

Influence of Firms' Staff and Skills on the Organizational Performance: A Case of the Salt Mining Industry in Tanzania

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Abstract: This study examined the influence of firms' staff and firms' skills on the organizational performance of salt mining industry in Coast Region of Tanzania where four salt companies were involved in the study. The study was quantitative, employing a survey design with a sample size of 100 employees obtained conveniently from a pool of 1010 employees from the four selected salt mining companies. The study employed primary data obtained through questionnaire distributed to the sampled respondents. Data was analysed descriptively and with inferential statistics with the help of SPSS to generate frequency tables and multiple regression analysis output. The findings of the study revealed that firms' staff and firms' skills influenced the organizational performance of salt mining industry. The study recommends to policy makers and managers of companies in the salt mining industry to reinforce policies, rules and regulations that will ensure low personnel turnover rate. They should appointment employees from diverse backgrounds, recruitment of skilled employees and provide opportunities for advancement. The study also recommends that policy makers should make sure that at organizational level, salt mining companies have career development plans that will enhance skills to employees.

Keywords: Staff skills; organizational performance; salt mining industry.

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Introduction

Firms' staffs and firm's skills are essential aspects in running organizational activities. Firms' staffs are individuals who were employed by the organization to perform specific jobs within the organization for the purpose of fulfilling the organizational mission

and objectives while getting salaries and incentives (Allison, (2019). Firms' skills refer to the abilities that help employees stay focused on different tasks. They are obtained through various means such as career advancement, training, rewarding skills development and valuing employee experience with a purpose of achieving the desired organizational

performance (Duszyński, 2021; Doyle, 2021). Scholars agree that the success of any organization lies in the diverse backgrounds, experiences, motivations, skills and commitments of its employees (Gupta, 2013, Manna, 2008; Peters and Waterman, 1982; Kaplan, 2005). Firms' staffs and skills are essential for competitiveness of organizations (Barney, 1991). In addition, the role of operations strategy is to specify policies and plans for using organizational resources that is quite different from other companies, thereby making good integration of the following factors: strategy, structure, system, style, staff, shared values and skills (Barney, 1991; Peters and Waterman, 1982; Kaplan, 2005). These types of skills are essential for salt mining industries as well.

The global salt mining industry continues to grow and transform on account of innovation and development of techniques and technologies. This growth is a result of advanced technology, intense market competition and investment in mining technologies (Ocholla et al., 2013; Thierens & Mawala, 2020). Markets and Markets (2017) forecasts that industrial salt market is expected to grow from USD 12.70 billion in 2017 to USD 14.93 billion in 2023, at the compound annual growth rate of 2.8% from 2017 to 2022. Generally, industrial salts find its wide applications in food processing, preservation and flavoring. However, the use of salts in food processing that exceed daily requirement in the body causes health issues such as increased blood pressure and cardiovascular disease due to the sodium content. Similarly, industrial salts are hygroscopic in nature, and as a result, they absorb moisture which leads to corrosion.

Tanzania is endowed with vast quantities and types of resources whose extraction has been central to the country's economic growth. Mining is one of the leading sectors in Tanzania, with the value of mineral exports increasing each year. Salt has been produced from solar pans along the Tanzanian Coast and from other places like Uvinza in Kigoma for centuries. Nyanza Salt Mines limited is located at Uvinza District and its operation is based on the exploitation of underground brines. In addition, there are solar salt works that are small scale operating all along the coastline at Bagamoyo, Dar es Salaam (Kunduchi, Temeke), Tanga, Lindi and Mtwara.

Despite the importance of salt industry in the business environment and to people in general, the industry faces various challenges such as access to energy, health and safety, access to capital, volatility of commodity prices and environmental footprint (Aggreko, 2018). Other challenges include cost-intensive logistical operations and leasing of salt mines or salt pans which affect the continuous supply (Markets and Markets, 2017).

In responding to above challenges, management of salt industry has attempted to devise and ensure organizational performance. Organization performance is the target for any business enterprise, which is a means by which organizations assess their management effectiveness. Organizational performance is a result of the organizational ability to align employees and resources to tasks in a moral and ethical way that helps organizations to attain sustainable competitive advantages (Odiong & Omolo, 2015). However, the extent to which organizations continue to perform better in terms of financial performance, market performance, operational performance and shareholder value maximization is dependent upon manipulation of many factors (Omaliyo, 2017). One of these factors is firms' staffs and firms skills (Barney, 1991; Peters and Waterman, 1982; Kaplan, 2005).

