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HUMAN RESOURCE DEVELOPMENT

TEAMWORK AND ORGANIZATIONAL PERFORMANCE: A CASE STUDY OF RAILWAY TRAINING INSTITUTE, NAIROBI

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Abstract

Organizations all over the world are faced with stiff competition and therefore strategic avenues have to be reengineered to ensure that they survive. One way of doing this has been to come up with better and more innovative way of using its human resource in a more corporate way, under the initiative of teamwork. Previous research on Teamwork at workplace indicates that it improves both individual and organizational performance in terms of quality of output, promptness in service delivery and increases employees' level of competence and job satisfaction. The study was designed to determine the contributions made by teamwork in enhancing productivity and commitment among employees at the workplace. Specifically, the study analyzed the way teamwork is being used at Railway Training Institute to improve and enhance students' performance in National Examinations. The variables that were used for the study-included team based pay, lecturers' effectiveness and efficiency, their motivation and commitment to work. The study used both qualitative and quantitative approaches in its methodological design. Descriptive technique was used and specifically the study adopted a case study. Methods for data collection were both primary and secondary sources. Inferential statistics, SPSS and Microsoft excel were used in the data analysis. The trend of results collected indicates that teams are key agents in the provision of organizational and individual performance. The study found out that teamwork assist in the faster accomplishment of tasks, improved individual performance, as well as enhancement of effectiveness and efficiency. As a way of deriving optimum benefits from workplace teams, the study recommended all-inclusive trainings to all the staff on team buildings. It was also recommended that the Institute to inculcate teamwork as one of its core values. There is also a need to improve on the communication network since it was discovered that a strong correlation exists between teamwork and the communication infrastructure.

Key words: Team based pay, Team building, and Job satisfaction

Introduction

In the current workplace environment, teamwork seems to increase exponentially on the premise that it will improve employee performance and commitment. The overall essence of teamwork is different from building an effective and focused team when one considers the different team building approaches in an organizational set up. Pratt (2009), noticed that members in a team become more concerned with each other over time and had appositive influence on each other. Most of the members find it as a way of dispensing information and hence providing education and awareness to its members. He further asserts that there is a direct link as to how teams, leadership and management work. The three must co-relate to some significant degree in order to enunciate on organizational performance. In this regard, Pritt sees an upward trend in team centered leadership and ideally, this explains the different ranges of freedom by manager's authority and the team members.

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At organizational level, teams differ in terms of their temporary and permanent nature, their interchangeability of individuals, tasks and even their respective functions. Werther (2004), notes that employees in any organization give their best if they recognize that they are working in an effective and active team that is not contaminated by patronage, maneuvering and ill formed. This type of recognition has a direct positive bearing on the performance of organizations. He outlines that positive view by the organization towards teams is essential as it results in increased acceptance, which thereafter, leads to less defensiveness and confrontation between the team and the management. Staff improving their performance about behavior change as they focus on individual awareness through individual emotional experiences drives teamwork in an organization. Despite the various efforts by the management to work and deal with formal teams, most research findings indicate that dealing with teams is still a challenge to the executives, most of whom may not possess the prerequisite competency on team-building and teamwork. It is against this backdrop that the research attempted to establish the role played by teamwork on organizational performance with Railway Training Institute as a case study.

Railway Training Institute (RTI) was established in 1956 as a skill development Centre for training of Human Resource for the East African Railways and Harbors. After the dissolution of the East African Community, ownership of the Centre was transferred to Kenya Railways Corporation. In 1988, the Kenyan Government upgraded the centre to a Training Institute to offer middle level training programs at certificate, Diploma and Higher Diploma levels. To this end, the Institute opened its doors to the public in 1990, and started offering courses in Engineering, Business, and Management among others. Since then, the Institute has undergone phenomenal growth in the areas of student enrolment, staff establishment and general infrastructure. According to reports from the Registrar's office, the Institute has a student population of about 1200 and a working staff of about 100 employees. A Director, a deputy Director and heads of departments head it. The Institute has departments namely Engineering, Human Resource, Business and Management, Finance, ICT and Research. It has a teaching staff of about 32 full time and 80 part- time lecturers.

Statement of the problem

Teams at workplace are formed as a direct consequence of the organization's need to distinguish itself from others. Differentiation involves the breaking down of the organization into smaller administrative units based on individual employee's line of specialization. In most organizations, teams, rather than individuals perform majority of the functions. Teams are also widely used to solve workplace problems and grievances, generate new ideas, enhance coordination and make quality decisions. Similarly, individual members also require teams since teams provide stimulus, protection and other psychological support. It therefore means that teams can work in the interest of the organization as well as the employees.

Teamwork was arrived at, as an area for study, out of the desire to determine as to whether teamwork really exists at RTI, and if it does, how it influences the Institutes performance especially in its academic endeavors. It was prudent to determine and analyze the status of teamwork, identify, if any, barriers to formation and operation of teams and makes the necessary recommendations for improvement. The shift from capital assets to intangibles, such as talent, intellectual capital and competency has led to growth in the learning institutions, making the current educational environment even more competitive. Towards the end of 1991, RTI started offering programs that were being examined by the Kenya National Examinations Council (KNEC). Since then, the Institute has not been performing in

those examinations. As a way of improving performance, the top management of the Institute has been forced to initiate a number of measures in both the teaching and organizational arrangement, besides an increment in the teaching allowance for its lecturers. With all these initiatives, academic performance in the national examinations remained a big challenge. It is against this background that in the year 2009, the management of the Institute introduced the Teamwork Philosophy as a means of establishing coherence relationships and commitment amongst its teaching staff. This was born out of the realization that teams have clear purpose and objectives and more so, have the ability to translate a plan of action into better organizational performance. It was also a considered understanding that, with properly formed and managed teams; the Institute would attract and retain a well-motivated teaching force. However, available evidence from the Academic Registrar's annual report of 2012, indicates that the outcome of the teamwork initiative has not been fully fruitful owing to the little influence and improvement in the Institute's academic performance. The study was therefore designed to examine the role teamwork will play in enhancing academic performance at RTI.

Research Objectives

The overall objective of the study was to assess the role of teamwork on organizational performance of employees at the Railway Training Institute.

Specifically, the study was guided by the following objectives:

To establish the extent to which team based pay influence organizational performance at RTI.

To examine whether teamwork improves working relationships at Railway Training Institute.

To determine the key roles teamwork performs at Railway Training Institute.

Significance of the study

The findings of the study will guide the management of the Institute in enhancing the performance of the respective employees. The results will also assist the Institute management have a clear understanding of teamwork and identify the best means of rewarding team members. The study will also benefit the teaching staff since it will provide clear guidelines as to how improve academic performance in national examinations.

Literature Review

Theoretical Review on Teamwork

A team is a small number of people with complementary skills, experience and synergy, committed to a common purpose, performance and goals, to which they hold themselves mutually accountable (Armstrong, 2009). In order to accomplish organizational goals, the team must fully understand its tasks. This calls for each team member to make some significant contribution which works towards a solution for which the team is formed. He further suggests that this must be done in the context in which some members may be in agreement of the group norms.

Teamwork, effective work team and team building are popular topics in today's organizations: successful teams and teamwork fuels and catalyzes the accomplishment of

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individual and corporate goals effectively (Drucker, 2003). He views a team as a collection of two or more people who meet face to face and interact in dependably with awareness that each person belongs to the team and the purpose of achieving mutually agreed upon goals.

Hashey (2004), a crusader of team building took the lead as early as the 18th century where he presented a moving speech to the American Legislature in Massachusetts, exploring the importance of teambuilding at the workplace. He said that members in any team became more concerned with each other over time and this had a positive influence on employee performance. The history of teamwork can be dated back during the World War where soldiers were instructed in teams. In 1901, even the Alpha and Beta Army Intelligence Tests were developed and applied in teams. Davies (2006), opined that performance can be enhanced by use of teamwork. He further said that in teams, people know what their priorities are, what they should be doing currently, what they should be aiming for and how well they contribute to the total team objectives.

Conceptual Review

The study identified three key independent variables namely team based pay, working relationships and key roles of teamwork in an organization. Team based pay provides rewards to teams of employees performing similar and related work which is linked to the performance of the team. Performance in this case can be measured in terms of output or the achievement of service or product delivery. Ryden (2009), describes team pay as a reward in the form of bonus which is shared amongst team members in proportion to their input. Team based pay is more likely to be appropriate when the work carried out by team members is interrelated. It is meant to motivate the team members, and more so provide incentives for the members collectively in order to improve and enhance organizational effectiveness and efficiency. Studies indicate that team based pays only work in cohesive and mature teams. The challenge of team-based pay is as to whether all the members of the team will accept the reward package.

Working relationship, according to Torington (2003), provides a correlation between team leadership and the management. He says that influence on the individual employees. In this premise, he saw an upward trend in team centered leadership and a downward one in management centered leadership. Working relationship, as a characteristic of organizational development deals with creation of work networks, set up to solve particular problems or deal with particular projects. Strong work relationships aim at improving and developing the effectiveness of the team of people who work together. Working relationships have been increasing at workplace due to a belief that it empowers, encourages and enables employees to use their full potential. Allan(2001) asserts that working relationship concepts has much to offer in terms of increasing employees' ownership and control of group dynamics.

The major roles of teamwork in any organization were identified as enhancement of efficiency and effectiveness. Werther (2000) suggests a number of factors that constitute an effective and efficient team. He suggests that such a team must have a clear purpose. This means that the vision, mission and goals of the team must be clearly defined and shared by all members of the team. The sharing outlines the purpose of the team, which is translated into a plan of action. He further suggests that in all effective teams, roles and tasks are fairly distributed among members and clear expectations spelt out. Effective teams operate openly and members are encouraged to express their feelings and even frustrations without any fear. Successful teams also show commitment and place great value on each member.

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Research Methodology

Research Design: Qualitative and quantitative approach was used because of their effectiveness in addressing social issues that affect individual's in-group settings. Both primary and secondary methods of data collection were applied in the study. The technique that was used to collect primary data was the survey. The technique was selected because it effectively seeks to obtain information that describes existing phenomena by asking individuals about their perception, attitudes and value systems.

Target Population: The study was carried out at the Railway Training Institute, Nairobi. The unit of study was the teaching staff of the Institute. The research used the 42 teaching staff, from which a sample was drawn. The members are spread across the five departments in the Institute.

Sampling Method: Because of the convenient size of the population, all the members of the teaching staff were included in the study, hence census was used. All the members of the four departments participated in the research

Research Instruments: The research used questionnaires, which were structured according to the objectives of the study. The instrument comprised of both open ended and closed ended test items. Questionnaire was preferred because they provide an opportunity to the respondent to explain, and if possible, make further suggestions to the topic under study. Interview guide was also used during the interview to maintain consistency in the presentation. A five point Likert Scale was used as part of the sections in the questionnaire so that respondents had a chance to rank the views to the questions they were being asked.

Data Analysis: Editing of the complete questionnaire was done before the coding process. Both descriptive and inferential statistics were used in the data analysis. The research findings were presented using frequency tables, graphs charts and measures of central tendencies and dispersions.

Research Findings and Discussions

Employees profile at RTI indicates that the Institute has a teaching staff of 42, out of which 60% were male and 40% female. The reason attributed to this is that most of the programs in the Institute were Engineering based hence male dominated.

Findings based on the first objective indicate that the Institute has a team based pay in place so that lecturers whose departments perform better in national examinations are rewarded as a team rather than as individuals. 72% of the lecturers strongly agree that team based reward is in place and has greatly contributed to improved results in the institute. The findings of the study indicated that teamwork was being practiced in areas of examination setting, moderation, administering of examinations, teaching and during educational field trips.

When asked about working relationship and employee performance, 56% of the respondents strong agree that team members work effectively together once there exist a good communication mechanism. They derived a lot of job satisfaction while working in teams and that is why majority of the respondents supported the teamwork initiative at the workplace. 52% of the respondents strongly agree that members were able to solve their problems and work related conflicts through teams.

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98% of the respondents strongly agree teamwork play significant roles in organizational performance. Some of the roles include making members to have a positive attitude towards work, teams provide a direct outdoor learning opportunity, acts as a means of encouraging one another.

Conclusions and Recommendations

From the results, it can be concluded that at RTI, there exist different forms of teams. The teams were formed based on departments and each team had specific functions to perform. There were no clear policies about team formation, but most members found themselves in teams based on the units they were teaching. RTI had not clearly distinguished team leadership from the heads of departments. It can also be concluded that there individual input within the teams were highly appreciated and this encouraged the members to freely participate in teams. The management of RTI played its role in enunciating on teamwork, although this was found to be enhancing in fulfilling the assigned work even better. It can also be concluded that teams highly encouraged relationship establishment since employees interacted freely, which ultimately improved organizational performance.

