

THE EFFECTS OF LABOUR PRODUCTIVITY ON BUSINESS COMPETITIVENESS

MTN- UGANDA

BY



**A RESEARCH DISSERTATION SUBMITTED IN PARTIAL FULFILLMENT OF THE
REQUIREMENT FOR THE AWARD OF BACHELOR IN BUSINESS
ADMINISTRATION OF UGANDA MARTYRS UNIVERSITY NKOZI**

APRIL, 2014.

DEDICATION

I dedicate this work to my mother Mrs. who has strongly supported me throughout my entire life and my education from when I was kid. Thanks for always being there for e mum. I love you.

ACKNOWLEDGEMENT

First and foremost, I would like to thank the Almighty God for the strength and grace He granted me during the study.

My sincerest thanks go Mr. Kibrai Moses, who supervised this work all through. His advice and direction have seen me through this work.

I wish to acknowledge the assistance and encouragement I received from the staff of MTN Uganda especially the Human Resource Department.

I would also like to thank all those who in diverse ways assisted to ensure the successful completion of the study.

Finally, I wish to express my deepest appreciation to my colleague, Mr. Godoma Jee ,Collins for the support and encouragement me not to give up with research and it kept me going till the last day.

TABLE OF CONTENTS

| | |
|--|-------------|
| DECLARATION | i |
| APPROVAL | ii |
| DEDICATION | iii |
| ACKNOWLEDGEMENT | iv |
| LIST OF TABLE | viii |
| ABSTRACT | ix |
| | |
| CHAPTER ONE | 1 |
| GENERAL INTRODUCTION..... | 1 |
| 1.0 Introduction..... | 1 |
| 1.1 Background of the study | 1 |
| 1.2 Problem statement..... | 3 |
| 1.3 Research objectives..... | 3 |
| 1.3.1 General objective of the study | 3 |
| 1.3.2 Specific objectives | 3 |
| 1.4 Research questions..... | 4 |
| 1.5 Research Hypotheses | 4 |
| 1.6 Justification of the study | 4 |
| 1.7 Significance of the study..... | 5 |
| 1.8 Scope of the study..... | 5 |
| 1.8.1 Content scope..... | 5 |
| 1.8.2 Geographical scope..... | 5 |
| 1.8.3Time Scope | 6 |
| 1.9 Conceptual framework..... | 6 |
| 1.10 Definition of key terms | 7 |
| 1.10.1 Labor productivity | 7 |
| | |
| CHAPTER TWO | 8 |
| LITERATURE REVIEW | 8 |
| 2.1Introduction..... | 8 |

| | |
|---|-----------|
| 2.2 Business competitiveness..... | 8 |
| 2.3 Labor productivity | 11 |
| 2.3.1 The role of Employee Innovativeness on business competitiveness | 13 |
| 2.3.2 The effect of employee participation & involvement on business competitiveness..... | 18 |
| 2.3.3 The effect of labor investment on business competitiveness..... | 22 |
| 2.4 Human resource management and performance..... | 27 |
| 2.5 Conclusion | 28 |
| | |
| CHAPTER THREE | 29 |
| RESEARCH METHODOLOGY..... | 29 |
| 3.0 Introduction..... | 29 |
| 3.1 Research design | 29 |
| 3.2 Study area..... | 30 |
| 3.3 Study population | 30 |
| 3.4 Sample size | 30 |
| 3.5 Sampling design..... | 30 |
| 3.6 Sources of data..... | 31 |
| 3.7 Tools of data collection:..... | 31 |
| 3.7.1 Questionnaire | 31 |
| 3.7.2 Focus group Discussion | 32 |
| 3.4 Data analysis and processing. | 32 |
| 3.4.1 Data analysis | 32 |
| 3.5 Reliability and validity..... | 32 |
| 3.6 Ethical Consideration..... | 33 |
| | |
| CHAPTER FOUR..... | 34 |
| ANALYSIS AND PRESENTATION OF FINDINGS..... | 34 |
| 4.1 Introduction..... | 34 |
| 4.2 Background information of the respondents..... | 35 |
| 4.2.1 Sex..... | 35 |
| 4.2.2 Ages of the Staff | 36 |

| | |
|---|-----------|
| 4.2.3 Department at MTN Uganda | 37 |
| 4.2.4 Education level of the respondents | 39 |
| 4.2.5 Longevity within the department | 39 |
| 4.3 Independent Variables used within the study. | 41 |
| 4.3.1 Workforce Investment | 41 |
| 4.3.2 Employee innovativeness..... | 43 |
| 4.3.3 Employee involvement and Participation | 46 |
| 4.4 Dependent variable | 48 |
| 4.5 Interviews..... | 51 |
| 4.5.1 Where do you see MTN in four (4) years from now in terms of; Product, service offered and the competitive market? | 52 |
| 4.5.2 Response to employee dissatisfaction..... | 52 |
| | |
| CHAPTER FIVE | 53 |
| SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS | 53 |
| 5.1 Summary of Findings..... | 53 |
| 5.1.1 Workforce Investment | 53 |
| 5.1.2 Employee Participation and involvement | 53 |
| 5.1.3 Employee innovativeness..... | 54 |
| 5.1.4 Organizational competitiveness | 54 |
| 5.2 Conclusions..... | 55 |
| 5.3 Recommendations..... | 56 |
| 5.4 Suggestions for further research | 57 |
| REFERENCES | 58 |
| APPENDIX: I TRANSMITTAL LETTER | 61 |
| APPENDIX: II QUESTIONNAIRE..... | 62 |

LIST OF TABLE

| | |
|--|----|
| TABLE 1: SEX CATEGORY OF THE RESPONDENTS | 35 |
| TABLE 2: AGE CATEGORY OF THE RESPONDENTS | 36 |
| TABLE 3: DEPARTMENTS | 37 |
| TABLE 4: EDUCATION CATEGORY OF THE RESPONDENTS | 39 |
| TABLE 5: LONGEVITY WITHIN THE DEPARTMENT | 40 |
| TABLE 6: WORKFORCE INVESTMENT | 41 |
| TABLE 7: EMPLOYEE INNOVATIVENESS | 43 |
| TABLE 8: EMPLOYEE INVOLVEMENT AND PARTICIPATION..... | 47 |
| TABLE 9: ORGANIZATIONAL COMPETITIVENESS..... | 49 |

ABSTRACT

The importance of labour productivity towards enabling an organization attain competitiveness cannot be over emphasised. However, the organizational workforce is an important factor of production and has a direct impact on the competitiveness of firms. Human capital is those elements in humans that enhance the quality of labour, such as skills, knowledge and wisdom, which make it worth more in the production process. All these human resource practices are carried out in order to enable the organisation to achieve organisational competitiveness in MTN Uganda. Self-administered questionnaire were primarily used in collecting data from respondents although interviews and situational observations were made to have a first-hand insight about the natural day to day operation and working environment of the Service. This was done to gather findings concerning the study.

CHAPTER ONE

GENERAL INTRODUCTION

1.0 INTRODUCTION

This study evaluated labor productivity and business competitiveness, and the dimensions are used were; work force investment, employee innovativeness, employee involvement and participation, service quality and reliability, delivery speed and production cost respectively.

This study also evaluated labor productivity and business competitiveness as the independent, and the dimensions this study. The key literature followed on productivity and business competitiveness included Kleynhans , Vokorokosová, OECD, Thorne, Gunday, Ljiljana & Radas.

The study although appeared related to the previous studies in this particular field, in a way different, it involved qualitative and quantitative analyses. The study used a survey study on MTN Uganda in that it will investigate the extent to which labor productivity affects business competitiveness within Uganda

1.1 BACKGROUND OF THE STUDY

The theory of competitiveness was way back initiated by the postulate of Adam Smith with regards to absolute advantages. In comparison to its competitor, a business has an absolute advantage in the production and delivery of goods and services if it can produce at lower cost or with higher productivity with the help of its workforce. Absolute advantages compare industry productivities across businesses within the industry. On the contrary, a business has a comparative advantage in producing goods if it can produce the goods at lower opportunity costs relative to another business. At present, when explaining factors driving economic

growth, more importance is put upon competitive rather than comparative advantages (Vokorokosová 2007)

Human resources are an important factor of production and have a direct impact on the competitiveness of an organization. Human capital can further be looked at as elements in humans that enhance the quality of labor, such as skills, knowledge and wisdom, which make it worth more in the production process which in turn fosters competitiveness. Improvement in the quality of human resources can lead to lower unit costs of production and sales and in that way decreases marginal cost structures, enabling firms to trade products at lower prices and better quality. A supply of quality labor in a country can then lead to competitive markets and growth (Kleynhans 2006)

Unlike labor productivity, business competitiveness can have a range of meanings. For the purpose of this inquiry, the term is taken to refer to the ability of a location to attract and retain mobile inputs of production such as investment and human capital. Accepting that many organizations are in competition for capital and talent, business competitiveness can be directly linked to productivity: more productive locations are more successful in attracting capital and talent, and thus more able to sustain continuing growth in productivity and ultimately, living standards and to some extent, business competitiveness and labor productivity are treated as synonymous (Vokorokosova 2007)

1.2 Problem statement

In telecommunication pursuit to business competitiveness there has been a lot of challenges facing it. In Annual report, MTN Uganda notes that this came with the failure to provide quality services to its customers who have been evidenced this with unsolicited messages to clients, wrong billing procedures, unclear voice calls and a slowed system of the electronic funds transfer known as mobile money all looked at as technical problems all within MTN Uganda (UCC 2013)

However despite all the effort and developments within the workforce, it is still not clear with the firm the extent at which it has worked to achieve its vision as it survives with its competitors and queries are up against the sustainability of the firm because of its continued pressure from other players in the communication business.

Therefore the study aims to investigate the extent to which labor productivity affects business competitiveness within MTN Uganda.

1.3 Research objectives

1.3.1 General objective of the study

To assess the effect of labor productivity on business competitiveness in MTN Uganda a communications firm

1.3.2 Specific objectives

- I. To draw the relationship between employee innovativeness and business competitiveness
- II. To determine the effect of workforce investment on business competitiveness
- III. To assess the role of employee investment and participation on business competitiveness

1.4 Research questions

- I. What is the effect of workforce investment on business competitiveness?
- II. What is the relationship between employee innovativeness and business competitiveness?
- III. What is the effect of employee involvement and participation on business competitiveness

1.5 Research Hypotheses

- I. Employee investment significantly affect business competitiveness
- II. Job involvement and participation affect business competitiveness

1.6 Justification of the study

Research rotating around the field Human resources management is the role of the organization's workforce towards organization's performance. Business competitiveness is one of the indicators of a firm's positive performance among others. Therefore, keeping it in mind, a firm cannot succeed without the support of its human capital.