Previous studies on organizational performance tend to concentrate on several factors such as flexibility, environmental impact score, green policies, green operations, cost leadership strategy, differentiation strategy, focus strategy, cost driven strategy, reliability and innovative driven strategy. (Aranda, 2003; Nginedema & Li, 2014; Battiston, Cruces, Lopez-Calva, et al., 2013; Justinian, 2015; Terer, 2015).

Little has been done to study the influence of firms' staffs and firm's skills as dimensions of operations strategy and organizational performance in salt mining industries. The purpose of this study was to determine the influence of firms' staff and firms' skills on organizational performance in the salt mining industry in Tanzania. Specifically, the study intended to achieve the following objectives: To establish the influence of firm staff on organization performance in the Salt mining industry and to establish the influence of firm staff on organization performance in Salt mining industry. The findings of this study will help the salt mining companies and all other stakeholders to gain more insights about the

firms' staff and firms' skills. These dimensions of operation strategy help to improve the organizational performance.

Literature Review

Organizational Performance

Organizational performance refers to the yield or output the firm achieves in relation to the predetermined standards against their goals and objectives (Njoroge, Ongeti & Kasomi, 2016). While the organizational performance is a multidimensional concept, several researchers have conceptualized it differently. In this study, the conceptualization by Delaney and Huselid (1996) is adopted where organization performance is a comparison of members of the organization with their competitors in terms of quality of services, development of new services, ability to attract and retain essential employees, customer satisfaction, relationship between management and other employees and relationship among employees in general.

Resources Based View Theory

Resource Based View (RBV) theory of the firm is one the most used theories today that was postulated based on the beliefs that industries control heterogeneous strategic resources which are used to maximize and attain its objectives. This theory is very important in analysing sustained competitive advantages and their subsequent implications for organizational performance. The theory was initiated by Warnefelt (1982), Rumelt (1984) and Barney (1986). According to RBV, organizational performance is a result of firms possessing resources that create sustained competitive advantages than resources owned by competitors.

However, RBV strategy needs to be operationalized for it to provide the competitive advantage (Barney, 2014). The importance of operationalisation is that firms are able to implement strategies in the organization to reap the benefits. Reflecting on salt industry in Tanzania, RBV assumes that firms in this industry may gain and remain competitive if they have strategic resources that are able to distinguish each firm from another in the industry. Strategic resources that firms possess are specifically the structure, human capital and the organizational arrangements that may be different from one another. This configuration is what makes the operation strategy which addresses the important question on how major resources should be

acquired and configured to achieve desired the organizational performance.

McKinsey's 7 S Model

McKinsey's 7 S Model was developed by a team of consultants when working with the company called McKinsey and Company in 1978 (Peters & Waterman, 1982). These consultants were assessing how Japanese companies had been so successful. According to this model, managers need to consider seven key factors for the purpose of improving the organizational performance. These factors are categorized into hard and soft components. The hard components include factors such as strategy, structure and systems while the soft components include factors such as style, staff, shared values and skills. The authors argued that these factors are mutually supporting each other and therefore failure of one factor leads to the fall of the entire company. Barney (1991) concluded that organizations will be successful and remain competitive only if they achieve a good integration of these seven factors. The good integration of these factors is translated strategies that firms implement in the day to day business operations.

Firms Staff and Organizational Performance

Firms' staffs are essential in ensuring performance of various activities in the organizations. Their roles are affected by turnover rate, discrimination, opportunity for advancement and motivation. Studies suggest that turnover influences organizational performance negatively due to loss of firm memory, knowledge, skills and abilities that had been developed extensively by outgoing employees (Ployhart, Nyberg & Maltarich, 2014; Pollitt, 2000). Furthermore, discrimination presents problems to the organization such as reduced level of motivations and consequently affecting performance (Elei, 2016; Chavez, Ornelas, Lyles & Williams, 2015).