As a way of enhancing organizational performance through teams, the following recommendations are made:

  i.   Teams should be given more autonomy to make them more cohesive and come up with their own guidelines.

 ii.   Members of the team should be involved while coming up with the reward package for the team when they accomplish a given task.

iii.   Individual roles within any team should be clearly identified so that each team member is held responsible for any action done.

 iv.   The management of the Institute should encourage team spirit as a way of improving academic performance.

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FACTORS AFFECTING JOB SATISFACTION. A SURVEY OF LABORATORY TECHNICIANS IN PUBLIC SECONDARY SCHOOLS IN THIKA WEST DISTRICT.

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Abstract.

The purpose of this study was to identify the factors that affect job satisfaction of laboratory technicians working in public secondary schools with a focus on Thika west district. Specifically, the study investigated whether health and safety in public secondary schools laboratories affects the job satisfaction of laboratory technicians who work there. The study targeted laboratory technicians who work in public secondary schools in Thika west district. There are 16 public secondary schools in Thika west district which constitute the population of the study with a total of 31 laboratory technicians. The entire population of laboratory technicians participated in the research. The study used descriptive research design where data was collected using a self administered questionnaires. The data collected was then analyzed using descriptive statistics, including frequency counts, mean, and percentages. Statistical package of social sciences (SPSS) was used to analyze the data and interpretations done. Research findings were presented in percentages, frequency tables and graphs. From the findings, it was established that health and safety in the laboratories greatly influenced the job satisfaction of laboratory technicians in public secondary schools. Majority of the laboratory technicians felt that they worked in extremely hazardous conditions where they were not provided with adequate protective gear. They also cited lack of health insurance cover, risk allowances and compensation of work related injuries. Other factors included terms of employment and training opportunities. After thoughtful considerations of the findings, the researcher recommends that all laboratory technicians in public secondary schools be provided with adequate protective gear, be paid risk allowance and compensated in case of any work related injuries. In addition the government should formulate a policy to guide construction of school laboratories to be built with health and safety put into consideration and given priority. Laboratory technicians should also be insured against health risks emanating from their work. This could minimize the risks and adequately compensate the laboratory technicians in case of work related injuries. This would in turn motivate the technicians leading to their job satisfaction which would in turn lead to better performance in sciences.

Key words: Job satisfaction, Health and safety, Laboratory technicians.

Introduction.

Job satisfaction is a pleasurable or positive emotional state resulting from appraisal of one's job and job experience, (Locke, 1976). It describes how happy an individual is with his or her job. People who are happy with their jobs tend to perform better and have less complaints and makes less mistakes.

In Kenya, most of the strikes by workers are as a result of job dissatisfaction. Behaviors like absenteeism and coming to work while drunk are manifestations of lack of job satisfaction.

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The government invests a lot of money on education and it is therefore unfortunate if job dissatisfaction can make all that money goes to waste. Apart from pay issues, laboratory technicians in Thika west district also work under harsh conditions like poor health and safety equipments, lack of the required working tools, lack of the required skills and poor terms of employment in some of the schools. All these factors may be the cause of job dissatisfaction among laboratory technicians in Thika west district and their effects on job satisfaction needs to be investigated further.

Statement of the problem

Education is one of the pillars of the economy of our developing country (Ministry of Education Strategic Plan 2006-2011, Republic of Kenya, 2006). Kenya needs an educated workforce in order to achieve vision 2030, but this cannot be achieved if the some of the key players in the education sector are dissatisfied with their jobs. Over the years, performance in sciences has been on the decline. This is mostly attributed to poor performance in practical subjects due to poor preparation of the apparatus and chemicals used. This can be traced back to lack of job satisfaction of the laboratory technicians who are tasked with the job of preparing the practical. Job satisfaction among secondary school laboratory technicians is very low. This has lead to countrywide declining performance in sciences which is hindering innovations and the realization of Kenya's vision 2030.

High turnover of laboratory technicians as they look for greener pastures, absenteeism and alcoholism among laboratory technicians are signs of lack of job satisfaction. According to a research conducted on job satisfaction among employees of Nairobi city council, (Karanja, 2011) the researcher found that workers lack job satisfaction due to several factors. These factors include poor job design, lack of rewards and recognition, poor career growth advancement and poor working conditions. In another study conducted on job satisfaction among researchers at Kenya Agricultural Research Centre, (Njuguna, 2007), the researcher found that job satisfaction was determined by the nature of the job, working environment, age, gender, education level, pay and management style. The researcher also recommended that further research to be done on the effects of these determinants on job satisfaction. There are several factors that affect job satisfaction among laboratory technicians in public secondary school which therefore needs to be investigated further. While the major cause of job dissatisfaction among laboratory technicians is perceived to be their poor salary, there are other factors that affect job satisfaction.

These include lack of training, poor terms of employment and poor health and safety in their work place. However, if these factors are not addressed, the laboratory technicians will continue to lack job satisfaction and will therefore not work effectively leading to poor performance of sciences in public secondary schools. This cumulates to low education standards in Kenya and also affects the growth of our economy. This study seeks to assess the factors that affect job satisfaction of laboratory technicians in our public secondary schools with specific focus on Thika west district.

General objective

The general objective of this study was to assess the factors that affect job satisfactions of laboratory technicians in public secondary schools in Thika west district.

The specific objective of the study was to examine the effects of health and safety on job satisfaction of laboratory technicians in Thika west district.

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Justification

For Kenya to realize vision 2030, we need to put more efforts in science oriented subjects. These science subjects have their practical part which is very important as they act as part of real life practice. The people who are tasked with the job of preparing these science practical are the laboratory technicians.

The study established the factors that affect job satisfaction of laboratory technicians in public secondary school in Thika west district and gave recommendations on how to improve job satisfaction.

This study will be of great benefit to students who rely directly on their laboratory technicians for knowledge when the causes of job dissatisfaction are known and addressed. Laboratory technicians who are satisfied with their jobs will be very productive and efficient in their work.

The study will also be beneficial to the government ministries like ministry of education and other bodies that controls the education sectors. The government uses 9% of gross domestic product to fund the ministry of education which in turns deploys funds to schools for employment of laboratory technicians, (Ministry of Education Strategic Plan2006-2011, Republic of Kenya 2006). Therefore addressing the job satisfaction of laboratory technicians will save this country a lot of resources as their productivity will increase. The government will be able to identify the various methods it can use to motivate laboratory technicians to attain job satisfaction. To the community, this project will be of great benefit because people are going to reap maximum benefit from the motivated laboratory technicians due to better performance in sciences leading to more innovations.

Literature review.

The study examined the factors that affect job satisfaction of laboratory technicians in public secondary school in Thika west district in Kenya. In this section the study explores the factors of job satisfaction as articulated by various scholars and focuses on both theoretical and past studies on the topic. The researcher also developed a conceptual framework.

Theoretical frame work.

Job satisfaction as an idea had its ancestry in the early industrial psychology work on fatigue monitoring (walker, 1950). But this time it had a human relations face. It was assumed that job satisfaction follows mainly from the intrinsic contents of the job. Intrinsic rewards are feelings of achievement and worthwhile accomplishments.

Herzberg's two factor theory: The notion of intrinsic rewards captured an important practical distinction and leads to the emphasis of motivation and needs as opposed to rewards. Based on Maslow's theory, (Herzberg 1968) asserted that two different needs of man are evolved in understanding job behavior. According to Herzberg's theory, job satisfaction and dissatisfaction is caused by two set of factors. These are motivating factor and hygiene factors.

One set of needs stem from the "animal nature" while the other set of needs relates to the unique human characteristics, the ability to achieve. And through achievement to experience psychological growth. In this way, Hertzberg's two factor theory advanced distinctions

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between hygiene factors, the absence of which could make a worker unhappy and motivating factors. Hygiene factors include organizational policies, salary, supervision, leadership and working conditions. Motivators include recognition, responsibilities and job issues. An employee who is satisfied with his/her job will work without supervision since the job satisfaction drives the employee. Employees are able to exercise self direction and self control and remain committed to their objectives.

Health and safety

Health is not just the absence of illness but also includes positive health and optimal functioning while safety refers to the shared perceptions of organizations policies, practice and procedures with respect to the priority placed on safety, (Tetric et.al, 2006).

All the tools and other equipments should be provided promptly to enable the employees to work without hindrance. Lack of proper tools and equipment can cause injuries or stress. When an employee works with inadequate tools, chances are that his morale will go down. Laboratory technicians are most of the time forced to work with inadequate books, laboratory apparatus and to some extent inadequate environment. This is usually a source of frustration to them. Health and safety of the employees also contribute to good working environment. The achievement of a healthy and safe place of work and elimination to the maximum extent of possible hazards to health and safety is the responsibility of the employee and the employer, (Armstrong, 2009). The importance of healthy and safe policies and practices is sadly, often underestimated by those in management. Employees who work in the laboratories with dangerous chemicals and equipments such as the laboratory technicians should be provided with safety devices for protection against such hazards. It is a requirement that all laboratories to have a fume cupboard, but most schools administration do not take that seriously and in most cases they are not installed. Gas masks are required by laboratory technicians dealing with chemicals to prevent them from inhaling harmful gases. Lack of safety provisions exposes the employee to unsafe working conditions which is risky to their lives. Policies should also be put in place to deal with employees who develop health complications in the course of their duties. According to (Mondy et.al, 2005), job related injuries and illnesses are more common than most people realize. They cost the nation more than AIDS. This study seeks to establish whether the health and safety of the laboratory technicians affects their job satisfaction.

Job satisfaction

Job satisfaction refers to the pleasurable emotional state resulting from the perceptions of one's job as fulfilling of one's important job values, provided these values are compatible with ones needs, (Barnes et.al 2000). The indicators of lack of job satisfaction includes high turnover, low performance, absenteeism, increased complains and accidents. A person who is not satisfied with his job will look for any excuse not to report to work because he or she does not derive any satisfaction from the work place. The nature of job and working environment are the major determinant of job satisfaction (Brewer, 2005). According to Hertzberg, satisfaction in the work place is intrinsic to the job. Job satisfaction is affected by various factors (Locke, 1976) that include compensation, terms of employment, promotions, personal interest in the job, training o, leadership style, other non-monitory benefits, health and safety and working conditions. When these factors are kept in check, then the employee will feel satisfied with his job and will work at ease. This results to high production, low turnover, less absenteeism, high morale and fewer mistakes.

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Methodology

The researcher used a descriptive survey design to find out the factors that affect job satisfaction of laboratory technicians in public secondary school, a survey of Thika west district. According to Cole, (Cole, 2004) he defines a survey approach as "an attempt to collect data from members of a population in order to determine the current status of the population with respect to one or more variables". He says that a survey study investigates, evaluates and reports the way things are and commonly involves assessing attitude and opinions towards individuals, organization and procedures. The choice of descriptive survey design was based on the fact that the researcher will not manipulate any variable.

Target population: The study targeted all public secondary schools in Thika west district. The target population is comprised of all laboratory technicians in all the 16 public secondary schools in Thika west district. This is because the project was based on determining the factors affecting job satisfaction of laboratory technicians. The size of the population was the total number of laboratory technicians in the district which was 31. The population is the group to which one hopes to apply the findings, (Frankel et.al, 1993). Thika west district was chosen because it is easily accessible to the researcher and no similar research has been done in the district.

Sampling design and sample size: After defining a population, the researcher should draw a sample that adequately represents the population, (Nachmias, 2005). However in this project, the researcher used census method therefore there was no need for sampling procedures. The researcher took the whole population of laboratory technicians in Thika west district in all the 16 public secondary schools. A census study is deemed to be the most appropriate for representative results. A total of 31 laboratory technicians were expected to fill the questionnaires but only 30 responded.

Data collection method: Primary data collection was collected through questionnaire. The questionnaire had two sections. The first section was to gather background information about the respondent and his role in the school. The second part was to establish the challenges, opportunities, attitudes, working environment faced by the laboratory technicians. A questionnaire is a pre-formulated written sets of questions to which the respondents record their answers usually with rather closely defined alternatives, (Sekaran, 2006)

Pilot testing: Before embarking on full data collection the researcher pre-tested the questionnaire using five laboratory technicians from Ruiru district which was not included in the final sample. Validity and reliability of the questionnaire was enhanced by carrying the pilot study before the actual data collection. It helped to test both the content validity and face validity. Content validity refers to whether an instrument provides adequate covering of the topic. Expert opinions, literature searches and pretesting of open ended questions help to establish content validity, (Wilkinson, 1991).

Data collection procedures: The researcher personally administered the questionnaire to the respondents. Permission to conduct the research was obtained from the ministry of education (MOE) through the district education officer (DEO). The researcher then proceeded to the schools to administer the questionnaire. Before interviewing the laboratory technicians, the researcher first seek clearance from the school principal and then administer the questionnaire.

