UNIVERSITY OF CAPE COAST

EFFECT OF CAPACITY BUILDING ON EMPLOYEE PERFORMANCE OF STAFF OF THE CAPE COAST METROPOLITAN ASSEMBLY

MANGO JACOB AWORO

UNIVERSITY OF CAPE COAST

EFFECT OF CAPACITY BUILDING ON EMPLOYEE PERFORMANCE OF STAFF OF THE CAPE COAST METROPOLITAN ASSEMBLY

BY

MANGO JACOB AWORO

Dissertation submitted to the Department of Management, School of Business,

College of Humanities and Legal Studies, University of Cape Coast in Partial

Fulfilment of the Requirement for the Award of Master of Business

Administration Degree in Management.

NOBIS

NOVEMBER, 2022

DECLARATION

Candidate's Declaration

I hereby declare that this dissertation is the result of my own original research and that no part of it has been presented for another degree in the University or elsewhere.

Candidate's signature...... Date......

Name: Mango Jacob Aworo

Supervisor's Declaration

I hereby declare that the preparation and presentation of this dissertation were supervised in accordance with the guidelines of supervision laid down by the University of Cape Coast.

Name: Prof. Abraham Ansong

NOBIS

ABSTRACT

This study set out to assess the effect of capacity building on employee performance in the Cape Coast Metropolitan Assembly, Ghana. There were four specific objectives which the study aimed to achieve and these include to determine the impact of financial capacity building on employee performance, to assess the effect of administrative capacity building on employee performance, to determine the impact of training on employee performance and to analyse the combined effect of capacity building on organizational performance. The study was based on the views of 175 workers from the study area. Linear and multiple regression analyses were used to establish the influence of capacity building on employee performance. The results show that capacity building dimensions such as financial and administrative had a positive and significant influence on employee performance. Again, training and development had a positive and significant influence on employee performance. Results from multiple regression also suggest that capacity building traits greatly influenced employee performance. It was recommended that management of Cape Coast Metropolitan Assembly should design both direct and indirect forms of capacity building in order to enhance employee performance.

NOBIS

KEYWORDS

Administrative Capacity Building

Capacity Building

Employee Performance



ACKNOWLEDGEMENTS

I would like to express my sincere gratitude to my supervisor, Prof. Abraham Ansong for his professional guidance, advice, encouragement and the goodwill with which he guided this work. I also acknowledge the efforts of all staff of the Department of Management as well as all lecturers from the School of Business who granted me insight that contributed to the fruition of this study. I am very grateful.

DEDICATION

To my entire family especially, Sister Alice, for her immense support and my son, Elliot.



TABLE OF CONTENT

| | Page |
|--------------------------------|------|
| DECLARATION | ii |
| ABSTRACT | iii |
| KEYWORDS | iv |
| ACKNOWLEDGEMENTS | V |
| DEDICATION | vi |
| TABLE OF CONTENT | vii |
| LIST OF TABLES | ix |
| LIST OF FIGURES | xi |
| LIST OF ACRONYMS | xii |
| CHAPTER ONE: INTRODUCTION | |
| Background to the Study | 1 |
| Statement of the Problem | 5 |
| Purpose of the Study | 8 |
| Research Objectives | 8 |
| Research Questions | 8 |
| Significance of the Study | 9 |
| Delimitation of the Study | 9 |
| Limitation of the Study | 10 |
| Organisation of the study | 10 |
| CHAPTER TWO: LITERATURE REVIEW | |
| Introduction | 11 |
| Theoretical Review | 11 |
| Concept of Capacity Building | 14 |

University of Cape Coast

https://ir.ucc.edu.gh/xmlui

| Dimensions of Capacity Building | 18 |
|--|----|
| Employee Performance | 22 |
| Capacity Building and Employee Performance | 23 |
| Empirical Review | 25 |
| Conceptual Framework | 31 |
| Chapter Summary | 32 |
| CHAPTER THREE: RESEARCH METHODS | |
| Introduction | 33 |
| Research Approach | 33 |
| Research Design | 35 |
| Study Area | 36 |
| Population | 37 |
| Sample and Sampling Procedure | 37 |
| Data Collection Instrument | 39 |
| Data Collection Procedures | 41 |
| Data Processing and Analysis | 41 |
| Validity and Reliability | 42 |
| Ethical Consideration | 42 |
| Chapter Summary | 43 |
| CHAPTER FOUR: RESULTS AND DISCUSSION | |
| Introduction | 45 |
| Response Rate | 45 |
| Demographic Information of Respondents | 46 |
| Main Study Findings | 48 |

| Objective One: To determine the influence of Financial Capacity on Employee | | | |
|---|---------|--|--|
| Performance | 50 | | |
| Objective Two: To Examine the impact of Administrative Capacity | | | |
| Employee Performance; | 51 | | |
| Objective Three: To Determine the Effect of Training on Employe | ee | | |
| Performance; | 53 | | |
| Objective Four: To Analyse the Effect of Capacity Building on En | nployee | | |
| Performance | 54 | | |
| Discussions | 56 | | |
| Chapter Summary | 57 | | |
| CHAPTER FIVE: SUMMARY, CONCLUSIONS, AND | | | |
| RECOMMENDATIONS | | | |
| Introduction | 59 | | |
| Summary of Findings | 60 | | |
| Conclusion | 61 | | |
| Recommendations | 61 | | |
| Suggestions for Further Studies | 62 | | |
| REFERENCES | 63 | | |
| APPENDIX A: QUESTIONNAIRE | 72 | | |
| APPENDIX B: KREJCIE AND MORGAN DETERMINATION | | | |
| SAMPLE SIZE TABLE. | 76 | | |

LIST OF TABLES

| Tabl | e | Page |
|------|-----------------------------|------|
| 1 | Response Rate | 45 |
| 2 | Demographic Characteristics | 46 |
| 3 | Correlations | 49 |
| 4 | Model Summary | 50 |
| 5 | Coefficients ^a | 50 |
| 6 | Model Summary | 52 |
| 7 | Coefficients ^a | 52 |
| 8 | Model Summary | 53 |
| 9 | Coefficients ^a | 53 |
| 10 | Model Summary | 55 |
| 11 | $ANOVA^a$ | 55 |

NOBIS

LIST OF FIGURES

| Figure | Page | |
|--------|----------------------|----|
| 1 | Conceptual Framework | 31 |



LIST OF ACRONYMS

CCMA - Cape Coast Metropolitan Assembly

RBT - Resource Based Theory



CHAPTER ONE

INTRODUCTION

Most business organisations have found that strengthening organizational capacity for designing policies and programme interventions is fundamental to achieving organizational and development goals. Capacity building is seen as one of the tools to improve the ability of people, organisations and society as a whole to manage their affairs successfully. It is, therefore, imperative for most businesses or institutions to devise capacity building approaches to overcome challenges and build capacities to adhere to their mission statements and deliver their services in a sustained manner. Assessing capacity building activities in businesses or institutions to improve the overall scope of the performance level is the motivation for this study.

Background to the Study

The business environment is quite complicated around the world. Organizations have to keep reinventing themselves to remain competitive and relevant (Kwamboka, 2018). As such, capacity building offers organizations the opportunity to acquire or grow technical capacities and competencies necessary and essential for performance and organizational development. For cooperative business model to thrive in a competitive environment, it required unique activities that will strengthen its capacity. Capacity is the ability of cooperative organization to perform and marshal its resources towards the attainment and sustenance of cooperative goals. According to Enjel, Land and Keijzer (2017), capacity is the overall ability of an organization to perform and sustain itself. This ability is the coherent combination of competencies and capabilities, in which competencies refers to the individual skills and abilities

while capabilities refers to a broad of collective skills of organization or systems which can be financial resources, management policy, administrative, technical analysis etc. and all other attributes that cover the totality of an organization's efforts.

Lavergne and Saxby (2019) posits since the capacity is the ability of an organization to perform, capacity building is how to develop and strengthen this ability. As Brown, Lafond and Macintyre (2017) affirmed that capacity building is a multidimensional and dynamic process that improves the ability of organization to meet its objectives or perform better in a competitive environment. Similarly, Light, Hubbard, Patrizi, Sheerwood and Spector (2018) agreed that capacity building activities are designed to improve the performance of an organization. Capacity building has been seen as a key ingredient for achieving development objectives (McConnell, 2016). Capacity building has been taken to mean activities that are designed to enhance the capabilities of individuals, organisations, and societies, and help to determine the efficient utilization and allocation of human resources among competing demands for handling performance issues (Pawlak & Barmpaliou, 2017); improve the performance of an organisation by strengthening its leadership, management, and administrative capabilities (Annan-Prah, 2019).

Capacity building rests on the principle that investing in human and social capital of marginalised individuals and groups enables them to develop the capacities needed to thrive and play autonomous roles in developing and renewing their communities. Rastogi at el., (2021) conceptualises human capital as knowledge, competency, attitude and behaviour embedded in an individual; or a combination of factors such as education, experience, training,

intelligence, energy, work habits, trustworthiness, and initiative that affect the value of a worker's marginal product. Hence, Sen (1999), in the human capital development theory, argues that higher levels of missing capacity in a society are associated with greater levels of poverty. The same argument could be applied at the business or institutional level, emphasizing that deprivation of capabilities within institutions will inhibit the institutions from functioning effectively.

Groot and Molen (2019) argue capacity building as the development of knowledge, skills and attitudes in individuals and groups of people relevant in design, development, management and maintenance of institutional and operational infrastructures and processes that are locally meaningful. This is a broader approach while still focusing mainly on education, training and human resource development. Therefore, based on this definition, capacity building for employees in a broad sense may refer to improvements in the ability of all employees to perform appropriate tasks within the broader set of performance standards of the organization.

Capacity building takes place at three levels, that is, at the individual level, an institutional level and the societal level (Storbjörk & Hedrén 2011). Capacity building on an individual level means the development of conditions that enable individuals to build and enhance existing knowledge and skills. Additionally, it requires the conditions that will allow individuals to engage in the process of learning and adapting to change (Enemark, 2016). Institutional level capacity building should involve modernizing existing institutions and supporting them in forming sound policies, organizational structures, and effective methods of management and revenue control. The establishment of

strong interactive public administration system that receives feedback from the population and makes public administrators more accountable and responsive is the goal of societal level capacity building (Enemark, 2016). Capacity building seeks to improve the performance of organization because capacity building is a system-wide, planned effort to increase cooperative performance through purposeful, planning and actions. Meanwhile, to be competitive, corporate organizations must be efficient in terms of both price and technical efficiency. Casswell, (2011) stated that for cooperative to be efficient in achieving its objectives there is need for capacity building and many successful businesses prospered and carved visible niche in the business world encountering the pressures of private enterprises because they reformed their ways of doing business.

Yamoah and Maiyo (2013), refers to performance as an employee's accomplishment of assigned tasks. He posited further that pre-determined standards are set against which actual performances are measured and that without any rule of measurement it will be difficult to assess performance. In other words, before claims can be made that people are under-performing then there must be some performance expectations. The objective of employee performance analysis exercise is to review employee performance against standards set and identify strengths and weaknesses of individuals both in terms of personal characteristics and delivering skills (Goss, 2014). It is then a question to undertake individual assessments and follow this with a performance plan so as to achieve higher productivity and a result yielding team. It is widely assumed that the improvement in the skills and abilities of workers results in improved employee performance. In reaction to poor

performance issues, companies will sometimes build their administrative, financial and offer their employees top-notch training that has little or no effect on the participants' job performance.

Statement of the Problem

Despite the ability of most organizations, the available literature and empirical evidence have not really shown interest on how to design some unique activities that will strengthen the potentials of businesses, as well as improving their performance (Light, et al, 2018). Muchunguzi and Milne (2017) as cited in Starvros (2008) were of the opinion that, much of the confusion over the core organizational capacity building stem from different view point of researchers, as some of the them focus extensively and exclusively on Non-Governmental Organization or Non Profit Making Organizations. Importantly most of these studies were conducted in advanced and other developed world. Indeed, there is literary and evidence-based vacuum in the developing world, Ghana inclusive. As such, a gap exists and this study became necessary. Therefore, the researcher is challenged to explore the possibilities of filling this gap in Ghana using Cape Coast Metropolitan Assembly (CCMA) as a case.