Firms' Skills and Organizational Performance

Firm's skills are also important in ensuring the organizational performance. The skills are obtained through various ways such as career development plans, training, skills development and experiences. Ntadom, Atueyi and Jacobs (2021) argues that career development plans influence the organizational performance by clarifying career options and aligning employee aspirations with organizational performance objectives which are central to performance. Daniel (2003) concluded that employee training is an important factor that

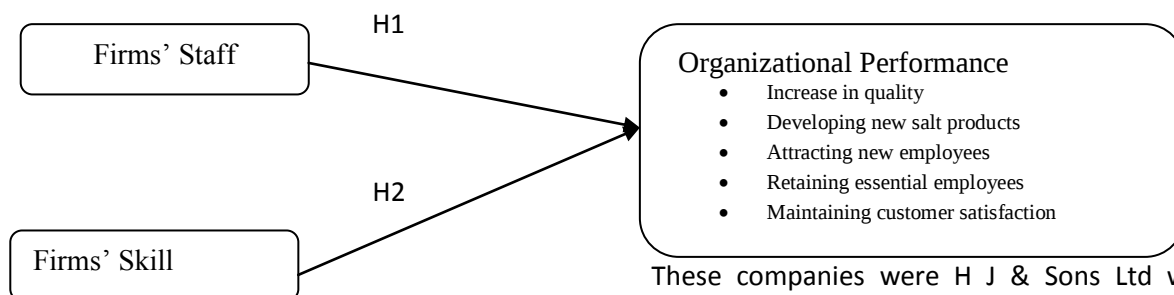
influences the organizational performance by improving employee's skills, knowledge and abilities.

Conceptual Framework

Based on the literature review, a framework was developed to present the influence of firms' staffs, firms' skills and perceived organizational

performance in the Tanzanian Salt industry as indicated in figure 1. This is because staffs with adequate experiences, capabilities, knowledge, with no discrimination and those who are able to stay for some foreseeable future have the potential to improve the organizational performance.

Figure 1: Conceptual Framework



Similarly, organizational skills influence performance by ensuring that organizations have the required experience, knowledge and abilities that have been obtained through career development plans and employee training.

Methodology

Research Design

This study employed structured methods where two theories were adopted to guide the study and study variables were deducted from the theory in order to explain the effect of firms' staffs and firms' skills as dimensions operations strategy on perceived organizational performance. Therefore, quantitative approach was used to study the relationship between the independent variable and dependent variables, where survey research strategy was employed to collect data that helped to quantify the relationship between firms' staff and firms' skills and perceived organizational performance. Therefore, this philosophical thinking enables the use of positivism approach.

Area of the Study

The study was conducted in the Coastal Region of Tanzania and particularly Bagamoyo Town. This location was preferred because of heavy concentration of salt mining companies and it serves as a headquarters of salt mining companies in the entire coastal region of Tanzania.

Population and Sampling

The target population for this study was all 1010 employees from four companies in Coastal Region.

These companies were H J & Sons Ltd with 200 employees, Sea Salt Ltd with 160 employees, Neel Salt LTD with 280 employees and Aziz Salt Works with 370 employees. This study employed non-probability sampling, where convenience strategy was used. Based on nature of employees and the level of their education, judgmental strategy helped the researchers consider only respondents who were willing to participate in the study. Therefore, following the advice given by Kaplan (2011), and ensuring that the minimum sample for the analytical tool is satisfied, this study considered 100 employees from management positions who are aware of the operations strategy of the company and the way management deals with building organizational staff, organizational skills and their possible consequences on the perceived organizational performance dimension.

Questionnaire Distribution

A close ended questionnaire was used in this study. This is due to the reason that for sensitive topics that require fixed answers and where less articulation is required, closed questions are suitable (Creswell, 2012). Therefore, the questionnaire was distributed to 100 employees who held supervisory and managerial position.

Validity and Reliability

Validity represents the degree to which instruments or tools measure what they intended to measure. Thus, to ensure high validity of data, the questionnaire underwent content and construct tests. Content validity represents the ability of the study to clarify concepts. The study consulted experts in operations management, human

resources management and research methodology experts so as to be sure that the questionnaire captured what was supposed to be captured. Again, reliability represents the degree to which responses are consistent in the repeated measure, producing similar results across time and observers (Saunders, Lewis & Thornhill, 2012). This study therefore tested the reliability of the data using the Cronbach Alpha as reflected in Table 1.

