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Effects of Employment Contract Types on Employees' Performance at the East African Community Secretariat

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Effects of Employment Contract Types on Employees' Performance at the East African Community Secretariat

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This study investigated the relationship between employment contract type and employees' performance at the EAC Secretariat based in Arusha, Tanzania. To achieve its objective, the study used descriptive diagnostic design to determine the relationship between employment contract and employees' performance at the EAC Secretariat. The study was supported by equity and expectancy theories. The target population of the study included all the 200 employees where a sample of 68 respondents was derived. The study used primary data which was collected through semi-structured questionnaire. The data was collected from all level of management and analyzed using descriptive statistics and SPSS Version 25.0. The study found that employment contract type and employees' performance are closely related. It further revealed that Fixed Term Contracts (FTC) and Fixed Term Limits (FTL) are the types of contract provided at EAC Secretariat even though the employees wish to have permanent contracts to secure their job. The study recommends to employees to be analytical before contracting and support Top Management Team (TMT) regardless of how they were recruited. It also recommends that EAC Secretariat observes fairness of procedures and Human Resource Management Practice (HRMP) and Partner States to provide contracts that secure employment. The study suggests that further research to be conducted on the relationship between contract type and performance in the region to facilitate performance and enable citizens in EAC to raise their standards of living.

Keywords: employment contract, employee's performance, East African Community Secretariat.

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1.1 Introduction

The origin of employment contract can be traced from Europe in the 14th century where relationships between employer and employee were characterized by master and servant dichotomy. With the process of industrialization and market economy link between Britain, France and Germany whereby in France relationships were governed by the civil code of 1804 that classified employment relationships. In Africa during colonialism, employment was regulated under Master and Servant ordinance introduced in 1923 in the East Africa Region. Master was employer who was more powerful with the ability of hiring and firing at his will, imprisonment in case the servant breached contract or made any misconduct and the employee was like a slave. These relations were characterized by threat and coercion. After independence in many countries of Africa, relationship between employer and employee was still based on coercion but with improved conditions where the main employer was the state. With emergence of Globalization, democracy and liberalism in 1980s things changed and started to reflect Europe and America model of management.

A contract of employment is an agreement between two parties and must include an offer, acceptance and consideration (www.wisegeek.com). It is an agreement whereby the employee renders service in return to get rewarded by the employer for the service rendered. Under ILO convention 86 of 1947, the term contract means, unless the contrary intention appears, a contract of employment by which a worker enters the service of an employer as a worker for remuneration in cash or in any other form whatsoever but does not include contracts of apprenticeship made in accordance with special provisions relating to apprenticeship contained in the regulations (www.ilo.org). There are many types of contracts of employment recognized under ILO and ratified by different national statutes. For instance, in the United Republic of Tanzania (URT), three categories are recognized under Employment and Labour Relations Act (2004). These are:

- a) A contract with unspecified period of time
 - b) A contract for a specified period of time for professionals and managerial cadre
- c) A contract for a specific task (S14 ELRA, 2004)

Employee's performance and organizational performance are inseparable since it is employee's performance that generates organization performance since the whole is equal to the sum of its parts, (www.mathnasium.com). Organizational performance is the synergetic sum total of the performance of all employees in the organization, (Getnetet *al.* 2014). Employee happiness impact substantially on organization's performance since it can influence retention, absenteeism and work performance (Retard, 2000). The organizational performance is diagnosed through effectiveness, efficiency and productivity (Mostashari, 2009). Organizations are in the business of achieving high performance (Armstrong, 2009). They do that through the system of

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work they adopt but these systems of work are managed by people. But soft issues like relationship, personal growth and feelings are also necessary since a business that makes nothing but money is poor business since they will hinder promotion, ethical issues and social corporate responsibility among others (Kirk, 2009). Inter-governmental Organizations (IGO's) are federations of many nations and represent a considerable number of populations. IGO's success could engender a success of an important coverage. Most research targets voluntary termination by employee known as labor turnover ignoring involuntary termination caused by types of employment contracts like fixed term contract and permanent contract at retirement age. Similarly, their repercussion of fear of loss of the job on commitment, creativity and involvement in order to achieve was less considered in EAC Contracting. Hiring of new inexperienced employee is a cost to an organization. It is inconsistent for an organization that intends to meet its objectives and in the same time easily lose qualified competent skills. The aim of organization should be strategic, focused on minimization of resources and improvement of quality service. Some contracts are flexible and make easier movement from one organization to another. This study addressed management practices related to job security, fairness in the life of an employee, involvement in decision making, reward system and engagement in relation to employee's performance at the EAC-Secretariat.

1.2 Statement of the problem

Performance improvement and organization effectiveness is an aspect of concern for any organization that pursues success and quality service. It is obvious that human resource is the most valuable asset having the greatest potential in determining the success in today's competitive business (www.researchpublish.com). Many types of performance have been identified like, performance appraisal, performance management, performance consulting and high-performance technology (HPT) aimed at human resource development (Rothwell, 2013). Rothwell (2013) further observes that PC seeks to understand the cause of performance challenges and then develop holistic strategy to positively influence performance. Many organizations assume that training must be conducted in order to improve performance. This study focuses on relations between employer and employees and their effects on employee's performance.

Due to inconsistency caused by employment contract at the EAC Secretariat, there has been a movement of employees who leave the organization through automatic termination or resignation. Since, the EAC Partner States also belong to different regional economic intergovernmental organizations such as Southern African Development Community (SADC), Inter-governmental Authority on Development (IGAD) and the Common Market for Eastern and Southern Africa (COMESA), with similar objectives and programmes, EAC is likely to lose its skilled staff to them. This study determined types of contract provided at the EAC Secretariat and the relationship between employment contract types and employee's performance at the EAC Secretariat. This research acknowledged the parity in their format structure,

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compensation package and the issuing mechanism on fairness aspect in contracts provided at the EAC Secretariat.

1.3 Objectives of the study

- 1. To determine employment contract types and fairness of staffing procedures at the East African Community Secretariat
- 2. To determine HRMP, resulting employees' behavior and level of performance at the East African Community Secretariat
- 3. To establish relationship between employment contract type and employees' performance.

