Employee productivity		.178*	.016
Experience and Employee productivity		.016	002
Training and Employee productivity		.536**	.000
Ability and Employee productivity		.500	.000
Attitude and Employee productivity		.559**	.000
Stability and Employee productivity		.208**	.005
Engagement/sacrifice and Employee productivity		.208**	.005
Satisfaction and Employee productivity		.241**	.001
Motivation and Employee productivity		.241**	001
Total		N 182	

*. Correlation is significant at the 0.05 level (2

**. Correlation is significant at the 0.01 level (2

Source: Primary data from researcher survey 2020

The Correlation Coefficients indicate both the direction of the relationship and its magnitude. According to the research findings in Table 18 , it can be concluded that both directions, positive (when one variable increases and so does the other one), the strength of a relationship between variables by a value that can range from --1.00 to 1.00; when 0 indicates no relationship, -1.00 indicates a negative correlation, and 1.00 indicates a perfect positive correlation. The finding indicates the correlations coefficient for the association between each individual personal character and productivity had positive moderate and weak association , as well as Statistically significant with p value less than .05. This correlation coefficient and significance level indicated as employee individual personal characteristics has association with employee's productivity level.

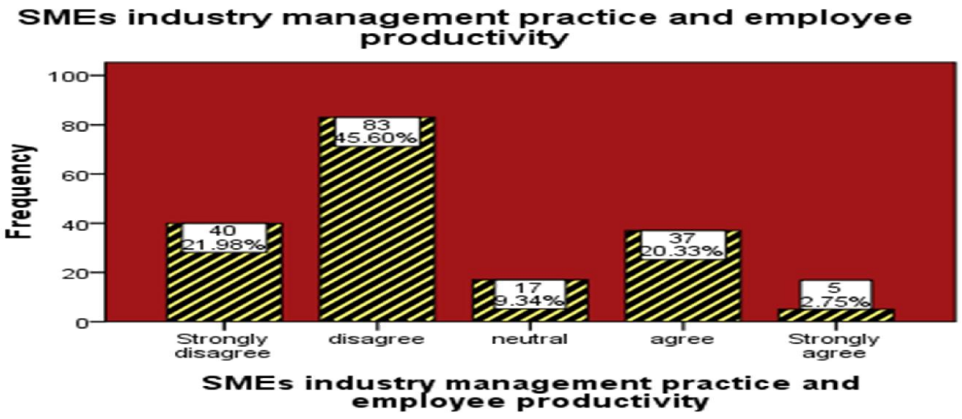
4.2.3. Analysis of Organizational Factors and Employee productivity

This section represents respondents' responses on organizational factors and how these may affect productivity. Indicated factors and respondents were requested to relate their productivity level to SMEs manufacturing industry management practice, motivation practice, and training and performance appraisal practice.

4.2.3.1. SMEs manufacturing industry management practice and employee productivity

The SMEs manufacturing industry management practice variable consist of 6 questions with five Likert scale responses, to rate on how their industry management competent enough to improve employee productivity, to what extent the management is responsible to full fill the needs of employees, how they provide direct order and timely information to to improve productivity, how they control and monitor the production process to improve employee productivity ,to what extent management provide raw materials on time and quantity to improve employee productivity. Overall from the management practice variable derived the average value presented in figure 7,In line with this employees were asked to rate or indicate their agreement level if their productivity level was facilitated by the management. Figure 7 provides below on average shows ,40 or 21.96% of the respondents rated strongly disagree, 83(45.60%) rated disagree , 17(9.34%) rated neutral, 37(20.34%) responded agree , and 5(2.75%) rated strongly agree.

Figure 7. Management practice and employee productivity



Source: Primary data from researcher survey 2020

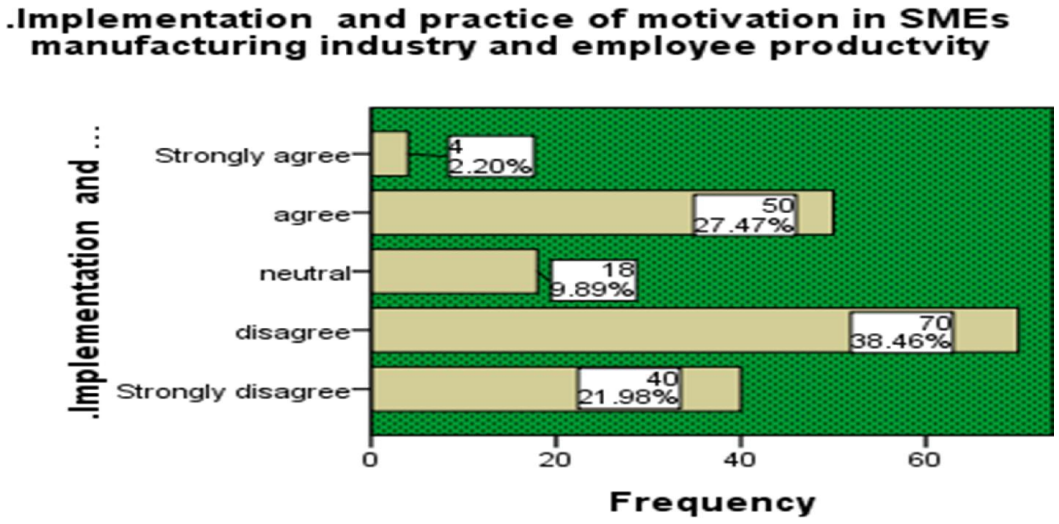
The finding in figure 4.6 above indicate that a total of 123 or 67.58% (40.21% disagree plus 45.60% strongly disagree) of respondents disagreed and strongly disagreed

that management practice helps to employee productivity. This result clearly shows that the SMEs manufacturing industry management was not responsible to improve productivity.

4.2.4. SMEs manufacturing industry motivation provision practice and employee productivity

.The SMEs manufacturing industry motivation provision practice variable consist of 3 questions with five Likert scale responses, to rate on whether their industry provide monitory incentive packages, whether their industry have defined motivation procedures and regulations, and whether their SMEs manufacturing industry promote or provide career development based on better employee productivity level. Overall from the industry's motivation practice variable derived the average value presented in figure 8.In line with this employees were asked to rate or indicate their agreement level if their productivity level was facilitated by motivation. Figure 8, provides below on average shows ,4 or 2.20 of the respondents rated strongly agree, 50(27.47) rated agree , 18(9.89%) rated neutral, 70(38.46 %) responded agree , and 40(21.98%) rated strongly agree.

Figure 8. Motivation practice and employee productivity



Source: Primary data from researcher survey 2020

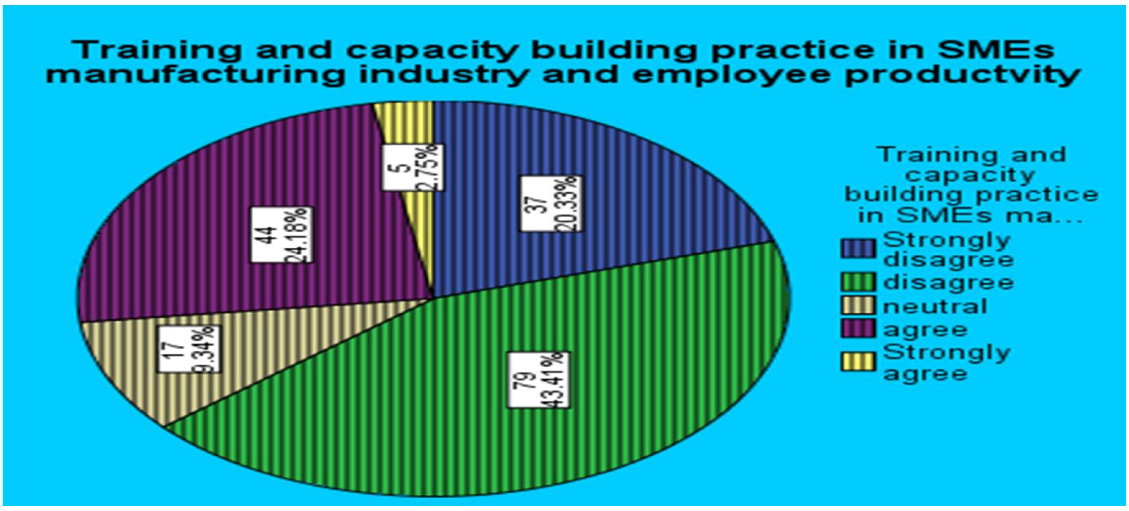
The finding in Figure 8. Above indicate that a total of 110 or 60% (38.46% disagree plus 21.98 % strongly disagree) of respondents disagreed and strongly disagreed that their industry's practice didn't helps to improve their productivity. This result clearly shows

that the SMEs manufacturing industry motivation practice didn't appropriate and support to improve productivity.