The contribution of human capital is very vital towards the rate at which the firm competes with other firms. Therefore, the study was seeking to avail more knowledge on the contribution of the organization's workforce and the need to respect the fact that it is a special factor of production that needs to be controlled and managed effectively as an organization seeks to fulfill its goals and objectives.

1.7 Significance of the study

MTN Uganda is a major player in Uganda's telecom sector with a significant position in the communications industry which has generated all that success from its workforce at different levels that contribute towards the operations of the firm.

By attempting to explore more on the relationship between labor productivity and business competitiveness within MTN Uganda, it is hoped that important information for informing better designs to appropriate labor policies ensuring the need of labor productivity towards business competitiveness.

To the labor unions within various organizations, the findings of the study was to highlight the contribution of human capital towards business competitiveness and this enabled them to be seen as a special factor of production from others that needs to be treated with lots of care.

1.8 Scope of the study

1.8.1 Content scope

The study considered all the information and literature that lied within the context of the relationship between labor productivity and business competitiveness. It took on the objectives in consideration and rotated around the information that was generated from them.

1.8.2 Geographical scope

The study was covered from MTN Uganda one of the leading telecom companies in Uganda. The researcher contacted the head office *located at* MTN Towers, Plot 22, Hannington Road P.O. Box 24624 Kampala Uganda.

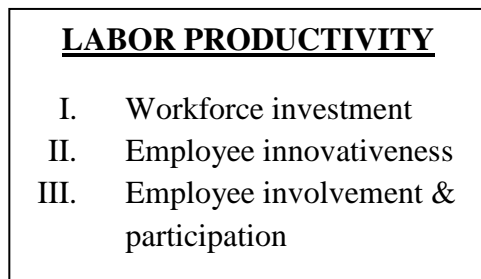
1.8.3 Time Scope

The study focused on the operation MTN Uganda for the period 2007/2013. This is due to enable the researcher to access the information concerning the relationship between labor productivity and business competitiveness.

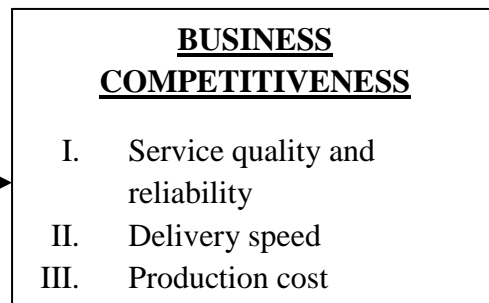
1.9 Conceptual framework

This framework presented a diagrammatic representation of the relationship between customer care on organizational market which it will take on one being the Independent variable and the other the dependent variable respectively. The independent variable i.e. Labor productivity took on indicators including Work attitudes, innovativeness and skills all held by employees Laurens et al (2010) in their research on labor productivity looked at output and skills as indicators of labor productivity. The dependent variable on the other side was Business competitiveness having indicators like; Service quality, delivery speed and production costs. Carlin, et al (2001) used these indicators to back up business competitiveness in the past research

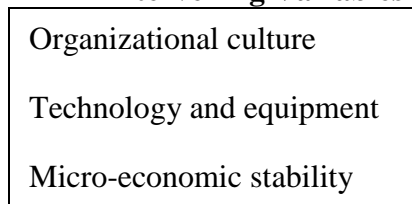
Independent variable



Dependent Variables



Intervening Variables



1.10 Definition of key terms

1.10.1 Labor productivity

Labor productivity is defined as a measurement of economic growth of a within an organization, Labor productivity is defined as a measure of the amount of goods and services produced by one hour of labor. More specifically, labor productivity measures the amount of real GDP produced by an hour of labor. Growing labor productivity depends on three main factors: investment and saving in physical capital, new technology and human capital.

The researcher looked at it as the rate of output per worker in your business per unit of time usually per hour. Basically, productivity is how much worker produces per hour compared to what each worker is earning to perform the job. Comparing your company's labor productivity rate with an established standard or expected rate of output can help you determine where your company is operating in terms of your competition and the market as a whole

1.1.1. 1.10.2 Business competitiveness

Business competitiveness refers to the ability of the business to produce goods and services that meet the test of the international markets and simultaneously to maintain and expand the real income and also raise the welfare of its customers (Haque 1995).

Furthermore, business competitiveness also refers to all the external parts of the business environment that consists of other forms trying to win customers in the market. Therefore, it is the segments of the business industry that focuses on all immediate rivals.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

Looking at literature provided by OECD reports, globalization increasingly points to the ability of regional economies to adapt and exploit their competitive edge, as it offers new opportunities for organizations to develop and even get closer towards attaining their strategic objectives. This therefore is the sole reason as to why various organizations are rethinking their strategies regarding competitiveness. As a result of decentralization, most of the competing organizations fighting so hard to become market leaders and also maintain their leadership position within the market with the help of their workforce. The objective of pursuing organizational competitiveness is particularly relevant amongst Telecom companies more so in Uganda (OECD 2006).

2.2 Business competitiveness

Business competitiveness refers to an organization's ability to maintain and gain market share in its industry. Starbucks' human resource management practices are helping support the company's business strategy and provide services the customer values. The value of a product or service is determined by its quality and how closely the product fits customer needs (Starbucks 2010).

Business competitiveness is therefore related to company effectiveness, which is determined by whether the company satisfies the needs of stakeholders (groups affected by business practices). Important stakeholders include stockholders (organization's market share), who want a return on their investment; customers, who want a high-quality product or service; and employees, who

desire interesting work and reasonable compensation for their services. The community, which wants the company to contribute to activities and projects and minimize pollution of the environment, is also an important stakeholder. Companies that do not meet stakeholders' needs are unlikely to have a competitive advantage over other firms in their industry (Starbucks, 2010).

Competitiveness has become a central preoccupation of both advanced and developing countries in an increasingly open and integrated world economy. Despite its acknowledged importance, the concept of competitiveness is often controversial and misunderstood. As such, there is no accepted definition of competitiveness and no generally accepted theory to explain it (Li-Hua, 2007). The topic of competitiveness among organizations is much debated by both economists and policymakers as though nearly every study on the topic of competitiveness adopts a different definition of the term (Thorne, 2005). At the business level, for example, profitability, costs, productivity and market share are all indicators of competitiveness (Thorne, 2005). Generally, competitiveness is considered synonymous with success. In very simple terms, success can be intended as achievement of business objectives (Depperu & Cerrato, 2005). On the other hand, the level of competitiveness of a business would mean that it should be able to retain the customer base, enhance its market share, demonstrate growth, and ensure continuous improvement in productivity (Khader, 2001).

Pitts & Lagnevik (1998) argue that "a competitive business is one that possesses the sustained ability to profitably gain and maintain market share in domestic and/or foreign markets". However, short term profit can be forfeited in the pursuit of long term market share gains. Hence, it can be concluded that no one best measure of competitiveness does exist but that

market share and profitability provide useful insights into overall competitiveness (Kennedy, 1997).

Business competitiveness refers to the ability of firm or nation to offer services that meet the quality standards of clients or the locals within a particular market segment at prices that are competitive and provide adequate returns on investment (Filipova, 2006)

Empirical observations confirm that resources which include; capital, labor, technology and talent tend to concentrate geographically (Easterly & Levine 2002). These results reflects that firms are embedded in inter-firm relationships with various networks including suppliers, customers, buyers and even competitors that help organizations in the process of selling their goods and services.

Blunck, (2006) in his view addresses the issue of competitiveness is the ability to provide products and services as or more effectively and efficiently than the relevant competitors. In the traded sector, this means sustained success in international markets without protection or subsidies. Although transportation costs might allow firms from a nation to compete successfully in their home market or in adjacent markets, competitiveness usually refers to advantage obtained through superior productivity. Measures of competitiveness in the traded sector include firm profitability, the firm's export quotient (exports or foreign sales divided by output), and regional or global market share. In the traded sector, performance in the international marketplace provides a direct measure of the firm's competitiveness. In the non-traded sector, competitiveness is the ability to match or beat the world's best firms in cost and quality of goods or services. Measuring competitiveness therefore in the non-traded sector is often difficult, since there is no direct market performance test. Measures of competitiveness in this part of the

economy include firm profitability and measures of cost and quality. In industries characterized by foreign direct investment, the firm's percentage of foreign sales (foreign sales divided by total sales) and its share of regional or global markets provide measures of firm competitiveness.

2.3 Labor productivity

The International Labour Organization (ILO) defines productivity as the ratio between output and total input of factors required to achieve it, otherwise known as total factor productivity. Productivity is different from production in the sense that production is a measure of total output whereas productivity is output per factor of production. In practice, because of measurement difficulties most analyses of productivity have rather confined themselves to a single factor or partial measure. The most common and popular measure of productivity is labor productivity which has remained the center of interest on productivity measures primarily because human labor is a universal key resource (BOG, 2007).

Labor productivity refers to the measure of worker output used in both business and the economy as a whole. In several cases, small and medium business owner focuses on labor productivity as a means of streamlining costs and maximizing output. Getting the most out of an organization's workforce requires business owners to invest in an organization and build facilities with an eye to the long-term health of the business (Jonathan, 2003)

Labor productivity is also literally looked at as the rate of output per worker in an organization per unit of time and in most cases usually per hour. Basically, productivity is how much each worker produces per hour compared to what each worker is earning to perform the job. Comparing an organization's labor productivity rate with an established standard or expected

rate of output can help the organization's human resources to determine where the level of its operations in terms of competition analysis and the market as a whole.

Determining an organization's labor productivity is far essential towards enabling the business finding drags on its revenue stream and improves profits according to the degree of investment. A low productivity of labor when compared with your employees' hourly rates may signal you're paying workers too much or you have too many employees on the job at any one time. Streamlining the workforce of an organization can help the business attain the highest levels of competitiveness from the least amount of employees possible. This boosts profits and can help your company save enough capital to begin growing. Failing to streamline organizational workforce towards labor productivity can gobble up all the organization's profits and make it difficult to meet financial obligations or simply keep the lights on (Jonathan, 2003)

To any organization, the idea of increasing labor productivity involves more than simply paying workers less and producing greater product quantities. As an organization seeks to increase labor productivity through the provision of employees with better equipment and technology to more efficiently complete tasks and produce better products. This requires a greater short-term expenditure of capital from the organization to the workforce so as to boost gains in productivity and thus business competitiveness. Investing the money in your business to improve facilities also shows workers your commitment to the company, which can improve worker morale and lead to increases in overall productivity.

Labor productivity is of critical importance to firms as they struggle to survive and thrive in an increasingly competitive global environment. If more can be produced with less, it could affect the profitability as well as the long-term survival of firms (BOG, 2007).