2.1 Literature Review

2.1.1 Employment contract Types

According to the resource based theory, employees are the foundation of competitive advantage for the organization (Davis, 2017). Fairness or equity is needed from recruitment up to tenure to lead to enhanced performance. Employment contract type determines income level, social benefits, social security benefits and pension coverage (Yeosun and Heejung 2015). That was supported by Lass and Wooden (2017) found that wages distribution show gap between temporal and permanent worker. Employees are categorized as top management and other normal employees. The position is linked to types of contract and incentives. Steinbach (2017) analyzed contingent theory of incentive alignment and found that the top management team incentive heterogeneity is linked to the investment of employees in contributing positively or negatively considering incentive of TMT as high or low when judging as unfair or injustice which affect performance. The fairness is subjective subsequently there is a parity of bargaining power between employer and employee even at the starting when negotiating for employment contract.

2.1.2 Management Practices

Employees join the organization through inflow movement coming from different areas, with different skills, knowledge, behavior, attitudes and perception. Employer using power tactics whether harsh or soft to make them better will harness their maximum efforts to achieve objectives since welfare is associated with job satisfaction, emotional stability, stress management and enhanced performance, Bellinger *et al.* (2015). Their relationships are antagonistic if employer wants to minimize costs and maximize performance through poor working conditions, paying less and getting employees working for long hours whereas employees desire to work fewer hours in good working conditions with high pay, Rawat (2017). Lee *et al.* (2016) discovered that the psychological well-being is predictive of job performance and there is positive

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relationship between job satisfaction and working conditions which in return affect wellbeing and performance. During the survival of the organization there are policies and processes to follow. HRM has to ensure strength system of practices and mechanism of delivering making sure that all employees get a common understanding and agreement. Similarly, they should have practices and perceptions that are coherent, distinctive and visible to build strong climate and culture and that allows developing common interpretation and creating consensus on what they valued, expected and rewarded, Ostroff and Bowen (2015). The connection between Human Resource Management practices and performance; compensation, participation selection and security among others, Combs *et al.* (2006) cited Ogunyomi and Bruning (2015)

2.1.3 Employee's Behavior

Types of employment contract bring a scenario where they will ask the employees to increase outputs or reduce inputs; some employees decide to leave the organization when perceived unfairly treated. For better success and performance improvement, job satisfaction through employee involvement is required. Employees are untapped resource with knowledge and experience if they provide opportunity and structure for work involvement, Gennard and Judge (2010).

The link with equity theory and expectancy theory applies whereby employees under different types of contract compare themselves with their fellows in the organization which in one way or another affect performance. Staff contribute their maximum efforts when expecting to be rewarded. This study analyzed the level of commitment hence performance when employees know exactly that he will automatically leave or remain in the organization.

Fear and uncertainty are among origin of negative and defensive attitude and behavior like turnover and stakeholders' loss, Bushara *et al.* (2011) cited Girma (2016). Girma has also shown connection between HRM practices, leadership style, job satisfaction and employees' performance. The increase of temporary job leads to decrease of job security and increase of uncertainty (Feese and Fay 2011). When employees are emotionally affected by fear of loss of the job, performance is affected.

Leadership style is closely related to employee's stress and performance; individuals appraise different types of stressful job demands and this affects performance Lepine (2016). Lepine (2016) added that support and trust are associated with lower level of perceived stress and can be useful and motivational resources. On the other hand an abusive behavior or applying abusive supervision or laissez-faire serve as stressors and will be associated with higher level of perceived stress. Negative emotions of anger and fear can stimulate a situation that affect employees' contribution toward work which will require regulating and managing like frustrations, insults and other form of worse communication Lebel (2017).

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Ali Shah and Beh (2017) found that when talented experienced employees leave the organization, it is not only damaging to the organizational achievement and success but also affect performance and productivity, service delivery and demoralize employees who stay in the organization. Jiang *et al.* (2012) viewed that HRM affects organizational outcomes and supporting employee skills enhancement, motivation enhancement and opportunities. From human capital angle or resource based approach, HRM is primarily considered to contribute to employees' skills, knowledge, experience and abilities that can be capitalized as valuable resources unique to the organization. Practices that promote employees commitment, loyalty and intrinsic motivation are conductive to innovation hence performance.

2.1.4 Employee's Performance

Sinha (2016) found that innovation and efficiency should be focused on getting superior performance and avoiding the practice of command and control but motivate staff for superior performance. He added that efficiency facilitates short-term excellence and innovation creates platform for long term-excellence. Tallman and Koza (2016) found that strategic animation and other action of motivation, direction, decision making, market outcome, and self-organization facilitate timely and flexible responses to chaotic environment of today's business.

2.2 Theoretical Analysis

2.2.1 Equity Theory

Equity theory was developed by Adam Smith in1965 whose views were on fairness related to the inputs, outputs and social comparison whereby inputs are contributions used to get some types of return on personal investment. Contribution involves time, efforts, skills and determination; outputs are return of participant costs Croner *et al.*, (2013). Employee joins organization individually by signing an employment contract that describes job expectations, job specification and consideration as reward for the service to be rendered. Employees as member of organization act and interact with other members of the organization that perform tasks assigned to contribute to the success of the organization and objective's attainment.

George (2017) viewed that procedural justice is more related to turnover intention compared to distributive justice. That directs management to focus more attention on procedural justice for minimizing the occurrence of turnover intention which is closely related to dissatisfaction and performance of the firm. Employees expect to be treated fairly considering inputs contributed in terms of skills, knowledge, attitude and experience in relation of what they get in return or output. They tend to compare themselves with their fellows in the same organization especially when contributing the same but rewarded differently. That has been supported by Festinger (1954) as cited by Wandera (2011). In social comparison theory, there is a drive within individuals to look to outside images in order to evaluate their own opinions and abilities. These images are

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realities or in comparison to other people. Human beings are compelled to appraise themselves by probing their opinions and abilities in assessment of others. According to Adams, when individuals perceive a difference between their own inputs/ outcome ratio and that of a referent other, a negative state of distress results that drives those individuals to take action to restore equity in making adjustment. Previously as described by Adams, equity was used to view worker satisfaction or motivation in relation to perceived fairness in treatment.

In this study equity theory was used to compare employment contract type that binds relationships between employer and employee. Employment contract is an agreement between parties with free consent but once employees have acquired it they will start to compare the contracts of employment with fellows while they agreed upon them freely. The perceived status of contract by employees was analyzed and the way they shaped employees' contributions.