4.2.5. SMEs manufacturing industry employee training and capacity building practice and employee productivity

The SMEs manufacturing industry's training and capacity building practice variable consist of 3 questions with five Likert scale responses, to rate on whether their industry focus on employee training opportunities to improve its employees productivity level .Specifically the employees were requested to give response on whether employees with minimum qualification join the industry, whether employee knowledge and skill gap identified continuous capacity building training was implemented by industry, and whether the industry recruit new employees with proper training to the position they were employed. Overall from the industry's training and capacity building practice variable derived the average value presented in figure 9.In line with this employees were asked to rate or indicate their agreement level if their productivity level was facilitated by training and capacity building program. Figure 4.6 provides below on average shows ,37 or 20.33 of the respondents rated strongly disagree, 79(43.41) rated disagree , 17(9.34%) rated neutral, 44(24.75 %) responded agree , and 5(2.75%) rated strongly agree.

Figure 9 .Training and capacity building, and employee productivity



Source: Source : Primary data from researcher survey 2020

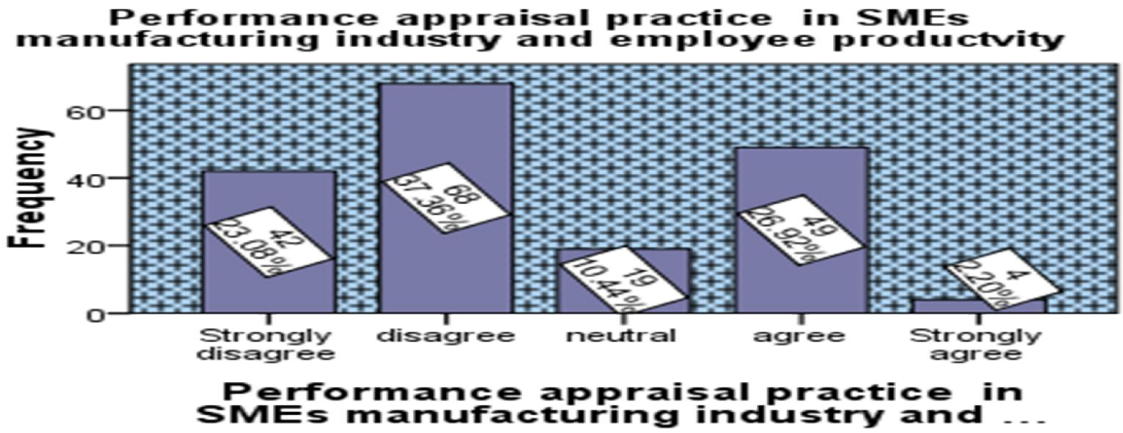
The finding in Figure 9 above indicate that a total of 116 or 63.74% (20.33% disagree plus 43.41 % strongly disagree) of respondents disagreed and strongly disagreed that their industry's training and capacity building did not helps to improve their

productivity. This result clearly shows that the SMEs manufacturing industry training and capacity building practice didn't appropriate and support to improve productivity.

4.2.5.1. SMEs manufacturing industry employee performance appraisal practice and employee productivity

The SMEs manufacturing industry's training and capacity building practice variable consist of 4 questions with five Likert scale responses, to rate on whether their industry implement performance appraisal to improve its employees productivity level. Specifically the employees were requested to give response on whether SMEs industry provide work assignment with attainable and realistic target, whether the industry conduct a continuous employee performance appraisal to identify strong and weak side of an employee, if there pre-determined performance standard to measure employee productivity ,and whether industry's employee motivation and benefit provision is based on performance appraisal. Overall from the industry's performance appraisal practice variable derived the average value presented in figure 4.9.In line with this employees were asked to rate or indicate their agreement level if their productivity level was facilitated by appropriate performance appraisal. Figure 10 provides below on average , 42 or 23.08% of the respondents rated strongly disagree, 68(37.36%) rated disagree , 19(10.44%) rated neutral, 49(26.92 %) responded agree , and 4(2.2%) rated strongly agree.

Figure 10. Management performance appraisal and employee productivity



Source : Primary data from researcher survey 2020

The finding in Figure 4.9 above indicate that a total of 110 or 60.44 (23.08% disagree plus 37.36 % strongly disagree) of respondents disagreed and strongly disagreed

that their industry's performance appraisal did not helps to improve their productivity. This result clearly shows that the SMEs manufacturing industry employee performance appraisal practice didn't appropriate and support to improve their productivity.

4.2.5.2. General employee productivity level in SMEs manufacturing industry

Employees were also asked to rate or indicate their agreement level if their SMEs manufacturing industry has high level of employee productivity in general. Figure 4.6 provides below ,45 or 24.73 % of the respondents rated strongly disagree, 99(54.40%) rated disagree , 8(4.40%) rated neutral, 19(10.44%) responded agree , and 11(6.04%) rated strongly agree .

Figure 11 .Employee productivity level in SMEs manufacturing industry and employee productivity

Source: Primary data from researcher survey 2020

The result in Figure 4.10 above indicate that a total of 144 or 79.13 .24.73% disagree plus 54.40 % strongly disagree) of respondents disagreed and strongly disagreed that their industry's employees productivity level did not high in general. This result clearly shows that the SMEs manufacturing industry's employee's productivity level was low in general.

4.2.5.3. Correlation analysis of organizational factor and employee Productivity

A correlation test was carried out to determine the significance of the organizational factor that affected the productivity level of employee at work. To show this Correlation of

Spearman's rho was used. It is a measurement of the strength of a linear or straight line relationship between two ordinal variables .The results are summarized in Table 19. As indicated in the table, there was a significant relationship between the organizational factor and employee productivity level. Specifically the industry's management practice was found to have a significant relationship with employee productivity (R=.475, P value=.000). The table also shows that there was a significant relationship between the industry's motivation practice and employee productivity (R=.467, P value=.000). The study also established that the industry's training and capacity building had significant relationship with employee productivity (R=.451 P value=.000). The industry's employee performance appraisal was also found to a have significant relationship with the productivity of employee (R=.468, P value=.000).

Table 19: Correlation between elements of working conditions and employee productivity

Organizational factor & productivity	Spearman's rho (R.coeff.)	Significance (two-tailed)
Employee Productivity level	1.000	
Managerial practice and employee productivity	.475	.000
Motivation practice and Employee productivity	.467	.000
Training and capacity building practice and Employee productivity	.451	.000
Performance appraisal and Employee productivity	. 468*	.000
Total	N	182
**. Correlation is significant at the 0.01 level (2-tailed).		

Source: Primary data from researcher survey 2020

The Correlation Coefficients indicate both the direction of the relationship and its magnitude. According to the research findings in Table 19 , it can be concluded that both directions, positive (when one variable increases and so does the other one), the strength of a relationship between variables by a value that can range from --1.00 to 1.00; when 0 indicates no relationship, -1.00 indicates a negative correlation, and 1.00 indicates a perfect positive correlation. The finding indicates the correlations coefficient for the association between each organizational factor and employee productivity had positive moderate association , as well as all Coefficients were Statistically significant with p- value less

than .05. Thus, the result indicated organizational factors had association with employee productivity level.

4.2.6. Analysis of Environmental Factors and Employee productivity

Table 20: Analysis related to Environmental Factors

Coode	Question	Responses									
		Strongly Disagree		Disagree		Neutral		Agree		Strongly Agree	
		Frequency	Valid %	Frequency	%	Frequency	%	Frequency	%	Frequency	%
Q3.1	You are Satisfied with organization's working environment	53	29.1	79	43.4	14	7.7	22	12.1	14	7.7
Q3.2	You are Satisfied with the pay and reward provided to you as compared to competitor	41	22.5	79	43.4	17	9.3	40	22.0	5	2.7
Q3.3	Provision of training and career development opportunities were satisfactory	45	24.7	79	43.4	16	8.8	37	20.3	5	2.7
Q3.4	You are Satisfied with transparency and organizational justice	48	26.4	65	35.7	18	9.9	47	25.8	4	2.2
Q3.5	My Organizational culture is compatible with me.	41	22.5	84	46.2	16	8.8	36	19.8	5	2.7
Q3.6	Working infrastructure /material are available as needed on right time and quantity	41	22.5	71	39.0	19	10.4	46	25.3	5	2.7
Q3.7	There is no Conflict between my work and my personal life	38	20.9	86	47.3	17	9.3	35	19.2	6	3.3
Q3.8.	The work has Safety and job security	42	23.1	70	38.5	18	9.9	46	25.3	6	3.3