Again, capacity building is a core component to enhance the employees' performance. However, no systematic study has been conducted in the local assembly of developing countries for determining the impact of capacity building on firm performance. This study helps to bridge this gap, focusing on investigating the impact of capacity building on firms' performance in the Cape Coast Metropolitan Assembly. Employee satisfaction lies parallel to the customer satisfaction, that is, international customer

demands that production process must fully satisfy the employees. International customers around the world equally weigh the values of the product and employees related to the production of the product. So, the employees in organizations should be skilled, trained, and satisfied with their work, so that they can enhance their productivity to meet organizational goals.

Studies have examined aspects of capacity building such as administrative capacity building, financial, training and development in various institutions. For example, Coffey International Limited (2015) studied capacity development through international projects using qualitative paradigm. Okoliko (2014) explored the connection between the institutional state and economic performance (growth and development) focusing on Malaysia and Nigeria; while Otibine (2016) examined the effects of Career Development (CD) strategies employed by Department for International Development (DFID) on its performance in Kenya using qualitative methods on 15 officials. In Ghana, Antwi and Analoui (2008) concentrated on the challenges in building capacity of human resource development in decentralised local governments. Sarkodie (2011) also focused on training and development in MMDAs using staff; while Odoom, Kyeremeh and Opoku (2014) focused on human resource capacity needs in Dynamic Assessments (Das), using both quantitative and qualitative analysis. However, none of the studies reviewed by the researcher assessed the approach to capacity building holistically.

Moerover, employee's performance is the central issue of this study. There is a need for human resource (HR) practices, regarding skills, training, and development of employees. Capacity building is a systematic process to improve employees' knowledge, skills, understanding, values, attitude, motivation, and capability necessary to perform well at work. Usually, the positive impact of the capacity building affects organizational revenue, competitiveness, and performance. However, Jabeen and Iqbal (2010) discussed the governance challenges in most industries of developing countries, where the employers have the perception that there is no contribution of capacity building on the firm and employee performance (Jabeen & Iqbal, 2010). A few of the organizations' executives in developing countries assume that improvement of the skills and knowledge of employees through capacity building helps in improving employee performance.

However, majority of executives think that there is no role capacity building plays in employee performance and the firm as a whole (Adegoke, Mani, Abubakar, and Van Den Broek, 2013), and they believe that the new employees would learn from the supervisors, while other employees would learn by performing their duties, and this approach prohibits them from investing more on the formal capacity building of their employees (Wassem et el., 2019). Nelissen, Forrier, and Verbruggen (2017) claimed that there is a perception of how HR activities increase the risk of employee turnover. Most management of firms has serious concerns about HR development, and they think that if they develop their employees, they may leave their organization after getting training. The reason behind this myth is that the employees perceive more job opportunities in the labor market due to their newly acquired skills. This leads to high labor turnover along with an increase in the cost of hiring new employees. I conduct this research to respond to the myth

of developing countries' industrialist regarding the effects of capacity building on employees and the firm in general.

Purpose of the Study

The primary objective of this study is to assess the impact of capacity building on employee performance in the Cape Coast Metropolitan Assembly.

Research Objectives

The specific objectives of the study are to:

- 1. Determine the impact of financial capacity building on employee performance.
- 2. Assess the effect of administrative capacity building on employee performance.
- 3. Determine the impact of training capacity building on employee performance.
- 4. Analyze the combined effect of capacity building on organizational performance.

Research Questions

Based on the objectives of the study, these research questions are formulated to achieve the overall goal of this research.

- 1. What is the impact of financial capacity building on employee performance?
- 2. How does administrative capacity building affect employee performance?
- 3. To what extent does training influence employee performance?
- 4. What is the combined effect of capacity building on organizational performance?

Significance of the Study

A number of researches have been conducted on the capacity building and employee performance and different empirical results across countries as well as among industries were witnessed as it would enable management of organizations take profitable side on how to improve employees' knowledge, skills, understanding, values, attitude, motivation, and capability necessary to perform well at work hence boosting employee morale and overall commitment to the organisational goals and values. First, this study adds to academic research in the area of capacity building and employee performance. Second, establish concreate reasons why organizations should use capacity building activities to address business needs to achieve competitive advantage. Third, this research would enhance the further understanding of capacity building at the Cape Coast Metropolitan Assembly and how it will increase employee performance. Lastly, the study would be immensely significant in diverse ways to businesses, marketing practitioners, stakeholders, existing and newly emerging insurance companies, banks, service and manufacturing enterprises, micro financing institutions and also to trigger the interest of researchers to conduct similar study but in a broader observation.

Delimitation of the Study

The study was conducted at the Cape Coast Metropolitan Assembly. The respondents were the Staff members of the Cape Coast Metropolitan Assembly due to the nature of their work in the assembly and need for them to be more active at spurring the goals and objectives of their institution. The variables investigated were capacity building (administrative capacity, financial capacity, and training) and how they affect employee performance.

Although, the study area was only one city, the findings nonetheless are important for generalisation.

Limitation of the Study

The quantitative data of this study were derived entirely from self-report questionnaires, with associated risks of social desirability bias (participants report what they think the researcher wants to hear) and mono method bias (participants are more concerned about being consistent than accurate in their answers. Financial constraints provided a challenge for the work; this limited the coverage of the entire employees and management of Cape Coast Metropolitan Assembly.

Organisation of the study

This study was organised in five chapters. The first chapter discussed the statement of the problem, the objective of the research, the research questions and the significance of the study. The second chapter dealt with a review of related literature which gave details of the theories, concepts of capacity building and employee performance and summary of the chapter. Chapter three covered mainly the methodology and the metropolitan assembly profile. It also provided details of the population, sampling size, data collection procedure, research instruments and data analysis technique employed in this work. The fourth chapter covered the details of data captured from the field, presentation figures of the research and the analysis and interpretations of the results in accordance with the research objective. The statistical tool employed in analysing the data. The chapter five dealt with the summary, conclusion and recommendations of what will come out of the study.

CHAPTER TWO

LITERATURE REVIEW

Introduction

This aspect of the study focused on the review of related literature on the phenomenon and draw areas of consensus and disagreements by prior researchers. More specifically, the review was structured following a review of related theories, the concepts of the study, empirical reviews and end with a conceptual framework.

Theoretical Review

This section identifies theories supporting the relationship between capacity building and organisational performance. The overarching theories in this study are the resourced-based theory and human capital development theory. These frameworks were chosen to help bring meaning and generalization to the study. It also helps create the vision to which the research problem is focused.

Resource-Based Theory

This study employed the resource-based theory (RBT) to explain how organisations can leverage their resources to achieve their target objectives in the market place. The resource-based theory is one of the leading theories used in the extant literature to elucidate the role of capabilities of an organisation in exploiting assets to gain a competitive advantage in the business arena (Peteraf & Barney, 2003). The theory considers an organisation as an establishment in possession of a bundle of resources and capabilities, which explain how competitive a firm is (Das & Teng, 2000; Peteraf & Barney, 2003). The RBT contends that "resources" are the fundamental assets

that organisations possessed and, therefore, organisations' success depends on it (Truijens, 2008). RBT further explained that the fundamental factor in the determination of competitive advantage and organisational performance is premised on the nature of the firm's resources. A central premise of the theory is that a firm's competitive position and performance is influenced by the kind of resources and capabilities it possesses (Peteraf & Barney, 2003). This indicates that it is not all resources and capabilities in a firm's possession that can offer it a competitive advantage, but rather how "valuable", "rare", "inimitable" and "non-substitutable" the resource is that makes the difference (Lonial & Carter, 2015). This means organisations that will manage their internal resources such as employees well will attain organisational performance (Seidu, Opoku Mensah, Issau, & Amoah-Mensah, 2021). Based on the foregoing, this theory was explored in the study.

Human Capital Development Theory

According to Armstrong (2009), the process of performance comprises of context, skills levels, knowledge, identity, fixed factors and personal factors. Human beings and organisations can produce extra ordinary performance based on their capacity levels. Hence, Barreto (2010) avers that the value and performance of an organisation is measured by the level of intellectual and employee capacity. The argument in the Human Capital Development Theory (HCDT) stems from the poverty and capability postulates of Sen (1999) in the development literature. Sen argues that higher levels of missing capacity in a society are associated with greater levels of poverty. The same argument could be applied at the institutional level emphasizing that deprivation of capabilities within institutions will inhibit the

institutions from functioning effectively. The human capital theory by Schultz (1961) dwells on the idea that of all human abilities, whether innate or acquired, the most valuable and one that can be augmented by appropriate investment will be human capital. The theory views performance as a result of a combination of factors ranging from knowledge, experience, skills, and expertise from the internal and external environments of an organisation. Similarly, Rastogi (2003) conceptualises human capital as knowledge, competency, attitude and behaviour embedded in an individual; while, Frank and Bemanke (2007) see human capital as a combination of factors such as education, experience, training, intelligence, energy, work trustworthiness, and initiative that affect the value of a worker's marginal product. However, Senge (2004) draws a crucial distinction between general education and firm-specific training. According to him, general education does not improve the capabilities of individuals to do their current jobs. Rather, firm-specific training relates to the objectives of the organisation and helps in the achievement of specific goals. The human is the subject to take charge of all economic activities such as production, consumption, and transaction, and therefore, a 'creator' who frames knowledge, skills, competency, and experience originated by continuously connecting between 'self' and 'environment' (Boldizzoni, 2008). As such, learning by 'doing' helps individuals to gain experience and improve over time. Human capital, therefore, corresponds to any stock of knowledge or characteristics or skills the worker has, either innate or acquired, which contributes to a worker's productivity (OECD, 2009). Olaniyan and Okemakinde (2008) argue that investment in human capital improves the quality of life of a population by

increasing the level of cognitive stock of economically productive human capability.

The link between human capital and social consciousness is based on a close inter-relationship resulting in socio-political development (Beach, 2009; Sen, 1999). Beach (2009) attests that human capital can increase social consciousness of constituents within the community. Consequently, efforts to promote investment in building human capital in local government are seen to result in rapid development for society (Attanasio *et al.*, 2020). Although the growth of literature still lacks successful analysis of the role of human capital in explaining growth performance, particularly in the least developed countries. Emerging literature on the role of human capital in economic growth in general provides an entry point to measure the role of capacity in the development process (Habib, Abbas & Noman, 2019). The theory of human capital and human capital development are relevant for this thesis in determining institutional capacity and analyse the effects of capacity development strategies that MMDAs employ on employee performance.

Concept of Capacity Building

The term capacity building has been used in varying contexts, expressing different meanings and explanations. It was considered that the term correlates closely with HR development, that is, enhancing employees' knowledge and training. The field was quite narrow, which concentrates on the development of staff by formal education and trained workers to fill the gap of the qualified personnel in the industrial operations (Rajabifard & Williamson, 2004). However, the past few years have transformed this old concept into a broader and global perspective. It focuses on employee

development, covering institutional as well as specific initiatives of the country (Williamson, Rajabifard, & Enemark, 2013).

Each has distinct abilities and needs. On the same day of recruitment, employee training should be started. According to the nature of the job, employers try to bring knowledge, experiences, and skills in their employees. However, some employees rely on the knowledge and training provided by the organization in their orientation session to perform their jobs. All organizations must include on-the-job training and off-the-job training in their standard operating procedures (SOPs) and manuals. Managers invest in the HR and capacity building of their employees to change and adapt the knowledge, behavior, and skills related to their job. As a result, the trained employee becomes the ambassador of the brand and uses their updated knowledge and skills to do their job better, which results in the positive outcomes and employee retention (Nkosi, 2015).

Capacity building is widely recognised, both formally and informally by developed and developing countries as consisting of a range of dimensions, from the knowledge and expertise of individuals to organisational capability and complementary frameworks and norms that govern their operations (Otibine, 2016). Also, it entails targeted and strategic change choices that will lead to the achievement of a number of defined results; a key feature in organizational development which focuses on successful organisational change and performance. Intended outcomes will generally sprout from people deliberately choosing to perform their jobs differently and with greater competence (Freeman, 2010). Hence, capacity building aims at establishing workable linkages between organizational operations and its effectiveness.