Table 1: Reliability Analysis

Variable	Items	Cr. Alpha
Firms' Staff	5	0.87
Firms' Skills	5	0.79
Performance	5	0.89

All variables used in the study scored the Cronbach Alpha value of .7 and above. As articulated by various researchers (Tavakol & Dennick, 2011; Shemwell, Chase & Schwartz, 2015; Taber, 2018), any variable with a Cronbach alpha ranging from 0.7 and above is suitable to be used in a study as it meets the criteria and is said to be strong.

Statistical Treatment of Data

Data was edited, coded and entered into the SPSS software. Initial descriptive statistics of variables was generated to obtain frequencies, means and standard deviations. Furthermore, regression analysis was applied to establish the relationship between independent variables: organizational staff and organizational skills and the dependent variable: perceived organizational performance.

Results and Discussion

Characteristics of Respondents

Before presenting data obtained as required by the research questions, the researchers presented the demographic characteristics of respondents. It was from this background that it was possible for the researchers to determine the nature of respondents as reflected in Table 2.

Findings indicate that 87% of respondents were male and only 13 being female. This implies that the salt mining industry is dominated by men. This could be partly because the work involves the use of a lot of energy and the work has been associated to be masculine in nature.

Table 2: Demographic Characteristics of the Respondents (N = 100)

Items	Category	Frequency	Percentages
Sex	Male	87	87
	Female	13	13
Age	21-30	47	47
	31- 40	43	43
	41-50	10	10
Highest Education level	O-level secondary	32	32
	A –Level secondary	6	6
	Certificate holder	41	41
	Diploma holder	11	11
	Bachelor degree	10	10
Experience	Below one year	13	13
	1 - 3 years	51	51
	4 -7 years	31	31
	8 - 11 years	5	5

With regards to age, the Tanzanian labor force demands companies to employ individuals with ages ranging from 18 years old to 60 years old. Thus, respondents were in the active productive age and none of them was below or higher than the required age. However, the industry mostly attracted the young generation of between 21 and 40 years (90%) of the entire respondents. In terms of education, the industries employed a mix of all levels of education. The sample was dominated by certificate

holders and below (79%), with a small segment of diploma and bachelor degrees holders (21%). These findings imply that a reasonable segment of respondents was educated enough to understand the questionnaire.

With regards to experience, more than a third of respondents (82%) were in the industry between 1 and 7 years. This implies that they were experienced and capable of providing reasonable responses. On

the other hand, while 13% were less than a year old, 5% of them were between 8 and 11 years experienced. Therefore, respondents were experienced enough to understand the company policies, management and business environment of companies in the salt mining industry.

Objective 1: To establish the influence of firm staff on organization performance in the Salt mining industry.

In this objective the researcher was interested to find out what level of influence does firm staff has on organization performance. This was studied by descriptive statistics and then tested by inferential statistics by testing the developed hypotheses. Below, descriptive statistics are presented.

Table 3: Measures of Firms' Staff in Salt mining Industry (N =100)

SN	Items in the Questionnaire	Disagree	Undecided	Agree
1	My company has a low personnel turnover rate	2%	11%	87%
2	Only Skilled employees are recruited in my company	9%	6%	85%
3	My company appoints employees from diverse background	3%	13%	84%
4	My company's needs are reflected in the skills of its personnel	6%	20%	74%
5	There are opportunities for advancement in my company	46%	6%	48%

Findings as presented in Table 3 indicate that a great segment of respondents agreed to all variables at the range between 50% and 87%. Although findings show this trend, some respondents reserved their reactions by remaining neutral in all variables and disagreement was between 2% and 46%. An interesting finding was on the variable 'there are opportunities for advancement in my company.' Although findings reveal that more than 48% agreed to the statement and 6% remained neutral, the rest (46% of respondents) disagreed. This implies that opportunities for advancement are meagre and if they exist, a few employees know about this. The implications of the findings are that in order for companies to increase or improve their performance they need to see importance of having low personnel turnover rate, appoints employees from diverse background, recruit only skilled employees, provide opportunities for advancement and reflect their needs in skills of employees. These findings are in line with a previous study of Ployhart, Nyberg & Maltarich (2014) in which the author reports that firm staff have both positive and negative influence on organization performance. For instance, higher levels of staff turnover have negative influence on organization performance and on the other hand low turnover is associated to positive performance. Similarly, a study by Elei

Descriptive Statistics for Firms' Staff in the Salt Mining Industry

The study was designed to evaluate the influence of firms' staff on organizational performance of companies in salt mining industries in Bagamoyo. To obtain the results, five statements that measure firms' staff were adopted from the McKinsey 7S model. Respondents were asked to provide their perceptions using the Likert scale of the form 1= strongly disagree, 2= agree, 3 = neutral, 4= agree and 5 = strongly agree. The views of the respondents were collected via a questionnaire and then SPSS was used to generate the frequency distribution as summarized in the Table 3.