2.2.2 Expectancy Theory

Expectancy theory was developed by Vroom in 1965 described as a result of preference among possible outcomes and expectation concerning the consequence of actions. The focus of Vroom was the product of two variables that generating motivated behavior: the valence of an outcome for the individual behavior and the expectancy that a particular act to be followed by a predictable outcome. Valence was explained as an anticipated satisfaction from an outcome and expectancy recognized as momentary belief that a particular act will be followed by a particular outcome (Cole, 2002). Lowler and Porter (1967) cited by Cole (2002) supported Vroom in efforts that a person puts into his job and factors that affect relationship between effort and performance. Performance is related to individual perception, abilities of understanding individual role and environment constraints. Vroom has assimilated job satisfaction as equivalent to valence the same as work role to the person performing it.

As organizational members, employees invest amount of efforts expecting positive return on that investment efforts and skills which is the spirit of expectancy theory. Promotion decisions of selected employees increase integrity and satisfaction. The rejected candidates will be dissatisfied, decrease integrity, commitment and counterproductive work behavior (CWB) which affect performance (Fine *et al.* 2010).



2.3 Conceptual Framework

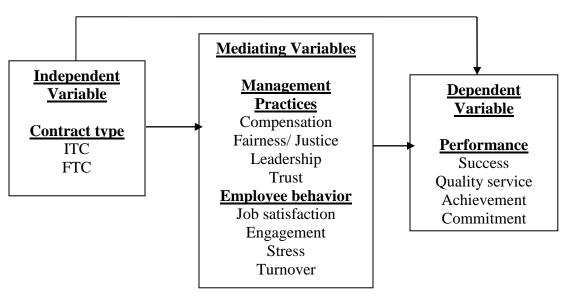


Figure 1: Conceptual Framework

3.0 Research Methodology

The research philosophy that underpinned this research is pragmatism and interpretivism. This study used deductive approach supported by expectancy and equity theory. Hypotheses were developed and research strategy was designed to test them. That assisted in development of questionnaire that aided in data collection for the purpose of meeting objectives related to employment contract types and relation between these contracts and employees performance. This particular study used descriptive/diagnostic design to explore quantitative and qualitative data. The population used is 200 in total from employees of EAC. The area of study is EAC Secretariat located at Arusha in Tanzania. The instrument used to collect primary data was semistructured questionnaire with some closed questions developed and used to collect accurate data randomly from the population without any prejudice from primary data. Data processing was quantitative and qualitative, using simple statistics, analysis to establish relationship between employment contract and employees' performance by deduction. The analysis was made using comparison and induction between variables to determine relationship between employment contracts' type and employees' performance.

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4.0 Data Presentation, Analysis and Discussion of Findings

This section presents tables containing information on types of contracts provided at EAC whether indefinite or temporal and the level of fairness of the procedure. The number or respondents interviewed was 67 in total where 44 were male and 23 female as 65.7% and 34.3 %.

Age and Gender Cross Tabulation

Female between age 18-27 years were neither found nor contacted during data collection, 16.4% were between 28-37 years, 7.5% between 38-47 years and 10.4% between 48-60 years. On the other hand, 4.5% male were between 18-27 years, 19.5% between 28-37 years, 31.3 between 38-47 years and 10.4% between 48-60 years. In total, close to 60% of the employees were aged 38 years and above. That is due to the fact that the organization employ more experienced staff.

Table 1: Age and Gender Cross Tabulation

Age	Female	Male	Total
18-27		4.5	4.5
28-37	16.4	19.5	35.9
38-47	7.5	31.3	38.8
48-60	10.4	10.4	20.8
	34.3	65.7	100.0

Education and Gender Cross Tabulation

On Education background, a majority (61.2%) had a postgraduate and master's degree 26.9% being female and 34.3% male. Those with Bachelor's degree or Advanced Diploma level of education were 32.9% (6% female and 26.9% male). The employees with lower qualifications. i.e. Form Four and Six of Diploma stood at 6% with 1.5% being female and 4.5% male. This is as tabulated in Table 2 here below:

Table 2: Education and Gender Cross Tabulation

Level of Education	Female	Male	Total
Form four, Six and Diploma	1.5	4.5	6.0
Bachelor's Degree &	6.0	26.9	32.9
Advanced Diploma			
Post graduate & Master degree	26.9	34.3	61.2
Total	34.3	65.7	100

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Age and Education Cross Tabulation

Table 3 presents cross-tabulation between education and age across the different age categories, i.e. 18-27, 28-37, 38-47 and 48-60 years. The proportion of employees with the lowest level of education was equal at 1.5% across all the age categories. Those with Bachelor's/Advanced Diploma of age 18-27 years were 3%, of age 28-37% were 13.4% and similarly those of age 38-47 years were 13.4%. Those of age 48-60 years with Bachelor's/Advanced Diploma were 3%. For those holding postgraduate diploma or master's degree were 20.9% between 28-37 years, 23.9% between 38-47 years and 16.4% between 48-60 years. No one was found with postgraduate diploma or master's degree for employees of age 18-27 years.

Table 3: Respondent's Age Cross-tabulation with Education

			Age		
Education Level	18-27	28-37	38-47 (%)	48-60	Total
Form4, Six and Diploma	1.5	1.5	1.5	1.5	6
Bach. &Ad	3	13.4	13.4	3	32.8
PG& Master		20.9	23.9	16.4	61.2
					100

4.1.1. Indefinite or permanent employment

This section shows the preference of staff of an indefinite contract type. Employees have shown their interest and preference of indefinite contract.

Table 4: Gender Cross tabulation on Preference of Indefinite Contract

Gen	Indefinite contract is preferred one by employee					
	SD	Disagree	Neutral	Agree	SA	Total
Female	2	2	5	6	8	23
% of Total	3.0%	3.0%	7.5%	9.0%	11.9%	34.3%
Male	0	5	9	17	13	44
% of Total	.0%	7.5%	13.4%	25.4%	19.4%	65.7%
Total	2	7	14	23	21	67
% of Total	3.0%	10.4%	20.9%	34.3%	31.3%	100.0%

As shown in the table above, the dominant responses were those who either agreed (31.3%) or those who strongly agreed (34.3%). This preference was reflected across the genders whereby 9.0% of those who indicated they agree were female and 11.9 of those

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who indicated they strongly agree. In case of men, 25.4% of those who indicated agree were male and 19.4% those who indicated that they strongly agree.