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Data analysis and processing: The research came up with data that required quantitative analysis. Descriptive statistics was used to analyze the quantitative data obtained. This included mode, mean, percentages, and totals. The data was analyzed using statistical package for social sciences (SPSS) computer software. According to (Martin et.al, 2002), SPSS is able to handle large amount of data and given its wide spectrum of statistical procedures purposefully designed for social sciences, it is quite efficient.

Quantitative analysis was presented through frequency distribution tables, bar graphs and pie chart.

Research findings and discussions

Response rate

A total of 31 laboratory technicians were given questionnaires and 30 of them responded. This gives a response rate of 97%.

Description of demographics

From the findings, 40% of the respondents were female while 60% were male. This shows that majority of laboratory technicians in Thika west district are male. The researcher found that, 77% of the laboratory technicians are married while 23% are single. This implies that most single people shun the job and the old ones are there perhaps to for convenience purposes. From the data collected, 7% of the laboratory technicians were below 30 years, 63% were between the age of 31 to 40 years, while 30% were aged 41 years and above. This implies that most young people do not stick to this job. Perhaps they move to look for greener pastures while the older people take early retirement perhaps due to health problems due to the nature of their work.

Effects of health and safety

From the findings of the study, 4.7, 87% of the respondents strongly agreed with the fact they work in extremely hazardous conditions while the remaining 12% also agreed with this fact. This clearly shows that the working environment of laboratory technicians is dangerous and not safe. This could be based on the fact that they work with chemicals and machines that can be dangerous. 83% of the respondents strongly agree with the statement that they are not provided with adequate protective gear, 14% agree, while only 3% disagree with the statement. This shows that despite the hazardous working conditions, the laboratory technicians are not provided with adequate protection against such hazards. This can be a very big source of job dissatisfaction as one is not sure of his safety. Majority of the laboratory technicians agree with the statement that they are provided with enough working tools and apparatus while 34% disagree. This shows that the government has equipped the entire secondary schools laboratory but has forgotten the welfare of the workers who works in those laboratories. From the study, it is also evident that the laboratory technicians are not provided with health insurance yet they work in risky environment. 93% strongly agrees while the remaining 7% also agrees with the statement that they are not provided with health insurance. An overwhelming majority of above 80% agrees with the statement that that they are not compensated for work related injuries and only 20% disagree with this statement. This can be very demotivating taking into account that they work in hazardous environment and without any health insurance. According to the findings, it can be seen that health and safety in secondary school laboratories is a big source of dissatisfaction. These results agree

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with Armstrong (2008) who says that when health and safety in workplace is not taken into consideration, then workers are demotivated and frustrated. They are unable to carry out their duties diligently and they also distance themselves emotionally from their work. This lowers their job satisfaction.

Summary

The study targeted 31 laboratory technicians working in public secondary schools in Thika west district. 30 laboratory technicians responded to the questionnaire with a success rate of 97%. The study established that majority of laboratory technicians have a post secondary certificate in laboratory technology at 80% as their highest academic qualification. Only 20% had diplomas in laboratory technology but none had a degree or postgraduate qualification.

Health and safety was found to be a very strong factor that affects job satisfaction of laboratory technicians with a record 90% being dissatisfied and only 10% being satisfied. Majority of the laboratory technicians agreed that they work in extremely hazardous conditions but only 83% agree that they are given enough protective gear. 80% of the workers agree that they are not compensated for work related injuries while another 93% says that they are not provided with medical insurance yet they work in extremely dangerous conditions with no protective gears.

Conclusions

From the study, the researcher drew the following conclusions. Majority of laboratory technicians are dissatisfied with their job. Health and safety is one of the influential factors that affect job satisfaction of laboratory technicians in public secondary schools. Respondents were mostly concerned with lack of safety equipments in the school laboratory which is extremely hazardous. The technicians are also not given health insurance cover yet they work in dangerous environment. When injuries occur at work, the laboratory technicians are not compensated by the employer. The government should therefore consider improving the health and safety in public schools laboratories at by formulating policies that will regulate the safety of school laboratories.

Recommendations

Based on the findings of this research, the following recommendations can be considered to improve job satisfaction of laboratory technicians in public secondary schools in Thika west district and Kenya at large.

There is need to come up with health and safety policies to be applied to all secondary schools laboratories in the country. The government should make sure that all school laboratories are well designed and well equipped. The laboratories should also be fitted with safety equipment and the technicians supplied with special protective gear. In addition the government should consider employing all laboratory technicians as part of the civil service rather than leaving the task to school boards of governors and head teachers who in many cases exploits them. The technicians should be given all allowances and benefits given to their counterparts in the medical sector. This should include medical allowance, risk allowance, health insurance and also compensate them for work related injuries. All this would lead to job satisfaction of the laboratory technicians in public secondary schools resulting to better performance in practical subjects like sciences.

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FACTORS AFFECTING CAREER MOBILITY OF GENERATION Y EMPLOYEES IN KENYAN BANKS: A CASE STUDY OF EQUITY BANK

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Abstract

Generation Y has presented several challenges and opportunities to all employers across the world and any organization will be at high risk if they chose to ignore the work dynamics caused by this generation. Over the recent years the bank has experienced a high turnover mainly from the employees between 25-35 years. The objectives of this study were; to assess the effect of remuneration on generation Y career mobility in Equity Bank, find out how career growth prospects affect generation Y career mobility in Equity Bank. The study adopted descriptive research design. The Sample size was 93 from both current and resigned employees. The data was collected using semi-structured questionnaires and was analyzed using both qualitative and quantitative research techniques and presented using pie- charts, distribution tables, bar-graphs and percentages. The study showed that career progression was the main reason why Generation Y employee move to other organizations since they aim at opportunities that stretch their skills and enable them to grow. Equity bank should therefore bench mark their remuneration with their competitors in the market and offer a package that will attract and retain their staff. The bank should also come up with a clear career growth structure and communicate the same to their staff so as to retain and gain optimum productivity from them.

Keywords: factors affecting, career mobility, challenges and opportunities.

Introduction

Barett (2005) defines generation y as a very unique generation who feel they require freedom and dignity. They do not allow stereotyping and want to understand why they do things and not just do them. They also feel they want the freedom to do things when they want, and how they want. Generation Y grew up with technology and rely on it to perform their jobs better. They prefer to communicate through e-mail and text messaging rather than face-to-face contact and prefer online technology to traditional lecture-based presentations (Higgins, 2000).They crave for attention in forms of feedback and guidance and appreciate being kept in the loop and seek frequent praise and reassurance. Generation Y however will bring challenges in the workplace and will require organizations to strive to create a work/life balance (Ibarra, 2003). As much as they are achievement oriented they are also over-confident, ambitious and have high expectations of their employers, seek out new challenges and are not afraid to question authority. Generation Y wants meaningful work and a solid learning curve and don't see the need to be at work at the same time every day and want the freedom to pursue other activities during workdays (Ulrich, 1997).

According to (Stanek, 2001) most corporate structures are out of sync with the lifestyle desires of Generation Y. Companies need to rethink the way their employees work, making major changes that will accommodate the unique work desires of Generation Y. An employee leaving the organization either voluntarily or involuntarily is certain to have positive or negative effects on the organization. This as well would reflect on the

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productivity of the organization concerned. In other words, high turnover can be harmful to a company's productivity if skilled workers are often leaving and the worker population contains a high percentage of novice workers. This is especially the case if those leaving are either key to its success and continuity or do so because they think you have treated them unfairly, which could result in tribunal claims. Considerably more of Generation Y is considering leaving their current employer, than other groups. This means maintaining the satisfactory level of productivity might be threatened. Therefore curbing turnover to its optimal level for the organization is a major challenge.

Literature Review

Career mobility is a complex phenomenon, involving movements of employees between employers (inter-firm mobility); movements of employees within the same employer (intra-firm mobility) which comes as a result of promotion, between different types of contracts; and in and out of employment (Zuckerman, 1994). Career mobility can cover various types of job changes and may include change of position without change of department, change department within the same company or transition from one company to another. Career mobility may be an employee choice, wanting to get better pay, better working conditions or a new position while at the same time it can also be given if required on promotion conditional acceptance to change workplace or during a relocation or restructuring of the company. Career mobility provides opportunities for career development and social advancement. Employees' mobility is seen as an important factor for individual development and performance, and for improving organizational performance. Organizations are better able to adapt to changing environments if their employees are flexible and employable in a broader range of jobs and work teams thus job change and transition have become a norm. Generations Y reflects upon their career options and makes choices that are influenced by their own experiences. They are more interested in a challenging career where they can grow with the challenges and anything lower than this expectation will shift their focus from the job (Lancaster & Stillman, 2002). Understanding these characteristics will help identify reasons why this group may quit their jobs if the standards are not met. They prefer a job that recognizes performance and not tenure. Generation Y expects to be compensated appropriately for their performance. High salaries, good benefits, and other compensation are motivational characteristics for their job and companies that do not offer benefits will have a hard time attracting these younger employees.

A major challenge which faces organizations is how to attract, engage, and retain Generation Y who, because of their experiences and attitudes toward work, is markedly different from Baby Boomers in their workplace needs and expectations. Generations Y has an unorthodox approach to career management that does not parallel traditional paths and organizations are confronted with the added weight of convincing young workers that working for a corporation has greater appeal than self-employment (Martin, 2005). All employees are career conscious. Hanging on to Generation Y employees requires responding to their desire to move their career forward. They want opportunities to stretch their skills and grow professionally (Higgins, 2000). They want bosses who tell them how they're doing, support their willingness to try out new ideas and respect their desire to have a life outside of work. And because they're a social bunch, they want an environment that gives them a chance to connect with their coworkers. Career development is not a mere management responsibility. It is a composite organizational process which involves people, addresses their ambitions, assigns them roles & responsibilities commensurate with their potential, evaluates their performance, and creates Job positions to accommodate growth ambitions of employees. One

way to build the needed understanding among the generations is to directly integrate and involve all employees of all generations in the changes. This will serve as a vital tool for a smooth transition from leadership styles practiced in the past but no longer suitable for the emerging needs of the company and all employees within.

The conceptualized relationship between the independent and dependent variables is shown in the figure below:

Independent Variables   **Dependent Variable**

Remuneration

Career mobility among generation Y

Career Growth Prospects
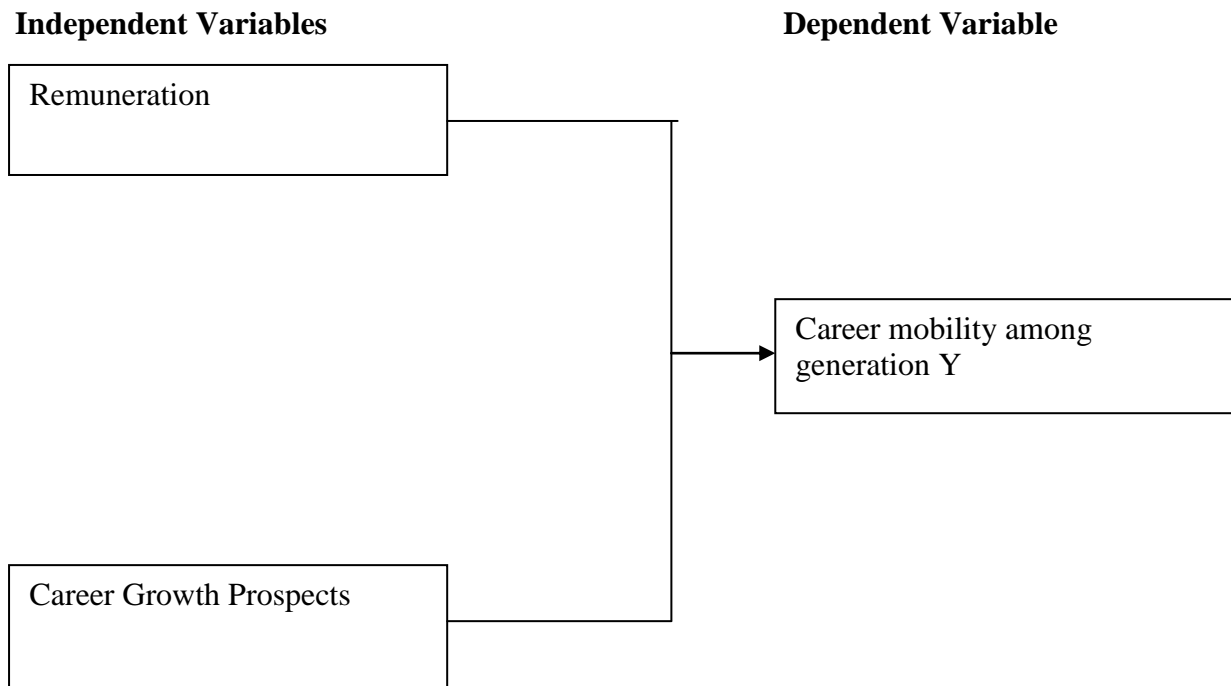
The study used descriptive research design in collecting data from the respondents. According to (Mugenda, 2003) descriptive research determines and reports the way things are and are more formalized and typically structured with clearly stated hypotheses or investigative questions. It serves a variety of research objective such as descriptions of phenomenon or characteristics associated with a subject population ,estimates of proportions of a population that have these characteristics and discovery of associations among different variables. It describes and explains the present status, situations, events and trends allowing an in depth collection of information. The population of the study was 309 both current employees and resigned employees of Equity Bank. A sample size of 93 employees was selected for data collection. This represents 30 % of the target population which is appropriate for descriptive studies (Mugenda, 2003). Data was collected by the use of questionnaires and the study being descriptive survey descriptive statistics was used in the analysis of its data. The commonly used methods in reporting descriptive surveys are frequency distributions include calculating the percentages and tabulating them appropriately. Descriptive statistics such as mean, mode, standard deviation and frequency distribution were also used to analyze the data.