(2016) affirms that staff related issues including poor motivation resulting from discrimination leads to poor organization performance.

Objective 2: To establish the influence of firm staff on organization performance in Salt mining industry.

Skills are one of the important segments and factors contributing to better or worst performance of an employee and the organization in general. In this objective, the researchers sought to determine the influence of skills on the general performance of the organization. This was studied by descriptive statistics and then tested by inferential statistics by testing the developed hypotheses. Below, descriptive statistics are presented.

Descriptive Statistics for Firms' Skills in the Salt Mining Industry

To obtain the results on firm's skills, five statements that measures firms' skills were adopted from the McKinsey 7S model. Respondents were asked to provide their perceptions using the Likert scale; 1= strongly disagree, 2= agree, 3 = neutral, 4= agree, and 5 = strongly agree. The views of the respondents were collected via a questionnaire and then SPSS was used to generate the frequency distribution as summarized in the Table 4.

In Table 4, findings reveal that several respondents between 72% and 88% agreed to the available statements. Moreover, while a great segment of respondents agreed, others maintained a neutral stance. The rate of neutrality ranged between 12% and 22%. On the other hand, disagreement was very low throughout all the provided statement. The rate of disagreement ranged between 3% and 8% in the statements. These findings are in line with those by Ntadom, Atueyi and Jacobs (2021) who generally reported that there is a positive influence of skills on organization performance. They report that if the organization develops and implements a right

career development plan among its employees, there are possibilities of improving its performance. This was supported by Daniel (2003) who reported that skills are developed through training. Thus, employee training is aligned to organization performance. The implication of the findings is that, for salt mining companies to improve organizational performance, they need to put much effort in improving and providing opportunities for career development, enhance skills through training, reward skills development, value experience and appreciate the tasks that are performed by employees.

Table 4: Measures of Firms' Skills in Salt Mining Industry (N =100)

SN	Items in the Questionnaire	Disagree	Undecided	Agree
1	There are opportunities for career development activities in my company	6%	22%	72%
2	Employees' skills are enhanced through training	3%	13%	80%
3	Skill development is rewarded in my company	6%	21%	73%
4	Experience is valued in my company	8%	14%	78%
5	The tasks performed by employees forms an integral part of the improvement of my company	6%	12%	82%

Table 5: Organizational Performance of Salt mining Companies

SN	Items in the Questionnaire	Disagree	Undecided	Agree
1	My company has improved provision of quality services	3%	14%	83%
2	My company has developed new services	13%	23%	64%
3	My company has attracted new employees	6%	18%	76%
4	Market share has improved	14%	32%	54%
5	Satisfaction of customers has improved	6%	22%	72%

Organizational Performance in Salt mining Industry

Furthermore, respondents were asked to provide their opinion on the organizational performance. Five statements from the literature were given to the employees to express their views. To reach this goal, respondents were asked to provide their responses using the Likert scale as follows: 1= strongly disagree, 2= disagree, 3 = undecided, 4= agree and 5 = strongly agree. The views of respondents were collected via a questionnaire and then the SPSS was used to generate percentages as summarized in the Table 4 whereby the strongly disagree and disagree are combined and the strongly agree and agree are combined. The undecided stands at the middle.

Findings presented in table 5 indicate that a considerable number of respondents between 45% and 83% agreed to the statements. In this aspect several respondents maintained a neutral strand as

22% on 'satisfaction of customers has improved and 32% on 'market share has improved'. This might imply that they are not sure if these have or have not improved, or have decided to maintain their comments. A few respondents between 3% and 14% were on the disagreement. This indicates that Salt mining Company is performing better by attracting many customers through satisfying their operations and day to day activities which eventually lead to increase its productivity. The findings imply that salt mining industry had made great effort to achieve its performance in terms of improved quality services, ability to develop new services, ability to attract new employees, improvement on the market share and improved customer satisfaction.