Source: Primary data from survey 2020

As it can be seen in Table 20 above under code Q3.1, 53(29.1%) of the respondents strongly disagreed that to indicate they were not Satisfied with their SMEs manufacturing industry or organization's working environment , 79(43.4) rated disagree , 14(7.70%) rated neutral, 22(12.1%) responded agree , and 14 (7.7%) rated strongly agree .The result in Table 20 above indicate that a total of 132 or 72.5 (29.1%strongly disagree plus 43.4 % disagree) of respondents disagreed and strongly disagreed that to show they were not satisfied with thir industry's working environment. This result clearly shows that the SMEs manufacturing industries setting was not appropriate to employees for improving their productivity. Again as shown in table 8 above under code Q3.2 ,the response of the respondents were 41(22.5%) and 79(43.4) strongly disagreed and disagreed respectively to indicate on they were not Satisfied with the pay and reward provided to them from their industry as compared to competitor industry. 17 (9.3) rated neutral, 40(22.0%) responded agree, and 5(2.7%) rated strongly agree. The result indicated above that a total of 120 or 65.9 (22.5 % strongly disagree plus 43.4 % disagree) of respondents disagreed and strongly disagreed that to show they were not satisfied with the pay and reward provided to them from their industry as compared to competitor industry. This result clearly shows that the SMEs manufacturing industry's pay and reward system was not satisfactory as relatively compared to competitor SMEs manufacturing industries. As per the data from survey collected shown in figure 8 above under code Q3.3, employees were asked to rate or indicate their agreement level if Provision of training and career development opportunities were satisfactory to them. The responses to this was 45 or 24.7% of the respondents rated strongly disagree, 79 (43.4%) rated disagree , 16 (8.8%) rated neutral, 37 (20.3 %) responded agree , and 5(2.7%) rated strongly agree. The finding in above Table 20 indicate that a total of 124 or 68.1 (24.7% strongly disagree plus 43.4% disagree) of respondents disagreed and strongly disagreed that their industry's training and capacity building opportunities were non satisfactory to them. This result clearly shows that the SMEs manufacturing industry's training and capacity building provision was not enough to improve their productivity.

Again as shown in Table 20 above under code Q3.4 the response 48(26.4%) of the respondents strongly disagreed to indicate they were not Satisfied with transparency and

organizational justice in their SMEs manufacturing industry.65 (35.7%) rated disagree , 18(9.9%) rated neutral, 47(25.8%) responded agree , and 4(2.2%) rated strongly agree. The finding in above figure indicate that a total of 113 or 62.1% (26.4% strongly disagree plus 35.7% disagree) of respondents strongly disagreed and disagreed that to confirm their SMEs industry's transparency and organizational justice were not satisfactory to them. This result clearly shows that the SMEs manufacturing industry's transparency and organizational justice were not satisfactory and this degrade their productivity level.

The Table 20 under code Q3.5 above shows that the responses 41 (22.5%) of the respondents strongly disagreed to indicate that their industries or Organizational culture was not compatible with them. 84 (46.2%) rated disagree , 16 (8.8%) rated neutral, 36 (19.8%) responded agree , and 5(2.7%) rated strongly agree. The finding in above figure indicate that a total of 125 or 66.7% (22.5% strongly disagree plus 46.2% disagree) of respondents strongly disagreed and disagreed. This confirm that SMEs industry's culture was not compatible to employees.

Again as shown in Table 20 under code Q3.6 above indicate that 41(22.5%) the responses of the respondents strongly disagreed to indicate that Working infrastructure /material were not available as needed on right time and quantity. 71(39.0%) rated disagree , 19 (10.4%) rated neutral, 46 (25.3%) responded agree , and 5(2.7%) rated strongly agree. The finding in above figure indicate that a total of 112 or 61.5% (22.5% strongly disagree plus 39.0% disagree) of respondents strongly disagreed and disagreed. This confirm that SMEs industry's working infrastructure /material were not available as needed on right time and quantity.

The Table 20 under code Q3.7 above shows that 38 (20.9%) the responses of the respondents strongly disagreed to indicate that there was Conflict between their work and their personal life. 86 (47..3%) respondents rated disagree , 17 (9.3%) rated neutral, 35 (19.2%) responded agree , and 6(3.3%) rated strongly agree. The finding in above figure indicate that a total of 124 or 68.2 % i.e. (20.9% strongly disagree plus 47.3% disagree) of respondents strongly disagreed and disagreed. This confirm that SMEs industry's employee's work and their personal life was mismatched. Finally as per the data from survey collected shown in figure 8 above under code Q3.8, 42 (23.1%) the

responses of the respondents strongly disagreed to indicate that the work was not Safe and secure for employees.70 (38.5%) respondents rated disagree , 18 (9.9%) rated neutral, 46 (25.3%) responded agree , and 6(3.3%) rated strongly agree. The finding in above table indicate that a total of 112 or 61.6 % i.e. (23.1% strongly disagree plus 38.5% disagree) of respondents strongly disagreed and disagreed. This confirm that SMEs industry's employees work was had no safety and job security.

4.2.6.1. Correlation analysis of Environmental factor and employee Productivity

A correlation test was carried out to determine the significance of the environmental factor that affected the productivity level of employee at work. To show this Correlation of Spearman's rho was used. It is a measurement of the strength of a linear or straight line relationship between two ordinal variables .The results are summarized in Table 21. As indicated above, there was a significant relationship between the environmental factor and employee productivity level. Specifically satisfaction with working environment was found to have a significant relationship with employee productivity (R=.673, P value=.000). The table also shows that there was a significant relationship between satisfaction with pay and reward to employee productivity (R=.463, P. value=.000). The study also established significant relationship with employee productivity level that was satisfaction with provision of training and capacity building opportunity, satisfaction with transparency and organizational justice , Satisfaction with availability of working infrastructure on time, Compatibility of organizational culture to employees ,the existence of conflict between work and personal life , lastly having safe and secure job had correlations coefficient (R=.486 ,P. value=.000, R=.438 ,P. value=.000, R=.504 ,P. value=.000, R=. 447 ,P. value=.000, R=.513 ,P. value=.000, R=. ,P. value=.000, and R= .439,P. value=.000)respectively.

Table 21.Correlation between elements of working conditions and employee productivity

Organizational factor & productivity	Spearman's rho(R.coeff.)	Significance (2-tailed)
Employee Productivity level	1:00	
satisfaction with environment and employee productivity	.463	.000
satisfaction with pay and reward to employee productivity	.486**	.000
satisfaction with provision of training and capacity building	.438	.000
satisfaction with transparency and organizational justice	.504**	.003
Satisfaction with availability of working infrastructure on time	.447	.005
Compatibility of organizational culture to employees	.513	.000
Absence of conflict between work and personal life	.439**	.000
having safe and secure job and employee productivity	.447	.000

*. Correlation is significant at the 0.05 level (2)

**. Correlation is significant at the 0.01 level (2)

Source: Source: Primary data from researcher survey 2020

The Correlation Coefficients indicate both the direction of the relationship and its magnitude. According to the research findings in Table 21 , it can be concluded that both directions, positive (when one variable increases and so does the other one), the strength of a relationship between variables by a value that can range from --1.00 to 1.00; when 0 indicates no relationship, -1.00 indicates a negative correlation, and 1.00 indicates a perfect positive correlation. The finding indicates the correlations coefficient for the association between environmental factor and employee productivity had positive moderate association , as well as all Coefficients were Statistically significant with p- value less than .05. Thus, the result indicated environmental factor could affect employee productivity level.

4.2.7. Regression Analysis of SMEs manufacturing and Employee Productivity

Regressions analysis was employed to determine the cause and effect relationship between independent and dependent variables. Multiple linear regression was employed in order to seek the significant contribution among predictors variable in explaining employee

productivity. The employee productivity level was designated as the dependent variable (criterion), while the independent variables (predictors) consists employee personal character, organizational factors and environmental factors.

Table 22. Regression Model Summery

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.827[a]	.684	.678	.626

a. Predictors: (Constant), Environmental factor, Employees personal Characteristics, organizational factor

b. Dependent Variable: Employee productivity level

ANOVA[b]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	150.608	3	50.203	128.279	.000[a]
	Residual	69.661	178	.391		
	Total	220.269	181			

a. Predictors: (Constant), Environmental factor, Employees personal Characteristics, organizational factor

b. Dependent Variable: Employee productivity level

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.633	.181		-3.505	.001
	Employees personal Characteristics	.240	.042	.248	5.762	.000
	organizational factor	.207	.055	.191	3.743	.000
	Environmental factor	.661	.055	.620	11.928	.000

a. Dependent Variable: Employee productivity level

As presented above in Table 22 multiple Linear regression model summery result showed multiple correlation coefficient R =.827 or 82.7% and called coefficient of determination R square (R^2) =.684 or 68.4%. Multiple correlation coefficient R =.827 or 82.7% implies that the strength of the relationship between the outcome variable and the values predicted by the model as a whole or it shows how well the model predicts the outcome. Coefficient of determination R square (R^2)=.684 or 68.4%.implies that the contribution of each independent variable in explaining the dependent variable or it shows the amount of variation in the outcome that can be explained by the model. This means that the model explains 68.4% of the variance in SMEs manufacturing industry employees' productivity level was accounted for by the independent variables included in this model and the rest of remaining of 3.6 % were described by other factors.