2.3.1 The role of Employee Innovativeness on business competitiveness

Innovativeness amongst employees refers to the seeking of creative, unusual or novel solutions to problems and needs. For the organization as a whole, these solutions take the forms of new technologies and processes, as well new products and services. Risk taking involves the willingness to commit sufficient resources to opportunities having a reasonable chance of costly failure. Proactive is concerned with implementation with doing what is necessary to bring a business concept to fruition (Mutambi, 2011).

Innovation is seen as one of the most important ingredients in the success of organizations, the producer of solutions to problems that are not entirely understood or widely perceived and the generator of opportunities that may not have existed before or were not exploited. In other words, it is the process of doing or introducing something new either an idea or an invention translated into a good or service for economic gains irrespective of whether they are new to their competitors, countries, or the world. Innovation could be subdivided into many types, for example process innovation, market innovation, product innovation, factor innovation, and even organizational innovation (OECD, 2005)

Innovativeness within organizations is one of the fundamental instruments of growth strategies to enter new markets, to increase the existing market share and to provide the company with a competitive edge. Motivated by the increasing competition in global markets, companies have started to grasp the importance of innovation, since swiftly changing technologies and severe global competition rapidly erode the value added of existing products and services. Thus, innovations constitute an indispensable component of the corporate strategies for several reasons such as to apply more productive manufacturing processes, to

perform better in the market, to seek positive reputation in customers' perception and as a result to gain sustainable competitive advantage (Gunday, 2011)

As it is for individual employees, either as an individual or together in groups, who are the source of creative ideas and subsequent innovation within an organization, it is not surprising that large amounts of research have been devoted to the examination of personality or person-specific factors regarding employee innovativeness in relation to the competitiveness of an organization. The broad aim of this stream of research has been to identify how innovativeness is affected by differences in individual characteristics (Andy, 1998)

Andy 1998 suggests that innovation involves the exploitation of new ideas. Innovation is often confused with invention. He went on to give the difference between innovation and invention where he highlighted that Innovation should not be equated to invention; an invention may not necessarily lead on to innovation. This distinction is made clear when he noted that: "inventions are more of ideas, a sketch or model for a new or improved device, product, process or system" whereas and innovation in the economic sense is accomplished only with the first commercial transaction involving the new product, process or system.

(Mutambi, 2011) explains that Innovativeness amongst employees often involves the application new technologies or technology. It increases the productivity and choice of goods and services available to the consumer. It cannot directly be measured but instead be inferred using indicators for example, number of patents filled, number of new products introduced, or expenditure on R & D. The body of policies, regulations, institutional and infrastructural arrangements and activities concerned with the creation, acquisition, dissemination and utilization of scientific and technological knowledge, is generally referred to as the national science, technology and

innovation (STI) system. OECD 2001 notes that Innovation consists of all those scientific, technical, commercial and financial steps necessary for the successful development and marketing of new or improved manufactured products, the commercial use of new or improved processes or equipment or the introduction of a new approach to a social service. R&D is only one of these steps.

Depending on the market in which an enterprise offers its services can be a predictor of the effects of innovative activities from its employees. Strengths and weaknesses of competitors, demands raised by consumers, legal regulations, as well as ecological, health and other standards, motivate enterprises to develop products taking into account the situation in a particular market. Different businesses therefore often find themselves having to modify the nature of services offered to their clientele, not only to achieve outstanding business performance and competitive advantage, but also to become and maintain the market leadership. Apparently, the nature of the market can have an impact on the effects of innovative activities. It is to be expected that the more present a business attacks and serves the market, the more oriented its innovation activities are towards improving service quality, ecological and health aspects, as well as towards complying with legal standards and various regulations. (Ljiljana and Radas, 2005)

Job-related factors cover the broad characteristics of the everyday work that influence an employee's innovativeness in an organization. Specific jobs and tasks play a significant role in influencing whether the employee engages in innovative work behavior, partially through motivating employees (Ford 2000, Vincent et al. 2002). That is, the way in which jobs are structured contributes to an employee's motivation, and thereby to their innovative behaviors and thus positive grounds for business competitiveness.

Creativity and innovativeness amongst employees are not the characteristics of a few select individuals. Rather, they are capacities inherent to a varying degree in every person, and are based on the talents of everyman to notice, remember, see, speak, hear, understand and recognize analogies between similar concepts or situations (Florida 2002). Therefore, creativity and innovativeness are something that everybody can aspire to and that can be supported (Amabile et al. 1996). However, as highlighted above, although innovativeness is a complex issue, the creative processes and innovation of employees are not random concepts. A better understanding of the organizational, job, team and individual factors and processes assist organizations in supporting employee innovativeness and developing better insights on how the competitiveness of a business can be enhanced.

In order to produce technical and product innovations, an organization might require processes and administrative human resource management innovations that enable support of employees. As Wesley Cohen and Daniel Levinthal (1994) conclude, using the famous dictum by Louis Pasteur: “Fortune favors only the prepared firm”.

For many organizations, Innovation is a key to competitive advantage in a highly turbulent environment comprising of many competitors. It is therefore a major driving force for economic growth of competing businesses within the industry. The ability to innovate amongst the organization workforce has direct consequences for the ability to compete at the individual, firm, regional and national level (Parzefall, 2008)

Organizational values created by employee innovations are often manifested in new ways of doing things or new products and processes that contribute to wealth. When we consider a firm as a bundle of resources, skills and competencies, then the effect of innovation is to transform a

firm's inner capabilities, making it more adaptive, better able to learn, to exploit new ideas. This enhanced flexibility is crucial in the face of changing market conditions. Thus innovation enhances competitiveness of firms (OECD, 2001)

Urban and Hauser, 2005 note that the ultimate goal of innovation efforts is to improve business performance and competitiveness in particular. As seen from a comparison of innovative enterprises, some of them are much better at capitalizing on innovations than their counterparts. While it is undoubtedly essential for creating a competitive advantage and for the firm's survival, innovation is also an activity that carries a large amount of risk and requires a substantial and ongoing investment of both financial and human resources.

(Mohnen and Roller, 2001) emphasized that human capital is an important innovation factor within an organization and lack of required knowledge and skills as the most serious impediment to innovation and its benefits towards the organization's ability to compete with others. In the modern view of innovation, employee knowledge is no longer vital only to only research and development, but rather to all functions of the firm as noted by Leiponen, 2005.

On the contrary, while highly educated employees are generally considered as the most important source of ideas and the main initiators of innovative activities, an innovative idea is just a segment of a successful development of new products and processes that can be sought by an employee. Coming up with such an idea into an efficient new technology or a commercially viable product, a business a needs technical, marketing and "integrative" competencies, employee knowledge and skills bring about a rise in enterprise profit (Leiponen, 2000).

It is therefore to be expected that a larger proportion of highly educated employees will positively impact innovation effects and thus important to emphasize that the most significant

predictor of positive innovation effects is the market orientation index, which is compiled from customer orientation, competitor orientation and inter-functional coordination (Ljiljana and Radas 2005)

2.3.2 The effect of employee participation & involvement on business competitiveness

The importance of employee participation as a business strategy was first stressed in the late 1920s and early 1930s. The Hawthorne studies (Mayo, 1933; Roethlisberger and Dickson, 1939) gave rise to an increasing interest in the human determinants of productivity. The human relations approach to management emphasized the importance of communication between employees and their superiors. The lack of strong empirical support for these theories, however, turned initial enthusiasm into mild skepticism at the workplace amongst the employees (Elizabeth, 2001).

Management practice in human resource has kindled a renewed interest in this issue. This is due to growing evidence that employee participation increases effort, which subsequently improves efficiency and productivity, it reduces the cost of monitoring employees and it leads to increased commitment (Doucouliagos, 1995).

Before discussing the **impact of employee participation/involvement in workplace**, it is imperative to define the meaning of employee participation. According to Ackers, Wilkinson & Dundon (2006), employee participation is a process in which decisions in an organization are shared among individuals who are otherwise hierarchically unequal. Participatory management practices involve subordinate staff and their managers in sharing information, problem solving and decision making endeavors. Furthermore, employee participation is defined more broadly by McCabe and Lewin (2000), as consisting of two elements. First is the expression of grievances

or complaints in a work context by employees to the top management of the organization. The second element is the participation of employees in the decision-making processes of the company or organization. Thus employee participation does not only involve decision making processes but the entire welfare of the employees. Most countries provide policies and bylaws to safe guard employees from harassment and exploitation. The trade Unions have for a long time been the voice of employees in many countries (Armstrong, 2001).

In cases where employees participate in a business activity, it implies that they share the activity with other employees. Employees within an organization form one team with which the employee and the team is responsible for accomplishing the goals or projects that are set by an organization. The employee teams provide the forum where the employee can suggest ideas to make the items more efficiently and make decisions about their portion of the team's project. Regardless of the level of involvement, the end result is that all members on the team are encouraged to participate and thus reaching out for the competitiveness of an organization.

The rate of employee involvement involves focuses more on the one-on-one approach between the employee and management. This is a more direct method of handling a work project, as the individual employee is included in all aspects of the decision-making process. This process encourages an employee to take ownership of the outcome of the project. The employee affects the process itself by making decisions with management, which both encourages the employees to become more involved in the project and share their ideas on how to improve the project.

Employee Participation is one of four policy choices for managing the employment relationship. Cited in Rose (2001) Farnham states: '*...an employee has the right to question and influence organization decision making 'and' '.... this may involve representative workplace democracy.'*

Employee Participation has been defined as “a process which allows employees to exert some influence over their work and the conditions under which they work” or alternatively “a process in which influence on decision making is shared between hierarchical superiors and their subordinates”. These two definitions encompass a broad range of activities through which employees can affect decision making, from consultative or communication (employee involvement) mechanisms where individual workers’ input is asked for and considered by managers who retain responsibility for the final decision, to participation mechanisms involving representative structures where workers are major parties to these decisions (Hodgkinson 1999). Regardless of the political environment in an organization, participation mechanisms amongst employees are often initiated by management in order to improve that firm’s capacity to achieve competitive market standards of quality and price and to respond to market changes under conditions of high uncertainty. Managers have the duty drawn upon the willingness and preference of an increasingly educated and skilled work force to participate and involve in decisions which affect their immediate working conditions. This raises the issue of whether the renewed interest in participation involves a deliberate attempt in some management cultures to by-pass union representatives when negotiating organizational change (Hodgkinson, 1999).