Regression Analysis

In order for the regression analysis to be conducted, it was compelling for researchers to test their data set to see if they meet the required assumptions.

Thus, diagnostic tests were conducted to test, correlation, multicollinearity and normality as presented in the subsequent sections.

Correlation Analysis

According to Tabachnick and Fidell (2012), to eliminate the possibility of multicollinearity in the data, variables of interest should have the correlation coefficient of less than 0.90. If the correlation is greater than 0.9, there will be overestimation of parameters of interest. In this study, the slopes on the firms' staff had the value of 0.841 and the Firms' skills had the value of 0.863. Therefore, both correlations coefficients are below

0.9. Hence the possibility of multicollinearity problem is reduced.

Tabachnick and Fidell (2012) further argue that to eliminate the possibility of multicollinearity in the data, variables of interest should have a correlation coefficient of less than 0.90. Once you have correlation coefficient of more than 0.9, there will be overestimation of parameters of interest. In this case, the slopes on the firms' staff had the value of 0.841, and Firms' skills the value of 0.863. Therefore, both correlations coefficients are below 0.9. Hence the possibility of multicollinearity problem is reduced.

Table 6: Correlations among Variable of Study

Organizational Performance	1		
Firms' Staff	0.841**	1	
Firms' Skills	0.863**	0.796**	1

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

Table 7: Collinearity Statistics for the Data

Variables	Collinearity Statistics	
	Tolerance	VIF
Firms' Staff	0.367	2.725
Firms' Skills	0.367	2.725

Multicollinearity

Multicollinearity presents an undesirable condition arising when most independent variables are predicting each other in such a way that deleting one variable affects the model significantly. To determine the presence of multicollinearity in the SPSS, the VIF are lesser than 10 and therefore, there is no multicollinearity problem as shown in Table 7. In addition, Collinearity is measured by tolerance. Tolerance values approaching zero indicates that the variable is highly collinear with the other predictor variables. Since Tolerance cases in Table 7 are greater than 0.1, then we can conclude that variables are not highly collinear.

Normality Assumption

For regression analysis, a normality assumption is needed. To test the normality assumption, we must

run the histogram and the normal P - P in the SPSS and results are presented in figure 2 and 3 (page 99).

The results indicate the mean of 1.73×10^{-15} which is approximately 0, and the standard deviation of 0.99 which is approximately 1. Also looking at the P-P plot, we find that all the data on the organizational performance appear to fit in the straight line. Therefore, the conclusion is that the data was normally distributed since they have shown that the standard normal distribution has a mean of 0 and standard deviation of 1. Also, the P-P plot shows a straight line. Therefore, the key assumptions of the regression are all satisfied, thus the model fits the data, to explain the relationship between organizational performance (Dependent Variables) and other independent variables: Firms' Staff and Firms' Skills, a linear regression model was used.