Results and Discussion

Primary data was collected from employees of the Equity bank branches and out of the 105 questionnaires issued 93 were returned duly filled representing an 89% response rate which is considered satisfactory to make conclusions for the study. The findings indicate that majority of the respondents at 61% were male which gives a reflection of gender distribution

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in the banking industry as male dominated compared to that of female at 39%. There are two main departments in Equity Bank that is credit department and operation department. The study showed that (59%) were in credit department while (41%) respondents were in operation department therefore most of the respondents were from credit department while the frequencies also indicated that married respondent were more than the single ones. On factors influencing the mobility of generation y employees from equity bank, findings of the study revealed that as shown in Table 1 below 97% of the respondents agree that remuneration was the main reason why Generation Y employees move to other organizations and that workload at the bank does not match the pay. 75% disagree that the remuneration received at equity bank is the same as in other financial institutions although a majority at 86% agreed that appreciation due to length of service reduces job mobility.

As an earlier researchers like (Higgins, 2000) stated, a total compensation package is important to a member of this generation this study shows that 80% would move due to remuneration. Understanding these characteristics will help identify reasons why this group may quit their jobs if the standards are not met. They prefer jobs which stretch them and if they are no longer challenged they will be bored and would consider moving on. Learning and growth is part of their aspirations and will not be stuck at one level for a long time. They expect to grow and develop into well rounded individuals albeit quickly. According to Lancaster & Stillman, (2002) they prefer a job that recognizes performance and not tenure. Generation Y expects to be compensated appropriately for their performance. High salaries, good benefits, and other compensation are motivational characteristics for their job. Work-life balance according to Generation Y may even mean more than salary since they are after priorities, looking for lifestyle, personality and with salary not on the top of their list, Generation Y is more interested in company culture and initial interactions with potential direct supervisors. A total compensation package is important to attracting a member of this generation to your organization according to Lancaster & Stillman, (2002). They expect strong base pay packages, a management style that promotes honesty and integrity, opportunities to work with diverse groups in team settings, and continuous training with an organization that will keep them marketable.

The study also sought to establish respondents' opinion on whether career growth prospects can cause job mobility of generation y employees and as shown in Table 2, data findings revealed that 80% of the employees agree that lack of career progression was the main reason why Generation Y employees move to other organizations and that lack of talent appreciation and promotions prospects was the main reason why Generation Y employees move. These shows that majority of the respondents agree that career progression is the main reason why Generation Y employee move to other organizations hence concurring with (Higgins, 2000) who had stated that generation Y employees want opportunities that stretch their skills and enable them to grow. All employees are career conscious. Hanging on to Generation Y employees requires responding to their desire to move their career forward. They want opportunities to stretch their skills and grow professionally (Higgins, 2000).

They want bosses who tell them how they're doing, support their willingness to try out new ideas and respect their desire to have a life outside of work. And because they're a social bunch, they want an environment that gives them a chance to connect with their coworkers. Career development is not a mere management responsibility. It is a composite organizational process which involves people, addresses their ambitions, assigns them roles & responsibilities commensurate with their potential, evaluates their performance, and creates Job positions to accommodate growth ambitions of employees. In the career

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development cycle, a number of actions have to take place at different levels. An organization needs to identify the job-related knowledge, skills, competencies and experience needed for an employee to be effective in that position. It should also help subordinates to define their short and long term development needs which support organizational objectives and employee's career goals. Decision makers develop individual plans based on future organizational needs, employee's performance and promotion.   They should periodically assess the extent to which career management efforts are actually resulting in benefit to organization and individual employees. Some benefits include reduction of employee's turnover attraction of high quality job candidates, increased employee motivation, greater personal control over employee's career and equal opportunity for all employee groups. Ongoing support of employee is part of their career development and a key to leadership responsibility. Individuals plan their own career by comprehensive analysis of personal strength and weakness. According to (Stanek, 2001), at the point of entry to an organization individuals select the departments, division and specific position within an organization that offer the best means of gaining useful experience or provide that that career plan through providing individual with a sequence of work experience and putting employee onto appropriate training that would equip them with high level of responsibility. The employer would benefit from employee commitment, satisfaction and increased morale as employees perceive the organization as caring for their welfare. Failure by organization to plan career progression for employees would necessitate employee to identify, seek alternatives that would give career growth.

The primary purpose of career development is to meet the needs of both the individual and the organization. Career success is seen through the eyes of the individual and can be defined as individual satisfactions with career through meeting personal career goals while at the same time making contribution to the organization. Career growth would encourage employee commitment and reduce employee's turnover. It would enhance motivation and job performance as employees can see some possible movement and progress in their work. People hold the key to more productive and efficient organization. The way in which people are managed and developed at work has major effects upon quality of customer and organization flexibility. Organizations that do not have career progression/development plans suffer from increasing demotivated and unproductive workforce hence the organization would keep losing valuable human resource.

Summary and Conclusion

This study established that Generation Y employees are a global phenomenon that sweeps across the workplaces across the globe. However it has had profound impact in banking industry and Equity bank in particular. According to PricewaterhouseCoopers 2010 HR survey in Kenya, work is not a "place to go" but rather "Something to do". The study found that in Kenya, most of the young employee search for employers who will pay them well, provide them with a clear future career prospects. The findings were consistent with a study carried out in Australia by the National Oceanographic and Atmospheric Office of Diversity, 2006. The study found that generation Y employees value teamwork, collective action and embrace diversity.

Generation Y employees have incredibly high energy and have ability to focus on multiple tasks at the same time. Consequently they are keen on warm working conditions which include entertainment and fun. They also cherish autonomy, independence and initiative. Remuneration plays a key role on whether Generation Y employees will be attracted to a job

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or not. A total compensation package is important to attracting a member of this generation to your organization. From the study 92% of the respondents agree that remuneration is the main reason why Generation Y employee moves to other organizations.   Though this Generation ranks Learning and development high on the list, pay is ranked as one of the most important employee benefit to them. Opportunity for growth is key attraction for and retention for Generation Y employees. Job variation, coaching and mentoring are some of great opportunities sought after. Training and development are a major attraction. Regrettably, despite being the leading bank in the banking industry in Kenya in terms of profitability, most of the employees complain because of the remuneration that they receive thus indicating that it does not commensurate to the work and effort they put in place. From the study a high percentage of the respondents agree that career progression was the main reason why Generation Y employee moves to other organizations. According to (Barret, 2005), at the point of entry to an organization individuals select the departments, division and specific position within an organization that offer the best means of gaining useful experience or provide that that career plan through providing individual with a sequence of work experience and putting employee onto appropriate training that would equip them with high level of responsibility.

The respondents gave a strong indication that the crop of young employees (Generation Y) requires different management approaches. The dynamic interaction between Generation Y work values and attitudes and the human resource management strategies of the organizations will influence Generation Y's work behavior with a resulting impact on organizational outcomes such as profitability, turnover, market share, customer retention and the employer's reputation. It should be noted that current workplaces including Equity bank are largely multi – generational. The presence of both old and new generation employees poses a great challenge in people management to date. It is important that synergies are drawn from the two sets of employees. Old generation represent Equity bank history and continuity whereas the younger generation represents vibrancy and organization freshness.

Investing in staff well being in the company is a key area that no serious employer would ignore. In banking industry where the employee are entrusted to safeguard depositors money in line with the central bank guidelines and in return the bank want to protect their reputation in terms of fraud and staff turnover, there is need to remunerate the employees so as to make then stay. Equity bank is known to offer proper recruitment and training programme and hence there is need to work out on how to retain their employee instead of training and release to their competitors in the market. They will do whatever it takes to find these traits in a job, and have no problem moving on somewhere that will offer them what they want. They are on the other hand willing to work hard for these benefits and will jump at the chance of opportunity and do whatever it takes to make self-improvements. Generation Y has different priorities when searching for jobs. Pointedly, generation y employees are very particular on career growth opportunities available such as feedback/communication, coaching sessions, personal development activities and working independently. Banking industry in general and Equity bank in particular should of clear career path that its employees will have to work up the career ladder through various levels of hierarchy.

In order to develop service oriented organization that can sustain an inimitable advantage over competitors in the banking industry, Equity bank will need to implement human resource strategies that work in synergy with expectations and values of Generation Y employees. The bank should come up with a remuneration structure that matches with the work employees do. They should also conduct a market survey to identify what their

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competitors who are largely poaching their staff after they have gained meaningful working experience are willing to offer. This will reduce the career mobility of Generation Y employees in Equity bank.

Career growth is very vital to Generation Y employees. They believe they are leader of today and not tomorrow. They want an employer who is willing to nurture them to their desired goal. They want opportunities to stretch their skills and grow professionally (Higgins, 2000). Equity bank should come up with career strategies that will give generation Y employees hope that with time they will grow to their desired expectations. While Generation Y are not affected by organizational culture to the extent that organization needs worry, it still remains a thorny issue. From the respondents interviewed a number albeit an insignificant one did consider moving due to the organizational culture of a company. Generation Y explained earlier prioritize social and family life and will more likely settle for a job where technology allows them to work smart as opposed to working hard and thereby reducing both their workload and the time they spend in their workplaces. There is need for Equity Bank management to relax on some of the issues like dress code and working hours.

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Table 1 Remuneration

	SA		A		MA		D		SD	
	f	%	f	%	f	%	f	%	f	%
Lack of clear career growth for Generation Y employees makes them leave Equity bank	. 90	97	2	2	1	1	0	0	0	0
Remuneration at Equity bank is the main reason why Generation Y staff joins the bank	81	87	89	44	0	0	0	0	0	0
The workload done by Generation Y staff at Equity bank does not commensurate with the remuneration they receive making them move to other institutions	79	85	9	10	3	3	2	2	0	0
Remuneration for generation employees at Equity bank is the Same as in other banks.	Y2	3	4	4	7	8	13	14	70	75

Table 2: Career Growth Prospects.

	SA		A		MA		D		SD	
	f	%	f	%	f	%	f	%	f	%
Remuneration at Equity bank is the main reason why Generation Y staff move to other institutions	80	86	8	9	5	5	0	0	0	0
Lack of appreciation of talents among Generation Y employees by Equity bank makes them leave the bank.	78	84	9	10	5	5	1	1	0	0
Equity bank does not consider academic qualifications making Generation Y employees leave the bank	76	82	9	10	4	4	3	3	1	1
Lack of promotions prospects among Generation Y employees makes them leave Equity bank.	75	81	13	14	4	4	1	1	0	0
Equity bank appreciate talents among Generation Y employees making them join the bank	73	78	10	11	7	8	2	2	1	1

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AN ASSESSMENT OF THE IMPACT OF WORK LIFE BALANCES PRACTICE AND WELFARE PROGRAMME ON PERFOMANCE OF EMPLOYEES AT SAFARICOM KENYA.

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Abstract

The management of most company's belief that it is difficult to balance work and life for their employees. The leadership in many institutions is more interested in utilizing the employees for maximum output. Very little emphasis is put on employee welfare on personal lifes.This is different at Safaricom Kenya since the company has reverted to adopting a successful leadership and governance. Leadership and governance calls for increased levels of management's commitment. It also emphasizes the goals of the institution. The leader hopes that all members offer more support and greater effort in meeting these goals. This person hopes to develop organizational objectives, offer professional development opportunities, focus on values, demonstrate and enforce high expectations, and encompass other team members to make important input in decision-making. A study conducted at Safaricom Kenya between 23rd and 30th may 2012 sought to assess the impact of work life practices and employee welfare programmes on employee performance as is guaranteed by good leadership and governance. The general objective of the study was to establish the effect of work life balance practice and welfare programmes on performance of employees. It was established that work life policies in place influenced work life practices which in turn effectively boosted employee performance at Safaricom Kenya. The study revealed that there was a very strong relationship between work life practices, welfare programmes in place and employee performance. The study relied on survey design to guide in the research where all employees of Safaricom Kenya were targeted for inclusion into the study. Questionnaires were used to collect data from safaricom employees. The study therefore recommends that organizations should put in place proper work life balance policies, practices and employee programmes and have an authority to oversee the best implementation of work life balance practices and employee welfare programmes in the organization. Companies faced with performance challenges should consider work life practices and employee welfare programmes as a strategy to motivate employees, and improve efficiency in the organization.