The importance of employee participation as a business strategy in organizations was first looked at in the late 1920s and early 1930s. The Hawthorne studies by Mayo 1933 gave rise to an increasing interest in the human determinants of productivity amongst employees. The ‘*human relations*’ approach to management emphasizes the importance of communication between employees and their superiors. The lack of strong empirical support for these theories, however, turned initial enthusiasm into mild skepticism. More recently management practice has kindled a renewed interest in this issue. This is due to growing evidence that employee participation

increases effort, which subsequently improves efficiency and productivity, it reduces the cost of monitoring employees and it leads to increased commitment (Cabrera, 2001).

Employee participation within an organization is also important for customer service more so to an organization like MTN Uganda. Increased information sharing should promote to better planning and problem solving which improve service delivery efficiencies. Customer satisfaction is further increased when employees are given the freedom to respond directly to their needs. Moreover, as previously mentioned, a positive relationship has been found between employee satisfaction and customer satisfaction and between participative management and employee satisfaction (Hodgkinson, 1999).

Employee Participation within an organization may be direct or indirect. Direct participation involves the employees themselves in the due course of operations, whereas indirect participation takes place through an intermediary of employee representative bodies, such as works councils or trade unions. Two main forms of direct participation include consultative participation and delegative participation. Consultative participation refers to practices where management encourages employees to share their opinions regarding work-related concerns, yet retains the right to make all final decisions (Cabrera, 2001).

Examples of consultative participation include regular meetings with supervisors, attitude surveys and employee suggestion plans. Delegative participation, on the other hand, gives employees increased responsibility and autonomy to organize and perform their jobs as they see fit. Employees participate directly in work decisions which are geared towards organizational competitiveness. Forms of delegative participation include scheduling of work, improving work processes and attendance and absence control (Cabrera, 2001).

Employee involvement should be considered while decisions making as the employees have to implement the decisions. Managers should create a participative climate by sharing the information and involving the employees in decision making (Wanouset al., 2000). Encouraging the employees to express their ideas relating to work concerns is the practice of information sharing. Research suggests that perceptions of employees regarding a participative environment effect the job satisfaction and performance of the employee. When employees are involved in decision making process they recognize the underlying principle for them which results in high motivation and efforts. Employee involvement results in superior quality decisions which produce encouraging organizational and personal outcomes (Parnell, 1992).

Employee involvement in decision making focuses on fairness of authority in the workplace and the perceptions of employees regarding fairness are enhanced by involvement in decision making especially when the employees prefer to participate in decision making process when the decisions mainly have an impact on their respective positions within organizations. This means that management must hand over some of its power regarding decision making giving the employees an opportunity to contribute and assist in determining the output (Cabrera, 2003).

2.3.3 The effect of labor investment on business competitiveness

Human capital is a major factor in generating future growth and competitiveness amongst organizations. Human capital investments such as education and training are, therefore, a main concern for individuals, firms and governments. According to Becker (1993), human capital is the key determinant in explaining the rise and fall of organizations as well as a main factor in determining organizational income. The impact of human capital on enterprises is less clear. This

is because the attributes of human capital and human capital investments are ascribed to the individual and not the firm.

Staffing is the process through which an organization insures ownership of the proper number of employees with appropriate skills in the right jobs at the right time to achieve the organization's objectives towards business competitiveness. Investment in staffing involves job analysis, human resource planning, recruitment and selection amongst other practices in human resource i.e. motivating employees among others. All areas of staffing are always haphazard in cases where the in charge of recruitment fails to know the qualifications needed to perform the various jobs. Lacking up-to-date job descriptions and specifications, a firm would have to recruit and select employees for jobs without having clear guidelines; this practice could have disastrous consequences towards organizational competitiveness. Job analysis is conducted after the job has been designed, in cases where workers have been trained and the jobs are being performed. Human resource planning involves matching the internal and external supply of people with job openings anticipated in the organization over a specified period of time. Because conditions in the external and internal environments can change quickly, the human resource planning process must be continuous (Mulinde, 2013)

Changing conditions could affect the entire organization, thereby requiring extensive modification of forecasts. Planning, in general, enables managers to anticipate and prepare for changing conditions and human resource planning, in particular allows flexibility in the area of human resource management. Human Resource development is a major human resource management function that consists not only of training and development but also of individual career planning and development activities, organization development, and performance appraisal, an activity that emphasizes training and development needs.

Performance appraisal is a formal system or review and an evaluation of individual or team task performance. It affords employees the opportunity to capitalize on their strengths and overcome identified deficiencies, thereby helping them to become more satisfied and productive employees. Job specification information often proves beneficial in identifying training and development needs. If the specification suggests that the job requires a particular knowledge, skill or ability and the person filling the position does not possess all the qualifications required, training and development are probably in order. They should be directed at assisting workers in performing duties specified in their present job descriptions or preparing them for broader responsibilities. With regard to performance appraisal, employees should be evaluated in terms of how well they accomplish the duties specified in their job descriptions and any specific goals that may have been established. A manager who evaluated an employee on factors not clearly predetermined is left wide open to allegations of discrimination Sreih (2012).

There is mixed evidence to whether labor productivity has increased highly in sectors that have received a higher share of investment. Investment in an organization's labor force regarding the various departments of an organization which include; transport, communication and customer care is significant towards boosting the competitiveness of an organization. Labor productivity increases operational efficiency which in return improves the financial performance of an organization where labor is motivated time to time

Looking at the research conducted by Van Bornko (2009) noted that the link between investment and labor productivity seemed to be strong as he recommended investment per employee as a driver for organization's competitiveness. He further highlighted that the first correlation between sector labor productivity for employees is highest in some sectors that are indulged in high levels of competition including; electricity, gas business, telecom companies and financial

sectors because they are sought to be the most productive sectors at the same time, these are looked at as the most productive sectors in terms of output per employees. Therefore, sectors that have invested more in their organizational workforce have achieved better performance results and thus standing a chance to compete with other firms in their respective industries (Collin, 2013)

According to Inside Indiana Business Vol 1 Investing in a organization's workforce involves bringing on board the best teams of personnel to execute the operations of the organization and in that regard therefore, it implies that a skilled workforce that is adaptable to change is vey essential for economic growth and an enabler for firms to compete favorably within the global economy. Therefore, investing in the organization's workforce entails the introduction of training programs to employees so as to improve their skills through providing measurable accomplishments of the determined organizational objectives and also providing measurable evaluations of the improved amongst the employees of the organization.

According to Inside Indiana Business Vol. 2 Investing in the organization's workforce through training employees is often viewed as an expense and rather an investment. Instead, investing in training of employees should be seen as a tool that is measured by how much it measures the return on investment, levels of organizational competitiveness and the entire business performance. However, the organizational result and not the budget as employees are the principal asset that will provide and contribute generously to the growth and success of the organization

The contingency approach to strategic human resource management suggests that, when a firm's approach towards competition is dependent on the talents or capabilities of employees, then the

Human Resource practices of labor investment would affect performance or else the connection between Human Resource and organizational competitiveness would be minimal. On the other hand, the universal approach to strategic human resource management stated that human resource activities should have a high degree of internal consistency, such as having training and selection activities correlated with both productivity and firm performance. However, there are notable differences across the studies, as to what constitutes a "best practice" Sreih (2012).

Our belief is that, on the evidence of this review, the link between human capital and organizational performance is convincing. Empirical work has become more sophisticated, moving from single measures of HR to embrace combinations or bundles of HR practices and in this tradition, the findings are powerful. Such results have led some scholars to support a 'best practices' approach, arguing that there is a set of the identifiable practices, which have a universal, positive effect on company performance (Kulvisaechana, 2010)

There has been continuing debate in labor economics literature on the subject of whether firms can profit from training investments through business competitiveness. Before Becker's (1962) theory on company training, most economists saw education and training as the investment decisions of individuals. From a company perspective, investments in human capital (on-the-job training) differ from investments in other assets because the employee has an option to leave the firm, engage in wage bargaining and, in other ways after being trained, influence the outcome of the investment decision. Becker (1962) advanced a theory on investment in human capital, explaining levels of investment and predicting who should pay for, and who will benefit from, the completed training (Hansson, 2004).

Becker further divided labor investment through the on-the-job training into general and specific. General training is useful not only to the firm providing the training but to other firms as well. Because of this, employers are less inclined to invest in this type of training. In a competitive labor market, general training would lead to a wage increase for the employee and would offset the profit for the firm providing the training. In other words, general training increases the market value of the employee, suggesting that the employee should pay for this type of training, for example, by receiving wages below his or her productivity. Specific training, on the other hand, does not benefit other firms and, subsequently, the trainee's market value is not affected. Because specific training does not influence wages, the employee is not willing to pay for it. The firm pays for specific, on-the-job training and increased productivity is accrued by the firm providing the training (Hansson, 2004).

2.4 Human resource management and performance

Evidence proves that there is a positive likelihood between the development of human capital and organizational competitiveness. The main emphasis on human capital in organizations reflects the view that market value depends less on tangible resources, but rather on intangible ones, particularly human resources. Recruiting and retaining the best employees, however, is the key part of the equation. The organization also has to leverage the skills and capabilities of its employees by encouraging individual and organizational learning and creating a supportive environment where knowledge can be created, shared and applied along with the human resources management (Kulvisaechna, 2010)

A key focus within human resource management research in the past has been more into the analysis of large-scale quantitative data sets to test the relationship between HRM policies and performance. Many of these studies were carried out in the manufacturing sectors or across the

whole economy (Hoque, 1999), deploying different conceptual approaches. Wood (2011) has respectively provided a better summary of the theoretical perspectives and empirical studies that have emerged in the field thus far.

From the strategic synergy, fit and integration are the key concepts running through the human resource management theory in which one or more of the following fits are emphasized if the HR strategy that a firm adopts is to be effective. First, different human resource practices should be coherent and complement each other. Secondly, there should be a fit between the coherent sets of human resource practices and other systems within the organization. Thirdly, the human resource systems should be in line with the business or competitive strategy of the organization as it focuses more to the competitive environment. And fourthly, the human resource system adopted by the organization should be compatible with its operating environment (Wood, 1999a). Despite the controversy of internal versus external 'fit', these models of human resource management suggest a symbiotic relationship between human resource strategy/policy/practice and performance.

2.5 Conclusion

Business competitiveness has been addressed by many researchers as an issue that all competing firms aim for within the market i.e. having the biggest percentages of market share among other determinants. All being said, organizations always strive to achieve their objectives through the efforts put in by their human resources which is a call to the human resources of various organizations to always focus on their labor productivity because it is the key or the only weapon through which organizations need to maximize on its effectiveness.

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

This chapter mentions and describes the methods and processes of how the research was carried out on the study. It covers the items of research design, study area, population of the study, sample size, sample selection methods, data analysis techniques and limitations of the study.