In institutional sense, capacity building refers to the process of optimising the skills of individuals and institutional support of one or more organisations (Chapagain, 2004). Others have defined the term as a holistic enterprise, encompassing a multitude of activities (Smith, 2010), or a complex process that can exist at the individual, organisational, and community levels, and consists of skills, motivations, knowledge and attitudes necessary to implement programmes (Flaspohler et al. 2008).

Capacity building is defined as the process of strengthening and developing skills, abilities, resources, and procedures that an organization needs to survive or remain competitive in a dynamic business world (Rugumamu, 2011). Capacity building is also defined as the process that aims to facilitate capacities or competencies of an individual, a group or an organization as a way of allowing them to evolve and adapt to new or changing business environments so as to remain competitive (Ginsberg, 2014). Similarly, capacity building can be defined as planned development to increase knowledge, management skills, output rate, and other capacities of a given organization through the use of training, technology, and expert (Williams, 2007). The effectiveness of organizational acquisitions development depends on the organizations' capacity, capabilities and competencies to compete at the with other players in the market (Ginsberg, 2014). On the other hand, organizational development refers to an organizations ability to increase functional capabilities to achieve desired goals and objectives for internal stakeholders, external stakeholders, through the use of technology adaptations, increase in quality and quantity of staff, and

increase in knowledge and strategic information the organization has developed (Temple, 2009).

Again, De Vita, and Twombly, (2011) defined capacity building as the ability of nonprofit organizations to fulfil their missions in an effective manner. Connolly and Lukas (2002) define it as a wide range of capabilities, knowledge and resources that nonprofits need in order to be effective. Capacity building is the practice of developing and establishing skills, nature, ability, procedures, and resources that are required for the organizations and societies to adapt and increase employee performance in a fast-changing world continuously. Capacity building, in general, is regarded as the tactical steps accepted to enhance employee proficiency, showing significant enhancements in performances, development of assets, and extra encouragement among working persons (Fullan, 2004). Capacity building of employees in a great judgment, can be regarded as upgrading the employees' capacity to perform the right task inside more extended arrangement of execution guidelines of the Association (Yamoah & Maiyo, 2013).

Heerden (2008) posits that capacity building is one of the most effective ways an organization can use available resources to enhance not only functional competencies, and performance of the organization as a whole. Capacity building has acquired new found importance both in the private and public sectors. According to Ginsberg, (2014). capacity building is much more than just training of employees within an organization to acquire new skills and knowledge, but rather a holistic perspective to human development, which involves equipping individuals with requisite skills for personal development and for effective execution of their work. Barney (2001) equally

asserts that capacity building goes beyond mere access to information or new knowledge, but also empowerment of individuals to utilize the skills and knowledge for better functional output.

Employees' skills may be enhanced by adopting various human resource management (HRM) practices. The first and the most common are to involve either refining quality of individuals appointed or enhancing skills of current employees or both. It is usually achieved through extensive training regarding the job and other developmental activities after selection (Delaney & Huselid, 2016). Training is a continuous process, designed according to the individual requirements, and it is constantly renewed to meet needs and feedback after training. The training programs of the employees vary from industry to industry, so one cannot be certain that a specific training should be conducted by industry yearly, bi-annually, or quarterly. In contrast, capacity building is a continuous process, involving intellectual capital, social capital, and firms' capital for the accumulation of value in gaining maximum results from the minimum output. Capacity building programs include multinational organization planning to improve their employees' performance and firm performance.

Dimensions of Capacity Building

Administrative Capacity

Administrative capacity can be used to mean many things depending on the context in which it is being used. It involves "running the machinery of a political or economic system and translating political and collective will into actions through management and implementation" (Ellis, 2010). Capacity building is any activity that enhances an organization"s ability to achieve its

target. This study however focuses on the human element of administrative capacity where the aggregation of individual capacities of local government employees determines the level of service delivery to the people. For performance to be effective, human resource must be present to carry out their function. The administrative capacities of the District Assemblies are strengthened through the recruitment and posting of employees to the various Metropolitan, Municipal and District Assemblies (MMDA"s). The study will look at how the Cape Coast Metropolitan Assembly is building the administrative capacities of the District Assemblies. The views of some District Coordinating Directors and Government staff were collected to see if indeed postings are being used as a tool for strengthening the administrative capacity of the District Assemblies.

Financial resource management capacity

Financial management is the process of managing financial resources and decisions aimed at moving the organisation in the direction of reaching its mission and maximising benefits to shareholders (Gitman, 2007). It includes the capacity to formulate, plan, manage and implement projects and programmes, including the capacity to prepare a budget and to estimate capacity development costs; the ability to raise, manage and deploy organisational revenues and assets to ensure efficient operations (Stowe & Barr, 2005); as well as manage human and financial resources and procurement; and set indicators for monitoring and also monitor progress. The financial resource capacity building is defined as monetary resources that provide an organization with the capability to take hold of opportunities, react

effectively to competition, and withstand unexpected shock both internally and externally (Bowman, 2011).

With the transfer of significant fiscal and allocative decisions to local authorities, it is important to have a financial management strategy to plan and control for the future of a business enterprise to forecast for a positive cash flow within the organisation to achieve value for money (Oduware, 2011). Financial resource strategies aim at instituting good financial management systems that better capture an organisation's resources and ensure accurate forecasting and tracking of expenditure (Otibine, 2016). The goal for financial strategy is to prudently use capital resources and maximise on the outcomes.

Employee Training and Development

An organisation is only as effective as the people working in it. It is a fact that the provision of efficient services by any organization depends on the quality of its workforce. Training and development of personnel according to Bratton and Gold (2003) comprises the procedure and processes that purposely seek to provide learning activities to enhance skills, knowledge and capabilities of people, teams, and organizations so that there is no change in action to achieve the desired outcomes. It is literally impossible today for any individual to take on a job or enter a profession and remain in it for years with his skills basically unchanged. Employee training and development is not only desirable but it is an activity which management must commit human and fiscal resources if it is to maintain a skilled and knowledgeable personnel. Personnel training and development is a process of altering employee's behaviour to further organizational goals. Cole (2003) defines training as any learning activity which is directed towards the acquisition of specific

knowledge and skills for the purposes of an occupation or task. The focus of training is the job or task.

Development on the other hand he said is any learning activity which is directed towards future needs rather than present needs and which is concerned more with career growth and immediate performance. The focus of development tends to be primarily on an organisation's future manpower requirements, and secondly, on the growth needs of individuals in the workplace. Development is the acquisition of knowledge and skills that may be used in the present or future. This is more long term focused. It is a comprehensive term used to describe all the different ways in which people can be encouraged to increase, update and adopt their knowledge, skills, personal abilities and competencies. He said, development has a wider focus, long time frame and broader scope. According to Cole (2002), the training policy of an organisation may include a range of policies dealing with human resources. The policy statement sets out what the organisation is prepared to do in terms of developing its employees and it must support the organizational mission, goals and strategies. The policy statement must be defined in clear terms and must also be available to all for references. Some organisations have a tradition of growing their own managers and specialist by providing a substantial internal training to sustain all their needs (Noe, 1999). Other organisations contract their training to external providers such as colleges, universities, consultants and private training organisations. There are, however, other organisations that adopt a midway position, providing induction training and job training internally but contracting out management and supervisor training.

Employee Performance

Employee performance has piqued the interest of researchers due to its critical role in helping firms survive and prosper in today's business environment, especially given the fierce competition (Martn-Rojas, Fernández-Pérez, & Garca-Sánchez, 2017). Performance, according to Cummings and Schwab (1973), is essentially an individual phenomena, with external influences influencing performance primarily through their impact on the individual determinants of performance. Employee performance has been found to have a large positive effect on organizational productivity, according to Collis and Montgomery (1995). People are motivated to seek social equality in the incentives they obtain for great performance, according to Adams (1965). Pay recognition, promotion, social relationships, and intrinsic reward are all examples of job outcomes, according to him. Employees must provide time, experience, effort, education, and dedication to the job in order to receive these rewards. He also claims that people prefer to view their outputs and inputs as a ratio, compare them to others' ratios, and become motivated if their ratio is high. Organizations face a difficult issue in identifying and selecting the best personnel for specific tasks. Employee performance has a direct impact on the bottom line, thus high-performing staff are ideal. Poor performers can cost their employer money in terms of lost production as well as turnover and training costs (Cooper and Cartwright, 1994).

Employee performance, according to Suhartini (1995), is a combination of effort, ability, and job perception. The achievement of organizational goals and tasks requires high performance. As a result, initiatives to improve staff performance are required. Employee performance

is the most significant aspect in determining the success and performance of any firm. Although most firms rely on their employees, one or two people cannot influence the direction of the organization. The organization's performance is the result of all of its personnel working together. Performance is a multi-character element aimed at achieving outcomes having a strong link to the organization's planned objectives (Sabir et al. 2012).

Employee performance can be defined as "the record of outcomes, produced by specifying job activities or functions during a given period" (Bernardin, 2002). The performance of an employee is drive from considered possible job-related employee work practices are implemented. Employee performance is evaluated by a manager every year on a quarterly basis or monthly basis that provides insight for the betterment of employees (Saleem & Amin, 2013). As defined by Tzafrir (2005), capacity building is a critical component in developing effective human capital. Financing in capacity building and training programs can make employees feel grateful to a firm.

Capacity Building and Employee Performance

Employee performance is a primary interest of this research. The main goal is to understand and describe the importance of employee performance in the service sector, which is a labor-intensive industry. According to McCarthy, Trougakos and Cheng (2016) clarifications, performance, and results depend upon the way the managers are used to deal with their employees. So, manager support and capacity building can directly affect employee performance and business outcome (Yawar & Seuring, 2017). Employee performance can be developed by accepting special measures that include job-related skills, knowledge, social capital, organizational capital, leading role, employee job

development, authorization, redesign of work, training and development programs based on skills, evaluation, and reward system (Pfeffer & Jeffrey, 1998).

Capacity building is the practice of developing and establishing skills, nature, ability, procedures, and resources that are required for the organizations and societies to adapt and increase employee performance in a fast-changing world continuously (Wassem *et al.*, 2019). Capacity building, in general, is regarded as the tactical steps accepted to enhance employee proficiency, showing significant enhancements in performances, development of assets, and extra encouragement among working persons (Zeb, Abdullah & Javaid, 2018, July). Capacity building of employees in a great judgment can be regarded as upgrading the employees' capacity to perform the right task inside more extended arrangement of execution guidelines of the Association (Albrecht et al., 2015).

Employees' skills may be enhanced by adopting various human resource management (HRM) practices (Yong & Mohd-Yusoff, 2016). The first and the most common are to involve either refining quality of individuals appointed or enhancing skills of current employees or both. It is usually achieved through extensive training regarding the job and other developmental activities after selection (Delaney & Huselid, 1996). Training is a continuous process, designed according to the individual requirements, and it is constantly renewed to meet needs and feedback after training (Brown & Harvey, 2021). The training programs of the employees vary from industry to industry, so one cannot be certain that a specific training should be conducted by industry yearly, bi-annually, or quarterly (Sloman, 2017). In contrast, capacity building

is a continuous process, involving intellectual capital, social capital, and firms' capital for the accumulation of value in gaining maximum results from the minimum output (Sessa & London, 2015). Capacity building programs include multinational organization planning to improve their employees' performance and firm performance (Ten Cate & Carraccio, 2019).

Empirical Review

Yamoah and Maiyo (2013) investigated on the effect of capacity building on employee performance in Ghana MTN communication Ltd. In this study, the primary objective was to ascertain whether capacity building has a significant effect on employee performance, with specific reference to MTN communication limited. The study considered the aspect of capacity building that deals with the development of the individual or a group of people. Using questionnaires, the researchers collected facts and analyzed them. The results of the study revealed that training when given properly has a significant effect on employee performance. However, it also established that training does not always answer job performance problems. Reward systems such as: salaries, bonuses and allowances were the major ingredients which fuel performance of employees.