Table 5: Age's Cross tabulation on Preference of Indefinite Contract

Age	Indefinite	indefinite contract is the best one desired by employee						
	SD	D	N	A	SA	Total		
18-27 Freq		0	0	2	1	3		
Total %	.0%	.0%	.0%	3.0%	1.5%	4.5%		
28-37 Freq.	2	1	5	11	5	24		
Total %	3.0%	1.5%	7.5%	16.4%	7.5%	35.8%		
38-47 Freq.	0	4	7	5	10	26		
Total %	.0%	6.0%	10.4%	7.5%	14.9%	38.8%		
48-60 Freq.	0	2	2	5	5	14		
Total %	.0%	3.0%	3.0%	7.5%	7.5%	20.9%		
Total Freq	2	7	14	23	21	67		
%	3.0%	10.4%	20.9%	34.3%	31.3%	100.0%		

In respect to age, only 3% under category of 28-37 of age disagreed strongly on the question whether the indefinite or permanent contract is preferred. 1.5% under the category 28-37 years; 6% under 38-47 years and 3% under 48-60 years disagreed on the assertion of indefinite contract preference. The category between 28-37 and 38-48 of age supported the statement on preference of permanent contract with 16.4% and 14.9% respectively. These are the categories where there are high qualified staff and significant number of respondents were under these classes. That shows that qualified and mature staff need stability in organization.

Table 6: Education Cross tabulation with Preference on Indefinite Contract

Resp. Age	Indefinite	Indefinite contract is the best one desired by employee					
	SD	Disagree	Neutral	Agree	SA	Total	
F4, F6, Dip	0	1	0	3	0	4	
% of Total	.0%	1.5%	.0%	4.5%	.0%	6.0%	
Bac, Ad	1	1	5	6	9	22	
% of Total	1.5%	1.5%	7.5%	9.0%	13.4%	32.8%	
Pg, M	1	5	9	14	12	41	
% of Total	1.5%	7.5%	13.4%	20.9%	17.9%	61.2%	
Total	2	7	14	23	21	67	
% of Total	3.0%	10.4%	20.9%	34.3%	31.3%	100.0%	

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Among the highly qualified staff with Master or Postgraduate, only 9% rejected the assertion that indefinite contract is the preferred type of contract. 38.8% who fell in this category supported whereas 13.4% were neutral. In total 65.6% supported the assertion that Indefinite Contract is the best type of contract. Education level is a major factor in preference of indefinite contract relating to more security and stability. That has been corroborated by an opposite assertion that indicated the indefinite contract to be the worst where a majority of the same highly educated staff rejected the assertion.

4.1.2 General Response on Indefinite Permanent Contract

Table 7 below shows the general response on perceptions of the respondents in respect to the indefinite or permanent contract.

Table 7: Indefinite or Permanent Employee Contract

Indefinite/Permanent Contract						
	SD	D	N	A	SA	Total
Preferred contract (%)	9.0	9.0	23.9	28.4	29.9	100
Worst contract (%)	20.9	37.3	25.4	10.4	6.0	100
Improper provision (%)	32.8	31.3	13.4	14.9	7.5	100
Fair and transparent recruitment (%)	7.5	13.4	31.3	34.3	13.4	100
Best contract (%)	3.0	10.4	20.9	34.3	31.3	100

According to the responses from the study, 29.9% of respondents strongly agreed and 28.4 agreed that the indefinite or permanent contract is the most preferred. 34.4% of respondents agreed and 13.3% of strongly agreed that the recruitment process is fair and transparent. Further analysis of indefinite contract has been done while taking into account gender, age and respondents' education. The following tables illustrate these relations.

Table 8: Indefinite contract is sometimes provided without proper process

Gen	Indefinite contra process	Indefinite contract is sometimes provided without proper process					
	SD	D	Neutral	Agree	SA	Total	
F	6	7	3	4	3	23	
% of Total	9.0%	10.4%	4.5%	6.0%	4.5%	34.3%	
M	16	14	6	6	2	44	
% of Total	23.9%	20.9%	9.0%	9.0%	3.0%	65.7%	
Total	22	21	9	10	5	67	
% of Total	32.8%	31.3%	13.4%	14.9%	7.5%	100 %	

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Only 22.4 % of the respondents supported the assertion that the indefinite contract is sometimes given without following proper process. 10.5% of these were female and 12% male. Majority of the respondents (64.1%) either agreed or disagreed with the assertion that the indefinite contract is sometimes given without following proper process. 13.4% were neutral. In general, this points out to the fairness and appropriateness of the recruitment process.

Table 9: Age Cross tabulation with Indefinite Contract is sometimes provided without proper process

Age	Indefinite contract is sometimes provided without proper process						
	SD	D	N	A	SA	Total	
18-27	1	1	1	0	0	3	
% of Total	1.5%	1.5%	1.5%	.0%	.0%	4.5%	
28-37	5	9	3	3	4	24	
% of Total	7.5%	13.4%	4.5%	4.5%	6.0%	35.8%	
38-47	8	7	5	5	1	26	
% of Total	11.9%	10.4%	7.5%	7.5%	1.5%	38.8%	
48-60	8	4	0	2	0	14	
% of Total	11.9%	6.0%	.0%	3.0%	.0%	20.9%	
Total	22	21	9	10	5	67	
% of Total	32.8%	31.3%	13.4%	14.9%	7.5%	100.0%	

With regard to age, there were three (3) respondents under 18-27 whereby two (2) of them rejected the assertion that indefinite contract is sometimes provided without proper process and while the other was neutral. Among the 24 respondents under 28-37 years, 14 rejected the assertion that indefinite contract is sometimes provided without proper process, three (3) were neutral and seven (7) supported the assertion. Under 38-48 years category, 15 rejected the statement while six supported it and five were neutral. In the category of 48-60 respondents were 14 rejected the assertion and only 2 supported the statement. Thus, majority of the respondents regardless of age supported that the recruitment process was fair and transparent.