3.1 Research design

The study was conducted and the study used case study because it covers a cross section of the population. The study design to ascertain, describe the characteristics of variables and explain the relationship between labor productivity on organization's market share. This is because the research design helped the researcher to obtain thoughts, opinions and feelings of the workers regarding the study.

The study also used qualitative and quantitative approach to facilitate the collection of data. Qualitative method is to descriptive information because it focuses on group discussion especially from those working in the company. This involves the use of semi-structured questionnaires.

Quantitative method was looking at infernal statistic with the view of development and graphs. This method gave a number of results on the effect of labor productivity on business competitiveness in telecommunication Uganda.

3.2 Study area

The study area of the study was carried in MTN Uganda Head office which is located at MTN towers along Hanington road in Kampala district. MTN Uganda Head office has various departments through which its employees helped it attain competitiveness of the organization. These employee productions include; Information and Communications Technology, Human Resources, Sales and marketing and Customer service department.

3.3 Study population

Looking at the annual report published at the end 2012, from the various departments as named above, it gave an estimate of 70 individuals within the selected departments which were sought to be core competences for the organization. These 70 employees made the entire population for the study. These included employees from the selected departments which include; ICT, Human resource, Sales and Marketing and customer care personnel.

3.4 Sample size

According to Krejcie & Morgan (1970), these provided a sample size determination table with calculations on how a population can easily get a sample size. This necessitated that with a population of 50 employees, the table gave a sample size of 44 respondents who included the employees from the selected core departments. The criteria for sample size selection was derived from the sample size determination table presented by Krejcie and Morgan (1974).

3.5 Sampling design

The research used purposive sampling in order to select respondents with specific desired information. This design was used because the target population within the organization is the

key determinants for competitiveness of MTN Uganda as it carries out its operations. Convenient sampling was used to select respondents with the desired information which took on people like department heads and supervisors.

3.6 Sources of data

Data needed for the study was collected from both primary and secondary sources. Primary sources included responses of respondents from the selected employees in the departments including; ICT, Human resource, Customer service and sales & marketing. Secondary sources included; Annual reports from MTN Uganda regarding competitiveness, text books, Online journals, Published research and newsletters.

3.7 Tools of data collection:

Data was collected using various tools which included questionnaires which were given to respondents to fill them as per instructions.

The study was to employ two instruments in the process of data collection; a questionnaire, and focus group discussion. These two research instruments were used in order to allow triangulation and collaboration.

3.7.1 Questionnaire

The questionnaire contained both open-ended and closed-ended items which was given to the selected 44 respondents from the four departments to generate qualitative data. The researcher's choice of the questionnaire method is because of its convenience, could reach out to many respondents in a short time and can be used to solicit for data from those respondents who can

read and write. Questionnaires are instrumental in gathering data regarding studies on labor productivity and an organization's competitiveness.

3.7.2 Focus group Discussion

The researcher took on focus group discussion over interviews because of their ability to observe interaction on a topic in question. Group discussions in qualitative research provided direct evidence about similarities & opposed to reading conclusions from post hoc analyses separate statement from each interview. The researcher under this tool acted as a moderator amongst the selected respondents within the departments in MTN Uganda head office selected by the researcher.

3.4 Data analysis and processing.

3.4.1 Data analysis

Several methods were used to process data. All data collected was checked on completion of the procedure, questionnaires were handed over to the researcher. This was compiled, sorted, edited and coded to improve on its accuracy and relevancy. It was tabulated to reveal the frequencies and percentages as units of measurement using various tools like; SPSS

3.5 Reliability and validity

In pre-testing, the questionnaire was tried out on selected individuals under situations similar to those of the actual sample that was used in the study. This was after discussing them with the supervisor. The purpose of pre-testing the instruments was identified deficiencies in the instrument. The questions that appeared vague and therefore interpreted differently by

respondents. Pre-testing the instrument helped to enhance the reliability and validity of the instrument.

3.6 Ethical Consideration

The researcher got an authorizing letter from the university which was used to reach the study area and approach people easily. The researcher needed an application letter as an emphasizing document to show the need for the particular opportunity. The researcher needed to formulate questionnaires and focus group discussion guides which gave to different selected employees from the four departments in MTN Uganda Head office such that quick feedback is given so as to carry out research in a shorter period of time.

To every questionnaire, a letter explaining the purpose of the study was attached. The respondents were assured of anonymity and confidentiality in order to encourage honest responses. The distribution and collection of questionnaires was conducted by the researcher in person.

CHAPTER FOUR

ANALYSIS AND PRESENTATION OF FINDINGS

4.1 Introduction

This chapter set forth the findings of the process and explains the results. The purpose of this qualitative survey research was to determine the antecedents of labor productivity on organizational competitiveness within MTN Uganda. More specifically, the research seeks to determine the effect of labor productivity on business competitiveness. The results reveal opportunities for employers to align human capital strategies with key production capacities to gain affective operations and improve business competitiveness. Business pressures would also decline as a result of increased productivity which would accompany higher measures service delivery as well as increased business competitiveness.

The relationship between the variables was reported as well as the significance of the demographic implications. The findings also included an analysis of the field data the employee sex, positions, level of education, age, and longevity at work.

The respondents to the study were selected using purposive sampling in order to get key informants from MTN on the study regarding labor productivity on business competitiveness and a total of 50 respondents from the selected sample of 44 respondents responded in the study giving the researcher a response percentage of 91% response of the sample size.

4.2 Background information of the respondents

4.2.1 Sex

The researcher was interested in checking out the sex or gender of the respondents. As a matter of productivity, the researcher wanted to be sure of the degree of productivity amongst the different gender within the organization. The data concerning gender was presented in the table below;

Table 4. 1: Sex category of the respondents

| Sex | Frequency | Percentage |
|--------|-----------|------------|
| Male | 37 | 84% |
| Female | 7 | 16% |
| Total | 44 | 100% |

Source: Field Data April 2014

The implication of this was that the 84% of men were placed in the technical positions of the organization and seemed to be in more productive positions compared to women (16%) of which most of them were placed in the secretariat positions and just two in the technical areas of operations. The areas of operations that seemed to have more men were; Information and communications Technology, Radio and signal management, Repair and maintenance, sales and marketing whereas the women were also found in the customer care and sales and marketing departments where they also took part.

4.2.2 Ages of the Staff

The factor of age was greatly inspected by the researcher because it was one of the key determinants of productivity amongst workers in various organizations. Productivity levels can be measured accordingly according to age of employees.

Table 4. 2: Age category of the respondents

| Age bracket | Frequency | Percentage |
|-------------|-----------|------------|
| 18-20 | 4 | 9% |
| 21-30 | 23 | 52% |
| 31-40 | 10 | 23% |
| 41-50 | 7 | 16% |
| Total | 44 | 100% |

Source: Field Data April 2014

From the collected data, respondents in the age bracket between (21-30) years of age had the biggest percentage followed by those within 31-40 who had 23% of the respondents. These were mostly found in the key departments of the organization which included the ICT and Sales and marketing. OECD, (2005) presented a discussion about employees' productivity being dependent on their age. He noted that the employees in their youthful age re very productive and innovative. The data provided that the biggest percentage of the respondents were in their youthful ages and key contributors to organizational competitiveness over the time.

This however doesn't distort the fact that respondents within the age brackets 21-30 and 31-40 can be found to be the age of excitement amongst employees where many cases of turnover is highly experienced amongst organizations as alleged by (Amy; 2009).

9% of the respondents were in the bracket of 18-20, these respondents were not so much of professional employees and they worked mostly in secretarial positions within MTN Uganda. To the researcher, this implied that the organization varies age as a determinant of many employees attributes experience and education levels being amongst them.

The respondents within the bracket of 41-50 had 16% of the response rate. Within the organization, they also seemed less. These amongst other workers were referred to as the Old guard. This section of employees had the longest serving group who had built up experience for their operations at MTN Uganda. For proper management and productivity, it is always divisible that these people keep within the organization because they guide the young management which helps it to become more productive.

4.2.3 Department at MTN Uganda

From the many departments within MTN Uganda; the researcher took on a few which were thought about as being key departments relating to productivity and business competitiveness. These included; Human resource, Information and communications technology, sales and marketing and customer care among others

Table 4. 3: Departments

| Department | Frequency | Percentage (%) |
|---------------------|------------------|-----------------------|
| ICT | 15 | 34 |
| Human Resource | 4 | 9 |
| Sales and Marketing | 18 | 41 |
| Customer care | 5 | 11 |
| Others | 2 | 5 |
| Total | 44 | 100% |

Source: Field Data April 2014

Table three represented the departments that were used to establish data from the field during the case of the study. The data provided by the respondents proved that the biggest number of respondents were from Sales and marketing and ICT with 41% and 34% respectively. For companies dealing in technology, it is believed that its backbone depends on the strength of its ICT crew as well as the sales and marketing more so those organizations in a highly defined competition environment.

The data provided that the 11% of the respondents were from the customer care section and 9% from the Human resources department. This implied that the organization had a strong Customer care section for handling the customer queries as well as the human resources department in charge of managing all the employees of the organization through; controlling, directing, planning and monitoring their operations. Employees from the customer care department were dedicated and in a willing position to handle business customers. These claimed to be highly trained to meet organizational needs.

From the data, 5% represented (others) or representatives from other groups. These were respondents from the engineering department who also proved that their contribution is so crucial towards business competitiveness from what they do for the organization.

The fact that MTN Uganda has strong core departments, it is so evident that labor productivity is determined by strong and coordinating bodies within an organization which are in most cases controlled by management which ensures that the planned goals and objectives are achieved. This therefore becomes the role of the human resources management to enforce and implement this within an organization (Armstrong; 2006).

4.2.4 Education level of the respondents

Table 4. 4: Education category of the respondents

| Level | Frequency | Percentage |
|--------------------|------------------|-------------------|
| A-level | - | 0 |
| Certificate | 1 | 2 |
| Diploma | 5 | 11 |
| Degree | 29 | 66 |
| Masters | 9 | 21 |
| Total | 44 | 100 |

Source: field Data April 2014

From the data presented, in the table above, 66% of the respondents were in possession of a degree as their highest level of education whereas 21 % of the respondents were employed with a master's degree as their highest level of education. 11% of the respondents had a diploma and 2% were in possession of a certificate. This implied that the organizational workforce was strongly educated and qualified in their fields of operation.

4.2.5 Longevity within the department

Longevity focuses more on the duration or time taken at work within the organization. This was also a basis of determining labor productivity amongst employees in relation to business competitiveness at MTN Uganda.