Wassem et al., (2019) investigated the impact of capacity building and managerial support on employees' performance: the moderating role of employees' retention. The purpose of this study is to investigate the effects of capacity building and managers' support on employee performance in the textile industry. Moreover, this article also investigates the moderating effect exerted by employee retention on the effects of capacity building and managers' support on employee performance. Data were collected through a

convenience sampling technique. A self-administered questionnaire survey was conducted for data collection. Two hundred copies of questionnaires were distributed, and data were collected from the lower to middle-level employees who are working in the textile sector of Pakistan. SPSS 23 and SmartPLS-3 software were used for analysis. The results indicate that capacity building has a positive and significant impact on employee performance. In contrast, managerial support has an insignificant impact on employees' performance. However, the impact of capacity building and managerial support on employee performance is positive and significantly moderated by employee retention. The results of this study will motivate owners/policymakers to invest capacity building organizational in enhance their to performance/productivity.

Again, Chukwurah, Uzor, Iwuno and Chukwueloka analysed (2020) capacity building and employee productivity in the Nigeria Public Sector: A study of Anambra State Civil Service Commission, Awka. The study examines the extent to which capacity building enhances the quality of service delivery in the Anambra State civil service commission, Awka and to identify the factors that have been militating against capacity building of employees in the Anambra State civil service commission, Awka. The survey design was adopted to guide the investigation. The population of the study is 280. The theoretical framework adopted was Organizational Development theory that was propounded by Kurt Lewin in 1950. The researcher used chi-square for testing the hypotheses. Moreover, the major findings of the study were that capacity building enhances the quality of service delivery in the Anambra State civil service commission, Awka and that lack of training, insufficient

fund and lack of modern technologies are the major factors militating against capacity building of employees in the Anambra State civil service commission, Awka. The major recommendation was that government should make policy that will encourage continuous staff training and development of its workers so that the potentials of the employees would be adequately harnessed.

Ajetomobi (2021) examined capacity building and the performance of employees in Akoko South West Local Government. The objective of the study is to examine the effect of capacity building on employees' performance, productivity level and employees' commitment. The research design adopted for the study is Survey research design which entailed the administration of questionnaires to respondents through the use of random sample in which 158 questionnaires were distributed, out of which 150 were retrieved from the respondents. The result from hypothesis one shows the R Square to be 94% which indicates a positive relationship between capacity building and employees' performance. Also, the F-statistic of 213.45 was obtained which was significant since the p-value is less than 0.05. The result from the coefficient table shows that 1% variation in capacity building leads to 86% variation in employees' performance. This affirms a positive relationship between the variables. The result from hypothesis two shows the R Square to be 0.93 which means that there is 93% significant relationship between capacity building and employees' productivity. In the ANOVA table, Fstatistic of 197.258 was obtained. This is significant as the p-value is less than 0.05. Hypothesis three was also tested.

The result shows that the R Square is 0.80 which means that there is 80% significant positive relationship between capacity building and employees' commitment. In the ANOVA table, F-statistic of 144.508 was obtained. This is significant as the p-value is less than 0.05. Capacity building has been confirmed to have influenced the commitment, productivity and performance of employees to a great extent in Akoko South West Local Government. In view of this, the researcher concludes that capacity building is an indispensable tool in management; hence, it should not be taken lightly but seriously with tremendous efforts as it has the propensity to affect and influence to a large extent the stated objectives of an organization from time to time. Indeed, there is great need to train and promptly retrain employees to be able to respond to any environmental or social changes since change itself is inevitable.

Moreover, Seim (2015) also looked into building the administrative capacity of district assemblies in Ghana: examining the role of staff postings. The study examined the role of staff postings as a tool for strengthening the administrative capacity of the District Assemblies in Ghana. The theory adopted for the interpretation of the findings was the theory of institutional integrity where the effectiveness of an institution is measured by its level of integrity or corruption. The methodological approaches used for the study were both qualitative and quantitative. Hence in-depth interviews and survey questionnaires were administered to solicit information from officials within the Local Government Service. The study found out that the establishment of the Local Government Service has helped to improve the administrative capacity of the District Assemblies in Ghana. Also, contrary to the widespread

notion and various allegations that politics play a key role in the posting of Local Government Officials and that Officers do not accept postings to less resourced areas, it is largely not so in practice. The study found out that politics does not play any significant role in postings at the grassroots level but perhaps it is felt at the top management level and has not eaten deep to the lower management level. Furthermore, most Officials in the Local Government Service asserted that they will accept postings to less resourced areas.

Choi (2021) carried out a study to analyzing Local Government capacity and performance: implications for Sustainable Development. Local infrastructure development is a crucial goal for sustainable development, for which local governments take charge of developmental policies. This implies that the capacity of the local government determines the performance of the developmental policies local infrastructure development. In this sense, this study investigated the impact of local government capacity, measured via the quantity and the quality of human and financial resource factors, on its performance. Moreover, the study examined which of the multidimensional government capacity components affect performance, controlling a competition effect or spillover effect among localities. The study analyzed panel data containing six years (2013-2018) of information on 152 local bodies in Korea, employing the spatial autoregressive model, which is useful for controlling geographical spatial effects. The data show that, unlike the quality factors, the quantity of government capacity does not have a significant effect on its performance. Furthermore, the data also indicated that there are competition effects in relation to the performance of local development. The results imply that local governments need to improve the quality of managerial government capacity in order to increase their sustainable development performance.

The study concluded by affirming that there is a high level of institutional integrity in terms of staff posting and the level of institutional corruption is very minimal. Therefore, the level of confidence that the employees have in the system is quite high. However, lack of a comprehensive database of employees and non-payment of the benefits that comes with staff posting is still a challenge in the Local Government Service.

Furthermore, Otibine (2016) researched on the effects of capacity development strategies on performance of the Department for International Development (DFID) in Kenya. The specific objectives were to identify the capacity development strategies employed by DFID in Kenya and the effects of these strategies on the overall performance of the organisation. The study adopted a case study design approach Interview guide was used to conduct both face-to-face and telephone interviews to collect data. The target interviewees were composed of the members of the DFID Kenya Leadership Team (which comprises of the director, deputy director, section heads), human resource and finance officers. The findings established that DFID capacity development strategies included effective financial management, human resource development and information management, communication and technology as well as continuous automation of systems. These capacity development strategies contributed to the timely fund flows to project beneficiaries, accurate financial forecasting, effective programme management and enhanced relationships between employer and employees as well as with project implementation partners and stakeholders affiliated to DFID operations in Kenya.

Conceptual Framework

A conceptual framework shows a "blueprint" of the research process and aids in knowing the direction in a given study. The proposed conceptual framework of the study is illustrated in figure 1 below.

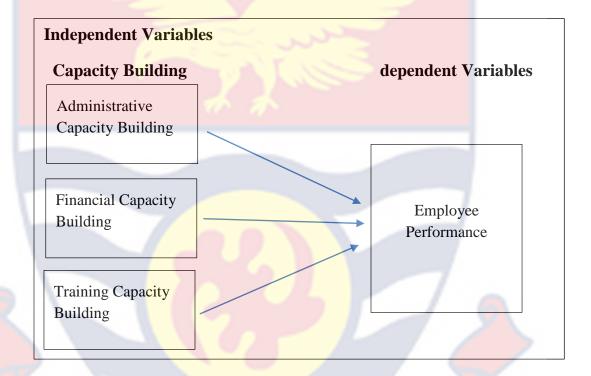


Figure 1: Conceptual Framework

Source: Author's Construct, (2022)

From the diagram, the independent variable is capacity building which comprised financial capacity, administrative capacity and training as activities whiles the dependent variable is the organisational performance. It is expected that this study will establish a link between capacity building and organisational performance.

Chapter Summary

This chapter undertook a thorough revision of extant on the concepts and academic prepositions that have been espoused in the area of capacity building and employee performance, alongside theories underpinning the study, an empirical review and a conceptual framework depicting the relationship between the two variables under study.

CHAPTER THREE

RESEARCH METHODS

Introduction

This chapter presented the methodology used to carry out this study. It therefore identifies how the research was undertaken and the rationale behind each of the methods that was used. The elaborated elements under this section include; research design, research approach, research area, population, sample and sampling techniques, instrument, data collection procedure, reliability, validity, data analysis and ethical issues.

Research Approach

According to Saunders, Lewis and Thornhill (2016), there are three broad approaches of research, namely; quantitative, qualitative and mixed methods. While quantitative approach enables the researcher to examine associations between variables, qualitative approach deals with small aspects of social reality (Sekaran & Bougie, 2016). Saunders et al. (2016) advanced that the difference between quantitative methods of research and qualitative methods of research may be influenced by the nature of data used for the study. Whereas numeric data is used in quantitative research, non-numeric data is utilised in qualitative research.

Neuman (2014) posited that the two approaches can also be differentiated in terms of the procedure used in data collection and analyses. For example, whereas in quantitative research method, questionnaire is predominantly used by researchers for data collection and also analysing data quantitatively, in qualitative research method, interview is used by researchers for data collection and the analysis is done qualitatively. Sekaran and Bougie

(2016), and Saunders et al. (2016) indicated that the third approach which is mixed method is merely a combination of the earlier two approaches. The authors further asserted that whilst the quantitative research method permits the generalisation of the sample results to the entire population, qualitative research method is not for the generalisation of the sample results to the entire population.

The study was grounded in the positivists' philosophy which beliefs that truth exists and such can be verifiable through quantitative techniques (Saunders, Lewis & Thornhill, 2019). Therefore, the study employed the quantitative research approach based on the nature of the study purpose under consideration, specific objectives and the nature of the primary data collected and analyzed. The constructs by nature are measurable and subjectable to statistical manipulation. This is due to the nature and purpose of the study under consideration. The current study demands that researcher collect numerical data that would be analysed quantitatively. The current study also demands that the study's result is generalized on the entire population. Tashakkori and Teddlie (2010) averred that, quantitative methods are often considered as deductive in nature because inferences from tests of statistical hypotheses result to general inferences about characteristics of a population. Lincoln, Lynham and Guba (2011) are also of the view that quantitative approach to research is directed towards the development of testable hypothesis and theories which are generalizable across settings. The factors raised earlier are the reasons behind the choice of quantitative research approach against the qualitative research approach.

Research Design

According to Sekaran and Bougie (2016), a research design is a plan or a guide which specifies how data relating to a given research should be collected, measured and analysed. Kothari (2004) also posited that research designs deal with creation of decisions vis-a-vis the techniques which are utilised in gathering data, the type of strategies and instruments for sampling, and ways in which the constraints of time and cost can be dispensed. Sekaran and Bougie (2016), and Saunders et al. (2016) categorized research design into three broad categories; namely exploratory, descriptive and explanatory designs. In the view of the authors, researchers employ an exploratory design when little or no information exists about how study variables have been dealt with by earlier scholars. Furthermore, a descriptive design is utilized by scholars when they want to describe and understand the characteristics of the study variables. Finally, adopt explanatory design when they want to determine how one variable causes another variable to changes.

This research adopted correlational research design. The correlational study design which falls under the explanatory design was also employed, as it helps to explore the relationships or links between the variables under study. Thus, it would help measure the extent to which the study variables are related or to determine which variables are interacting and what type of interaction is occurring. Sekaran an Bougie (2016) argue that for causal design to be used, a researcher must be certain that change in the dependent variable is not caused by any other variable except the variable of interest. The authors further asserted that if the study failed to establish the above condition, it could at best be considered as a correlational one. Since this study cannot conclude that

capacity building is the only variable that causes change in employee performance of the industry, it can only be considered as a correlational one rather than a causal one. Creswell (2014) averred that a correlational design is a helpful design because, through it, researchers can examine the relationship between the variables of interest.

Study Area

The Cape Coast Metropolitan Assembly (CCMA) is bounded to the north by the Twifu-Heman-Lower Denkyira District, south by the Gulf of Guinea, west by the KEEA, and east by the Abura-Asebu-Kwamankese District. Cape Coast is the central regional capital and is noted for its historical sites, with its potential for tourism development. According to the Ghana Statistical Service (GSS, 2014) report, the population of CCMA was 190,180 in 2010, which was made up of 93,619 females (51.26%) and 89,017 males (48.74%). About 65 percent of the population was engaged in agriculture, 33.1 percent in government employment; while 7.4 percent were self-employed.