Whether or not the regression model explains a statistically significant proportion of the variance is ascertained from the ANOVA table. Analysis of variance (F) ANOVA test presented above in table 23. The ANOVA results showed that the significance of the F statistics (128.279) at 0.000 significance level and it is less than 1% which means the overall significance of the explanatory variables actually do have influence on the explained variable .This shows that the model is reliable. The regression co-efficient for the predictor variables as presented above table 24,the B-value also tells to what degree each predictor affects the outcome, the test of significance (p-Value shows as significance level of the error ,also the coefficient table showed the direction of relationship between dependent and independent variables. Therefore, under unstandardized column of Coefficients table Constant -633, this value of constant shows that if variables of employee personal characteristics, organizational and environmental factors all rated as zero, employee productivity level would be -0633. The multiple regression result under standardized coefficient implies b1 or employees personal characteristics =.248 at significance value .001 this beta positive coefficient implies that if employee's personal characteristics increases by 0. 248 units employee productivity level improved to the same on average by 0. 248 .Coefficient of b2 =.191 at sig.000 shows that if organizational factor improved by 0.191 units employee productivity level improved by 0.191 on average. Positive Coefficient of b3 =.620 at sig.000 implies that if environmental factor improved by 0.620 unit, the employee productivity level improved positively to the same direction

by the same amount on average other variables are held constant. By looking at the Sig.-value in table 24, it is possible to interpret whether the particular independent variable has a significant relationship with the dependent variable explain the defendant variable. The results show that there is a significant relationship between dependent and independent variable because Sig. value for all independent variable is not larger than 0.05 and this confirmed that relationship was significant.

The positive coefficient values showed, that the direction of change in employee productivity with increase on average a unit change in a variable value, when all the other variables are held constant. The Beta value 0. 0.620 for environmental factors had highest and strongest unique contribution in explaining the dependent variable SMEs manufacturing employee performance.

CHAPTER FIVE

5. DISCUSSION, CONCLUSIONS AND RECOMMENDATIONS

5.1. DISCUSSION

The general objective of this study was to determine the factors that affect employee productivity in SMES manufacturing industries in Kaffa zone. The selected dimensions were employee personal characteristics or dimensions, organizational factors and environmental factors. The findings of the research were discussed in this section as per the research objectives of the study.

5.1.1. Personal Characteristics and Employee Productivity

Although there are various employee individual characteristics of human capital as mentioned in literature review, the study identified only ten dimensions most relevant to the SMES manufacturing sector .These selected individual dimensions were, employees age ,education level, previous experience, previous training, ability, attitude ,stability, engagement ,satisfaction and motivation. In regards to personal characteristics of employee and either it helps or hider to improve the production level of employee. Thus, this study revealed that experience of employee, age of employee, motivation of employee ,education level of employee ,employee ability, satisfaction ,training and engagement of employee to his/her work would make them to be productive highly. Attitude of employee and stability at work had medium impact on employee productivity level. This finding go in line with Muhammad Shujaat Mubarik(2015) who noted that after analyzing the effect of the individual dimensions of human capital on performance, training, experience, education, skills, attitude, stability ,motivation and satisfaction were significantly affect Productivity employees, exportability employees, technological progress, innovation, survival of the industry.

The study revealed that the productivity of employee was at a high level as affected by education level. Education will expand the knowledge base of the employee thus making them more creative and innovative thus improving their way of doing things. This is in line with NG & Feldman, (2009) who stated in their study that education promotes core task performance by providing individuals with more declarative and procedural knowledge with which they can

complete their tasks successfully. The study also revealed that employees will perform on a high level if they receive training. Training impact skills to the employee that are necessary for the accomplishment of their duties and responsibilities at work hence, training will likely lead to high performance by employees. This is in line with Githinji, (2014) who found out training facilitates motivation for work performance .The study also revealed that employees will perform on a high level if they are motivated by their work..

The study also revealed that employees will perform on a high level if they have ability to work. The ability refers to an individual's capacity to perform the various tasks in the job. Milkovich and Boudreau, (1991) argued abilities are capabilities to engage in some behavior. Abilities derive from knowledge (awareness of information, techniques or facts), skills (proficiency at basic task necessary for achieving more complex behaviors) and aptitudes (potential abilities that have not yet been fully developed or applied). The study also revealed that employees will perform on a high level if they have engagement in their work. Engagement. Highly- engaged employees go above and beyond the core responsibilities outlined in their job descriptions, innovating and thinking outside the box to move their organizations forward - much like volunteers who are willing to give their time and energy to support a cause of which they are truly passionate. An engaged employee is emotionally invested in the mission of the organization (Kong, 2009).

5.1.2. Organizational Factors and Employee Productivity

This research was concentrated on organizational factors under 5 themes; managerial practice, motivation providing practice, training and capacity building, performance appraisal and general level of productivity. These are factors that are found within the organization and they will either help employees achieve good performance or hinder them from achieving good performance. Therefore, finding of this study shows that the management practice in SMES manufacturing industry was highly hindering the employee productivity. Proper managerial function, role and responsibility is very important to improve employee productivity in any organization. Armstrong &Murlis ,(2004) assert that management role within an organization has a strong bearing on encouraging or inhibiting an employee's performance. Also the study finding shows training and capacity building practice in SMEs manufacturing industry was highly hindering employee productivity next to management practice. Training and continues capacity building is a key to improve employee productivity. Employees training roles to improve skills or add to the existing level of knowledge so that the employee is well equip

to do his present job, or to prepare him for higher position with increased responsibility (Patel& Conklin, 2012).

.In addition, finding of this study shows that the motivation providing practice in SMES manufacturing industry was highly negatively affecting the employee productivity. Patel& Conklin, (2012) stated that motivation has a strong positive influence on job performance. People who have higher levels of motivation tend to have higher task performance as well. So motivation is very important for a company as it pertains to the willingness of employees to work and work motivation is one of the variables that affect labor productivity.

In addition, finding of this study shows that the employee performance appraisal practice in SMES manufacturing industry was highly hindering the employee productivity. While appraisal schemes are basically beneficial to organizations to enable the management to reward able employees or improve their work conditions, they are equally important to the employee since – if carried out properly – would give him the assurance of fair treatment and an opportunity to improve upon his weak areas. Also the study revealed that generally employee productivity was low in SMEs manufacturing industry in kafa zone. Anyim, Chidi & Badejo (2012), states that employee productivity is the result of a combined employee ability, motivation and workplace environment. Also they suggest that employee productivity is a consequence of effectiveness and efficiency of the employee.

5.1.3. Environmental factors and Employee Productivity

These are factors that form the surrounding in the work place, the employee interact with his or her environmental while performing his or her duties. The study concentrated on environmental factors affecting employee productivity in SMEs manufacturing industry under 8 themes, working environment, pay and reward, training and career development, transparency and organizational justice, compatibility with organizational culture, working infrastructure, work-life balance, safety and job security.

The study revealed that working environment for SMEs manufacturing industry was not satisfactory which also hindering employee's productivity. When employee are satisfied where they are, they have minimum or no distraction hence they can totally concentrate on what they are doing thus performing well. This concurs with Ajala (2012), who argued that conducive working environment helps to improve the productivity level of employees. The study also revealed that pay and reward were not satisfactory to them, which also hindering

employees' productivity level. This is in concurrence with Elangovan & Xie (1999) who observed that, rewards act as both a way for organizations to show their gratitude to employees for work well done and as motivational factors for those employees to produce at high levels. This study revealed that employees were not satisfied with training and development opportunities, this led them to low productivity. Training and career development will help develop the skills of an employee thus making them better in what they do and therefore improving their productivity. This study revealed that employees were not satisfied transparency and organizational justice, which hindering their productivity level. Transparency in the organization allow the employee to understand the operations in the company, this understanding can help in making the employee perform well. When employees are handle fairly at work they will be free to perform well. The study found out that employee organizational culture was not compatible with them. Which also hinder their productivity level. This finding is in line with Nauert (2013), that found out organizational values (culture) has a more significant effect to employee's job performance. Also other finding of the study was employees were not satisfied with provision of working infrastructure as needed quantity and time. Also the study revealed that there was conflict between their work and personal life, which condition hindering their productivity level. Nauert (2013) claims that employees are subjected to numerous challenges relating to balancing their lives and work commitments. Which leads them to low producer. Lastly under environmental factor study revealed that the work in SMEs manufacturing industry was not guarantee safety and job security. Safety and security are among the basic requirements and needs of human beings. This also have positive relationship with employee productivity. Much of the management of job security lies in the hands of the management, especially building confidence about the future expectations of employment security and promoting progressive human resources policies and practices (Guest, D. E. 1997).