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Table 1: Education Cross tabulation with Indefinite contract is sometimes provided without proper process

without proper	ргоссы							
Ed	Indefinite contra process	Indefinite contract is sometimes provided without proper process						
	Strongly Disagree	Disagree	Neutral	Agree	SA	Total		
F4, F6, Dip	0	1	1	2	0	4		
% of Total	.0%	1.5%	1.5%	3.0%	.0%	6.0%		
Bac, Ad	10	5	3	3	1	22		
% of Total	14.9%	7.5%	4.5%	4.5%	1.5%	32.8%		
Pg, M	12	15	5	5	4	41		
% of Total	17.9%	22.4%	7.5%	7.5%	6.0%	61.2%		
Total	22	21	9	10	5	67		
% of Total	32.8%	31.3%	13.4%	14.9%	7.5%	100.0%		

In respect to education level, 15 respondents out of the 22 with Bachelors/Advanced level of education rejected the assertion that the indefinite contract is sometimes provided without proper process, 3 were neutral and only 4 supported the assertion. Similarly, a majority of those with Postgraduate Diploma or Masters degree (27 out of 41) rejected the assertion, 5 were neutral and 9 supported. It is only for the category with low level of education where 2 out 4 supported the assertion while one rejected and one was neutral. Considering gender, age and education to see if there is any major difference in supporting or rejecting practices of recruitment process, it is apparent that in all three categorizations, majority of respondents supported that the recruitment process of staff was somehow fair and transparent.

4.1.3. Fixed Term Contract

Table 11: Fixed Term Contract (FTC)

Fixed term contract							
	SD	D	N	A	SA	Total	
Provided in proper process (%)	10.4	20.9	28.4	26.9	13.4	100	
Duration is few months (%)	7.5	7.5	14.9	41.8	28.4	100	
Duration is few years (%)	9.0	6.0	14.9	56.7	13.4	100	
Automatic expiration (%)	7.5	11.9	23.9	34.3	22.4	100	
Better than permanent (%)	31.3	20.9	25.4	11.9	10.4	100	

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It is clear somehow that FTC is provided following proper process since 26.9% and 13.4% supported the statement of provision through proper process. But 10.4% and 20.9% were against that statement while 28.4% didn't provide their position. The duration of this contract is sometimes for few months or years as represented by 41.8% of respondents who strongly agreed, 28.4% of those who agreed and 56.7% and 13.4 respectively. It expires automatically but not better than permanent as the results show that 31.3% and 20.9% of respondents strongly disagreed and disagreed respectively.

4.1.4. Casual Work Contract

Table 12: Casual Work Contract

Casual Work Contract							
	SD	D	N	A	SA	Total	
Given to worker not employee (%)	6.0	6.0	34.3	40.3	13.4	100	
Have few employee rights (%)	4.5	6.0	29.9	26.9	32.8	100	
Casual is permanent (%)	34.3	22.4	31.3	7.5	4.5	100	
Duration is few weeks in a year (%)	14.9	16.4	43.3	19.4	6.0	100	
Not entitled with statutory rights (%)	10.4	1.5	37.3	32.8	17.9	100	
Obliged to perform any duty (%)	7.5	4.5	38.8	40.3	9.0	100	

Casual workers are not employee as results show that 40.3% and 13.4% of respondents affirmed that a casual worker is not recognized as an employee. Staff under casual contracts are unfairly treated by denial of statutory rights and are obliged to perform any duty. Results in Table 12 indicate that 32.8% and 17.9% of the respondents agreed that casual workers are most of time denied from enjoying their statutory rights. On the other hand, 40.3% and 9.0% of respondents supported the statement that casual workers are often obliged to perform duties they don't qualify for. The casual work contract denies employees' rights. The rate of N is high in all statement respondents avoided to give their opinion as that type is not provided at EAC.

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Table 13: Fixed Term Limit Contract

Fixed Term Limit Contract								
	SD	D	N	A	SA	Total		
Provided to managerial cadre (%)	7.5	14.9	28.4	32.8	16.4	100		
Duration is short term (%)	6.0	23.9	35.8	25.4	9.0	100		
Long term, always renewable (%)	11.9	16.4	25.4	37.3	9.0	100		
Renewable once (%)	3.0	10.4	22.4	40.3	23.9	100		
Entitled with all statutory rights (%)	6.0	9.0	14.9	43.3	26.9	100		
Employed after interview (%)	11.9	11.9	19.4	32.8	23.9	100		

Fixed term contract is provided to managerial cadre and they are for long time according to findings from the study where 32.8% agreed and 16.4% strongly agreed that fixed term limit contract is provided to managerial cadre. It is for long term and is renewable once and the bearer is entitled to all statutory rights and are recruited though proper process as presented in the table above. Fixed term limit contract is limited in renewal and the bearer enjoys all labor rights.

4.1.5. Types of Contracts provided at EAC

Table 2: Types of Contracts Provided at EAC

Contracts provided at EAC								
	SD	D	N	A	SA	Total		
Fixed Term Contract (%)	3.0	0.0	17.9	47.8	31.3	100		
Fixed Term Limit Contract (%)	1.5	6.0	13.4	46.3	32.8	100		
Permanent Contract (%)	22.4	29.9	32.8	9.0	6.0	100		
Casual Work Contract (%)	20.9	26.9	41.8	7.5	1.5	100		

Fixed term contract is provided at EAC; only 3% were strongly against the statement if this contract is provided at EAC and 0% of respondents disagreed. 47.8% of respondents agreed that fixed term contract is also provided at EAC and 31.3% strongly agreed on the same. Permanent and casual contracts are not often provided at EAC according to the findings above. On permanent contract 22.4% represent SD and 29.9% represent D. On another hand and 20.9% and 26.6 % of respondents strongly disagreed and disagreed respectively that casual contracts are provided at EAC.



4.2 Human Resource Management Practice (HRMP) and Resulting Employee Behavior

This part presents data tables holding information related to Human Resource Management Practice (HRMP) especially transmitting information on compensation, leadership style applied and if employees' expectations are met and employees' behavior response to a particular practice.

Table 3: Compensation

Compensation						
	SD	D	N	A	SA	Total
Offered regardless of contract type (%)	20.9	25.4	29.9	20.9	3.0	100
Compensation gap and contract type (%)	4.5	7.5	23.9	44.8	19.4	100
Compensation gap causes dissatisfaction (%)	3.0	6.0	22.4	44.8	23.9	100

Contract type brings about a gap in compensation which causes dissatisfaction according to findings, where there is 44.8% of Agree and 19.4% of Strongly Agree. Compensation is offered in consideration to contract type as supported by 20.9% Strongly Disagree and 25.4% Disagree on the statement if compensation is offered regardless to contract type. Neutral represents high percentage in each of the above parameters, 29.9%, 23.9%, 22.4% due to the fact that employees don't like to disclose their position's income. A particular contract which allows compensation brings employees to be satisfied, to remain in the organization and to be committed at work.