Structurally, CCMA is the highest political and administrative authority in the region. The Assembly has 60 members, made up of 42 elected and 18 appointed members, including the Member of Parliament who has no voting right. The Central Regional departments and organisations responsible to the Regional Coordinating Council are accommodated in the Cape Coast Metropolitan Assembly. In addition, there are 16 departments, two Sub-Metropolitan Assemblies, seven Town Councils and 87 Unit Committees. Per the CCMA (2010) report, the sub-district structures are yet to be fully established. The main economic activities are farming and fishing. Food crops such as cassava, maize, and plantain; as well as cash crops such as citrus and

coconut are produced in the Cape Coast Metropolitan Assembly. Others are vegetables and livestock that are produced in commercial quantities.

The Cape Coast Metropolitan Assembly is endowed with a good number of health facilities. There is one Regional Teaching hospital, one Metropolitan hospital, the University of Cape Coast hospital, and seven others. There are 11 private clinics and one maternity home. There are numerous trained Traditional Birth Attendants, and three Community Health Planning Services (CHIPS) Compounds, with other two under construction (CCMA, 2016). There are 120 public and private pre-schools, 113 primary, 94 junior high schools, 15 senior high schools, eight technical/vocational schools, two special schools and three tertiary institutions (CCMA Composite Budget, 2016). Over 90 percent of the communities have access to educational facilities. All communities also are served with pipe-borne water.

Population

Population is the entire aggregation of cases that meet a designed set of criteria (Graneheim & Lundman, 2014). According to Ngechu (2014), population is seen as a set of elements, events, people, or group of items under a research-based investigation. Leedy and Ormrod (2010) postulated that population can be seen as a target group about which the researcher is interested in acquiring information and drawing conclusions. The population for this research is all the staff of the Cape Coast Metropolitan Assembly. The target population here is 320 made up of males and females.

Sample and Sampling Procedure

According to Ofori and Dampson (2011), and Sekaran and Bougie (2016), a sample is the representative portion of the population selected for the

study. Saunders et al. (2016) advanced that the rationale behind the use of sample surveys instead of census by scholars is that a complete coverage of the entire population is difficult when dealing with large population. This means that sample surveys help researchers to conduct studies in a most efficient manner when large population is involved.

Sekaran and Bougie (2016) advanced that sampling can be broadly categorized into two main designs; namely probability sampling and non-probability sampling. According to authors, whereas probability sampling design permit each element of the population to have a known and a non-zero chance of being selected to be included in the sample, non-probability design sampling design does not allow each of the element of the population to have a known chance of being selected. In addition, rigorous quantitative studies usually utilize probability sampling designs because of it unbiasedness in the selection of the sample for the study and its ability in granting the researcher the generalization opportunity of the study results. In contrast, in qualitative studies, non-probability sampling design are normally utilized because of the subjectivity associated with the selection of the sampling unit for a study (Saunders et al., 2016).

Based on the purpose of this study, probability sampling design was deemed appropriate and was employed for the current study. Furthermore, a sampling technique employed from the sampling design is random sampling technique. Specifically, in a simple random sample, every member of the population has an equal chance of being selected (Taherdoost, 2016). A sample chosen randomly is meant to be an unbiased representation of the total population. Random sampling is one of the simplest forms of collecting data

from the total population. Under random sampling, each member of the population carries an equal opportunity of being chosen as a part of the sampling process (Parfitt, 2015). According to Sharma (2017), an unbiased random sample is important for drawing conclusions. Random sampling ensures that results obtained from your sample should approximate what would have been obtained if the entire population had been measured (Levy & Lemeshow, 2013). Thus, the need for the use of random sampling technique for this study. Based on the Krejcie and Morgan (1970) sample size determination, a sample size of 175 staffs will be used.

Targeted respondents were provided with briefing by the researchers in the form of personal discussions. It is expected that all of the respondents have given the response correctly and honestly up to their understanding of the questionnaire and briefing. The respondents returned all the questionnaires except 25 survey questionnaires that were not returned. Thus, the response rate was determined at 86% (150/175), which is illustrated in Table 1

Table 1: Response Rate

| Questionnaire | Count | Percentage (%) |
|---------------|-------|----------------|
| Returned | 150 | 86 |
| Non Returned | 25 | 14 |
| Total | 175 | 100 |

Source: Field Survey, Aworo (2022)

Data Collection Instrument

A structured questionnaire was used as the main primary data collection instrument in this study. The questionnaire contains close-ended questions. Causal studies are very structured by nature (Maxwell, 2012)

thereby demanding structured means of primary data collection. It has also been established from the previous sections in this chapter that the researcher adopted the positivist research philosophy which further determined the use of quantitative research approach. Therefore, the research instrument utilized for the purpose of data collection was the questionnaire, which is widely used in large survey researches (Quinlan et al, 2019), to capture the experiences, behaviours and beliefs of the research participants. A questionnaire is a formalised set of questions for obtaining information from respondents (Singer & Couper, 2017). Likert scale was used for the questionnaire. The items of the questionnaire were adopted from validated instruments by previous researchers. The aspects of the activities of capacity building were adapted from Kwamboka (2018) while those of employee performance were adapted measures following studies of Chukwurah et al. (2020) and Yamoah and Maiyo (2013).

Questionnaire designed for this study had three sections with Section 1 focusing on personal data, Section 2 focusing on capacity building and Section 3 focuses on employee performance. These aspects of the questionnaire were adapted from various sources; activities of capacity building were adapted from Kwamboka (2018) and employee performance scale was adapted from Chukwurah *et al.* (2020) and Yamoah and Maiyo (2013) as said earlier. The items of the questionnaire were rated from 1 to 5 where 1 = Strongly Disagree (SD), 2 = Disagree (D), 3 = Neutral (N), 4 = Agree (A), 5 = Strongly Agree (SA). Data from the questionnaire was coded and logged in the computer using Statistical Package for Social Science (SPSS version 25.0). Correlation

and regression were used for all the four (4) objectives. The results were presented in tables for clarity and readability.

Data Collection Procedures

Primary data was used for this study. Primary data are original data sources that are collected fresh and for the first time and therefore happens to be the original in nature. The primary data was collected using the survey method. This involves the distribution of questionnaire and collection of data from respondents. In order to achieve the objectives of the study, well designed questionnaires with closed ended questions were used.

Permission for the data collection exercise at the assembly was sought from the authorities of the Cape Coast Metropolitan Assembly with a letterfrom the Business Unit, College of Distance Education in the University of Cape Coast. The purpose of the study was explained to all participants and the consent of the respondents sought to enable data collection. Questionnaires were distributed and later the researcher within 1 week went back for them.

Data Processing and Analysis

Mugenda and Mugenda (2003) assert that data obtained from the field in raw form is difficult to interpret unless it is cleaned, coded and analysed. The collected data were analysed using quantitative data analysis methods. Data from the questionnaire were coded and logged in the computer using Statistical Package for Social Science (SPSS version 25.0). Correlation and regression were used for all the four (4) objectives. The results were presented in tables for clarity and readability.

Validity and Reliability

The validity of a research instrument can be determined if it gauges precisely what it is intended to quantify (Creswell & Miller, 2000). According to Yilmaz (2013), "measurement validity refers to the degree to which the data collection methods can accomplish what it is that they are designed to accomplish" (Yilmaz, 2013). In planning the survey, the researcher will be guided by the need to draw the accurate reactions from the respondents (Roberts et al., 2014). To determine the accuracy of responses from candidates, the researcher employed content validity method where the questionnaire items were reviewed by the supervisor and colleagues for screening and endorsement to guarantee content legitimacy.

According to Bonett and Wright (2015), Cronbach's alpha is a common tool used in assessing the internal reliability of the research instrument. This exercise is especially crucial for this research as items contained in the questionnaire were developed by the researcher and has not been used in any other study. The researcher applied the Cronbach Alpha method to test the consistency of the responses from the 150 staff selected for the study. If the findings are reliable, this will allow the researcher to test the findings again and possibly obtain the same results. However, to test for reliability of the research instrument, this result must test above 0.7 which shows 70% reliability.

Ethical Consideration

No study can be deemed credible if it is tainted with an unethical dilemma. Ethics is the norms or standards of behavior that guide moral choices about our behavior and our relationships with others (Saunders et al.,

2016). According to Awases (2006), ethics is mostly associated with morality and deals with issues of right and wrong among groups, society or communities. It is therefore important that everyone who is engaged in research should be aware of the ethics concerned (Rubin & Babbie, 2016). According to Edginton et al. (2012) the main ethical principles amongst others include "minimizing harm, respecting autonomy, protecting privacy, offering reciprocity and treating people equitably". For the purpose of this study, the researcher decided that commercial confidentiality and informed consent would constitute the key ethical principles that would be considered.

Concerning issues on confidentiality, the use of the collected data was limited only to the purpose of the present study only. The respondents were also informed of the purpose of the study and how the data will be handled. Although this need may never arise, the participants were informed that, in a case where the provided information would be required for other research purposes; their approval will be sought. The researcher also took measures to ensure that the participants' identities were protected. The data collected were securely stored within the SPSS software. Also, a letter of introduction elucidating the intent and authenticity of the study was sought from the department of management, School of Business, University of Cape Coast. This letter was introduced to the respondents who want to establish the authenticity of the study.

Chapter Summary

This chapter discussed in details and in systematic manner the methodology used for the study, and this includes the research setting, research design, the study population, sampling and sampling procedures adopted for the study, the instruments used, and procedures followed in the collection and analysis of data.



CHAPTER FOUR

RESULTS AND DISCUSSION

Introduction

The study was conducted to assess the effect of Capacity building on organisational performance in the Cape Coast Metropolitan Assembly. This chapter provided the results and discussions of the analysis of the study. Again, the findings were discussed in light of their managerial implications as well as how they relate to some empirical claims as enshrined in the literature review. The findings are presented on Tables chronologically reflecting the order of the specific objectives.

Response Rate

The survey questionnaire research strategy was selected to study 175 staffs at the Cape Coast Metropolitan Assembly using the simple random technique with 150 returned survey questionnaire samples to proceed with the survey questionnaire analysis process, which represented 86% of the total number of survey questionnaires sent.

Table 1: Response Rate

| Questionnaire | Count | Percentage (%) |
|---------------|-------|----------------|
| Returned | 150 | 86 |
| Non-Returned | 25 | 14 |
| Total | 175 | 100 |

Source: Field data, Aworo (2022)

The response rate fell within the response rate of 50%, 60% and 70% proposed by Babbie (2005) to be adequate, good and very good respectively, and well above the average response rate of 35.7% (+/- 18.8), which was normal for a research study conducted at the organisational level (Baruch & Holtom, 2008).

Demographic Information of Respondents

This section presents the background characteristics of the respondents. Some of the issues considered under the section were the gender, age, marital status educational level of respondents, and the working experience of the respondents at the Cape Coast Metropolitan Assembly. Demographic information of the respondents was descriptively measured with frequency and percentage (%) because these statistical tools are appropriate to measure categorical data. This information describes the respondents that were surveyed to prove the sample was selected from the target population. The findings were presented in Table 2.

Table 2: Demographic Characteristics

| | Frequency | Percent (%) |
|-------------|-----------|-------------|
| Gender | | |
| Male | 106 | 70.7 |
| Female | 44 | 29.3 |
| Total | 150 | 100 |
| Age | | |
| 21-30 years | 80 | 53.3 |
| 31-40 years | 52 | 34.7 |
| 41-50 years | 8 | 5.3 |
| 51-60 years | 10 | 6.7 |
| Total | 150 | 100 |

| Marital status | | |
|------------------------|-----|------|
| Married | 64 | 42.7 |
| Single | 79 | 52.7 |
| Divorced | 7 | 4.6 |
| Total | 150 | 100 |
| Academic Qualification | | |
| Master's | 54 | 36.0 |
| Bachelor's/HND | 72 | 48.0 |
| SSCE/SHS | 24 | 16.0 |
| Total | 150 | 100 |
| Working Experience | | |
| Below 3 years | 78 | 52 |
| 3-6 year | 33 | 22 |
| 7-10 years | 12 | 8 |
| 11-14 years | 20 | 13.3 |
| Above 14 | 7 | 4.7 |
| Total | 150 | 100 |

Source: Field data, Aworo (2022)

Table 2 shows the results of the demographic characteristics of the participants of the study. The results as shown in the table reveals that majority (70.7%) of the participants of the study were male, while 29.3% were female. The distribution of the participant's age reveals that 53.3% of them were 21-30 years, 34.7% were 31-40 years, 5.3% were 41-50 years while 6.7% were 51-60 years. Pertaining to marital status 42.7% of the participants of the study were found to be married, 52.7% were single, while less than 4.6% were divorced. In terms of the academic qualification of the participants of the study, 48% of the participants had bachelor's degree or HND, 36% had master's, and 16% had SSCE/SHS.