5.2. Conclusion

5.2.1. Personal Characteristics and Employee Productivity

With regards to personal characteristics of employee and how it affects the production level of employee, this study revealed that experience of employee, age of employee, motivation of employee, education level of employee, employee ability, satisfaction, training and engagement of employee to his/her work would help them to be better

productive .Also Attitude of employee and stability at work had medium impact on employee productivity level. Therefore, it can be concluded that the level of productivity of employee in SMEs manufacturing industries in kafa zone heavily relies on experience of employee, age of employee, motivation of employee ,education level of employee ,employee ability, satisfaction ,training level and engagement of employee to his/her work and this will enhance their productivity level. Employee stability in their work place and attitude about their work is the second influential employee productivity level. .

5.2.2. Organizational Factors and Employee Productivity

This study revealed that managerial practice in SMEs manufacturing industry in kafa zone had been affecting their productivity level. This means the management in this industry is not competent enough to improve productivity. Next to managerial practice motivation providing practice, training and capacity building practice, and performance appraisal practice affecting their productivity level negatively. The study there fore found that SMEs manufacturing industries in kaffa zone was not paying proper attention to organizational factors such as managerial inefficiencies, poor motivation practice, absence of training and capacity building and poor performance appraisal.

This study concludes that organizational factors do not welcoming or not favorable to improve employee productivity.

5.2.3. Environmental Factors and Employee Productivity

With regards to how environmental factors affected employee productivity, the study revealed that the employee working environment, training and career development, work-life balance, and pay and reward practice were influencing their productivity. To mean that listed factors do not favorable to improve productivity. Secondly compatibility with organizational culture, working infrastructure, and safety and job security also negatively contributing their productivity to be low. The study there fore found that SMEs manufacturing industries in kaffa zone was not paying proper attention to environmental factors such as , working environment ,provision of training ,work-life balance, welcoming environmental culture, pay and reward packages .This study concludes that organizational factors do not welcoming or not favorable to improve employee productivity.

5.3. Recommendations

Every organization has been established with certain objectives to achieve. These objectives can be achieved by utilizing the resources like employees, machines, materials and money. All these resources are important but out of these the manpower is the most important. It plays an important role in performing tasks for accomplishing the goals. But the question arises that how these resources are productive. Employees' productivity level is influenced with many factors in industries. The main purpose of this study was to determine the factors that affect employee productivity in SMES manufacturing industries.

On the basis of the major findings and conclusion of the study, the following recommendations have been drawn with the view to improve the employee productivity in MSEs manufacturing industries in kaffa Zone.

Giving proper attention to build positive Personal Characteristics in SMEs manufacturing industries in Kaffa Zone.

The study revealed that personal characteristics found helpful to improve employee productivity. For this, the study recommends that; SMEs manufacturing industries should take into account those personal factors that are seen to drive employees to high performance level and improve them in order to achieve high production from its work force. SMEs manufacturing industries themselves should leverage their workforce as a competitive weapon. To do this the industries management body should give attention to develop positive or proper personal characteristics when they retain and recruit employees. Also after recruitment they should continuously build their employees to accumulate better human capital characteristics by considering each personal dimension and improve their productivity level. Mainly they due focus to retain attract well experienced employee, retain and attract to industry at productive age of employee, motivating of employees ,attract with better education level of employees ,attract employees with proper ability, facilitate employees to satisfy , attract employees with better training and retain employees with better engagement of employee very helpful to improve employee productivity.

Management of Kafa Zone Enterprise and industry development department and concerning woreda SMEs sectors should support to build better personal characteristics dimensions in each SMEs manufacturing industries. Providing better business service to build positive employee personal characteristics in each industries. Giving Continuous awareness creation training to SMES managers regarding employee personal

characteristics and how they ensure this in their industry to improve their employees productivity level.

Improving Organizational factors that impeding employee productivity in SMEs manufacturing industries in Kaffa zone.

It was clear from the research outcome that organizational factors do non favorable to improve employee productivity in SMEs manufacturing industries. As study finding management practice, training and capacity building, providing motivation, and performance appraisal practice in SMEs manufacturing industries were poor. As result employees productivity level was low. So the study recommends that:

SMEs manufacturing industries should improve mainly their management practice. Managers of the industries should be able to integrate internal and external environment. The SMEs manufacturing industries management body should plan and implement to correct managerial practice, motivating employees, performance appraising techniques and implementing on job training and capacity building of their employees. Management of Kafa Zone Enterprise and industry development department and Concerning woredas SMEs sector offices should support, give problem solving business development service closely to improve inside organizational factors, afford close supervision in SMEs manufacturing industry mainly to ensure competent enough management body to improve employee productivity level.

Improving Environmental Factors that affecting Employee Productivity

This study established that employee productivity was greatly influenced by their environment of work,Sothe study recommends that:

The SMEs manufacturing industries should therefore strive to ensure an enabling environment of work for its employee .Specifically they should ensure the satisfaction of their employees with industries working condition, benefit, training opportunities, organizational calture, and work-life balance and ensure safe and security of the job.

Management of Kafa Zone Enterprise and industry development department Concerning woreda SMEs sectors should support by training and creating awareness how SMEs industries ensure conducive working environment for their employees to bring improvement of employee productivity. They should evaluate policy direction and strategy of SMEs business development service and implement correction. It is important to

support industry -specific interventions to improve employee productivity, it is equally important to look at the external environment in which they operate

5.4. Recommendations for Future Research

This study took into consideration three factors of; personal characteristics, organizational factors, and environmental factors that affect employee productivity in SMEs manufacturing industries. Further research can be done with a concentration in one factor like work environment factors ,organizational factors , work satisfaction at SMEs manufacturing industries each individually so that a wide knowledge base can be gain . Further research also be done about employee productivity level in SMEs construction industries to compare and get more understating.

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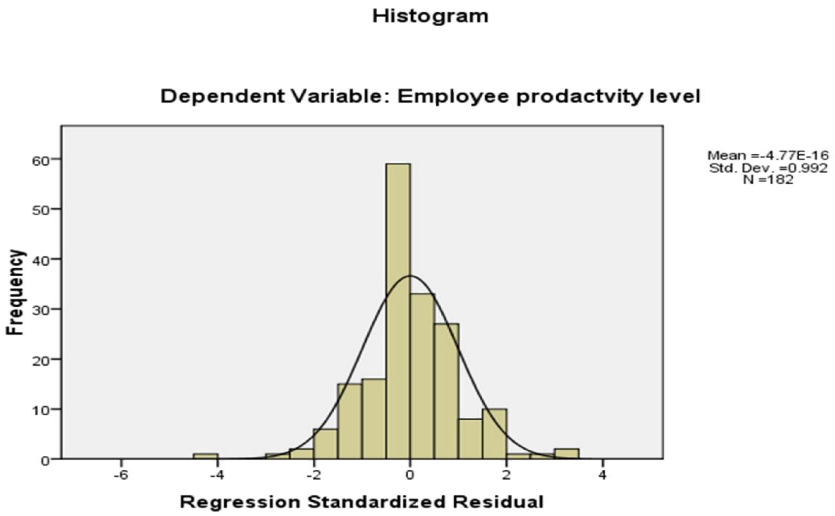
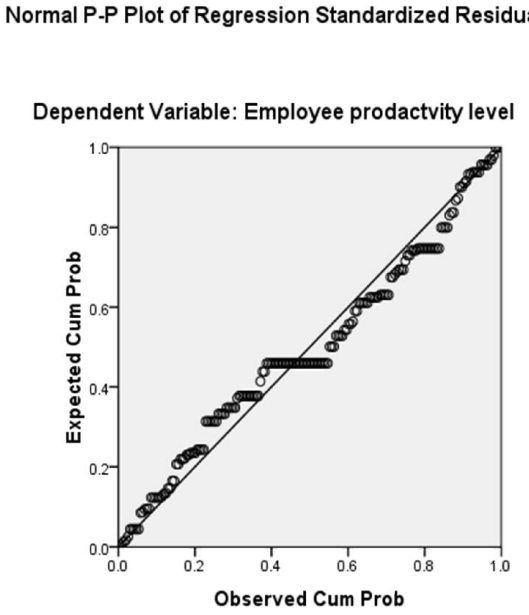
Appendix A : Test for the Significance of the model