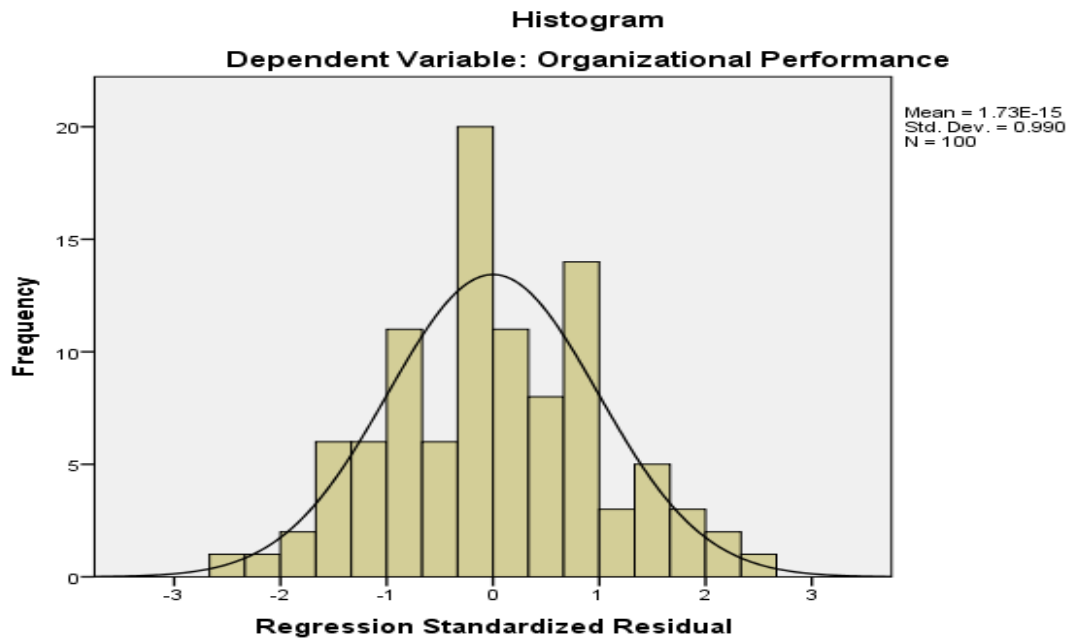


Figure 2: Histogram Dependent Variable: Organizational Performance

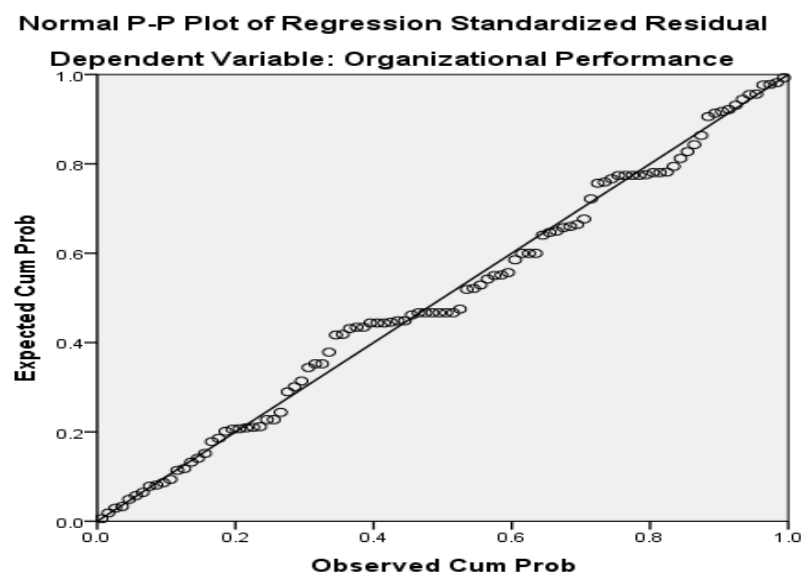


Figure 3: Normal P-P Plot

Relationship between Firms' Staff and Organization Performance

The findings in table 8 reveal that slopes of both unstandardized and standardized coefficient are all positives (0.884 and 0.419 for staff and 1.064 and 0.530 for skills). The findings imply that there are positive relationships between organizational performance and the two independent variables namely firms' staff and skills. The findings show that the slopes of firms' staff for both unstandardized and standardized coefficients are 0.884 and 0.419 respectively. This means that there is a positive

relationship between firms' staff and organizational performance. Also, a unit increase in firms' staff is related with an increase of average of 0.884 to the perception of organizational performance when keeping all other variables constant. Furthermore, since actual p-value is 0.0001 which is less than the theoretical hypothesized level of significance $\alpha = 0.05$, then the hypotheses are supported and accepted and the conclusion is that there is positive relationship between firms' staff and organizational performance and that the slope is significant and

therefore, the variable firms' staff can be included in the model.

Table 8: Regression Slopes and Tests of Hypotheses

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-3.435	1.998		-1.719	0.089
	Staff	0.884	0.154	0.419	5.732	0.0001
	Skills	1.064	0.147	0.530	7.243	0.0001

Table 9: ANOVA^a

ANOVA ^a						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	4144.569	2	2072.285	206.288	.000 ^b
	Residual	974.421	97	10.046		
	Total	5118.990	99			

a. Dependent Variable: Organizational Performance

b. Predictors: (Constant), Skills, Staff

Findings have shown that firms' staff influences the organizational performance positively. This is because organizations solely depend on the availability of staffs. This staffs are key components and are supposed to run the day to day activities of the organization through their strategic decisions. Thus, it is very important for organizations to ensure that there is lower rate of personnel turnover. In addition, companies need to accommodate employees of diverse background and recruit only skilled employees. Companies also have to provide opportunities for career advancement. The findings are consistent with the study by Kaplan (2005) who reported that when the company pays greatest attention to recruitment and selection, training and development career development and fair promotion it is likely to improve its performance. The findings are also consistent with those of Hassan (2016) who reported that if employees are well compensated, well trained on job and involved in various decisions leads to positive impact on employee's performance which later leads to organizational performance. Therefore, we accept the first hypothesis that *there is positive relationship between firms' staff and organizational performance*.