Introduction.

Welfare programmes are organizational health programmes that are designed to keep employees healthy. De Cenzo & Robbins (1965), Health of employees is vital; otherwise ill health leads to anxiety and stressed workers. Employees also transfer the same ill-health problems home creating tilt in work life balance. The programs may vary from baby daycare, weight control, and stress management, physical fitness, and nutrition education, high blood pressure control among many. If an employee experiences a personal problem it may sooner manifest itself at the workplace in terms of lowered productivity, increased absenteeism, turnover (behavioral symptoms of stress). The problem may be either job stress, legal, marital, financial or health related. Kirchmeyer (2000) defines work-life balance as an experience of satisfaction in all of one's life domains which requires personal energy, time

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and commitment of resources distributed across the domains. Greenhaus and Allen (2008) define work-life balance as the extent of compatibility between one's satisfaction in multiple roles and one's life role priorities at a given time in one's life. A work life practice is a system of work designed mutually between employees and employer to bring out the best productivity from an employee while keeping guard of his personal life demands.

Literature Review.

Most companies in the USA look at ways of improving retention, increasing productivity and becoming an employee of choice (Knell &Savage, 2001).Organizational policies have been observed to have a negative impact on work life balancing .This includes long working hours with little time left on family or personal issues .This long working hours ends up generating stress to the employees according to Radakiewicz Ed, et.al (2005). It is possible that those in work may not perceive that there exist work life imbalances in most institutions .However most teachers in South African schools are aware that according to Allen & Eaton (2000) children are not encouraged by busy parents to do homework. On the other hand, many welfare workers are aware of growth of alcohol and drug abuse as a result of pressure from either work or individual life.

At Safaricom the leadership has provided development and implementation of an OSH (Organization of safety and healthy) management system and work policy. There has to be an introduction of an OSH induction program for the new staff. It also ensures that there is an establishment of a joint management worker-safety and health committees. The policy document through its leadership also stipulates that there is companywide OSH awareness training, including production of OSH awareness videos for the employee's consumption. The policy in place provides for the development and implementation of safety standards and work control procedures. Safaricom Kenya in its policy statement review 2012 stipulated that telecommuting and flexi-time as work life balance practices; be incorporated among other practices. This is as a result of the need for Safaricom to embrace new technologies that adopt new policies for remote working and for using multiple devices at work place.

In its work life balance policy, Safaricom reiterates its desire to implement the best work life balance practice and employee welfare that will provide its employees the best working environment. (Safaricom UNCOP annual report 2011/2012).This is a critical step towards ensuring effectiveness and retention in the work force. It is also in the policy that risk management at Safaricom is everybody's responsibility. The risk management division inculcates and embeds a culture of continuous and proactive identification and management of risk factors that ensure that emerging opportunities and threats are harnessed. The leadership again provides an opportunity to involve and accommodate views from its members regarding the best path to success in their company. However in essence implementation of these practices depends on the leadership provided. Safaricom has ensured that it's HRM which rides on the forum of transformational leadership and governance, implements the best practice HR policies some of which includes a three month maternity leave plus an annual leave. According to Casale and Posel, (2002) the leaves are beneficial to those who have different responsibilities at different life stages. These include, enhanced maternity leave, parental leaves, paternity leave, employment break, sabbatical leaves, study leaves, domestic and family leaves. In its employee charter, Safaricom is committed to being an employee of choice and has therefore developed a charter to guide it's interaction with staff. The charter commits the organization to providing a great place to work where both individual accomplishments and team effort will be rewarded. Creating opportunities for personal empowerment and career growth in an atmosphere of trust, honesty and openness',

a bid to be a world-class employer of choice. Safaricom has gone great lengths to ensure that it's working mothers are well taken care of .This is done by adopting various best practices in creating mother friendly work environment and work life balance. This measure is meant to counter the competition from other companies. It is also done by investing in childcare facilities (crèche). Investing in facilities to support mother and baby, like the state of the art childcare facility fully equipped (play and sleep areas) run by childcare professionals. Mothers can leave babies under care of professionals at no charge. There are doctors on site should the child fall sick.

There is provision of a mother room fully equipped in hygienic and private environment for expressing of milk and breastfeeding. Safaricom Kenya also has in place for its employees a Comprehensive Medical insurance cover. This covers pre-delivery, ante-natal clinics and scans covered including both natural and caesarean deliveries and post-delivery. In fact immunizations are catered for by the company up to nine months solidly ensuring that the child's health start in life. Safaricom also provide other welfare services such as, gymnasium to keep the working mothers and other employees fit and health. There is also a games room to relief stress and assist unwind and socialize. Safaricom provides cafeterias with health food choices to accentuate faster recovery and good health. Children can join their working mothers for lunch or any meal. There is also a provision of libraries to research on all materials including working mother's roles.

The leadership ensures there is a creation of mother friendly working hours for the employee on shift based positions. Such mothers work shifts that support breastfeeding up to seven months after delivery. With all the above measures and others not mentioned in place, Safaricom has once again claimed itself a pace setter for other like-minded corporate in Kenya, who would wish to be identified as supporting mother friendly environments (Safaricom UNCOP annual Report, (2011/2012). The provision of this work life balance practices, employee welfare services has really contributed to improved performance at Safaricom.

The study was actually based on motivational theory in employee performance. There are three main aspects of motivational theory that seem to drive behavior. This includes goal, equity reinforcement and expectancy. Goal theory; Latham and Loke, (1979) states that motivation and performance are high when individuals are set specific goals. It is also high when goals are difficult but acceptable. Expectancy theory (Vroom, 1964) is very important to employees since it advocates that motivation will be high when people know what they have to do to get the reward. On the same understanding they should know what they expect to get as reward. Lastly they expect that the reward will be worthwhile.

The strength of expectations may be based on past experiences. Equity theory (Adams, 1965) also seemingly has a huge contribution in organizational performance of employees in particular organizations. The theory is concerned with the perceptions people have about how they are being treated as compared with others. To be treated equitably is to be treated fairly in comparison with another group of people (a reference group) or a relevant other person. Equity is a comparative process which involves feelings and perceptions and treating everyone the same. This would be inequitable if they deserve to be treated differently.

Statement of the problem.

In Kenya there are four main companies that compete in enhancing communication within and without the country. Of these, only Safaricom can claim to have made successful strides

in the market both in terms of service delivery to the public and to its employees. It is established that safaricom has in place the best policy in provision of a variety of work life practices and welfare programmes for its members. Consequently Safaricom has once again claimed itself a pace setter for other like-minded corporate in Kenya, who would wish to be identified as supporting mother friendly environments (Safaricom UNCOP annual Report, (2011/2012).Since very little is being done by these other corporates in providing work life practices and welfare programmes, there is need to establish whether the success of safaricom Kenya in performance of employees has a connection with implementation of work life practices and welfare programme in place. According to Alexander and Lesley, (2009), work life balance practices provide a link to organizational performance. The knowledge acquired from this study would be very useful to a number of companies in Kenya as a whole. This is because as work life balance if practiced, it is a real source of motivation to increased performance on employees.

Objectives of the study.

i) To establish how organizational and personal work life practices affect employee performance at Safaricom Kenya.

ii) To determine how employee welfare programme affect employee performance at Safaricom Kenya.

Conceptual framework.

The study has identified independent variables as; work life balance practices, and employee welfare programmes. The dependent variable is performance of the employees. These variables are interrelated as can be illustrated on the chart below
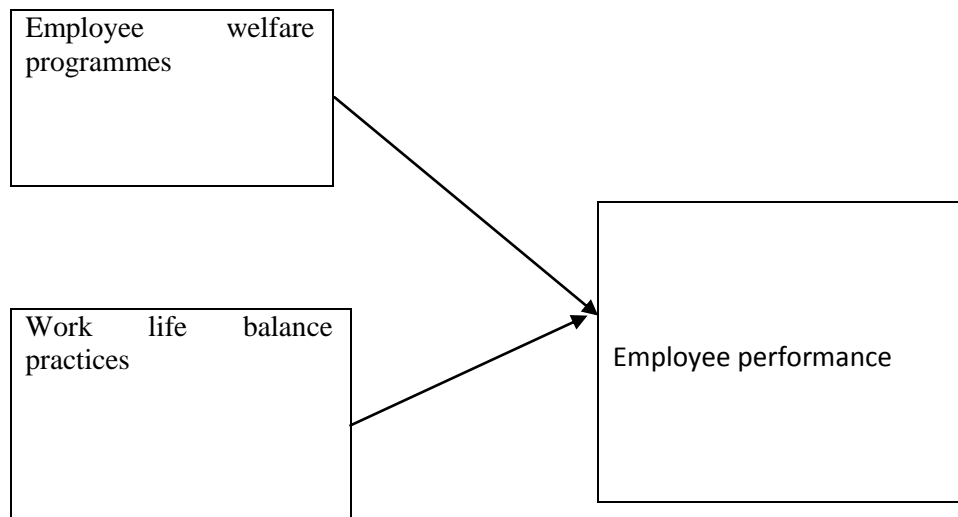
Table 1: Conceptual Frame work.

Justification of the Study

Since the business environment is increasingly becoming competitive for a common market and human resources, a good transformational leadership must find better strategies of

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improving productivity while at the same time assuring better health for employees. Referring to Safaricom UNCOP annual report (2011/2012), the company has found it very necessary to embrace new technologies that adopt new policies for remote working and for using multiple devices at work place which is a critical step towards ensuring effectiveness and retention of work force. Since Safaricom has successfully introduced better work life practices and excellent employee welfare programmes which have increased performance of its employees, there was need to conduct a study to assess the modalities in place. This will be used for recommendation to other companies who are eager in boosting their employee performance.

Research Methodology.

A survey research design was used since the interest was on establishing the relationship that were taught to exist, opinions held by employees about work life balance on how it benefited them and the company according to Shajahan (2005). There was need to describe, record and analyze and interpret how work life practice and employee welfare influenced employee performance at Safaricom Kenya. The information regarding these opinions was sought by use of questionnaires. All Safaricom employees were targeted for inclusion for the study however a random sample size of 98 employees were used to fill questionnaires.

Findings and Discussions

The variations in work life balance between individuals of different organizations may arise as a result of the differences in the work practices across the different organizations. This study therefore sought to examine the work practices at Safaricom in order to determine whether they contributed or inhibited work life balance in the organization. On this very note the study also was keen to establish if the employer and employees of Safaricom were both involved in crafting the practices that are in place. If employees are involved, to what extent are they? The study actually was keen to understand the practicability of the various practices that are put in place at Safaricom Kenya.

It was found out that Safaricom as an organization ensured consultation with employees in preparing duty rostering arrangement as evidenced by 54.5% who rated the consultations very good and 15.6% rated it good while 3.9% rated poor, however 26.0% were not sure whether the process was consultative or not. Job sharing arrangements were also rated very highly, by 59.7% of the staff who rated it very good, and 24.7% who rated it good against 3.9% who rated job sharing poorly. The efforts by Safaricom to reduce long working hours were rated very good by 54.5%, good by 11.7%.Cumulatively therefore two thirds (66.6%) rated high. However 20.8% were of a contrary opinion that the company performed poorly in reducing excessively long working hours and double shifts.About13.0 % were not sure of whether to rate it high or low therefore maintained a moderate opinion.

In terms of flexibility in leave arrangements by employees to suit their own personal needs and circumstances, Safaricom scored very good according to majority 55.8%. 23.4% scored the organization good, 20.8% were not sure where to rate organization on the scale. Similarly majority of the staff (50.6%) cited that the organization was very good in allowing employees to request and take leave in single days.20.8% termed it good while 9.1% indicated that the organization was poor in allowing single day off duty. Employees in Safaricom also have a chance to seek transfers between branches on account of personal or family. In terms of this practice the organization was rated good by majority 50.6% of the

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staff and very good by another 33.8%. 6 7.8% rated it poor while an equal number was not sure. It is not clear on whether staff were allowed to pick urgent calls from family at work or not according to 29.9% while 27.3% rated the organization good and 35.1% very good, of the contrary opinion were only 7.8% of the staff.