1. **NormalityTest**. The normality can be seen on the data distribution when the curve doesnot pass through either the left or the right. As histogram depicted in Figure below, it shows that the data output is normally distributed





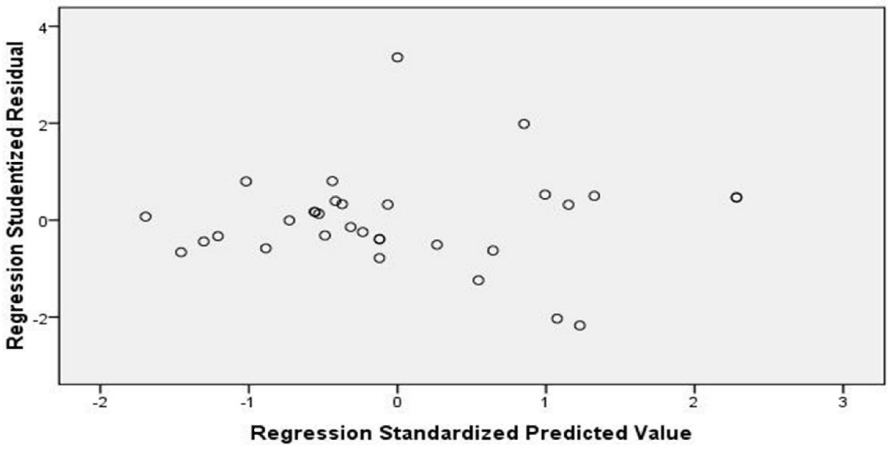
2. Multicolinearity Test by VIF

As depicted in table below it is found that the multiple regression test has no collinearity problem because the VIF on explanatory variables shows a value lower than a value of 10 and the values of tolerance statistics being well above 0.1.

Coefficients[a]							
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Co-linearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
Constant)	-.633	.181		-3.505	.001		
Employees personal Characteristics	.240	.042	.248	5.762	.000	.957	1.045
organizational factor	.207	.055	.191	3.743	.000	.682	1.466
Environmental factor	.661	.055	.620	11.928	.000	.657	1.521
a. Dependent Variable: Employee productivity level							

3. Heteroskedastisity Test

It shows that the dots spread randomly do not form any specific pattern which is clearly well dispersed above and below zero on the Y axis, and this means that the heteroscedasticity in the regression models is not incurred.



Appendix B: Questionnaire

Wolkite University College of business and Economics, Department of Management, Business Administration Post Graduate Program.

Dear respondent

This questionnaire seeks to collect data related to factors determining productivity of employees in selected SMEs manufacturing industries in kafa zone. The data will be used only for academic research purpose to fulfill the requirement for the successful completion of postgraduate study. Thus, I kindly request your support to freely fill the questionnaire. Your honest response on the questionnaire will be highly appreciated. All response will be treated with confidentiality and will only be used for the purpose of this study. The questionnaire has two sections and totally has 4 pages .Please read instructions under each section before you put your response.

Thank you very much for your kind cooperation.

SECTION I: Background Information

Please tick (X) Where is Appropriate.

1. Age
   1. 18-30 years ☐ 3. 45-60 years ☐
   2. 31-45 years ☐ 4. Above 60 years ☐
2. Gender 1. Male ☐ 2. Female ☐
3. Level of education and training
   1. Grades1-4 ☐ 2. Grades 5-8 ☐ 3. Grades 10 complete ☐
   4. 10+1 &10+2 ☐ 5. 10+3 /diploma ☐ 6. BA/BSC and above ☐
   7. Specify any other_____
4. Work experience
   1. Under 2 years ☐ 2. 2-5 years ☐ 3. 6-10 years ☐
   4. 11-15 years ☐ 5. 16- 20 years ☐ 6. Above 21 years ☐
5. Marital status
   1. Married ☐ 2. Single ☐ 3.Divorced ☐ 4.Widowed ☐

SECTION II: Determinants of Employee productivity in SMEs Manufacturing Industries

The following are factors that will be measured to determine whether they have an influence on employee productivity in SMEs manufacturing industries in kafa zone. In terms of the following employee personal character, organizational and Environmental factors rate Which factor determine you to increase productivity in SMEs manufacturing industry in Kafa zone ?Indicate your level of agreement on the scale and Put a cross [X] where appropriate **1= Strongly disagree, 2= Disagree, 3= neutral, 4= Agree, 5= Strongly Agree** on space provided each cell.

A. Employee individual character driving employee productivity

No	Employee individual character driving employee productivity in SMEs Manufacturing industries	Data Measurement				
		1	2	5	4	5
1	Your age level helps you to be productive.					
2	Your education or schooling determines you to be productive.					
3	Your previous related experience helps you to be productive					
4	Your Previous Training determines you to be productive					
5	Your ability drive you to be productive					
6	Your positive attitude about your work helps you to be productive					
7	Your Stability in your work helps you to be productive					
8	Your Satisfaction at your work helps you to be productive					
9	Your engagement at your work helps you to be productive					
10	Your motivation at your work determine to increase your productivity					

B. Organizational Factor driving employee productivity

No	Organizational Factor driving employee productivity in SMEs Manufacturing industries	Data Measurement				
		1	2	3	4	5
1	**Managerial practice**					
1.1	Your organization has competent enough management to address issues that helps to employee productivity.					
1.2	The management in your organizations is responsible to the needs of the of the employees.					
1.3	As operator you get direct job order or related timely information from your supervisor or manager to improve your productivity.					
1.4	There is effective managerial controlling and monitoring trend in my organization to improve employee productivity level.					
1.5	The management always provide raw materials on time to the factory's shop floor.					
1.6	There is good human resource selection, hiring, training and development program in your company.					
1.7	Your organization generally has high employee productivity					
2	**Motivation**					
2.1	My organization have a provision for the introduction of monetary incentive packages like bonuses, allowance, gain share, overtime payment.					
2.2	My organization have defined regulations and managerial procedures to handle employee grievance, reward provision, and other disciplinary issues etc to aid employee productivity.					
2.3	There are promotions and career development in my organization based on the better levels of productivity of each employees.					
3	**Training**					
3.1	The organizations set of minimum qualification for that all the employee who join the organization.					
3.2	My Organization's employees obtain gap identified training continuously to improve their productivity level.					
3.3	The organization recruit new employees who have proper training of the jobs that are employed.					
4	**Performance appraisal**					
4.1	My organization Provide work assignment based on realistic, attainable goal and target					
4.2	My organization Implement constant performance appraisal to identify strong and weak side of employee productivity level.					
4.3	In my organization there is pre -determined Standard to measure employee productivity					
4.4	The organization rely on performance appraisal results of each employees as basis for promote best performer and to support poor performer					

C. Environmental factor affecting productivity

No	Environmental factors driving employee productivity in SMEs Manufacturing industries	Data Measurement				
		1	2	5	4	5
1	You are Satisfied with organization's working environment					
2	You are Satisfied with the pay and reward provided to you as compared to competitor					
3	Provision of training and capacity building opportunities were satisfactory					
4	You are Satisfied with transparency and organizational justice					
5	Organizational culture is compatible with me.					
6	Working infrastructure /material are available as needed on right time and quantity.					
7	There is no Conflict between your work and your personal life					
8	Your work has Safety and job security					

D) Other Comments on Factors determining Labor Productivity in your Small and medium manufacturing industries

a) _____
b) _____
c) _____
d)_____
e) _____
f) _____

Thank you very much for your kind cooperation!