4.2.1 Leadership

Table 16: Leadership

Leadership							
	SD	D	N	A	SA	Total	
Laissez-faire applied at EAC (%)	26.9	16.4	34.3	11.9	10.4	100	
Charismatic style exists at EAC (%)	10.4	10.4	16.4	26.9	35.8	100	
Consultation is subjective to contract type before decision making (%)	3.0	13.4	20.9	38.8	23.9	100	
Only temporal staffs are consulted before decision making (%)	26.9	20.9	32.8	16.4	3.0	100	
Contribution recognized regardless of contract type (%)	19.4	19.4	25.4	25.4	10.4	100	

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Laissez-faire is not among the styles of leadership applied at the EAC Secretariat whereby 26.9% of respondents Strongly Disagree, 16.4% Disagree and 34.4% were Neutral on the assertion that Laissez-faire style of leadership is applied. Charismatic leadership styles exist at EAC as depicted by the 26.6% of the respondents who Agree and 35.8% who Strongly Agree. Staff under a certain contract type is consulted before decision making as 38.8% and 23.9% of respondents agreed and strongly agreed respectively. The rate of Neutral is significant because employees don't want to talk about the management type. Employees under a certain type of contract are consulted before decision making while others are not, which is a kind of motivation that drives them to contribute their efforts accordingly. Employees don't like also criticize authority in order to preserve image of the organization.

4.2.2. Fulfillment of Employees' Expectations

Table 17: Fulfillment of Employee's Expectations

Fulfillment of Employee's Expectations							
	SD	D	N	A	SA	Total	
Expectations for short-term contracts renewal (%)		7.5	16.4	41.8	29.9	100	
Contract's tenure leads to uncertainty regardless of the type (%)		6.0	19.4	38.8	34.3	100	
Expectation of high salary, benefits and promotion (%)	6.0	14.9	10.4	32.8	35.8	100	

Employees under short term contract expect to get their contract renewal as shown in Table 17 above. 41.8% of respondents agreed and 29.9% strongly agreed on the having expectations of their contracts to be renewed. This illustrates the fact that employees expect to remain in the organization up to retirement age. Possibility of contract termination leads to uncertainty as indicted in the Table whereby 38.8% of respondents agreed and 29.9% strongly agreed. Employees expect high remuneration, benefits and promotion. High remuneration, benefits and promotion are among motivators to drive staff to fully contribute to the organization and to remain



4.2.3. Employee's Behavior

This section presents findings on the employees' behavior at the EAC Secretariat. Table 18 below show responses on dissatisfaction as a source of labor turnover and hindrance to meeting deadlines

Table 18: Dissatisfaction is a source of labor turnover and that hinders to meet deadlines

1		ssatisfaction is a source of labor turnover and that hinder meet deadline					
	SD	Disagree	Neutral	Agree	SA	Total	
Female	1	1	4	6	11	23	
% of Total	1.5%	1.5%	6.0%	9.0%	16.4%	34.3%	
Male	0	3	12	23	6	44	
% of Total	.0%	4.5%	17.9%	34.3%	9.0%	65.7%	
Total		4	16	29	17	67	
% of Total	1.5%	6.0%	23.9%	43.3%	25.4%	100.0%	

As depicted in Table 17 out of 23 females interviewed either agreed or strongly agreed that dissatisfaction is a source of labor turnover and hinders to meet deadlines. 4 of the females were neutral and 2 either agreed or disagreed. Among the 44 male employees interviewed, 29 supported the statement while 12 were neutral and 3 rejected the statement. In total, 43.3% agreed with the statement while 25.4% strongly agreed.



Table 19: Age's cross-tabulation with dissatisfaction as a source of labor turnover

Resp. Age.	Dissatisfaction is to meet deadline	issatisfaction is a source of labor turnover and that hinders meet deadline					
	Strongly Disagree	Disagree	Neutral	Agree	SA	Total	
18-27	0	0	0	3	0	3	
% of Total	.0%	.0%	.0%	4.5%	.0%	4.5%	
28-37	0	1	7	8	8	24	
% of Total	.0%	1.5%	10.4%	11.9%	11.9%	35.8%	
38-47	0	1	6	12	7	26	
% of Total	.0%	1.5%	9.0%	17.9%	10.4%	38.8%	
48-60	1	2	3	6	2	14	
% of Total	1.5%	3.0%	4.5%	9.0%	3.0%	20.9%	
Total	1	4	16	29	17	67	
% of Total	1.5%	6.0%	23.9%	43.3%	25.4%	100.0%	

The age category didn't influence the response to the assertion that dissatisfaction as a source of labor turnover and hindrance to meeting deadlines since majority of the respondents in all categories supported the statement. As shown in Table 19 here below, the number of those who rejected the assertion was not significant i.e 3 respondents in the category of 48-60 years and 1 respondent in both 28-37 years and 38-47 years.



Table 20: Education's cross tabulation with dissatisfaction as a source of labor turnover and hindrance to meet deadlines

Resp. Ed.		Dissatisfaction is a source of labor turnover and that ninders to meet deadline					
	SD	SD Disagree Neutral Agree SA T					
F4,F6, D	0	0	1	3	0	4	
% of Total	.0%	.0%	1.5%	4.5%	.0%	6.0%	
Bac., Ad	0	0	6	10	6	22	
% of Total	.0%	.0%	9.0%	14.9%	9.0%	32.8%	
Pg& Master	1	4	9	16	11	41	
% of Total	1.5%	6.0%	13.4%	23.9%	16.4%	61.2%	
Total	1	4	16	29	17	67	
% of Total	1.5%	6.0%	23.9%	43.3%	25.4%	100.0%	

In regard to education level, responses didn't show substantial difference. In the category of highest qualified, only five (5) respondents either disagreed or strongly disagreed on the statement related to dissatisfaction to be source of labor turnover and threaten to meet deadlines.

Employees' expectations were viewed not to be necessarily fulfilled unless employees become aggressive which decrease ability and quality in service delivery. As shown in Table 21 below, 6 of the 44 male employees interviewed rejected the assertion while 18 of them were neutral. On the other hand, only 12 of the 23 female employees agreed or strongly agreed with this assertion while 10 of were neutral and only one disagreed. In total, about 47.8% either agreed or strongly agreed with this assertion pointing to a system that does not guarantee fulfillment of employees' expectations unless one is aggressive.