The results of the working experience of the participants of the study revealed that majority (52%) of the participants of the study had below 3 years working experience in the assembly, 22% of the participants of the study had 3-6 years working experience in the assembly, 8% of the participants of the study had 7-10 years working experience in the assembly, 13.3% of the participants of the study had 11-14 years working experience in the assembly while 4.7% of the participants of the study had above 14 years working experience in the assembly. This result shows that majority of the participants of the study are abreast with the impact of capacity building in the assembly.

Main Study Findings

In line with the study objectives, a correlation analysis was done in order to assess the relationship that exists between capacity building and organisational performance. The Pearson product-moment correlation analysis was used to establish linear relationship between the independent and dependent variables. The correlation coefficient ranges from -1 to +1. A coefficient of -1.0 means there is a perfect negative correlation between the variables indicating that an increase in the independent variable will result to a decrease in the dependent variable by the same measure. And a coefficient of 1.0 means there is a perfect positive correlation between the variables indicating that an increase in the independent variable will result to an increase in the dependent variable by the same measure. A coefficient of 0 means there is no relationship between the two variables, which means that a change in the independent variable will have no effect on the dependent variable.

Table 3: Correlations

| | | ADMINISTRATIVE | FINANCIAL | TRAINING | EMPLOYEE PERFOMANCE |
|-----------------|-----------------------------|----------------|-------------|----------|------------------------|
| ADMINISTRATIV | Pearson | 1 | .839** | .273** | .386** |
| E, | Correlation Sig. (2-tailed) | | .000 | .004 | .000 |
| | N | 150 | 150 | 150 | 150 |
| FINANCIAL | Pearson | .839** | 1 | .250** | .304** |
| | Correlation | | | | |
| | Sig. (2-tailed) | .000 | | .008 | .001 |
| | N | 150 | 150 | 150 | 150 |
| TRAINING | Pearson | .273*** | .250** | 1 | .235* |
| | Correlation | | | | |
| | Sig. (2-tailed) | .004 | .008 | | .013 |
| | N | 150 | <u>15</u> 0 | 150 | 150 |
| EMPLOYEE | Pearson | .386** | .304** | .235* | 1 |
| PERFORMANCE | Correlation | | | | |
| | Sig. (2-tailed) | .000 | .001 | .013 | |
| | N | 150 | 150 | 150 | 150 |

^{**.} Correlation is significant at the 0.01 level (2-tailed).

NOBIS

^{*.} Correlation is significant at the 0.05 level (2-tailed).

As presented in Table 3, it can be seen that correlation exist between Capacity Building and Organisational Performance, and the correlation between each independent variable as against the dependent variable has been explained subsequently. In order to know the extent to which Capacity Building (X) influences Organisational Performance (Y) at the Cape Coast Metropolitan Assembly, a regression analysis was run to predict the extent. This has been presented from Table 4 to Table 11.

Accordingly, the first objective was examined:

Objective One: To determine the influence of Financial Capacity on Employee Performance

In order to predict the extent of influence that financial capacity has on organisational performance, linear regression analysis was employed. Model summary shows the coefficient of determination (R2) which tells us the percentage of the variation in organisational performance explained by the model.

Table 4: Model Summary

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|--------------|-------------------|--------------|----------------------|----------------------------|
| 1 | .235 ^a | .055 | .046 | 1.064 |
| a. Predictor | rs: (Constant |), FINANCIAL | | |

Table 5: Coefficients^a

| Model | | Unstand Coeffic | | Standardized Coefficients | T | Sig. |
|-------|------------|--------------------|-------|------------------------------|-------|------|
| | - | В | Std. | Beta | | |
| | | | Error | | | |
| 1 | (Constant) | 2.297 | .271 | | 8.487 | .000 |
| | FINANCIAL | .233 | .093 | .235 | 2.512 | .013 |

a. Dependent Variable: EMPLOYEE PERFORMANCE

Source: Field data, Aworo (2022)

Table 4 shows that the adjusted R square is 0.235 and R is 0.055 at 0.05 significant levels. This indicates that 23.5% of the increase in employee performance is explained by financial capacity, while the rest of 76.5% are explained by other variables, which are not considered in this study. Moreover, Table 5 indicates the significance of these two variables; Independent (Financial Capacity) and dependent variable (Employee Performance) shows the t-value with (p=0.013) which is significant, and the value of t-test (2.512) hence implying that there is a significant influence of Financial Capacity on Employee Performance at the Cape Coast Municipal Assembly.

Result shows that there is a weak positive relationship between Financial Capacity and Employee Performance as shown by a correlation coefficient of 0.235 (r= 0.235 p<0.000). This implies that the variable Financial Performance and Employee Performance change in the same direction, the presence of financial capacity will lead to high employee performance, and less or no financial capacity will lead to low employee performance.

Objective Two: To Examine the impact of Administrative Capacity on Employee Performance;

In order to predict the extent of influence that administrative capacity has on Employee performance, linear regression analysis was employed. Model summary shows the coefficient of determination (R2) which tells us the percentage of the variation in employee performance explained by the model. The result is shown in Table 6 and Table 7.

Table 6: Model Summary

| Model | R | R Square | Adjusted R | Std. Error of |
|-------|-------------------|----------|------------|---------------|
| | | | Square | the Estimate |
| 1 | .386 ^a | .149 | .141 | 1.010 |

a. Predictors: (Constant), ADMINISTRATIVE

Table 7: Coefficients^a

| Model | Model U | | andardized Standardized | | t | Sig. |
|-------|------------|---------|-------------------------|--------------|-------|------|
| | | Coeffic | ients | Coefficients | | |
| | | В | Std. | Beta | | |
| | | | Error | | | |
| 1 | (Constant) | 1.870 | .262 | | 7.150 | .000 |
| | ADMINIS | 0.451 | .104 | .386 | 4.347 | .000 |
| | TRATIVE | | | | | |

a. Dependent Variable: EMPLOYEE PERFORMANCE

Source: Field data, Aworo (2022)

Table 6 shows that the adjusted R square is 0.386 and R is 0.149 at 0.05 significant levels. This indicates that 39% of the increase in employee performance is explained by administrative capacity, while the rest of 61% are explained by other variables, which are not considered in this study. Moreover, Table 7 indicates the significance of these two variables; Independent (Administrative Capacity) and dependent variable (Employee Performance) shows the t-value with (p=0.000) which is significant, and the value of t-test (4.347) hence implying that there is a significant influence of Administrative Capacity on Employee Performance among the employees at the assembly.

Result shows that there is a weak (positive) relationship between Administrative Capacity and Employee Performance as shown by a correlation coefficient of 0.149 (r= 0.149 p<0.000). This implies that the change in variable Administrative Capacity and Employee Performance change in the same direction, the presence of Administrative Capacity will lead to high Employee Performance, and less or no Administrative Capacity will lead to low Employee Performance.

Objective Three: To Determine the Effect of Training on Employee Performance;

With regard to the extent of influence that training has on employee performance, linear regression analysis was performed. Model summary shows the coefficient of determination (R2) which tells us the percentage of the variation in employee performance explained by the model in Table 11. The result is shown in Table 8 and 9.

Table 8: Model Summary

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------------------|----------|----------------------|-------------------------------|
| 1 | .304 ^a | .092 | .084 | 1.043 |

a. Predictors: (Constant), TRAINING

Table 9: Coefficients^a

| Model | | | | Standardized Coefficients | t | Sig. |
|-------|------------|-------|---------------|------------------------------|-------|------|
| | | В | Std. Error | Beta | | |
| 1 | (Constant) | 2.172 | .249 | | 8.729 | .000 |
| | TRAINING | .327 | .099 | .304 | 3.312 | .001 |

a. Dependent Variable: EMPLOYEE PERORMANCE

Source: Field data, Aworo (2022)

Table 8 shows that the adjusted R square is 0.304 and R is 0.092 at 0.05 significant levels. This indicates that 30.4% of the increase in employee performance is explained by training, while the rest of 69.6% are explained by other variables, which are not considered in this study. Moreover, Table 9 indicates the significance of these two variables; Independent (Training) and dependent variable (Employee Performance) shows the t-value with (p=0.00) which is significant, and the value of t-test (3.312) hence implying that there is a significant influence of Training on Employee Performance among the employees at the assembly.

Result shows that there is a positive relationship between Training and Employee Performance as shown by a correlation coefficient of 0.340 (r= 0.340 p<0.000). This implies that the variable Training and Organisational Performance change in the same direction, the presence of training will lead to high Employee performance, and less or no training will lead to low organisational performance.

Objective Four: To Analyse the Effect of Capacity Building on Employee

Performance

With regard to the extent of influence that Capacity Building has on Employee Performance, multiple regression analysis was performed which is explained by the model in Table 10 and Table 11

NOBIS

Table 10: Model Summary

| Model | R | R Square | Adjusted R | Std. Error of |
|-------|-------------------|----------|------------|---------------|
| | | | Square | the Estimate |
| 1 | .411 ^a | .169 | .145 | 1.007 |

a. Predictors: (Constant), AMINISTRATIVE, FINANCIAL, TRAINING

Table 11: ANOVA^a

| Model | | Sum of | Df | Mean | F | Sig. |
|-------|------------|---------|-----|--------|-------|-------------------|
| | | Squares | | Square | | |
| 1 | Regression | 21.859 | 3 | 7.286 | 7.181 | .000 ^b |
| | Residual | 107.559 | 106 | 1.015 | | |
| | Total | 129.418 | 109 | | | |

a. Dependent Variable: EMPLOYEE PERFORMANCE

Source: Field data, Aworo (2022)

Table 10 above shows that the adjusted R square is 0.145 and R is 0.169 at 0.05 significant levels. The coefficient of determination means that Capacity Building explained only 14.5% of changes in Employee Performance, while the rest of 85.5% are explained by other variables, which are not considered in this study.

Table 11 above indicates the significance of these two variables: Independent (Capacity Building) and dependent (Employee Performance) was confirmed by the F-test, with (p=0.000) which is less than 0.05 and the value of F-test (7.181) hence implying that Capacity Building has a strong positive significant outcomes on Employee Performance.

b. Predictors: (Constant), ADMINISTRATIVE, FINANCIAL, TRAINING

Discussions

This study has sought to examine the effect of capacity building on Employee performance in the Cape Coast Metropolitan Assembly. Thus, the study sought to establish the nature of associations between the variables captured in the conceptual model. The initial variable relationships were established through correlations analysis. After correlations, the variables were then tested for relationships with the outcome variable through linear and multiple regressions.

In analysing the extent of influence that the types of capacity building have on employee performance, result showed that capacity building has a moderate positive correlation on employee performance, and significant. This implies that the capacity building is being practiced at the Cape Coast Metropolitan Assembly, even though; each dimension has its own degree of influence. Therefore, when combined and practiced in any organisation, it is likely to affect employee performance positively by a degree.

Results showed that all forms of capacity building (financial, administrative, and training) had a significant and positive relationship with employee performance. To enhance organisational performance within the organization, employers have to design both direct and indirect forms of capacity building vigilantly. Forms of capacity building have a significant influence on employee performance and are consistent with the study conducted by Rugumamu (2011) which stated that capacity building aids in strengthening and developing skills, abilities, resources, and procedures that an organization needs to survive or remain competitive in a dynamic business world. When organizations provide employees with opportunities of building

their capacity it increases their knowledge, management skills, output rate, and other capacities of a given organization through the use of training, technology, and expert acquisitions. Employers should acknowledge that by using capacity building, they could enhance the effectiveness of organizational development, organizations' capacity, capabilities and competencies to compete with other players in the market.

The results corroborate with Yamoah and Maiyo (2013) findings which was conducted on the effect of capacity building on employee performance in Ghana MTN Communication Ltd. The results of the study revealed that training when given properly has a significant effect on employee performance. Findings were also in line with Otibine (2016), Nwankwo, Olabisi and Onwuchekwa (2017), Choi (2021), Wassem et al. (2019) who conducted a study and similarly concluded that that capacity building has a positive and significant impact on employee performance. There is need for re-orientation and sensitization of members and the employees of the Cape Coast Metropolitan Assembly so as to enhance their knowledge on the importance and benefit of capacity building. Also, the assembly should try as much as they could to integrate and diversify their investment. Finally, the government should assist by making assembly extension services compulsory and accessible to all assemblies.