The practice of recruiting permanent, flexible part-time employees to fill in gaps whenever some employees were absent for one reason or another was highly upheld according to 45.5% who rated it very good and 42.9% who rated it good, 11.7% were not sure while none was of a contrary opinion.On whether the company has in place employees health programmes, majority (46.8%) strongly agreed while 20.8% agreed, 32.5% were not sure. This implied the health programmes were in place though not all employees may have been aware of them. The company also has structures for counseling employees especially financial, legal or social issues as indicated by 44% of the staff who strongly agreed.20.8% agreed, 16.9% were not sure while 7.8% disagreed.

Games and fitness equipments are also available to relief staff of exhaustion and keep them physically fit. This is according to 54.5% who strongly agreed, 15.6% agreed 16.9 % who were not sure. Only 13.0% denied the existence of games and sporting facilities. While this implies the presence of sporting and games facilities, their accessibility may not be for everybody in the organization including contract and casual employees. The leadership is also baby friendly since it provides some form of childcare facilities for working mothers according to 62.3% of staff who strongly agreed. 26.0% agreed, only 11.7% were not sure. Medical insurance cover is also provided to all staff according to 100% of the respondents who strongly agreed. The medical facilities also cover other family members as cited by majority 46.8% of staff who strongly agreed, 15.6% agreed. However 29.9% were not sure may be because they did not understand how the medical cover in the organization worked. Only 7.8% stated that the health care services did not cover their families.

The commitment of the leadership of any organization to the implementation of work life balance practices is also key to the success of the program in an organization. The companies look at ways of improving retention, increasing productivity and becoming the employer of choice according to Knell and Savage, (2001).

Finally the study sought to establish the level of management commitment to ensuring proper implementation of work life balance practices by also asking the staff to rate policy implementation based on several factors. The management of Safaricom is highly committed to implementing best practices in work life balance initiatives "from the top to bottom" as indicated by 48.1% who strongly agreed. About 28.6% who strongly agree, 11.7% were not sure while an equal number disagreed. However the management was criticized for not doing enough sensitization on work life balance initiatives and benefits across the organization. This is also evident on the number of respondents who indicated that they were not sure of most of items raised in the questionnaires. Those cited that the management has not done enough included 15.4% who strongly agreed.18.5% agreed the management has not done enough sensitization, 15.4% were not sure. On the other hand, 33.8% disagreed while 16.6% strongly disagreed, meaning that 50.4% were confident that the management did enough sensitization.

The management of Safaricom constantly identifies the needs of their employees in order to design and implement strategies to improve their lives according to 45.5% of the staff who strongly agreed.29.9% agreed, minority 15.6% were not sure while 9.1% disagreed. This

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means that the management considered needs identification as a key component of the implementation process. Allocation of resources has also been considered by the management in ensuring proper implementation of work life balance policy, as 54.2% strongly agreed. 28.6% agreed while 9.1% were not sure, a small percentage (7.8%) disagreed. As part of the HR practices at Safaricom, priorities are attached to employee well being on assumption that it translates to better employee productivity as cited by 54.5% of the staff who strongly agreed and 31.2%. Finally the management of Safaricom conducts a regular review of progress and activities geared at work life balance in order to ensure they remain relevant and effective at all times. This is widely practiced according to 54.5% of the staff who strongly agreed, and 16.9% who agreed. However, 11.7% were not sure, 9.1% disagreed while 7.8% strongly disagreed.

Summery and Conclusions.

The findings of this study indicate that, indeed Safaricom Kenya has put a lot of effort in bringing work life balance practices into the organization. Both the organization and its staff have a role to play. Further, it can be observed that the organizations commitment to better implementation of work life balance policy has also contributed to better employee performance in the organization. As a result it justifies that proper management of individual work life balance practices among employees is a preliquisite for better employee performance. Organizations can ensure better work life balance by involving all the parties in the organization to have both individual and group responsibilities towards the success of work life balance.

Recommendations

Based on the research findings, the researcher made the following recommendations:

i)   That all organizations should put in place proper work life balance policies practices and have an authority to oversee the best implementation of work life balance in the organization.

ii) Companies faced with performance challenges should consider work life balance practices and welfare programmes as a strategy to motivate employees, and improve efficiency in the organization.

iii) It is also justifiable for this study to recommend human resource managers to be properly equipped with knowledge on implementation and utilization of work life balance practices and welfare programmes in enhancing organizational efficiency.

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HUMAN CAPITAL MANAGEMENT AS A TOOL FOR VALUE CREATION

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Abstract

In today's increasingly challenging global competition, human capital management is the last tool for sustainable competitive advantage. While products can be quickly and easily duplicated and services inexpensively copied, innovation, execution, knowledge, skills and abilities of employees cannot be copied. To provide world-class services that create value, many organizations have sought to transform themselves to focus on human capital management delivery. The challenge confronting companies is to transit to a more cost-effective service delivery model that leverages technology, while enabling leadership to focus on delivering human capital management in a better, faster, smarter and more strategic manner. Application of human capital management best practices such as talent management and human capital management reporting systems, such as enterprise resource planning can be of great help to organizations that aspire to realize productivity and competitiveness. Human capital management helps to attain sustainable organizational competitive advantage, human capital advantage and promotes a solid human capital base which is a pre-condition for industrialization and development. This is critical in achieving the socio-economic transformation envisaged in the Constitution, Jubilee manifesto and the Kenya Vision 2030. The purpose of this paper is to contribute to the understanding of human capital management as a tool for value creation in organizations. Through desk research, the seminar paper employs non-experimental research design and evaluative techniques of analysis. The researcher found that organizations need to focus on human capital management and encourage organizational teams to create value map of their business units or functions. Organizations need to equip employees with innovation tools such as technology, talent acquisition and knowledge sharing. Management processes put in place must also nurture innovation in every corner of the organization. Central to this approach is for the management to identify, nurture and promote a pervasive or focused mindset that will lead to value creation in the organization.

Key words: HCM; Value Creation; Integrated Talent Management and HCM Technology.

Introduction

Meaning and Concept of Human Capital: Human Capital was defined by Bontis et al (1999) cited in Baron and Armstrong (2007) as the combined intelligence, skills and expertise that gives the organization its distinctive character. The concept of Human Capital (HC) was initially formulated by Nobel Prize-winner and Economist Theodore Schultz in the early 1990, as a way of explaining the advantages of investing in education on a national scale (Afiouni, 2013). The bridging concept is that human capital defines the link between HR practices and business performance in terms of assets rather than business processes (Armstrong, 2012). The value creation in this context is taken to mean increasing the worth of a commodity or service. The constituents of HC include intellectual, social and organization capital. The intellectual capital is the stock and flows of knowledge available to an organization. These can be regarded as intangible resources associated with people who,

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together with tangible resources such as money and physical assets comprise the market or total value of a business. Social capital consists of relationships within and outside the organization. For example, social life networks that enable participants to act together more effectively to pursue shared objectives. Organizational capital is the institutionalized knowledge possessed by an organization that can be codified or personalized (Armstrong, 2012).

Most organizations across the world talk about the leveraging its human resources to create business value. But how do they do it? The approach to people management based on HC theory involves obtaining answers to these questions: What are the key performance drivers that create value? What skills do we have? What skills do we need now and in the future to meet our strategic aims? How are we going to attract, develop and retain these skills? How can we develop a culture and environment in which organizational and individual learning takes place that meets both our needs and the needs of our employees? How can we provide for both the explicit and tacit knowledge created in our organization to be captured, recorded and used effectively? (Armstrong, 2012).

Royal Bank of Scotland Group: The paper attempts to explain HCM using the case study of The Royal Bank of Scotland Group which is an acknowledged leader in the field of Human Capital Management (HCM). It has developed a global HCM strategy and suite of online tools to support decisions affecting 150,000 staff in 30 countries (Anna, 2005). Study conducted by Stokdyk (undated) provided a case that Human Capital Management as a tool for value creation at RBS.

Statement of the Problem

In today's increasingly challenging global competition, human capital management is the last tool for sustainable competitive advantage. Products can be quickly and easily duplicated and services inexpensively copied, innovation, talents, execution, knowledge, skills and abilities of employees cannot be copied. To provide world-class services that create value, many organizations have sought to transform themselves to focus on human capital management to be proactive.

Objective of the study

The seminar paper seeks to contribute to the understanding of HCM as a tool for value creation in organizations. The paper seeks to clarify the various HCM best practices, planning cycle, strategies, links and technology that creates value and how.

Significance of Human Capital Managers.

Human Capital Management draws attention to the significance of what Kearns (2005a) cited in Baron et al (2007), calls 'management through measurement', the aim is to establish a clear line of sight between HR interventions and organizational success; HCM helps to attain sustainable competitive advantage, and human capital advantage; provides guidance on what to measure, how to measure, how to report on the outcomes and importance of measurement; also reinforces attention on the need to base HRM strategies and processes on the requirement to create value through people and thus further the achievement of organizational goals. Others includes: strengthening the HRM belief that people are assets rather than costs; promotes productivity and performance culture in the organization; emphasizes the role of HR specialists as making a strategic contribution to business success

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and finally, promotes a solid human capital base which is a pre-condition for industrialization and development. For example, the acquisition and management of knowledge, skills and expertise is a crucial component of Kenya's Vision 2030.

Literature Review

HCM is concerned with obtaining, analysing and reporting on data that informs the direction of value adding strategic, investment and operational people management decisions at corporate level and at the level of frontline management (Baron et al, 2007). The primary aim of is to assess the impact of human resource management practice and the contribution made by people to organizational performance. For example, the objective of RBS is to provide business leaders with a detailed understanding of how effective the group is at attracting, engaging and retaining the best people and how our people strategy drives business performance.

Theoretical Framework

According to Baron et al (2007), the practical implication of the Human Capital Theory is examined in the constituents or the elements. The Resource Based View (RBV) also explain the practical implication as it states that the organizational resources and capabilities that are rare, valuable, non-substitutable, and imperfectly imitable, form the basis for a firm's sustained competitive advantage. RBV suggests that the firm can secure a sustained competitive advantage through facilitating the development of competencies that are firm specific, produce complex social relationship that are embedded in a firm's history and culture, and generate tacit organizational knowledge (Barney, (1991; Wright et al, 1994) cited in Afiouni (2013).

Empirical Framework

Creating value in HCM involves HCM best practices, building the value matrix and identifying the HCM drivers that create value. The Human Resource Managers has to adapt the best practice framework to create value in HCM. Some of the best people management practices are discussed below: First, attraction and retention of human resources. For example, The RBS group has created a global data warehouse that "pools" people data from systems across 30 countries into one application. Secondly, identifying and rewarding performance must be aligned with the strategic goals for the organization. Thirdly, delivering Cost-Effective Compliance Systems that adds value. Fourth, Ensuring legal compliance; Fifth, demonstrating administrative efficiency- for example, Aitken and his team have been working with Harvard Business School and the bank's survey consultants to identify what factors drive business performance, customer service and financial performance. Finally, through Talent Management which is defined as the systematic attraction, identification, development, engagement/ retention and deployment of those individuals who are of particular value to an organization, either in view of their 'high potential' for the future critical roles (McCartney, 2006; Cappell, 2008) cited in Kihinde (2012).

Marrelli et al, (2005) cited in Afiouni (2009), further posits that competence management can be seen as a process, which supports the accomplishment of the goals derived from the strategy. This is viewed as relevant temporal influences on team diversity and productivity outcomes. If the organization has to realize productivity the rate of turnover must be reduced and the team tenure period clearly controlled to provide enough period in which the organization can realize productivity (Joshy and Roh, 2007). HCM value matrix describes the

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level of value associated with business and people management activities and output of the HR processes. Value for money and creating value are not quite the same as Porter's cost leadership and differentiation but the two constructs do have similarities. The value triangle implies, in contrast to Porter who saw the poles as trade-offs, that companies should be thinking about a paradox in which they need to deliver a differentiated service at low cost. Collins and Porras (2002) cited in Ingham (2007), call Porter's perspective 'the tyranny of either/or' and point to the experience of many successful companies that focus on 'and/also' and assume they can 'have it all' (Ingham, 2007).
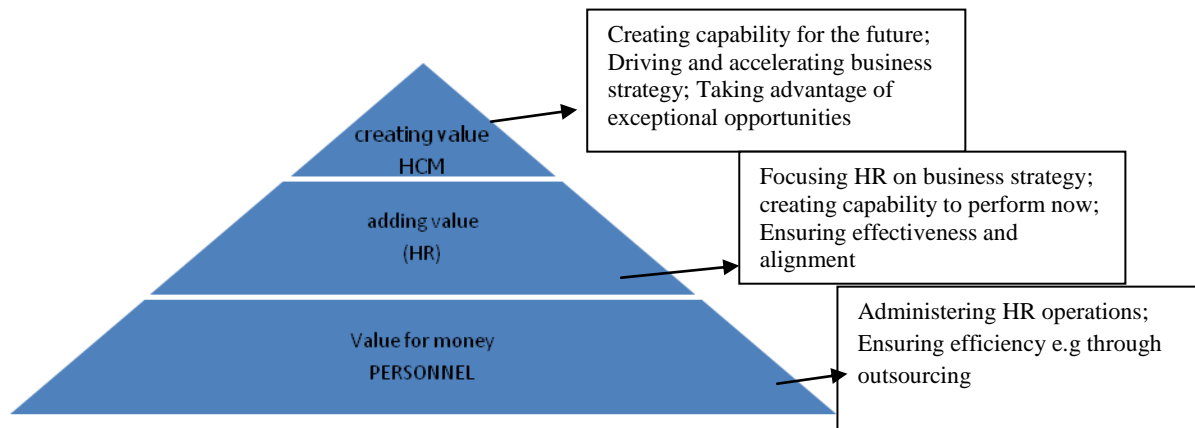
Figure 1: Building the HCM Value Matrix

Source: Adapted from Ingham (2007).