Relationship between Firms' skills and Organizational Performance

The findings in table 8 show that a unit increase in firms' skills is related with an increase of average of 1.064 to the organizational performance when keeping all other variables constant. Since the actual p-value is 0.0001, which is less than the level of significance ($\alpha = 0.05$), we conclude that there is positive relationship between firms' skills and

organizational performance. The prevailing attributes, competencies or capabilities that are possessed by the firms in totality is important for organizational performance. The way companies put much effort to improve and provide opportunities for career development, training, skills development rewards, and valuing experiences is central for organizational performance. The findings are consistent with the study by Osei and Ackah (2015) who reported that firm's competencies and capabilities are important for influencing organizational performance. This happens when firms have effective and efficient employees in place. The findings are consistent with the study by Odhon'g and Omolo (2015) which reported that investment in human capital influences organizational performance positively. Investment in human capital means increasing employees' skills and capabilities which later become the firms' competencies, attributes and or capabilities. With such findings we accept the second hypothesis that: H2: There is positive relationship between firms' skills and organizational performance.

Furthermore, Analysis of Variance was conducted to check whether the model is useful in the predicting response which is organizational performance. The following hypothesis was formulated: *H1: The model is helpful in predicting response*.

Findings in table 9 show that the model is helpful in predicting response. Therefore, the organizational performance as dependent variable is explained by two independent variables namely firms' staff and firms' skills in which both present a positive and significant p value of .000 which is lesser than the

critical value. This indicates that, holding other factors constant, firm staff and firms' skills are responsible for the organization performance of salt manufacturing industries. Furthermore, model

fitness was run and assessed using coefficient of correlation and coefficient of determination as indicated in Table 10.

Table 10: Model Summary^b

Model Summary ^b				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.900 ^a	.810	.806	3.169
a. Predictors: (Constant), Skills, Staff				
b. Dependent Variable: Organizational Performance				

Coefficient of correlation presents the correlation between the dependent variables and a set of independent variables given. Since the coefficient is 0.900, there is strong positive correlation between the independent and dependent variables. In addition, the findings in Table 10 indicate that the coefficient of determination is 81%. This means that the variability of the perceived organizational performance is explained by two factors namely, firms' staff and firms' skills. The remained 19% of the variability of the dependent variable organizational performance is explained by other factors not accounted for in this model. Therefore, the study has found that firms' staff and firms' skills are important factors in predicting organizational performance.

Findings did not divert from earlier studies. For instance, Hongal and Kinange (2020) report a positive relationship between talent-management (skills improvement) and employee performance. In a similar case, Inthiyaz (2017) reported that employee skills are directly linked to firm performance. Moreover, findings of the study concur with both the RBV and McKinsey's 7S model which in general believe that employees and their skills are among pertinent resources owned by the organization and they are of paramount importance with regards to organization performance.

Conclusions and Recommendations

Conclusions

The study has confirmed that staff related issues including low staff turnover, diversity among employee's recruitment based on merit and availability of opportunities for employee advancement improve organization performance. The study has also confirmed that skills are very important and have a positive relationship with organization performance. Thus, presence of periodical trainings, skill development and valuing

experience influence workers to work hard, culminating in a better organization performance.

Recommendations

Based on conclusions, we put forward the following recommendations. Policy makers, managers and directors of salt mining companies should set policies that will ensure low rate of personnel turnover. They should also appoint employees from diverse backgrounds as diversity brings about innovation and new experiences. Furthermore, they should recruit only skilled employees and provide opportunities for staff advancement. The study also recommends that the organizational management should ensure that they develop workable and practical employee development plans. Such plans will help employees to gain valuable skills that will improve the operations of their organization.

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