Chapter Summary

This chapter centred on the main research objective which reflects on the effect of capacity building on employee performance at the Cape Coast Metropolitan Assembly Based on this main research objective, four specific objectives were discussed in this chapter. However, the first section discussed the demographic features of the respondents, while the second section, addressed the main specific research questions relating to the study. So far the results have indicated that capacity building has significant influence on employee performance.



CHAPTER FIVE

SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

Introduction

This chapter presents a summary of the findings that emerged from the study and data analysis. It draws conclusions and makes recommendations as well. Finally, the suggestion for future research is also made.

The study set out to examine the effect of capacity building on employee performance. In general, the study result indicates a positive relationship between capacity building and employee performance. Therefore, with a combined effect of the activities of capacity building, it is likely to influence employee performance and the effect will be strong.

Further, the study was based on the views of 150 employees from the Cape Coast Metropolitan Assembly. A self-administered questionnaire was the main research instrument. The questionnaire contained several questions (items) and was subdivided into subscales. The minimum and maximum score for each question ranged from 1 to 5 where 5 stands for Strongly Agreed, 4 is Agreed, 3 is Neutral, 2 is Disagreed and 1, Strongly Disagreed. The results from the survey were analysed with Correlation and Regression Analyses. There were four main specific objectives, which the study aimed to achieve and these included to:

- i. Determine the influence of financial capacity on employee performance in the Cape Coast Metropolitan Assembly.
- ii. Examine the impact of administrative capacity on employee performance in the Cape Coast Metropolitan Assembly.

- iii. Determine the effect of training on employee performance in the Cape Coast Metropolitan Assembly.
- iv. Analyze the combined effect of capacity building on employee performance in the Cape Coast Metropolitan Assembly.

Summary of Findings

The results of the influence of financial capacity on employee performance showed that there is a positive and significant relationship between financial capacity and employee performance in the Cape Coast Metropolitan Assembly. Thus, the results of the study showed that profitability maximization, resource mobilization and funds management play an important role on the dependent variables (employee performance).

Also, the results of impact of administrative capacity on employee performance revealed that administrative capacity has a positive and significant nexus with employee performance. The findings are in line with that of Seim (2015) who found a positive relationship between administrative capacity and employee performance in the Local Government.

From the results on the effect of training on employee performance, it was seen that training has a positive and significant nexus with employee performance. Similarly, in terms of employee performance, Yamoah and Maiyo (2013) study revealed that training has a significant effect on employee performance. This means that employee training and development is not only desirable but it is an activity which management must commit human and fiscal resources if it is to maintain a skilled and knowledgeable personnel.

Concerning the combined effect of capacity building on employee performance it was revealed that there is a positive significant relationship

between capacity building and employee performance. The results has shown that capacity building help enhance employee explicit knowledge, management skills, output rate, and other capacities of a given organization. This will go a long way to help them in their task-related knowledge and skills, and provide an insight on capacity building and employee performance relationship while having cost-effective capacity building strategies. The results support that of Wassem *et al.* (2019), Chukwurah *et al.* (2020) and Ajetomobi (2021) whose findings show significant relationship between capacity building and employee performance.

Conclusion

The three main objectives of this study were to investigate the influence of the activities of capacity building (financial capacity, administrative capacity, and training) on organisational performance. Overall, there is a positive relationship between capacity building (financial capacity, administrative capacity, and training) and employee performance, which is moderately significant. This study further concludes that service sectors including district assemblies should develop such practices, which could enhance firm performance and voice within their task-related decisions. These capacity building practices would in turn enhance employee competencies, capabilities and would give organizations its aligned benefits such as improved performance and the achievement of organizational goals which address the objectives of this study.

Recommendations

It is recommended that employers of CCMA staff should design both direct and indirect forms of capacity building in order to enhance employee

performance within the organizations. Again, different measurement scales can be used for the same sample of employees to analyse whether the results remain same for the longitudinal study. Furthermore, capacity building-performance relationship should be examined in the light of economic conditions to determine whether employees may leave the jobs if their capacities are not built upon. Finally, re-orientation and more sensitization for constant practicing of capacity building activities for the assembly should be organised. This will enable every player in the assembly to have sound knowledge on what capacity building is all about as well as importance of capacity building to the survival and effective performance of assembly as well as the employee. This will strengthen and enhance well established capacity building activities in assemblies.

Suggestions for Further Studies

This study was based on quantitative analysis as a result, the employees were not able to describe the situation and also explain in detail the reasons behind the answers that were given. In view of this in the near future, the mixed method (that is, both qualitative and quantitative) methods should be used. This will help the study results to be rich as both methods will complement each other's weaknesses.

Also, due to time constraints, the researcher utilized a limited sample size. More generalized results can be drawn by covering a larger portion of the population. In this study, only one method of data collection is utilized, which is the questionnaire, but future studies can utilize other methods of data collection like focus groups, interview, and observation methods to further strengthen our study.

REFERENCES

- Adegoke, A. A., Mani, S., Abubakar, A., & Van Den Broek, N. (2013).

 Capacity building of skilled birth attendants: a review of pre-service education curricula. *Midwifery*, 29(7), e64-e72.
- Akpoviroro, K. S., & Owotutu, S. O. (2018). The impact of cultural diversity on organizational performance of selected frozen fish companies in Nigeria. *IJARIIE*, 4(3), 420-428.
- Al Raisi, M. Y., Al Rawahi, B. S., & Al Omrani, N. H. The Effect of Cultural Diversity on Employees' Performance and Productivity in Shell Oman Marketing Company SAOG.
- Annan-Prah, E. C. (2019). Assessing effectiveness of capacity building activities in decentralised local government institutions in the Central Region of Ghana (Doctoral dissertation, University of Cape Coast).
- Antwi, K. B., & Analoui, F. (2008). Challenges in building the capacity of human resource development in decentralized local governments:

 Evidence from Ghana. *Management Research News*.
- Armstrong, D. E. (2009). Administrative passages: Navigating the transition from teacher to assistant principal. New York, NY: Springer.
- Attanasio, O., Cattan, S., Fitzsimons, E., Meghir, C., & Rubio-Codina, M. (2020). Estimating the production function for human capital: results from a randomized controlled trial in Colombia. *American Economic Review*, 110(1), 48-85.
- Barney, J., Wright, M., & Ketchen Jr, D. J. (2001). The resource-based view of the firm: Ten years after 1991. *Journal of management*, 27(6), 625-641.

- Barreto, I. (2010). Dynamic capabilities: A review of past research and an agenda for the future. *Journal of management*, 36(1), 256-280.
- Beach, J. M. (2009). A critique of human capital formation in the US and the economic returns to sub-baccalaureate credentials. *Educational Studies*, 45(1), 24-38.
- Boldizzoni, F. (2008). Means and Ends. *The idea of Capital in the West. New Your: Palgrave Macmillan*, 8.
- Bowman, W. (2011). Financial capacity and sustainability of ordinary nonprofits. *Nonprofit management and leadership*, 22(1), 37-51.
- Bratton, J., Mills, J. C. H., & Sawchuk, P. (2003). *Workplace learning: A critical introduction*. University of Toronto Press.
- Brown, L., LaFond, A., & Macintyre, K. E. (2017). *Measuring capacity building* (p. 51). Chapel Hill, NC: Carolina Population Center, University of North Carolina at Chapel Hill.
- Casswell, S. (2011). Community capacity building and social policy-what can be achieved?. Social Policy Journal of New Zealand, 22-35.
- Chapagain, A., & Orr, S. (2008). UK Water Footprint: the impact of the UK's food and fibre consumption on global water resources Volume two: appendices. WWF-UK, Godalming, 31-33.
- Dalwadi, R., Rathod, H. S., & Patel, A. (2010). Key Retail Store Attributes

 Determining Consumers' Perceptions: An Empirical Study of

 Consumers of Retail Stores Located in Ahmedabad (Gujarat). SIES

 Journal of Management, 7(1).
- Das, T. K., & Teng, B. S. (2000). A resource-based theory of strategic alliances. *Journal of management*, 26(1), 31-61.

- De Vita, C. J., & Twombly, E. (2011). *Building capacity in nonprofit organizations*. C. Fleming (Ed.). Washington, DC: Urban Institute.
- Delaney, J. T., & Huselid, M. A. (2016). The impact of human resource management practices on perceptions of organizational performance. *Academy of Management journal*, 39(4), 949-969.
- Enemark, S. (2006). Capacity Building for Institutional Development in Surveying and Land Management. In *Promoting Land Administration* and Good Governance: Conference proceedings. International Federation of Surveyors.
- Enemark, S. (2016). Capacity building for higher education in developing countries: a part of the western world university portfolio?. Capacity building in higher education and research on a global scale: proceedings of the international workshop 17-18 May 2005 at the Niels Bohr Institute, Copenhagen: How can manpower needs in knowledge based economies be satisfied in a balanced way? (pp. 137-150). The Danish National Commission for UNESCO.
- Engel, P., Keijzer, N., & Land, T. (2017). A balanced approach to monitoring and evaluating capacity and performance. *Discussion paer*, (58E).
- Flaspohler, P., Duffy, J., Wandersman, A., Stillman, L., & Maras, M. A. (2008). Unpacking prevention capacity: An intersection of research-to-practice models and community-centered models. *American journal of community psychology*, 41(3), 182-196.
- Freeman, R. E. (2010). *Strategic management: A stakeholder approach*.

 Cambridge university press.
- Fullan, M. (2004). Leadership across the system. *Insight*, 61, 14-17.

- Ginsberg, R. (2014). Volunteerism for capacity building: The case of Cuso International volunteers in Peruvian Centros de jóvenes y empleo (Doctoral dissertation).
- Gitman, L. J., Juchau, R., & Flanagan, J. (2015). *Principles of managerial finance*. Pearson Higher Education AU.
- Goss, J. (2014). Reverse phase high-performance liquid chromatographic determination of primary and secondary aliphatic alcohols as phthalate monoesters by UV detection. *Chromatographia*, 38(7), 417-420.
- Groot, R., & Molen, P. (2019). Final Report from the Workshop on Capacity

 Building in Land Administration for Developing Countries. *ITC*,

 Enschede, the Netherlans.
- Habib, M., Abbas, J., & Noman, R. (2019). Are human capital, intellectual property rights, and research and development expenditures really important for total factor productivity? An empirical analysis. *International Journal of Social Economics*.
- Jabeen, N., & Iqbal, M. Z. (2010). Gender and local governance in Pakistan:

 Promoting participation through capacity building. *South Asian*Studies, 25(2), 255.
- Kwamboka, J. (2018). Influence of Capacity Building Strategies on Organizational Development of Non-Governmental Organizations: A Case of United Nations Office of Project Services (UNOPS) (Doctoral dissertation, United States International University-Africa).
- Lavergne, R., & Saxby, J. (2001). Capacity development: vision and implications. *Capacity Development Occasional Series*, *3*, 1-11.

- Lavergne, R., & Saxby, J. (2019). Capacity development: vision and implications. *Capacity Development Occasional Series*, *3*, 1-11.
- Light, P. C., Hubbard, E. T., Kibbe, B., Patrizi, P., Sherwood, K., & Spector,

 A. (2018). *The capacity building challenge*. Human Interaction

 Research Institute.
- Lonial, S. C., & Carter, R. E. (2015). The impact of organizational orientations on medium and small firm performance: A resource-based perspective. *Journal of Small Business Management*, *53*(1), 94-113.
- McConnell, M. (2002). Capacity building for a sustainable shipping industry:

 a key ingredient in improving coastal and ocean and management.