According to Ingham (2007) the HCM drivers fall into five categories. Each category has various HCM practices that enhance each driver. Some of them includes: First, Leadership practices such as good and adequate communication systems, employee involvement and participation and clear span of control and good supervision. Secondly, employee engagement practices such as defining key responsibility areas, commitment, time management and evaluation and feedback. Thirdly, is knowledge accessibility which mainly includes information availability, teamwork and knowledge sharing. Fourth, workforce optimization practices includes work processes, working conditions accountability and learning capacity.

The strategic HCM Planning Cycle that creates value

According to Ingham (2007), the strategic HCM planning cycle includes: HCM Strategy Development, Measurement, Benchmarking, Implementation, Reporting and finally, Roles and Technology. A successful HCM strategy development begins with understanding your business competitive environment, customers' expectations, strategic and operational goals and other factors affecting your organization. The strategy distinguishes actions to guarantee your workforce consists of the right people with the right skills in the right roles at that right time and are supported with the right tools to achieve your business priorities."

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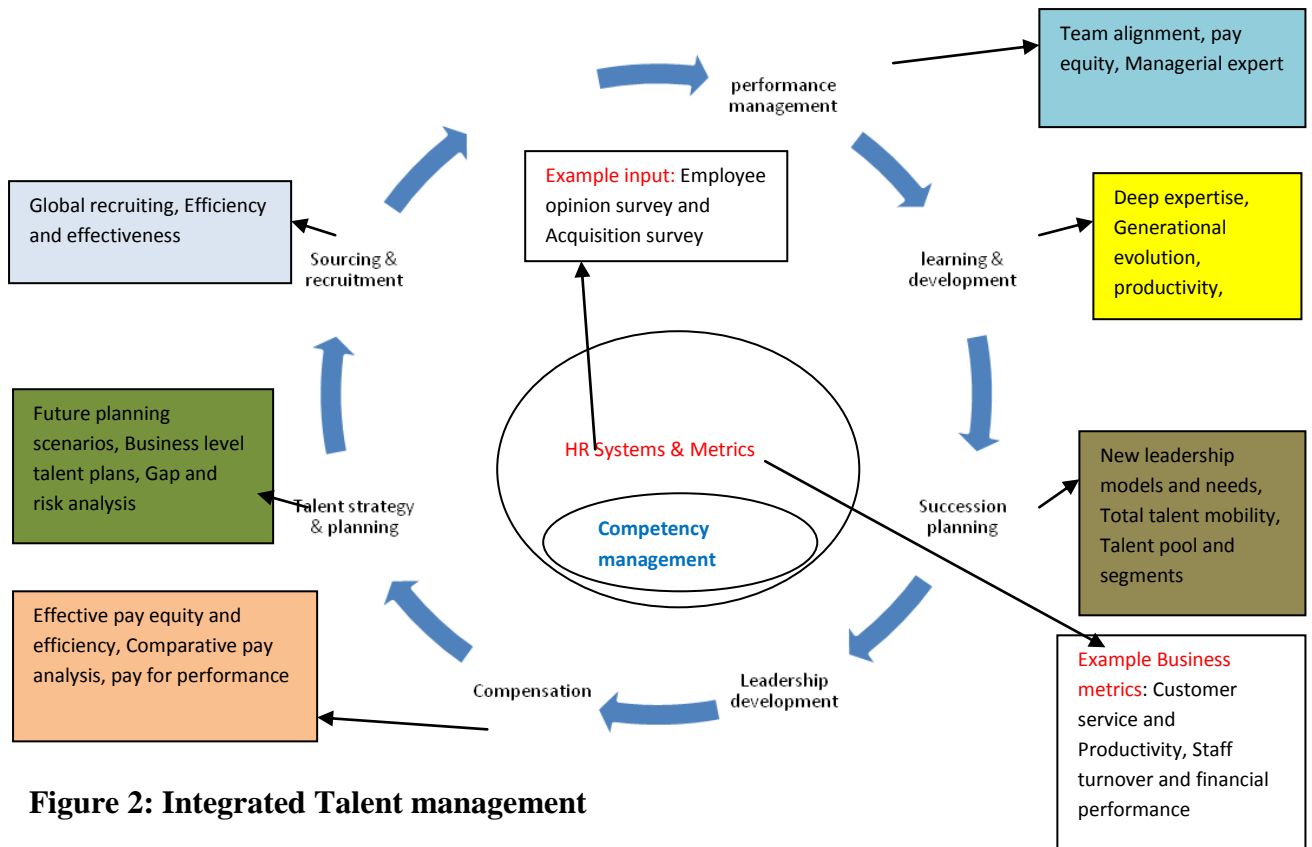
Figure 2: Integrated Talent management

Source: Adapted from http://www.centerforhci.org as retrieved on 19/6/2013.

The integrated talent management model summaries the overall HCM planning cycle, strategies, linkages, measurement, the example of relevant data that may be required to provide the information needed for decision making. Correlations and links can then be sought between these different elements to determine the key drivers of engagement. Figure 2 above, shows, the Talent Cycle Model which is a visual representation of this new business paradigm called HCM and integrates the HCM planning circle.

Organizations often regard employees as being their best asset, but how good are they at measuring and managing to create or add value? Human capital measurement has been defined by IDS (2004) cited in Armstrong (2009) as being 'about finding links, correlations and, ideally, causation, between different sets of (HR) data, using statistical techniques'. For example, RBS in the case study measures absence, employee turnover and overall effectiveness of the people strategy, which they refer to "usual touchstones for any organization".

According to Armstrong (2012) there are three approaches to measurement namely: The Human Capital Index – Watson Wyatt; The organizational performance model – Mercer HR Consulting are and The Human Capital Monitor – Andrew Mayo. However, more emphasis put on the organizational performance model – Mercer HR Consulting: As described by Nalbantian et al (2004) cited in Armstrong (2012) the organizational performance model developed by Mercer HR Consulting is based on the following elements: people, work processes, management structure, information and knowledge, decision making and rewards, each of which plays out differently within the context of the organization.

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The most commonly benchmarked performance measures in HR management are: Total compensation as a percentage of net income before taxes; Percent of management positions filled internally; Kshs /Dollar sales per employee and Benefits as a percentage of payroll cost. For instance, according to case study, RBS "Self-service toolkits give HR staff access to consistent, appropriate human capital measures that are benchmarked against business intelligence on their competitors."

According to CedarCrestone (2011), here are some key considerations for implementing a fully integrated HCM: First, preparing for implementation success, for example, secure executive support for the implementation and engage a diverse implementation team, including all stakeholders, such as IT, finance, HR, payroll, employees and managers. Secondly, preparing organization for change, for example start communicating about the change well before it takes place and also explains why the change is happening and how it will benefit each stakeholder. The process of reporting the data internally and the inferences obtained from them is therefore a vital part of HCM. It is necessary to be clear about what data is required and how it will be communicated and used. For example, Aitken says in the case study that their reporting infrastructure has built up the credibility of their HR people. Human Capital external reporting is also necessary in this case of HCM to disclose information that is necessary for the understanding of the development, performance or position of the business of the company including the analysis of key financial and other performance indicators, and information relating to environmental and employee matters, social and community issues, and any policies of the company in relation to these matters and their effectiveness (CedarCrestone, 2011). For example, according to RBS, the result of their independent employee survey are externally published each year and this has enabled the group to reap significant, tangible benefits.

According to report released by Hathorn (2012), the Business Process Outsourcing/ITes creates value. The report indicates best advice on how to use HCM technology that creates value. First, is to start by understanding business strategy. Secondly, get the reporting and analytics infrastructure up to par. The technology and know- how for effective reporting exists; it is time to implement it and lastly, embrace Web 2.0 tools behind the firewall. Some of the areas where technology is applicable includes: payroll attendance monitoring; talent integration – talent management systems are fully integrated with the core HR systems/systems or record; employees and managers are supported with automated tools to manage their competencies and the reporting and analysis tools to support analyzing HR and HCM processes (Hathorn,2012).

Linking of HCM strategy to business strategy and business drivers

Table 1, below, shows how firms are linking good HCM strategy and Business strategy and human capital measurements. The prime purpose of human capital management is to establish 'an employment proposition that links the work of employees to strategy and profits' (Donkin, 2005) cited in (Armstrong, 2008). According Ingham (2011), the best way to link analytics and strategy is through human capital scorecard, this scorecard should be based on strategy map.

Methodology

Through desk research, the seminar paper employs non-experimental research design and evaluative techniques of analysis. The researcher reviewed secondary data and literature on

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journals, text books and e-sources of articles on HCM. The case study of RBS has been used to provide examples and contribute to the understanding of HCM as a tool for value creation.

Emerging Issues and Challenges of Human Capital Management

According to Hathorn (2012), human capital challenges can be the organizational challenges, the people related challenges and the HR function priority challenges such as managing talent or both. The following are a few challenges: First, HR metrics and Analytics organization gets an optimal return on investment on its human capital. Secondly, Managing Generation Y employees are a challenge as they bring new tools to the workplace. Thirdly, is integration of HR activities and other departments. Fourth, Cost Containment- nearly every business is focused on managing the bottom line and controlling costs across diverse global markets is critical for success. Fifth, work life balance-the need to adopt family friendly policies that encourage young women in employment such as providing crèche facilities for example, child care programmes, flexible working hours to support dual career couples and home working to encourage work at home programmes. Sixth, Talent management and strategic approach to HCM as a challenge. Lastly, diversity Management where the challenge to create and maintain a positive work environment where the similarities and differences of individuals are valued, so that all can reach their potential and maximize their contributions to an organization's strategic goals and objectives.

Analysis and Key Findings

According to global report by ADP Research Institute, cited in CedarCreston(2011), 40% of employees work outside of their organisation's home country. The study also indicated that from compensation planning to performance reviews and learning tools, a wide spread workforce demands integrated HCM and transformation, integration adds to financial success - companies can gain 38% more profit per employee by standardizing their global HCM processes. According to CedarCrestone (2012-2013), organizations with strategic social media usage, with a corporate social network have shown consistently higher sales growth and revenue of 8% above those organizations without. In terms of service delivery value, the shared services such as HR help desk serve 15% more employees with their administrative staff. The survey also indicates that organizations with an integrated talent management solution show 33% higher revenue per employee and 95% higher net per employee than those with alternative approaches. According to Hathorn(2012), talent management leads by 59%, followed by strategic approach to HCM at 57% as top two key competencies to develop for HR leaders.

There is urgent need to transforming HR into a strategic function; encourage teams to create "Value Maps" of their Business Units, for example, depicting exactly how financial value is created in their respective areas; move to more sophisticated business intelligence and equip employees with innovation tools and allow them to set aside time for creating opportunities for learning; Management processes must nurture innovation in every corner of the organization and central to this approach is pervasive mindset – deep conviction shared by leaders throughout the company that competitive advantage is derived from having better human capital management strategies; the need to consider incorporating Generation Y culture positively in the workplace; there is need to link HCM practices to business strategies and drivers; understanding and interpretation of HR metrics and analytics that drives return on human capital investment; managing diversity; application of HR technology in services delivery so as to be at par with the global challenges; integration of HR activities with other

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departments. Finally, HR professionals must cost-justify their existence and administratively deliver HR activities efficiently.