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Table 21: Gender's Cross-tabulation with Employees' perceived failure of fulfillment of expectations become aggressive which reduce ability of quality of in service delivering

Resp. Gen.			rceived failure of fulfillment of expectations sive which reduce ability of quality of in service				
	Disagree	Neutral	Agree	SA			
Female	1	10	4	8	23		
% Total	of 1.5%	14.9%	6.0%	11.9%	34.3%		
Male	6	18	16	4	44		
% Total	of 9.0%	26.9%	23.9%	6.0%	65.7%		
Total	7	28	20	12	67		
% of Total	10.4%	41.8%	29.9%	17.9%	100.0%		
Resp. Age	1 7	Employees perceived failure of fulfillment of expectations become aggressive which reduce ability of quality of in service delivering					
	Disagree	Neutral	Agree	SA	Total		
18-27	1	0	2	0	3		
% Total	of 1.5%	.0%	3.0%	.0%	4.5%		
28-37	3	8	8	5	24		
% Total	of 4.5%	11.9%	11.9%	7.5%	35.8%		
38-47	2	13	6	5	26		
% Total	of 3.0%	19.4%	9.0%	7.5%	38.8%		
48-60	1	7	4	2	14		
% of Total	1.5%	10.4%	6.0%	3.0%	20.9%		
Total	7	28	20	12	67		
% of Total	10.4%	41.8%	29.9%	17.9%	100.0%		

There was balance on those who agreed and neutral and disagree, the category of 28-37 8 neutral and 3 disagree on the other side showing 8 A and 5 SA which has shown balance of 11 ,and 13 where 8 among 11 hide their opinions.

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Even on the point of education level, neutral seemed to dominate, as a human being to hide negative side behavior D and N 35 and A and SA 40

Table 22: Employee's Behavior

Employee's Behavior							
	SD	D	N	A	SA	Total	
Unfairness in salary and benefits reduces commitment and affect performance (%)	4.5	10.4	25.4	35.8	23.9	100	
FTC leads to insecurity, stress and affect performance (%)	7.5	13.4	28.4	40.3	10.4	100	
Permanent contract allows retention, reduces emotion that affect performance (%)	7.5	4.5	28.4	40.3	19.4	100	
Dissatisfaction causes turnover and failure to meet deadline (%)	1.5	6.0	23.9	43.3	25.4	100	
Nomination is unfair and hinders knowledge sharing (%)	4.5	6.0	31.3	34.3	23.9	100	
Staff compensations' parity due to contract type reduces trust and knowledge sharing (%)	0.0	6.0	32.8	40.3	20.9	100	
Failure of meeting employees' expectation reduce ability of service delivering (%)	0.0	10.4	17.9	29.9	41.8	100	

35.8% of the respondents agreed and 23.9% strongly agreed with the statement that unfairness in salary and benefits reduce commitment and affect performance as shown in Table 22 above. This could be attributed to the fact that there are many employees that hold junior positions with low salary especially those under FTC. FTC leads to insecurity, stress and emotions which affect performance as displayed in Table 22 where 40.3% and 10.4% of the employees supported that assertion. The reason behind is that employees feel secured with an indefinite contract and that fixed term does not allow the stability of the mind and causes fear of loss of the job. Permanent contracts enable employees' retention and reduces emotions that affect performance as shown by the 40.3% of the respondents that agree and 19.4% that strongly agree with that statement. At the EAC Secretariat the permanent contract is rarely provided and this affects employee security and stability hence performance.

Majority of the respondents support the assertion that dissatisfaction causes turnover and failure to meet deadline whereby 43.3% and 25.4% agree and strongly agree with assertion to this effect. EAC Secretariat uses nomination process for executive positions and in this connection, majority of the respondents opine that this process in unfair and hinders knowledge sharing as depicted by the 34.3% of the respondents who agree and

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23.9% of strongly agree with assertion on this. Compensation parity as a result of different contract types reduces trust and hampers communication and knowledge sharing as demonstrated by the 40.3 % of respondents who agreed and 20.9% of strongly agreed with this assertion. The failure of meeting employees' expectations decreases motivation and reduces morale hence effectiveness and efficiency in quality\service, delivery and performance. This is demonstrated by the 29.9% of the respondents who agree and 41.8% who strongly agree with as assertion in this respect.

4.3 Employees' Performance

This section entails tables on information related to performance deduced to employees' behavior in responding to HRMP. That includes quality services; success and commitment

4.3.1 Quality Service Delivery

Table 23: Gender's cross tabulation with high turnover resulting from contract expiration affect efficiency and effectiveness of service delivery

	_	High turnover resulted from contract expiration affectiveness of service delivery				
	Disagree	Neutral	Agree	SA	Total	
Female	1	3	8	11	23	
% of Total	1.5%	4.5%	11.9%	16.4%	34.3%	
Male	2	7	23	12	44	
% of Total	3.0%	10.4%	34.3%	17.9%	65.7%	
Total		10	31	23	67	
% of Total	4.5%	14.9%	46.3%	34.3%	100.0%	

The study revealed that expiry of short-term contracts affects quality of service delivery across both genders. Among the 23 female respondents only 1 respondent was against the assertion while 3 were neutral and the rest 19 either agreed or strongly agreed. 35 out of 44 male respondents supported this assertion while 7 were neutral and only 2 were against.

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Table 24: Age cross tabulation with High turnover resulting from contract expiration affect efficiency and effectiveness of service delivery

Resp. age	High turnover resulted from contract expiration affect efficiency and effectiveness of service delivery					
	Disagree	Neutral	Agree	SA	Total	
18-27	0	1	2	0	3	
% of Total	.0%	1.5%	3.0%	.0%	4.5%	
2 8-37	3	5	9	7	24	
% of Total	4.5%	7.5%	13.4%	10.4%	35.8%	
38-47	0	4	11	11	26	
% of Total	.0%	6.0%	16.4%	16.4%	38.8%	
48-60	0	0	9	5	14	
% of Total	.0%	.0%	13.4%	7.5%	20.9%	
Total	3	10	31	23	67	
% of Total	4.5%	14.9%	46.3%	34.3%	100.0%	

All categories of age didn't show any difference in supporting the assertion that High turnover resulting from contract expiration affect efficiency and effectiveness of service delivery. Only 3 on category of 28-37 years rejected the assertion that high turnover due to the expiration of contract affect efficiency and effectiveness.