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የጽሁፍ መጠይቅ

በወልቂጤ ዩኒቨርሲ ቲቢዝነስና ኢኮኖምክስ ኮሌጅ በማናጅመንት ትምህርት ክፍል

የቢዝነስ አስተዳደር ድህረ ምረቃት ምህርት/ቤት

ውድ የጥናቱ ተሳታፊዎች፤

ይህ የጽሁፍ መጠይቅ የተዘጋጀዉ በካፋ ዞን አነስተኛና መካከለኛ አምራችማኑፋክቸርንግ ኢንዱስትሪ ዘርፍ ተደራጅተዉ ወይም ተቀጥረዉ በእንጨትና ብረታብረት ፤በልብስና አልባሳት ፤ በአግሮ-ፕሮሰስንግ ዘርፍ የሚሰሩ ሰራተኞች ምርታማነት እንዲጨምር የሚያደርጉ ወሳኝ ምክንያቶችን ለመለየት የሚረዳ መረጃ ለማሰባሰብ ነዉ።ለግልጸኝነት የሰራተኛዉ ምርታማነት ማለት አንድ ሰራተኛ በሰዓት ምንያህል ስራ መስራት እንዳለበት በድርጅቱ ታቅድዉ የተሰጠዉን ስራ በስታንዳርዱ በተቀመጠዉ ሰዓት መጠንና ጥራት ደረጃ ስራዉን አጠናቀዉ ማስረከብ ማለት ነዉ። ስለዚህ በተቀመጠዉ ስታንዳርድ ደረጃ አንድ ሰራተኛ ስራዉን በተቀመጠዉ ሰዓት የስራዉን መጠንና ጥራቱን አሟልተዉ ካጠናቀቀ ሰራተኛዉ ምርታማ ይባላል፤ ካልቻለ ግን ምርታማ ያልሆነ ሰራተኛ ይባላል። የሰራተኛዉ ምርታማነት ትርጉም ይህ መሆኑን በመገንዘብ መጠይቁን እድሞሉ ይፈለጋል። በመጠይቁ የምሰበሰቡ ሁሉም መረጃዎች ለትምህርታዊ ዓላማና የመመረቂያ ሚማያ ጥናት ለማድረግ ብቻ የምያገለግል ነዉ። ስለዚህ እርሰዎም በዚህ ጥናት እንዲሳተፉ ተመርጠዋል፡፡ስለሆነም እርሰዎ በጥቃቄና በታማኝነት የሚሰጡን ትክክለኛ ወይም እዉነተኛ መረጃ ለጥናቱ ውጤታማነት በጣም አስፈሊጊ መሆኑን ተመገንዝበዉ መጠይቁን በጥቃቄ በማንበብ ምላሽዎን በተዘጋጀዉ ፎርማት መሰረት እንዲሰጡልን በትህትና እጠይቃሁ።ይህ የፅሁፍ መጠይቅ በሁለት ክፍሎች የተከፈለና በስሩ የአሞላል ትእዛዞችን ይዟል። መጠይቁ በሙሉ አራትግ ፅያለዉ መሆኑን በቅድሚያ በማጣራት እያንዳዱን ጥያቄ አንብበዉ ምላሾዉን እንደምሰጡም ይጠበቃል።ተሳትፎዎም በእርሶ በጎፈቃደኝነት ለይ የተመሰረተና የእርስዎን ማንነት የምገልጽ ምንም ነገር አይኖርም።የፈለጉትን ምላሽ በነጻነት ይስጡ።በመጨረሻም ጊዜዎትን ሰውተው ለምያደርጉልኝ ትብብር በቅድሚያ አመሰግናለሁ፡፡

ማሳሰቢያ፡

- በመጠይቁላይስምመፃፍአያስፈልግም፡፡
- የመልስዎትንምርጫብቻበተዘጋጀዉክፍትቦታተገቢምልክትያስቀምጡ፡፡

ክፍል አንድ የተጠያቂዎች ዳራ

ከዚህ በታች የቀረቡ የግልዎ መረጃ ስለሆነ እባክዎን እርስዎን ለማመላከት በትክክለኛዉ ቦታ ይህን

የ "×" ምልክት በተዘጋጀዉ ሳጥን ዉስጥ በማድረግ ይመልሱ

1. **ጾታ** 1. **ወንድ** ☐ 2.**ሴት** ☐

2. **እድሜ** 1.18-30 ዓመት ☐ 2. 31-45 ዓመት ☐
   3. 46-60 ዓመት ☐ 4. 60 ዓመት በላይ ☐

3. የትምህርት ደረጃ

1. ከ1ኛ- 4ኛክፍል ☐ 2.ከ5ኛ-8ኛክፍል ☐ 3. ከ9ኛ-10ኛክፍል ☐

4. 10ኛክፍልያጠናቀቀ ☐ 5.10ኛ+1/10ኛ+2 ሴርቲፍኬት ☐

6 .10ኛ+ድፕሎማ ☐ 7. የመጀመሪያ ድግሪ እና ከዚያ በላይ ☐

4. የትዳር ሁኔታ

1. ያገባ/ች ☐ 2. ያላገባ/ች ☐ 3.የተፋታ/ች ☐ 4.በሞትየተለየ/ች ☐

5. በዚህ ስራ ያለዎት የስራ ልምድ

1.ከ2 ዓመትበታች ☐ 2.ከ2-5ዓመት ☐ 3.ከ6-10 ዓመት ☐

4. ከ11-15ዓመት ☐ 5.ከ6-20ዓመት ☐ 6. ከ21ዓመትበላይ ☐

ክፍል ሁለት፡

በአነስተኛና በመካከለኛ አምራች/ማኑፋክቸርንግ/ ኢዱስትሪ ዉስጥ የምሰሩ ሰራተኞች ምርታማነት እንዲጨምር የሚያደርጉ ምክንያቶች ጋር የተያያዙ መጠይቆች ከዚህ በታች የቀረቡ መጠይቆች በካፋዞን ባሉ በአነስተኛና መካከለኛአምራች/ማኑፋክቸርንግ/ ኢዱስትሪ ዉስጥ የሚሰሩ ሰራተኞች ምርታማነት እንድጨምር ወሳኝ ልሆኑ ይችላሉ የተባሉ ምክንያት ናቸዉ።እነዚህ ወሳኝ ይሆናሉ የተባሉ ምክንያቶች ከሰራተኛዉ ግል ሁኔታ ጋር የተያያዙ ከሰራተኛዉ ግል ሁኔታ ጋር የተያያዙ፤ ከስራ ተቋም ጋር የተያያዙና ከስራ አከባቢ ጋር የተያያዙ ወሳኝ ምክንያት ተብለዉ በሶስት ተከፍለዉ ቀርበዋል።ስለሆነም እነዚህ በአነ/መካ/ኢንዱ. ዉስጥ ለሚሰራ/ትሰራ የየእያንዳንዱ ሰራተኛ ምርታማነት እንዲጨምር ወሳኝሊሆኑይችላሉተብለዉ የቀረቡትን ምክንቶችን በመመዘን

1= በጣም አልስማማም 2= አልስማማም 3=ገለልተኛ ወይም መስማማትም አለመስማማትም አልችልም፤4=እስማማለሁ፤ 5=በጣምእስማማለሁ በማለት የስምምነት ደረጃችሁን በቁጥሮቹ ስር ባሉ ክፍት ሳጥኖች "×"ምልክት በማደረግ ምላሽ ስጥ/ስጪ።

1. ከሰራተኛዉ ግል ሁኔታ ጋር የተያያዙና ምርታማነት እዲጨምር ሊያደርጉ የሚችሉ ምክንያቶች

ተቁ	ነ.ከሰራተኛዉግልሁኔታጋርየተያያዙናየሰራተኛዉምርታማነትእዲጨምርሊያ ደርጉየሚችሉምክንያቶች	መመዘኛ ደረጃዎች				
		1	2	3	4	5
ነ	የእድሜህ/ሽ ደረጃ በስራህ ምርታማ እንድትሆን ያደርጋል/ሻል።					
2	ያለህ/ሽ የትምህርት ደረጃህ/ሽ በስራህ ምርታማ እንድትሆን ይረዳህል/ሻል።					
3	ያለህ/ሽ ተዛማጅ ስራ ልምድህ በተሰማራህበት/ሽበት ስራ ዘርፍ ምርታማ እድትሆን ያደርጋል/ሻል።					
4	ከዚህ ስራ በፊት ከተለያ የተቋም የተከታተልከዉ ስልጠና ምርታማ አድርጎህል/ሻል።					

5	ያለህ/ሽ የስራ ችሎታ ምርታማ እንድትሆን ያደርግሀል/ሻል፡፡					
6	ለስራህ/ሽ ያለህ/ሽ በጎና ጥሩ አመለካከት ለምርታማነትህ መጨምር ወሳኝ ነዉ፡፡					
7	ከስራህ ቦታሳትነጠል፡ሳትቀር፡በየጊዜ ተቋም ሳትቀያይር በአንድ ተቋም ተረጋግተህ/ሽ ከሰራህ ምርታማነትህ ይጨምራል፡፡					
8	ለስራህ/ሽ ያለዉ ቁርጠኝነትና መሰጠት ለምርታማነትህ/ሽ መጨመር አስተዋፅ አለዉ፡፡					
9	በስራህ/ሽ የሚታገኘዉ/ኝዉ እርካታ ምርታማ እንድትሆን ያደርግሀል/ሻል፡፡					
10	በስራህ/ሽ ደስተኛና የተጋህ መሆንህ /ሽለምርታማነትህ/ ሽመጨመርወሳኝነዉ፡፡					