Table 4. 5: Longevity within the department

| Period | Frequency | Percentage (%) |
|------------------|------------------|-----------------------|
| Less than a year | 9 | 20 |
| 2-3 years | 27 | 61 |
| 4-7 years | 6 | 14 |
| 8-10 years | 2 | 5 |
| Over 10 years | - | - |
| Total | 44 | 100 |

Source: Field Data April 2014

From the data presented in table 4: 61% of the respondents were between 2-3years implying that they had stayed at the firm for a period long enough to understand the systems used by the organization. This comes up with a series of factors which include a developed career, natured experience about the job among others. This also implies that the team within this bracket has the future for the organization as far as labor productivity is concerned.

Van Bornko (2009), describes workers experience as a yardstick for an employee's productivity within an origination where experienced workers are innovative and fully participate within all organizational activities.

20% had worked in their respective departments for their first year, 14% had worked for a period between 4-7 years and only 5% between periods of 8-10 years. This implied that there is a reduced rate of turnover amongst employees within MTN Uganda the fact being that it still had serving staff above four years of service.

4.3 Independent Variables used within the study.

The researcher explored labor productive as the independent variable and looked at the dimensions of labor productivity as a determinant for business competitiveness within MTN Uganda. These dimensions includes; Workforce investment, Employee Innovativeness and employee participation and involvement.

4.3.1 Workforce Investment

Workforce investment focuses more on employee development where management comes in to support its employees to enhance labor productivity. These involve training and development, mentoring them and conducting performance appraisals.

Table 4.6: Workforce Investment

| The role of Workforce investment on business competitiveness | | | | |
|---|-------------|-------------|-------------|-------------|
| Statement | SD | D | A | SA |
| The firm invests in its workforce as a competitive strategy | 2 (5%) | 8 (18%) | 12 (27%) | 24 (50%) |
| Employees are trained so as to impart knowledge and skills from the organization | 2 (5%) | 3 (7%) | 8 (18%) | 31 (70%) |
| Employees do take of further studies to develop their skills | 7 (16%) | 10 (23%) | 10 (23%) | 17 (38%) |
| Employees do under go thru an internship program through which it plans its workforce | 21 (48%) | 9 (20%) | 11 (25%) | 3 (7%) |
| Employees are recruited through a formal procedure | 9 (21%) | 6 (14%) | 9 (20%) | 20 (45%) |

Source; Field Data April 2014

Table 5; presents data from the first dimension concerning workforce investment amongst employees. Management in most cases does a lot to influence labor productivity amongst its employees. From the data presented in the table, 27% and 50% of the respondents agreed and strongly agreed respectively that MTN Uganda uses workforce investment as a competitive advantage over other players within the telecom business. This implies that MTN uses various ways of workforce development in order to influence its workforce team to work efficiently as it enables it to compete effectively amidst its competitors. Armstrong (2006) noted that investing in organizational employees strongly impacts on their performance and thus enabling the firm to outwit its competitors in the same industry. However, 18% and 5% disagreed with the notion of the firm engaging in workforce investment as a driver to competitiveness.

48% and 20% of the response rate strongly disagreed and disagreed respectively that the firm's management provides internship to its employees. Internship implies to on job training that a firm offers to students where in most cases best performing interns (Students) are retained according to the level of expertise exhibited in the due course of training. However, 27% of the respondents agreed that the firm gives an opportunity to interns to secure themselves jobs after training. This implies that the firm provides opportunities to individuals who have trained with it in the due course of its operations which in return enables it to cut down its budget on training new employees who might be joining the institution. These costs include recruitment advertisement, selection of employees and the general induction process of the employees.

Recruiting interns within an organization also to increase employee productivity because these workers are always motivated and attached to the organizations which has natured them from the start.

4.3.2 Employee innovativeness

Innovativeness amongst employees focuses more on the rate at which they are in position to come up with new products or services so as to meet the demands of the changing market. For product advertising, it can be in form of new product ads that can be created to uplift the exposure of a given product or service. The Labor productivity dimension was tackled by the respondents in the table below.

Table 4.7: Employee innovativeness

| The contribution of employee innovativeness on business competitiveness | | | | |
|--|------------|-------------|-------------|-------------|
| Statement | SD | D | A | SA |
| Employees have various ways of responding to customer complaints | 5 (11%) | 9 (21%) | 18 (41%) | 12 (27%) |
| Employees have a high creativity capacity | 4 (9%) | 6 (14%) | 10 (23%) | 24 (54%) |
| employees find ways of beating deadlines | 6 (14%) | 11 (25%) | 13 (29%) | 14 (32%) |
| Employee do come up with inventions that help the firm to maintain its competitiveness | 1 (2%) | 8 (18%) | 15 (34%) | 20 (46%) |
| Employees do prepare ads to maintain the organization's competitiveness | 7 (16%) | 7 (16%) | 12 (27%) | 18 (41%) |

Source: Field Data April 2014

Table 6; presents data for the respondents with regards to employee innovativeness on business competitiveness. From the data presented, the level of agreement was too high according to results from the field. Respondents strongly agreed that they have various ways of handling customer complains.

Responding to customer complaints

With this, they agreed and strongly agreed with 41% and 27% respectively. This implied that employees had various measures put up to deal with the many clients they serve on a daily basis. However, a certain percentage of 11% and 21% strongly disagreed and disagreed respectively concerning the statement. To them, the organization seemed not to have measures put up to enable employees to handle the business clientele. This implies that MTN a firm dealing with many clients needs to have innovative employees that will always work hand in hand to solve the customer queries.

Hausman, (2005) believes that customer care/ service set out to meet the needs of big customer base in a competitive environment needs to be diverse i.e. change according to customer needs from time to time. This helps to keep customers satisfied with the service delivery. These ways can be through direct phone calls, the use of social networks, using suggestion boxes among others.

Creativity capacity

Looking at the creativity capacity of the respondents, 54% of the respondents strongly agreed that employees have a high level of creativity an element that is key toward enabling MTN survive in the competing environment. On top of the 54%, 23% of the respondents also agreed in line with the creativity of the employees. This implies that employees have a high capacity to come up with new ideas from time to time to meet the changing needs of the firm. Nevertheless, 14% and 9% disagreed and strongly disagreed with the idea of creativity amongst the employees sighting that they are not creative. To some that failed to agree, they noted that some fields have been let go in that competitors are performing better than MTN implying that the employees have failed to come up with suggestions and ideas to outwit their competitors in this fields which

include the quality of voice calls and regular improvements of Mobile money services across the country.

As far as advertising is concerned, respondents agreed that the employees exhibit a high level of productivity through innovations in order to maintain the competitive position of MTN Uganda. Advertisement can be looked at the organization's ability to reach a large number of people at relatively low cost. That is not to say that advertising costs are low, the decision whether to advertise or not to advertise will be determined by an organization's market situation and its objectives (Lovelock et al, 2008). This implies that the firm through its employees has to be in position to reach out to its clientele by creating ads concerning their product lines or services provided in order for them to stay loyal with the organization.

Gunday (2011) noted that innovations constitute an indispensable component of the corporate strategies for several reasons within an organization such as to apply more productive manufacturing processes, to perform better in the market, to seek positive reputation in customers' perception and as a result to gain sustainable competitive advantage which can be brought up by an organization.

Beating deadlines

The level of agreement and disagreement under this provision was slightly equal because the percentage of those that agreed and disagreed was equally tallying. However the response rate from the respondents who strongly agreed slightly acknowledged the fact that employees do beat their deadlines on time.

4.3.3 Employee involvement and Participation

An organization's capacity to engage its staff is closely related to its ability to achieve high productivity levels and superior business results linked with market share. Engaged employees will stay with company, be an advocate of the company and its products and services, and contribute to bottom line business success. Therefore involving employees and making them participate in various activities makes them more productive as they tailor their performance towards organization's market share (Asiamah; 2011).

Regardless of the political environment, participation mechanisms are often initiated by management in order to improve that firm's capacity to achieve competitive market standards of quality and price and to respond to market changes under conditions of high uncertainty. Managers draw the willingness and preference of an increasingly educated and skilled work force to participate in decisions which affect their immediate working conditions (Hodgkinson; 1999).

Labor productivity was looked at by the respondents as presented in the table below.

Table 4.8: Employee involvement and participation

| The contribution of employee involvement and participation on business competitiveness | | | | |
|--|------------|-------------|-------------|-------------|
| Statement | SD | D | A | SA |
| Employees have one on one sessions with business customers | 9 (20%) | 14 (32%) | 10 (23%) | 11 (25%) |
| Employees play a great role in decision making | 4 (9%) | 7 (16%) | 15 (34%) | 18 (41%) |
| Employees have properly defined channels of communication to their bosses | 6 (14%) | 11 (25%) | 13 (29%) | 14 (32%) |
| Employees are delegated to carry out bigger organizational tasks | 1 (2%) | 8 (18%) | 15 (34%) | 20 (46%) |
| Employees undergo job rotation for employees within the firm | 7 (16%) | 7 (16%) | 12 (27%) | 18 (41%) |

Source: Field Data April 2014

Table 7: presents findings from the field concerning the variable of employee involvement and participation within the due course of operations at MTN Uganda. Respondents presented a high level of agreement regarding their level of involvement and participation in various fields which include; direct contact with the business clientele, decision making, delegations and job rotation as they carry out their activities to enable the organization attain its targeted market share.

Decision making

Looking at the employee's involvement in decision making of the firm, 41% of the respondents strongly agreed that there is an agreed level of involvement and 34% of the respondents were also in favor of the decision making concerning organizational activities within MTN Uganda. Employee involvement more so within decision making makes employees feel part of the organization and in doing so, they are motivated in one way and thus enabling the organization to achieve its set goals (Shinada; 2011).

Delegation to organizational activities

Delegation is one of those key activities carried out by management towards its subordinates in order to raise their esteem at work. From the data presented in table; 46% and 34% of the employees strongly agreed and agreed respectively on the issue of delegation. This implied that the organization lays strategies of properly managing its employees in order to fully exploit the human capital and thus competing favorably amidst its competitors within the industry.

Job rotation

More onto the activities carried out by HRM towards organizational workforce is job rotation amongst employees. Any organization can't just get away without rotating its employees on the jobs they do.

Armstrong (2006) noted that job rotation among other things checks the efficiency of workers and helps them improve their productivity. This implies that employees will increase their degree of expertise and knowledge on different kinds of activities they carry out at their places of work. Involvement and participation in this sector is very influential for a firm experiencing heavy competition because absenteeism would not be a problem to stop organizational activities on a lesser extent where employees with similar skills will stand in for those that away for a short period of time. In relation to this, the presented data proved that 41% of the respondents strongly agreed and 27% agreed that job rotation is a priority in MTN Uganda.