Table 25: Educations' cross tabs' High turnover resulting from contract expiration affect efficiency and effectiveness of service delivery

Resp. Ed	C	High turnover resulted from contract expiration affect efficiency and effectiveness of service delivery					
	Disagree	Neutral	Agree	SA	Total		
F4, F6, Dip	0	2	2	0	4		
% of Total	.0%	3.0%	3.0%	.0%	6.0%		
Bac. Ad	1	4	8	9	22		
% of Total	1.5%	6.0%	11.9%	13.4%	32.8%		
Pg, M	2	4	21	14	41		
% of Total	3.0%	6.0%	31.3%	20.9%	61.2%		
Total	3	10	31	23	67		
% of Total	4.5%	14.9%	46.3%	34.3%	100.0%		

Qualification didn't show divergence with education and age category on impact of contract expiration on effectiveness and efficiency. Almost all categories supported the

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statement except 3, one among them having bachelor and other 2 masters degree as shown in Table

Table 26: Quality Service

Quality Service							
	SD	D	N	A	SA	Total	
Turnover owed by contract expiration affects efficiency and effectiveness of service delivery (%)	0.0	4.5	14.9	46.3	34.3	100	
Automatic termination by contract expiration hinders objective achievement and quality service (%)	1.5	3.0	00	46.3	49.2	100	

In general, the contract expiration forces employees to be terminated regardless of their experience and that affects negatively efficiency and effectiveness of services delivery and the achievement of objectives. The majority of respondents agreed on that except only 4.5% while 14.9% were neutral. The rest 80.6% either agreed or strongly agreed with the assertion. Similarly, majority of the respondents (95.5%) either agreed or strongly agreed with the assertion that Automatic termination by contract expiration undermines objective achievement and quality service.

4.3.2 Success

Table 27: Success

Success								
	SD	D	N	A	SA	Total		
Unsecured contract leads to stress, frustration and delayed success (%)	0.0	1.5	11.9	47.8	38.8	100		
Improper coordination of top management hampers success (%)	1.5	3.0	28.4	40.3	26.9	100		
Lack of trust due to HRMP weakens relationships, knowledge sharing, affects ability, skills, hinder innovation and success (%)	0.0	3.0	23.9	43.3	29.9	100		

Unsecured contract economically and socially leads to stress, negative emotion and anger hamper performance hence delayed organizational success. This is revealed by the 47.8% of the respondents who agreed and 38.8% who strongly agreed with assertion on this. In addition, majority of the respondents (67.2%) felt that there is improper coordination of the top management that undermines success of the organization. Lastly, majority of the respondents either agreed (43.3%) or strongly agreed (29.9%) with the

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assertion that lack of trust due to HRMP weakens relationships, knowledge sharing, affects ability, skills, and hinders innovation and success.

4.3.3 Commitment

Table 28: Commitment

Commitment							
	SD	D	N	A	SA	Total	
Permanent staff are more committed than temporal employees and contribute fully to target achievement (%)	7.5	14.9	22.4	32.8	22.4	100	
Employees about to be terminated lose dedication and contribute less effort as they won't be answerable which decline quality of outcome (%)	1.5	4.5	17.9	28.4	47.8	100	

The study revealed that permanent staff are more committed than temporal employees and contribute fully to target achievement. This is evident from the 32.8% of the respondents who agreed and 22.4% who strongly agreed with that statement. 22.4% were neutral. Employees about to be terminated lose dedication and contribute less effort as they won't be answerable which decline quality of outcome. This is revealed by the 28.4% of the respondents who agreed and 47.8% who strongly agreed with assertion to this effect.

5. Conclusion

Employment contract type has strong effect on employees' performance. It is the employment contract type that reflects how employee joined the organization, the way he/she is going to survive in the organization and how he/she will be terminated. There weren't direct effects but with mediating or intervening variable linked with the HRMP which result to a certain employee behavior that drive employee to meet expectations or to balance his inputs and outcome. Those enable employees contribute less or more efforts hence affect performance positively or negatively. Among HRMP, there are, compensation, sharing benefits, remuneration increase, involvement in decision making which are provided according to the employment contract type. Fixed Term Contract (FTC) and Fixed Term Limit Contract (FTLC) are the only types of contracts provided at the EAC Secretariat. FTC is not secured economically and socially since it denies some labor legal rights. Automatic termination by expiration of contract affects quality service, achievement, commitment as well as efficiency and effectiveness. Sometimes employees who are dissatisfied, frustrated and emotionally affected decide to leave the organization through turnover practices. FTLC is renewable only once but even though the bearer enjoys all statutory rights they wish to remain in the organization. All staff unanimously wish to have indefinite employment contract in order to feel secured. The analysis categorized in gender, age and education didn't show difference in response and

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this is why categorization was presented only in some variables. The types of contract provided at the EAC Secretariat expose employees to the uncertainty of termination any time. All employees who are about to be terminated lose their dedication and commitment which negatively affect performance. The appointment of Top Management Team that is mainly done through political nomination process jeopardizes the chances of getting competent and talented employees. The EAC Secretariat loses competent and experienced staff all every now and then which results to unnecessary use of resources in the recruitment and training of new staff members.

6. Recommendations

The article makes the following recommendations:

- i) EAC Secretariat and similar inter-governmental organizations should seek to give employment contracts that guarantee security to the employees;
- ii) Employees normally sign contracts with free consent and they should therefore not sign the contracts in case they predict dissatisfaction in the future;
- iii) Employee should be tolerant to HRMP as much as possible given that no organization guarantees perfect working conditions;
- iv) Employees should collaborate with the Top Management Team to ensure smooth operations of the Organization;
- v) The organizations should provide indefinite term contract and retain employees up to retirement age in order to minimize the cost of recruitment, inducting and training the new employees;
- vi) The organizations should consider providing contracts with labor legal rights such as sick leave as well as the freedom of association.
- vii) The Organizations should adjust compensation benefits to avoid parity among employees and ensure fairness;
- viii) The Top Management Team should be recruited competitively as opposed to the current political appointment process;
- ix) The Organizations should enact policies that enable adjustment of contracts and avoid Non-standards Forms of Employment contracts; and further research to be conducted on the relationship between contract type and performance in the region to facilitate performance and enable citizens in the region to raise their standards of living

DISCLAIMER

The study was undertaken for academic purposes and not for any other purpose.

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