 Ocean & coastal management, 45(9-10), 617-632.
- McConnell, M. (2016). Capacity building for a sustainable shipping industry:

 a key ingredient in improving coastal and ocean and management. *Ocean & coastal management*, 45(9-10), 617-632.
- Mecheo, K. N. (2016). The effect of employee cultural diversity on organizational performance: A case study of Oilybia-Kenya (Doctoral dissertation, United States International University-Africa).
- Nguyen, H., Whittaker, G., Stevenson, S., & Sheth, B. (2010). Does sleep influence how we see the world around us? *Journal of Vision*, 10(7), 1132-1132.
- Nkosi, S. M. (2015). Effects of training on employee commitment, retention and performance: A case study of a Local Municipality in South Africa. *European Journal of Business and Management*, 7(15), 104-108.

- Oduware, U. (2011). Overview of Financial Management. *Retrieved January*, 18, 2012.
- Okoliko, D. A. (2014). Exploring institutional capacity of the State to facilitate economic development in Nigeria: lessons from Malaysia (Doctoral dissertation).
- Olaniyan, D. A., & Okemakinde, T. (2008). Human capital theory:

 Implications for educational development. European journal of scientific research, 24(2), 157-162.
- Otibine, L. I. (2016). Effects of capacity development strategies on the performance of the department for international development In Kenya (Doctoral dissertation, University Of Nairobi).
- Pawlak, P., & Barmpaliou, P. N. (2017). Politics of cybersecurity capacity building: conundrum and opportunity. *Journal of Cyber Policy*, 2(1), 123-144.
- Pawlak, P., & Barmpaliou, P. N. (2017). Politics of cybersecurity capacity building: conundrum and opportunity. *Journal of Cyber Policy*, 2(1), 123-144.
- Peeters, E., Nelissen, J., De Cuyper, N., Forrier, A., Verbruggen, M., & De Witte, H. (2019). Employability capital: A conceptual framework tested through expert analysis. *Journal of Career Development*, 46(2), 79-93.
- Peteraf, M. A., & Barney, J. B. (2003). Unraveling the resource-based tangle. *Managerial and decision economics*, 24(4), 309-323.
- Qiong, O. U. (2017). A brief introduction to perception. *Studies in literature* and language, 15(4), 18-28.

- Rajabifard, A., & Williamson, I. P. (2004). Regional SDI development. *Journal of Geospatial Today*, 2(5), 86-90.
- Rastogi, A., Chauhan, S., Ramalingam, A., Verma, M., Babu, S., Ahwal, S., & Bansal, A. (2021). Capacity building of healthcare workers: Key step towards elimination of viral hepatitis in developing countries. *PloS one*, *16*(6), e0253539.
- Rastogi, P. N. (2003). The nature and role of IC: Rethinking the process of value creation and sustained enterprise growth. *Journal of Intellectual Capital*.
- Rosilan, Z. M. (2009). A study on customer awareness and perception toward hydroponics'.
- Rugumamu, S. M. (2011). Capacity development in fragile environments:

 Insights from parliaments in Africa. World Journal of

 Entrepreneurship, Management and Sustainable Development.
- Schultz, T. W. (1961). Investment in human capital. The American economic review, 51(1), 1-17.
- Seidu, S., Mensah, A. O., Issau, K., & Amoah-Mensah, A. (2021). Does organisational culture determine performance differentials in the hospitality industry? Evidence from the hotel industry. *Journal of Hospitality and Tourism Insights*.
- Sen, A. (1999). Commodities and capabilities. *OUP Catalogue*.
- Senge, P. M., Scharmer, C. O., Jaworski, J., & Flowers, B. S. (2004). *Presence: Human purpose and the field of the future* (Vol. 20081). Cambridge, MA: SoL.

- Smith, C. S. (2010). Differing Interpretations of Sustainability and Natural

 Resource Management in Three Adjacent Communities in the Oregon

 Cascades. University of Washington.
- Stavros, J., Seiling, J., & Castelli, P. (2008). Capacity building for organizational accomplishment: Lessons from a network of nonprofit organizations. *Journal of the North American Management Society*, 2(1).
- Storbjörk, S., & Hedrén, J. (2011). Institutional capacity-building for targeting sea-level rise in the climate adaptation of Swedish coastal zone management. Lessons from Coastby. *Ocean & coastal management*, 54(3), 265-273.
- Storbjörk, S., & Hedrén, J. (2011). Institutional capacity-building for targeting sea-level rise in the climate adaptation of Swedish coastal zone management. Lessons from Coastby. *Ocean & coastal management*, 54(3), 265-273.
- Truijens, O. (2008). A Critical Review of the Resource-based View of the Firm.
- Ukachukwu, C. C., & Iheriohamma, E. B. J. (2013). The effect of cultural diversity on employee productivity in work organizations in Port Harcourt, Nigeria. *International Journal of Development and Management Review*, 8(1), 32-49.
- Van Heerden, C. C. (2008). Capacity building and school management development: a study of principles and practices of selected Norwegian and South African schools (Doctoral dissertation, University of Pretoria).

- Wassem, M., Baig, S. A., Abrar, M., Hashim, M., Zia-Ur-Rehman, M., Awan, U., ... & Nawab, Y. (2019). Impact of capacity building and managerial support on employees' performance: The moderating role of employees' retention. *Sage Open*, 9(3), 2158244019859957.
- Williams, M. A. (2007). The road to excellence: Deliberate practice and the development of expertise. *High ability studies*, *18*(2), 119-153.
- Williamson, I. P., Rajabifard, A., & Enemark, S. (2003). Capacity building for SDIs.
- Yamoah, E. E., & Maiyo, P. (2013). Capacity building and employee performance. *Canadian Social Science*, 9(3), 42-45.
- Yamoah, E. E., & Maiyo, P. (2013). Capacity building and employee performance. *Canadian Social Science*, 9(3), 42-45.

NOBIS

APPENDIX A

UNIVERSITY OF CAPE COAST

COLLEGE OF HUMANITIES AND LEGAL STUDIES

DEPARTMENT OF MANAGEMENT

QUESTIONNAIRE

I am currently carrying out a study on the impact of capacity building on employee performance in the Cape Coast Metropolitan Assembly, Ghana. This study is purely an academic work in partial fulfilment for a Masters of Business Administration in Management. I would be grateful to you if you could complete the questionnaire for us. Your cooperation is therefore needed in providing the required information as factual as possible. All responses derived from this study will be treated with utmost confidentiality and used for academic purpose only.

SECTION ONE

1. Gender:

Instruction: Please fill your personal information for the demographic data by ticking $\lceil \sqrt{} \rceil$

| 2. | Marital Status: | Married [] | Single [] Divorced [|
|----|-----------------|-------------|-----------------------|
| 3. | Age: | | |
| | 21-30 [|] | 31-40 [] |
| | 41-50 [| lopie | 51-60 [] |
| | Above [|] | |

Male []

- 4. What is your highest level of Academic qualification?
 - (a) Master's degree []
 - (b) Bachelor's degree/HND []

Female []

- (c) SSCE/SHS []
- 5. Work experience (years):

Above 14 []

SECTION TWO

Please describe your knowledge on capacity building by indicating the extent to which you agree or disagree with the statements. Please tick [$\sqrt{\ }$] on one answer appropriately.

1 = Strongly Disagree (SD), 2 = Disagree (D), 3 = Neutral (N), 4 =

Agree (A), 5 = Strongly Agree (SA)

| No. | Statements | 1 | 2 | 3 | 4 | 5 |
|------|--|---|---|---|---|---|
| Admi | nistrative Capacity | | | | | |
| AC1 | Personal needs of staffs are being met. | | | > | | |
| AC2 | Staffs of the assembly are being rewarded for their hard work. | Ž | 5 | | | |
| AC3 | Bad attitude and response to capacity building adoption exist. | | | | | |
| AC4 | There is inadequate members' participation. | | | | | |
| AC5 | There are ineffective capacity building policies in the assembly. | | | | | |
| AC6 | Inadequate communication and interaction between members and department heads. | | | | | |

| Finar | icial Capacity | | | |
|-------|---|---|--|--|
| FC1 | CCMA has financial capacity building initiatives in | | | |
| | place. | | | |
| FC2 | Financial capacity building enhances organizational | | | |
| | development. | | | |
| FC3 | The financial capacity building at CCMA includes resource mobilization. | | | |
| FC4 | The financial capacity building at CCMA includes funds management. | | | |
| FC5 | Financial sustainability is essential for organizational development. | | | |
| FC6 | The financial capacity building includes bookkeeping at | J | | |
| | CCMA. | / | | |
| Train | ing | | | |
| TR1 | I am satisfied at the training and development programmes in the CCMA. | | | |
| TR2 | Training programmes are relevant to the core functions | Z | | |
| | of my work. | 8 | | |
| TR3 | Training facilitators are also engaged in the training. | | | |
| TR4 | The training programmes are delivered effectively to | | | |
| | members in the assembly. | | | |
| TR5 | Training goals are clearly communicated. | | | |
| TR6 | I get most of my questions answered during the | | | |
| | training. | | | |

SECTION THREE

Instruction: Please describe your knowledge towards your commitment to organisational performance by indicating the extent to which you agree or disagree with the statements. Please tick $\lceil \sqrt{\rceil}$ on one answer appropriately.

1 = Strongly Disagree (SD), 2 = Disagree (D), 3 = Neutral (N), 4 = Agree (A),

5 =Strongly Agree (SA)

| No. | Statements | 1 | 2 | 3 | 4 | 5 |
|-----|---|----|---|---|---|---|
| Emp | loyee Performance | | | | | |
| OP1 | Employee are able to perform a full range of duties | | | | | |
| | and responsibilities associated with the job. | | - | | | |
| OP2 | There is increase in sales turnover. | | 7 | | | |
| OP3 | Increase in number of CCMA assets. | | | | | |
| OP4 | Capacity building make employees gain the ability | _/ | | | | |
| / | to develop and implement effective solutions. | / | - | | | |
| OP5 | Increase in the quality of service delivery. | | / | | | |
| OP6 | Increase in client or customer satisfaction. | | 5 | | | |
| OP7 | There is low employees turnover. | | | | | |
| OP8 | There is increased Revenue. | | | | | |

Thank you for participating in the study.

APPENDIX B

Krejcie and Morgan Determination sample size table.

| N | S | N | S | N | S |
|----|----|-----|-----|-------|-----|
| 10 | 10 | 220 | 140 | 1,200 | 291 |
| 15 | 14 | 230 | 144 | 1,300 | 297 |
| 20 | 19 | 240 | 148 | 1,400 | 302 |
| 25 | 24 | 250 | 152 | 1,500 | 306 |
| 30 | 28 | 260 | 155 | 1,600 | 310 |
| 35 | 32 | 270 | 159 | 1,700 | 313 |
| 40 | 36 | 280 | 162 | 1,800 | 317 |
| 45 | 40 | 290 | 165 | 1,900 | 320 |
| 50 | 44 | 300 | 169 | 2,000 | 322 |
| 55 | 48 | 320 | 175 | 2,200 | 327 |
| 60 | 52 | 340 | 181 | 2,400 | 331 |
| 65 | 56 | 360 | 186 | 2,600 | 335 |
| 70 | 59 | 380 | 191 | 2,800 | 338 |
| 75 | 63 | 400 | 196 | 3,000 | 341 |
| 80 | 66 | 420 | 201 | 3,500 | 346 |
| 85 | 70 | 440 | 205 | 4,000 | 351 |
| 90 | 73 | 460 | 210 | 4,500 | 354 |
| 95 | 76 | 480 | 214 | 5,000 | 357 |

| 100 | 80 | 500 | 217 | 6,000 | 361 |
|-----|-----|-------|-----|---------|-----|
| 110 | 86 | 550 | 226 | 7,000 | 364 |
| 120 | 92 | 600 | 234 | 8,000 | 367 |
| 130 | 97 | 650 | 242 | 9,000 | 368 |
| 140 | 103 | 700 | 248 | 10,000 | 370 |
| 150 | 108 | 750 | 254 | 15,000 | 375 |
| 160 | 113 | 800 | 260 | 20,000 | 377 |
| 170 | 118 | 850 | 265 | 30,000 | 379 |
| 180 | 123 | 900 | 269 | 40,000 | 380 |
| 190 | 127 | 950 | 274 | 50,000 | 381 |
| 200 | 132 | 1,000 | 278 | 75,000 | 382 |
| 210 | 136 | 1,100 | 285 | 100,000 | 384 |

Note: N is population size; S is sample size

Source: Krejcie, R.V. & Morgan, D.W. (1970).

NOBIS