4.4 Dependent variable

The study had organizational competitiveness as its dependent variable. Organization competitiveness within an organization might be concerned more on the activities an organization does to attain competitive advantage over other players within the industry. These

include service delivery, nature of advertisement, and the organizational workforce among other competencies.

Table 9: Organizational competitiveness

| Response | Customer care is taken as a priority | | Customer calls are answered in the shortest period | | New products and services are brought up | | Customer complaints desk works 24/7 | |
|----------|--------------------------------------|----------|--|----------|--|----------|-------------------------------------|----------|
| | Freq | Per: (%) | Freq | Per: (%) | Freq | Per: (%) | Freq | Per: (%) |
| SA | 24 | 53 | 15 | 34 | 27 | 61 | 15 | 34 |
| A | 15 | 35 | 9 | 20 | 10 | 23 | 8 | 18 |
| D | 3 | 7 | 7 | 16 | 3 | 7 | 10 | 23 |
| SD | 3 | 7 | 13 | 30 | 4 | 9 | 11 | 25 |
| Total | 44 | 100 | 44 | 100 | 44 | 100 | 44 | 100 |

Source: Field Data April 2014

The data presented in table 8; shows dimensions on how MTN Uganda displays some of its competencies as far as organizational competitiveness is concerned.

Customer care

Customer care for any organization more so those dealing in the service industry is always a major issue to be looked at when it comes to organizational market share. From the field data, 53% of the respondents agreed that customer care is highly taken as a priority because to a service industry, the customer is always the king and that MTN Uganda is good at that. 7% of the respondents disagreed with the issue of customer care and some of them were overheard saying

that the customer care given to the clients was not satisfactorily to the business clients. However, the data collected regarding customer care proved to be a torch to the organization about what is supposed to be done so as to secure the biggest market share within the telecom business.

Lapse of Customer calls

The second dimension looked at the need for customer calls to be answered and the time taken for the personnel in charge of control to respond to the clients. The researcher was able to access the control room and noticed that MTN Uganda receives a big volume of calls the fact being that it has the biggest clientele in the welcome business. The data presented in table 8: proved that 34% of the respondents agreed that calls from business clients are always received on time as 30% of the respondents refuted the fact that customer calls are attended to. These respondents followed their response with explanations where one respondent affirmed that the staff within the control was not big enough to handle all the calls of business clients. The second respondent also noted that since many people call on one or two lines for help, chances are always high in cases of calls not going through which lowers the degree of business competitiveness resulting from failure to get back to the clients.

New products and services

Amongst other strategies put up by MTN to compete favorably is coming up with new products and services onto the market. Technically, continuous improvement of the organization's product line was one of the strategies that enabled competing organization secure themselves bigger market share. This means that a firm could out compete its competitors through designing new products or improving on the existing services and make the better to suit the interests of their

customers. 34% and 18% of the respondents agreed that the organization produces new products and services so as to keep in business. In this aspect, respondents affirmed that this was ensured through continuous creation of new adverts, improvement of services that are already in place i.e. Mobile money transfer adjustments, benchmarking among others. These strongly enabled the organization to move another step within the competitive environment. However, 23% and 25% of the respondents disagreed and strongly disagreed with the idea of new products being created by the firm. When directly asked about this matter, a few respondents had their say in this;

Respondent 1:

From the sales and marketing department, one respondent addressed this issue from the point of new product or service creation. He named all the services and products that MTN has on the market and later added that for the time the firm has been in business, it hadn't added more new products on its line.

The implication of was that if competitors are strongly coming up with new products into the market, chances are high that the firm might be strapped off its market leadership position because the market always expects new products from their service provider as they are provided with their competitors.

4.5 Interviews

The researcher created an instrument for management more so the top management who included department heads and Managers of the institution. The tool contained open ended questions that were meant to be answered by the targeted group.

4.5.1 Where do you see MTN in four (4) years from now in terms of; Product, service offered and the competitive market?

The respondents had concurrent answers which the researcher managed to critically analyze and later noted them down.

For the product, most of them gave similar answers related to having totally new products onto the market where as some were of a view that the company would have increased its product width of extending on the already existing products (Field data 2014). With increasing the product width, the respondents gave an example of mobile money services offered by the firm to its customers. In this the respondent showed the width where he expanded the new services that are to be offered within mobile money product.

For services, respondents concentrated more on continuous service improvement from time to time as it meets the needs of its clientele. For the competition, the respondents suggested that improvements are to be made within advertisement and extending product awareness to new clients who would like to join the network and thus having the range of its targeted market share.

4.5.2 Response to employee dissatisfaction

This question within the interview sought to find out how the firm utilized and managed its human resources in order to get the best out of them as it strives hard to retain its employees.

In their response, the human resources manager noted that the firm has properly defined protocols through which employees report from one level of management implying that in case of any dissatisfaction, the employee always has a start over.

Secondly, the managers agreed that the firm's employees are the organization's greatest asset implying that it was always handled in the best way possible. This was through motivating them and meeting their demands as they work to achieve the goals of the firm.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.1 Summary of Findings

In Uganda, one of the most successful businesses is the telecom business which is experiencing a struggle of the market cake where they are all fighting to become market leaders in the business. However MTN being the market leader in the business, it is doing so much to improve its services in order to maintain its clientele or even add more customers onto their network through its workforce. As a result, the study sought to explore the role of labor productivity on organizational competitiveness from the headquarters of TN Uganda.

5.1.1 Workforce Investment

Objective one of the study revealed that MTN Uganda does a lot towards investing in its workforce in order to make it a better team of dedicated and skilled labor group. This was a result of increased management practices of employing workforce investment as a competitive strategy, conducting training, training employees, recruiting trained interns among others all sought as possible ways of investing in the organization's workforce in order to increase employee productivity a resource vital for the firm's competitiveness. Therefore, according to the findings presented, the workforce investment proved to have been an accelerator towards the increase in labor productivity amongst the employees of MTN Uganda.

5.1.2 Employee Participation and involvement

Objective 2 revealed that one of the possible ways an organization can attain an acceptable level of labor productivity is through granting them opportunities to get involved and physically

participate in various business activities. This enables the develop skills beyond the ones they have and can also be useful in other departments when required to fill in gaps. Form the data presented, participation and involvement of employees was more through delegations and job rotation where the respondents represented this fact with 62% and 69% respectively where as involvement with business clients was strongly refuted, decision making was also another shot for employee involvement and participation amongst the employees of MTN Uganda which the respondents agreed with 74% of the response rate. This also satisfied the researcher's interest and expectations of employee involvement and participation being among the drivers of labor productivity among the employees of MTN Uganda.

5.1.3 Employee innovativeness

Objective 3 of the study revealed that the level of employee innovativeness was high it being one of the determinant of labor productivity. This was assessed through various ways which included the level of creativity, ways of responding to business clients, ability to beat deadlines, management praising and rewarding employees' inventions and all other issues concerning the need to maintain the organization's competitiveness.

Respondents satisfied the relationship between employee innovations and labor productivity with strong agreements of the creativity capacity amongst employees and the ability to come up inventions at 87% and 80% response rate respectively.

5.1.4 Organizational competitiveness

The study presented that MTN Uganda is at its peak as far as organizational competitiveness Is concerned. This was assessed with help of various dimensions which included the ability to

answer customer calls on time, offering the best customer care, creating a 24 Hrs customer care desk among others all geared towards attaining organizational competitiveness.

The data presented showed that respondents strongly agreed in favor of these dimensions concerning the dependent variable. This therefore made the researcher to come up with a summary that there are high levels of organizational competitiveness through labor productivity in MTN Uganda.

5.2 Conclusions

Objective 1, workforce investment, this objective looked at how employees are invested in by the organization because they play a great role towards organizational competitiveness. According to Becker (1993), human capital is the key determinant in explaining the rise and fall of organizations as well as a main factor in determining organizational income. The impact of human capital on enterprises is less clear. This is because the attributes of human capital and human capital investments are ascribed to the individual and not the firm. This also creates the need for human capital not to be looked at as objects needed for work but rather assets of the organization that need to be developed and invested in because without them, the operational results are not seen within an organization.

Objective 2; employee involvement and participation; this objective entirely looked at how employees got involved in business activities which included the day to day operations, decision making among others. Involvement and participation requires that employees are familiar with organizational duties and that in case of any abrupt situation; employees are always in position to cover it up. Involvement and participation also maintains that organizational workforce form one team with which the employee and the team is responsible for accomplishing the goals or projects that are set by an organization. The teams therefore provide the forum where the

employee can suggest ideas to make the items more efficiently and make decisions about their portion of the team's project.

Objective 3. Employee innovativeness requires that employees are always in position to save and support the firm from crises that come up when new developments are needed to outwit their competitors. These new developments might include designing of new products, creating adverts or coming up with various inventions that are meant to uplift the competitive environment of the organization. The data presented in the previous chapter provided that the employees level of innovativeness was high through the various yard sticks that were put up to check it which included employee creativity. This implies that the firm couldn't survive without this character within its employees.

The study aimed at investigating the role of labor productivity on organizational competitiveness in MTN Uganda Headquarters. The headquarters located at MTN towers were used as the case study for the research. This chapter forms the last part of the study and tries to recapitulate what has been done throughout the study. In addition, summary of findings as well as recommendations by the researcher of the study have been captured in this chapter. The study has shown that labor productivity greatly impacts on organizational competitiveness in MTN Uganda through expounding more on the independent and dependent variables.

5.3 Recommendations

Taking the findings of the study into consideration, the following recommendations are being made to help MTN Uganda to maximize more on organizational competitiveness as it counts on labor productivity of its staff.

MTN Uganda should improve on its IT department because it is the leading department in charge of managing its networks. Issues related to the network which is unclear at times will only be solved with improvements made within this department.

MTN Uganda should open up more customer care centers all meant to handle customer queries. This will reduce the many unanswered large volume of calls and messages which are never replied. On top of this, it should also recruit more personnel in the customer care department who will be in charge of answering customer queries.

MTN Uganda should come up with campaigns which will be in line with the tariff reductions on both data and voice calls in order to maintain their huge following which initially had developed a bias with the high call rates imposed on voice and data calls.

Competitive salaries

Dealing with employees in a very competitive industry, Conventional wisdom suggests that in order to retain productive employees, it is necessary to pay them well. Money is cornerstone of employee retention (Amy; 2009). This recommendation was done after the researcher learnt that MTN Uganda has experienced staff which might in future turn out to be a target for its competitors to suit the interests of their human resources.

5.4 Suggestions for further research

This research was conducted using the headquarters of MTN Uganda as the study area, it is therefore, being suggested that further research be conducted in other branches of the firm to give a broader view on the research topic.