2. ከኢንዱስትሪዉ ወይም ከድርጅቱ ጋር የተያያዙና የሰራተኛዉ የማምረት አቅም እንዲጨምር ሊወሰኑ የሚችሉ *ምክንያቶች*

ተቁ	*ከተቋሙ/ከድርጅቱ/ ጋር የተያያዙና የሰራተኛዉ የማምረት አቅም እንዲጨምርሊ ወሰኑ የሚችሉ ምክንያቶች*	መመዘኛደረጃዎች				
		1	2	3	4	5
	ሀ. ከተቋሙ/ከድርጅቱ/አመራርናአስተዳደርጋርየተያያዙ					
2.1	በድርጅትህ/ሽ ዉስጥ የሰራተኞች ምርታማነት እንዲጨምር የሚደግፍና ሁኔታዎችን የሚያመቻች ብቁና ጠንካራ አስተዳደር/አመራር አለ፡፡					
2.2	በድርጅትህ/ሽ ዉስጥ ያለዉ አስተዳደር/አመራር ሰራተኞች ምርታመነታቸዉን ለማሳደግ ለምያቀርቡ ትጥያቄ ሃላፊነቱን ወስድዉ ምላሽ ይሰጣል፡፡					
2.3	የድርጅቱሰራተኛ በመሆንህ/ሽ ከስራህ/ሽ ጋር የተያያዙ ምርታማነትህን ልያሻሽሉ የሚችሉ ወቅታዊ የስራት እዛዘችና መረጃዎችን ከሱፐርቫይዘርህ ወይም ከአስተዳደርህ በቀጥታይቀርብልሀል፡፡					
2.4	በድርጅትህ/ሽ ዉስጥ ዉጤታማ የሆኑ የሰራተኞችን ምርታማነት ሊጨምር የሚችል አስተዳደራዊ ቁጥጥርና ክትትልአለ፡፡					
2.5	የድርጅትህ አስተዳደር/አመራር ለስራህ የሚያስፈልጉ ጥሬግባአቶችን / የስራ ማቴርያሎችን/ በጊዜ እስከ ተቋሙ በማቅረብ ምርታመነትህ እንዳይስተጓጎል ያደርጋል፡፡					
2.6	በድርጅትህ/ሽ አስተዳደር በኩል ዉጤታማ የሆኑ ሰራተኞችን የመምረጥ፤የመቅጠር፤የማሰልጠንና የማሳደግ ሁኔታ አለ፡፡					
2.7	በድርጅትህ/ሽዉስጥበአጠቃላይየሰራተኞችምርታማነትከፍተኛነዉ፡፡					
	ለ.ከድርጅቱ ማበረታታቻ መይም ማትጊያ አስጣጥጋ ር የተያያዙ					
2.8	በድርጅትህ/ሽ የተሻለ ምርታማነት ላስመዘገቡ ሰራተኞች በገንዘብ ምይሁን ከገንዘብ ዉጭ ያሉ ማትጊያ ሽልማቶች እንደጎርሻ ፤ አበል ፤ትርፍ ማካፈል ፤ተጨማሪ ሰዓ ትስራ ክፍያ የምፈፀምበትስርዓትአለ።					
2.9	በእኔ ድርጅት/እንዱስትሪ የሰራተኞች ቅሬታ የሚፈታበት ፤ለምርታማ ሰራተኞችማ በረታቻ የሚሰጥበት እና ሌሎች ከምርታማነት ማጓደል ጋር የተያያዙ ድስፕሊን ጉዳዮች የምዳኝበት ለሰራተኞች ግልፅ የሆነ መተዳደሪያ ደንብና መመሪያ አለ፡፡					
2.10	በእኔ ድርጅት/ እንዱስትሪ ዉስጥ ለምርታማ ሰራተኞች ወቅታዊ የሆነ ደረጃ እድገትና ሌሎች የስራ ደረጃ እድገትና መሰል ማበረታች በተጨባጭ ይተገበራል፡፡					
	ሐ. ድርጅቱ ለስልጠና ትኩረት ከመስጠት ጋርየ ተያያዙ					
2.11	የእኔ ድርጅት/እንዱስትሪ ለሚቀጥራቸዉ ምርታማ ለሚሆኑ ሰራተኞች ዝቅተኛ ችሎታ/ሙያ መመዘኛ መስፈርት አዉጥቶ ይተገብራ፡፡					

2.12	በእኔ ድርጅት/እንዱስትሪ በሰራተኞች በኩል የምታየዉን የምርታማነት ክፍተት በመለየት በፍላጎት ላይ የተመሰረተ ስልጠና በተከታታይ ይሰጣል፡፡					
2.13	በእኔ ድርጅት/እንዱስትሪ አዲስ ሰራተኞች ስቀጠሩ እንደስራ ዓይነትና ደረጃ ስልጠና የወሰዱ ናቸዉ፡፡					

	መ. ከድርጅቱ ከስራ አፈጻፀ ምምዘና ጋር የተያያዙ					
2.14	የእኔ ድርጅት/ኢንዱስትሪ የሰራተኞችን ምርታማነት ለማሻሻል ተጨባጭና ልቆጠር የምችል ግብና ዓላማ ያለዉ ስራ አቅደዉ ያሰራል፡፡					
2.15	የእኔ ድርጅት ቋሚ የሆነ የስራ ግምገማና ምዘና በማድረግ የሰራተኞች ምርታማነት ዙሪያ የምታዩ ጠንካራና ደካማነን ይለያል፡፡					
2.16	የእኔ ድርጅት/እንዱስትሪ/ በቅድሚያ የተዘጋጀ የሰራተኞን ምርታማንት ለመገምገም የሚረዳ መመዘኛ ስታንዳርድአዘጋጅተዉይተገበራል፡፡					
2.17	የእኔ ድርጅት/እንዱስትሪ/ ስራ ልቆጠር የምችል ሊቆጠር የምችል አፈፃፀም ምዘና ዉጤትን መሰረት በማድርግ ምርታማነትን ያረጋገጡ ሰራተኞችን የማሳደግና ዝቅተኛ ምርታማነት ያስመዘገቡ ደግሞ የምደገፉበት ስርዓት ተዘርግተዉ ይተገበራል፡፡					

ከኢንዲስትሪዉ/ከድርጅቱ/ ስራ አከባቢ ጋር ተያይዘዉ የሰራተኛዉን ምርታማነት ሊወስኑ የሚችሉ ምክንያቶች

	3.የሰራተኛዉን ምርታማነት ሊወስኑ የሚችሉ ከስራ አከባቢ ጋር የተያያዙ ምክንያቶች	**መመዘኛደረጃዎች**				
		1	2	3	4	5
1	በምትሰራበት ድርጅት /እንዱስትሪ/ ባለዉ ስራ አከባቢ ምቹነት እርካታ ተሰምቶሀል፡፡					
2	ከሌሎች መሰል ተቋም ጋር ስወዳደር በድርጅትህ ባለዉ የተሻ ለደሞወዝ ክፍያና ማበረታ እርካታተሰምቶሃል፡፡					
3	በድርጅቱ የምቀርብልህ የስልጠናና አቅም መገንቢያ እድሎች የሚያረኩ ናቸዉ፡፡					
4	የድርጅት የአሰራር ግልፀኝነትና ፍትሀዊነት የሚያረካ ነዉ፡፡					
5	የድርጅቱ የስራ ባህልና አከባቢ ከአንተ/ቺ ሁኔታ ጋር የተስማማ ነዉ፡፡					
6	ለስራህ/ሽ የሚያስፈልጉ ቁሳቁሶች ፤የስራ መሳሪያዎች በተፈለገዉ መጠንና ጊዜይ ቀርብልሀል፡፡					
7	በስራህ በምታገኘዉ ገቢና በኑሮህ መካከል መቃወስ የለም ፤ እርካታም ይታያል።					
8	የሚትሰራዉ/ሪዉ ስራ የደህንነት ችግር አለዉ የሚል እምነትና ስጋት በአንተ/ቺ ዘንድ አይታይም፡፡					

3. **ከላይ በመጠይቁ ያልተካተቱ ሌሎች የሰራተኞችን ምርታመነት ለመጨምር ወሳኝ ልሆኑ የሚችሉ ማንኛዉም ምክንያቶችን ዘርዝር/ሪ**

ሀ/_____

ለ/_____

ሐ/_____

መ/_____

ሰ/_____

ሸ/_____

ለቀና ትብብርዎ በቅድሚያ ምስጋና አቀርባለሁ!

መንግስቱ መንሻ ሚሾ