REFERENCES

- Ann Hodgkinson. (1999) Employee Involvement and Participation in the Organizational Change Decision: Illawarra and Australian Patterns
- Armstrong, M. (2006). A hand book of Human Resource management practice, 3rd Ed. Great Britain: Bath press.
- Carlin, W. Glyn, A. and Van Reenen. J. (2001), Export market performance of OECD countries: an empirical examination of the role of cost competitiveness, *Economic Journal*, 111 (1): 128-162.
- Epj Kleyhans (2010) The Role Of Human Capital In The Competitive Platform Of South African Industries
- Gurhan Gunday. Gunduz Ulusoy. Kemal Kilic. Lutfihak Alpkhan. (2011) Effects Of Innovation Types On Firm Performance
- Hausman, A., (2005) “Innovativeness among small businesses: Theory and propositions for future research”, *Industrial Marketing Management*, in press.
- Leiponen, A., (2005) “Skills and innovation”: *International Journal of Industrial Organization*, 23(5-6), pp. 303-323.
- Amy Hissom. (2009). Human resource Management: understanding and controlling employee turnover; Kent State university. Nov. 15th 2009
- Ljiljana B. Sonja Radas. (2005) The Effects of Innovation Activities in SMEs in the Republic of Croatia. No. 103, 2005, pp. 30-49. Privredna kretanja
- Lourens Broersma & Jouke van Dijk. (2010) Labour productivity and competitiveness; September 2010, Groningen Netherlands,
- Marjo-riitta Parzefall, Hannele Seeck. Anneli LePPanen. (2008). employee innovativeness in organizations: A review.
- Martin Uzík, Renáta Vokorokosová. (2007) Labour Productivity As A Factor Of Competitiveness -A Comparative Study
- Lenka Filipova. Jamoir Gottvald. Milan Simek. (2006) Impact of changes in competitiveness on Czech labor market Developments
- Mohnen, P. and L.-H. Roller, (2005) “Complementarities in innovation policy”: *European Economic Review*, 49(5), pp. 1431–1450.

Cabrera, E. F. Ortega, J. Cabrera, A. (2003). An exploration of the factors that influence employee participation in Europe. *Journal of World Business*,38(1), 43-54.

Parnell, J. A. Bell, E. D. Taylor, R. (1992). The propensity for participative management: A conceptual and empirical analysis. *MidAtlantic Journal of Business*, 28(1), 31.

Rachel, W. Yee, Andy C. L. Yeung, T. C. Edwin Cheng. (The Impact of Employee Satisfaction on Quality and Profitability in High-contact Service Industries Inside Indiana Business, “The Importance of Workplace Training”

Inside Indiana Business, “Linking Learning and Development to Organizational Strategies”
http://flashpointhr.com/linking_learning_development.html

Von, J, Fahed, Sreih. (2012). The effect of investing in hiring, human resource planning, and employee development on labor productivity: case of Lebanon.

Mulinde Collin. (2013). The effect of recruitment on employee performance: A case study of Rift Valley Railways Uganda Limited. April 2013. Nkozi University

Becker, G. S. (1993) Human capital: a theoretical and empirical analysis with special references to education. 3rd Ed, Chicago: University of Chicago Press,

Hansson, Bo. Ulf, Johanson. Karl-Heinz Leitner. (2004)The impact of human capital and human capital investments on company performance: Evidence from literature and European survey results

Mr. Kulvisaechana, Somboon. Dr. Philip Stiles. (2010). Human capital and performance: A literature review.

Wood, S. (2011). High commitment management and organization in the UK: *The International Journal of Human Resource Management*, 6: 41-58.

Elizabeth, F, Cabrera. Ángel, Cabrera. Jaime, Ortega. (2001) *Business Economics Series 2: Employee Participation In Europe*. January 2001

Li-Hua, R. (2007). Benchmarking China firm competitiveness: a strategic framework *Journal of Technology Management in China*, Vol 2.

Thorne, F.S. (2005). Analysis of the Competitiveness of Cereal Production in Selected EU Countries: Rural Economy Research Centre, Teagasc, Dublin, Ireland.

Depperu, D. & Cerrato, D. (2005). Analyzing International Competitiveness at the Firm Level: Concepts and Measures", Working Paper No. 32, Dipartimento Scienze Sociali -Sezione Economia Aziendale, Università Cattolica del Sacro Cuore, Piacenza.

Khader, S, A. (2001). A model for competitiveness assessment, Working paper, International Forum on Small and Medium Enterprises, 2001 : New Delhi, India.

Pitts, E. & Lagnevik, M.(1998). What determines food industry competitiveness? In W. B. Traill and E. Pitts (eds), Competitiveness in the food industry. Blackie Academic & Professional, 1-34.

Asiamah, Samuel Snr. (2011) Exploring the Effects of Motivation on Employee Retention: A Case Study of Internal Revenue Service. June 2011

Mutambi J. (2011) Stimulating Industrial business in Uganda through open innovation Business incubation

OECD, (2005), Oslo manual guidelines for collecting and interpreting innovation data Third (Ed.). Organization for Economic Co-operation and Development: Statistical Office of the European Communities, Paris.

Ann, Hodgkinson. (1999). Employee Involvement and Participation in the Organizational Change Decision: Illawarra and Australian Patterns

Elizabeth, F, Cabrera. Angel, Cabrera. Jaime, Ortega. (2001). Employee Participation In Europe

Starbucks. (2010). Human Resource Management: Gaining a Competitive Advantage

Bank of Ghana Research Department, (2007), Issues on Wages and Labor Market Competitiveness in Ghana. Accra, Ghana.

SHINADA Naoki. (2011) Quality of Labor, Capital, and Productivity Growth in Japan: Effects of employee age, seniority, and capital vintage Development Bank of Japan

APPENDIX: I TRANSMITTAL LETTER

Self administered Questionnaires on the role of Labor productivity on Organizational competitiveness in MTN (Head Office) Uganda Limited.

TRANSMITTAL LETTER

Dear Sir/Madam,

Thank you for agreeing to participate in this research project. My name is Maganaga Husna a student of Uganda Martyrs University. I am currently working on my graduate project entitled “The Role of Labor Productivity on organizational competitiveness: a case of MTN Uganda Limited

I would like you to respond to the instruments I have developed to investigate your opinion about the relationship between labor productivity and organizational competitiveness. This session will take around 30 minutes.

For all questions, there are no wrong or right answers. Your participation in this study is entirely voluntary. In addition, you can choose not to answer any question that you feel not comfortable with or terminate the interview at any time. Your participation in this exercise will help me in learning about the above mentioned area of study.

NB:

I want to assure you that all information you give me will be kept confidential. Your name will not be recorded on any document related to this study. A study identification number will be used in place of your name on the interview records.

In case of any questions regarding the study, please contact:

Name: Maganga Husna: Tel: +256-121212

School: Uganda Maryrs University: E-mail:

I have read the above information and I agree to participate in this study.

Name: _____ Date: _____

Respondent Signature: _____ Researcher’s signature: _____

APPENDIX: II QUESTIONNAIRE

Dear respondent,

This research questionnaire has been prepared by the researcher to gather information regarding role of Labor productivity on organization competitiveness in MTN Uganda Limited addressed to the sales and marketing, Information and communications technology, customer care and the Human resources Departments. The study is purely for academic purposes. You are hereby assured that your identity and the information you provide will be kept confidential.

NB: Please tick the appropriate box to indicate your response:

PART 1

Individual Bio-Data

1. Sex

a) Male b) Female

2. Age

a) 18-20 b) 21-30 c) 31-40 e) 41-50

3. Department at MTN (u) Ltd

Human resource ICT sales & Marketing

Customer care others specify

4. For how long have you worked in this department?

1- Less than a year

2- 2-3 years

3- 4-7 years

4- 8-10 years

5- Over 10 years

5. Education levels of the respondents

| | | | | |
|-----------|-------------|---------|--------|---------|
| “A” Level | Certificate | Diploma | DEGREE | Masters |
| | | | | |

PART B:

INDEPENDENT VARIABLES

NB: Please tick the appropriate box and indicate your score regarding the level of new product development within Housing Finance Bank

The following Variables will be used; **Where; 1= strongly Disagree, 2=Disagree, 3= Agree 4= strongly Agree**

Independent Variable (Labor Productivity)

| 1 | Work force Investment | 1 | 2 | 3 | 4 |
|-----------|---|---|---|---|---|
| | The workforce is invested in as a competitive strategy | | | | |
| | employees are trained so as to impart knowledge and skills from the organization | | | | |
| | employees do take of further studies to develop their skills | | | | |
| | Employees do under go thru an internship program through which it plans its workforce | | | | |
| | employees to go for further studies / career development | | | | |
| | Employees are recruited through a stated procedure | | | | |
| 2. | Employee Innovativeness | 1 | 2 | 3 | 4 |
| | Employees have various ways of responding to customer complaints | | | | |
| | Employees have a high creativity capacity | | | | |

| | | | | | |
|--|--|--|--|--|--|
| | employees find ways of beating deadlines | | | | |
| | Employee do come up with inventions that help the firm to maintain its competitiveness | | | | |
| | Employees do prepare ads to maintain the organization's competitiveness | | | | |
| | Employees are praised and rewarded for their inventions | | | | |

| | | | | | |
|---|---|---|---|---|---|
| 3 | Employee participation and involvement | 1 | 2 | 3 | 4 |
| | Employees have one on one sessions with business customers | | | | |
| | Employees play a great role in decision making | | | | |
| | Employees have properly defined channels of communication to their bosses | | | | |
| | Employees are delegated to carry out bigger organizational tasks | | | | |
| | Employees undergo job rotation for employees within the firm | | | | |
| | Employees appraise themselves at the workplace to rate their performance | | | | |

Dependent variable (Competitiveness)

| | | | | | | |
|----|--|---|---|---|---|---|
| 4. | Competitiveness | 1 | 2 | 3 | 4 | 5 |
| | Employee complaints are answered too often | | | | | |
| | Customer complaints are always attended too often | | | | | |
| | Customer calls are always answered within the shortest time possible | | | | | |
| | New products are always brought onto the market | | | | | |
| | Customer care is a propriety to the organization | | | | | |

STRUCTURED INTERVIEWS FOR THE EMPLOYEES AT MTN (U) CONCERNING
LABOR PRODUCTIVITY AND ORGNISATIONAL COMPETITIVENESS

Instructions:

Please answer the following questions or statement as they apply to you in a more individualistic manner.

1. where to you see MTN in four years from now in terms of

Product:

.....

Services offered

.....

.....

Competitive market

.....

2. How does MTN's management respond in case of any dissatisfaction in order to keep the employees intact with the goals of the firm?

.....

.....

.....

Thank you for your cooperation

God bless you abundantly