Conclusions and Recommendations

To provide world-class human capital management services that create value, many organizations have sought to transform themselves to focus on strategic human capital management delivery. The success of HCM requires clear measurement framework and the challenge confronting companies is to transition to a more cost-effective service delivery model that leverages technology, while enabling leadership to focus on delivering better, faster, smarter and more strategic human capital solutions. HCM best practices such as Talent Management and knowledge management should be optimized with integrated solution. HCM reporting systems such as: Enterprise Resource Planning (ERP), Data driven HR – Oracle, In-house Human Capital Toolkit, PeopleSoft, and SAP, can be of great help to organizations to realize productivity and competitiveness. Finally, remember to acknowledge, reward and repeat.

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Table 1: The link between HCM strategy & business strategy and business drivers

	Content	HCM Supporting Activities	Supporting Data Required
Business Strategy	Growth – revenue, profit. Maximize shareholder value. Growth through acquisitions or mergers. Growth in production or servicing facilities. Product development.	Human resource planning. Talent management. Skills development. Recruitment and Retention policies. Tenure system	Workforce Composition. Attrition rates. Skills audit. Outcome of recruitment campaigns. Learning and development activity levels. Outcome of Management or leadership surveys.
Business Drivers	Creativity and Innovation. Maximize added value. Productivity. Customer service. Quality.	Talent management. Skills development. Total reward management. Performance management. Develop high performance working. Enhance motivation,	Balanced scorecard data. Added-value ratios (eg added value per employee, added value per employee). Productivity ratios (eg sales revenue per employee). Analysis of competence level assessments. Analysis of customer surveys.
HCM Drivers	Best leadership practices, Employee engagement, Knowledge accessibility, Workforce optimization, Learning capacity.	Leadership development Management development Knowledge management Performance management Organization learning Career development Learning and development	Succession planning coverage Outcomes of general employee opinion survey Analysis of performance management assessments. Return on Investments from training activities

Source: Adapted from Armstrong (2008)

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THE ROLE OF TRAINING IN DEVELOPING STAFF PERFORMANCE IN GTI IN EMBU WEST DISTRICT - KENYA

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Abstract

The purpose of the study was to assess the role of training in developing staff performance in government training institute (GTI) in Embu West district, Kenya. The researcher investigated the role of the training and development policy in developing staff performance in the government training institute, analysed the role of selected training methods in employee performance in government training institute, assessed the role of the staff empowerment in employee performance in government training institute, analysed the role of motivating factors leading to training and development in staff performance in government training institute, and assessed performance before training and after training was done in government training institute in Embu West district.The study adopted descriptive design to ensure complete description, making minimum bias in collection of data and reducing errors in interpreting the data collected. The target population of the study was 110 staffs and the accessible population being 60 staffs. The sample size was 30 staffs, a 50 per cent of accessible population and a 27.27 per cent of the target population. The data was collected by use of questionnaire. The data collected was analyzed by use of SPSS. It was found that other than training to improve performance, the institute has also been engaging staff by holding departmental meetings and encouraging them to participate in giving or suggesting the way forward. The researcher recommends that the institute should ensure that all the staff is aware of the training and development policy and that the institute put more effort to training her staff to improve the performance. Training should not be done once but should be continuous to all staff.

Key words: Training –Development policy, Training methods, Staff empowerment, Motivating Factors, Employee performance.

Background of the Study

Performance has been the focus of today's organizations though this has been affected by various factors such as technology, workforce, policies, and economic factors, etc. Due to the changing trends in training institutions to meet the demand more so of the vision 2030, which bears three pillars one being social pillar. Envisaged in this pillar is education and training. Armstrong (2009) Good policies result to high performance, hence the organization is able to make more profit by realizing its objectives which enables good operations of the organization, but poor mechanisms of the empowerment will result to low performance, hence the organization ends up not meeting its goals and objectives. Purcell (2005) Argues that an organization to be successful, employees should be well motivated and this will lead to them feeling committed to the organization and will result to the job satisfaction which will lead to high performance.

In Kenya, the government has been very concerned about organizational manpower development. It has required the various companies and other organizations in the country to institute formal training programs for their employees.

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Statement of the Problem

Training institutions are the source of innovation and creativity, thus, the need of staff to be trained in order to develop staff performance. The rapid changes in micro and macro environment of organization, give the need of the employees to adapt to these changes if they are to have competitive edge in the respective market. This adaptation can be done by way of training and developing the staff so as to equip them with the necessary knowledge and skills to enable them give satisfactory performance. Without the appropriate avenue for training in place in the training institutions, the overall performance of an individual employee will be made manifest in the overall performance of an organization. In terms of human resource development systems and approaches to ensure performance, the institute in Embu West district's has to develop and train the staff, as recommended by the ministry of education development training policy of 2006-2011. Staff training and development are concerned with enhancing skills, knowledge and positive attitude change, which will translate to performance. These are an important activity and will continue to remain so because of change in technology, realignment of jobs and the increasing complexity of management task. (GTI Embu, Strategic plan, 2010). It is in the light of these the researcher undertakes to carry out a study on role of staff training in developing staff performance in government institutions in Embu west District

General Objective

To assess the role of training in developing staff performance in GTI in Embu West district, Kenya.

Specific Objectives

i) To investigate the role of the training and development policy in developing staff performance. ii) To analyze the role of selected training methods in employee performance. iii) To assess the role of the staff empowerment in employee performance. iv) To analyze the role of motivating factors leading to training and development in staff performance. v) To assess performance before training and after training was done.

Research Questions

i) What is the role of training and development policy in the GTI in Embu West district? ii) Which are the most preferred training methods in GTI in Embu West district? iii) How does staff empowerment enhance performance in the GTI in Embu West district? iv) How do the motivating factors lead staff to train in the GTI Embu West district? v) How was the performance before and after the staff was trained in the GTI in Embu west district?

Justification of the Study

This study is conducted with the following underlying rationale :- i) The government of Kenya is implementing a National Development Strategy that seeks to instill rapid and sustained economic growth and alleviate high levels of poverty. ii) Recognizing that mounting costs and low productivity in the public sector have been a major impediment to economic growth and improved standards of living. iii) Sustained economic growth and welfare provision demand that the public sector efficiently and effectively provides an enabling policy environment, infrastructure and quality services. iv) The Government recognizes that, to have a competent, well skilled and motivated workforce in the public

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service, this resource must at all times have its potential developed to its maximum through effective training.

The Scope of the Study

The study was carried out in the only established government training institution in Embu West district. The population target was exclusively the staff mandated to train in the institutes, and clerical officers. The study was carried out as a census/ survey study at the public training institutions to examine role of training in developing staff performance in government training institutions in the district.

Theoretical Framework

Classical Conditioning Theory: Kiminyo et al (1992) it is based on Pavlov (Reflective action). He discovered that a laboratory dog secretion of saliva was controlled by both learning process and direct physiological stimulation. In later research, he focused even more closely on how various stimuli could be used to produce a desired response. He paired the ringing of a bell with the presentation of food to dog.

Observational Learning Theory: Kiminyo et al (1992) this is learning by observation. Much of the learning that occurs in organization is based on observation. Observational learning occurs when a person witnesses the behaviour of another and vicariously experiences the consequences of that other person. If they are admirable he starts adopting them.

Operant Conditioning Theory: Kiminyo et al (1992) it is also known as Instrumental theory. It was developed by B F Skinner in 1974. Skinner felt that classical conditioning explains only the responses reflexing behaviour. This principle is summarized in Thorndike's law of effect which states that "Responses that are followed by a desirable experience will be more likely to occur in future. While responses that are followed by undesirable experience will be less likely to occur"

Principles of operant conditioning theory (Munavi, 1988): Use of different rewards: When all employees receive equal reward, then the superior performers begin to feel that their efforts are not appreciated, while poor performers recognize that they will not be penalized for their minimal output. b) Valued rewards for individuals: The rewards must have value to an employee. c) Rewards tied to performance:. In order for reinforcement principles to be maximum effective, employees must clearly understand how reward and performances are connected. d) Provide constructive feedback: Employees must have instructive feedback. Their managers must evaluate and interpret their performance to them, indicate how well or poorly they are handling and suggest specific ways on how to improve.

*Training Models:*Systematic model: The system model consists of five phases. Are; i) Analyze and identify the training needs. ii) Design and provide training to meet identified needs. iii) Develop- This phase requires listing the activities in the training program that will assist the participants to learn, selecting delivery method. iv) Implementing is the hardest part of the system because one wrong step can lead to the failure of whole training program. V) Evaluating each phase so as to make sure it has achieved its aim in terms of subsequent work performance. Making necessary amendments to any of the previous stage in order to remedy or improve failure practices.

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Transitional Model: This model focuses on the organization as a whole: i) Vision. Focuses on the milestones that the organization would like to achieve after the defined point of time. ii) Mission. Explains the reason of organizational existence. iii) Values. This is the transformation of vision and mission into communicable ideals.

Conceptual Framework

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┌─────────────────────────┐
│ Training - Development  │──────────┐
│ policy                  │          │
└─────────────────────────┘          │
                                     │
┌─────────────────────────┐          │       ┌──────────────────────────┐
│ Training Methods        │──────────┤       │                          │
└─────────────────────────┘          ├──────▶│ Employee performance     │
                                     │       │                          │
┌─────────────────────────┐          │       └──────────────────────────┘
│ Staff Empowerment       │──────────┤
└─────────────────────────┘          │
                                     │
┌─────────────────────────┐          │
│ Motivating Factors      │──────────┘
└─────────────────────────┘
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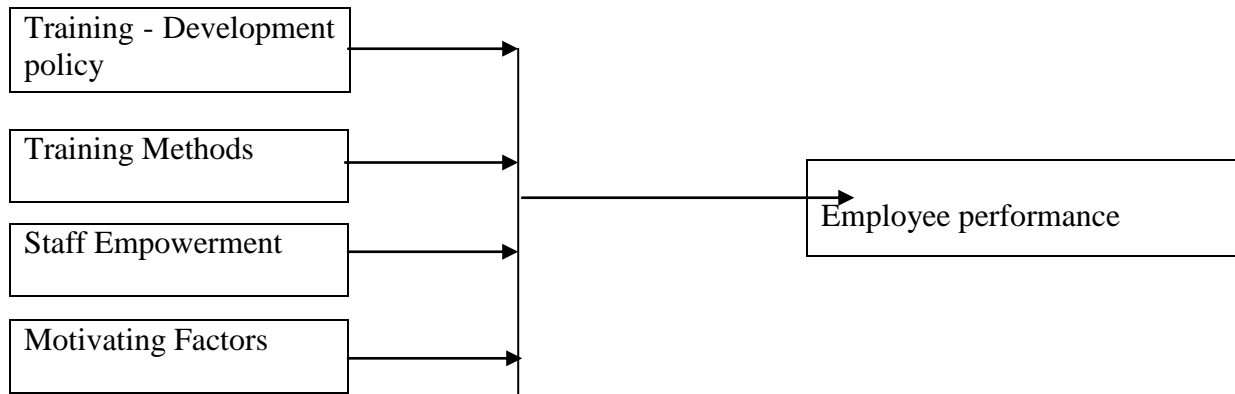
Figure 2.1 Schematic Conceptual Frame work

Research Gap

The attempt to come up with actual determinant has never been done, what is in existence are not systematically organized and cannot highlight vividly the factors in question. This study intends to break the ice as far as this issue is concerned. Not much has been written on the necessary content in training policy. However the content is only found in the organization's policy and they are not uniform. Little has been said concerning empowerment through training and development.

RESEARCH DESIGN AND METHODOLOGY

Research Design: The research was conducted using descriptive research design. Descriptive research includes facts finding and inquires of different kinds and its major purpose is the description of the state of affair as it exists at the present.(Kothari, 2001)

Target Population: Mugenda and Mugenda, (2003) define target population as the population that the researcher want to generalize results.

Table 3.1 Sampling and Sample Size

Department	Target Population	Accessible Population	Accessible population %
Administrators	25	12	20
Trainers/Tutors	70	38	63

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Clericals	15	10	17
TOTAL	**110**	**60**	**100**

Stratified random sampling was appropriate method to use in this study because it is possible break the population

Table 3.2 Sample size

DEPARTMENT	ACCESSIBLE POPULATION	SAMPLE SIZE	SAMPLE SIZE PERCENTAGE
Administrators	12	10	33
Trainers/Tutors	38	14	47
Clerical	10	6	20
TOTAL	60	30	100

Data Collection, Instrument and Procedure: Secondary data was collected from previous publications. Primary data was obtained through questionnaire.

Validity of the Instrument: Mugenda and Mugenda, (2003) validity is the degree to which results obtained from analysis of data actually represent the phenomenon under the study. Scrutinized questionnaire was used for suitability in measuring the concept. Content validity was achieved by having sections in the questionnaire representing key variables. Criteria validity was expected by freeness of the questionnaire from bias

Reliability of the Instrument: Reliability is the degree to which research instrument yield consistent results after repeated trial, (Kothari, 2004). A pilot testing was carried out in a local rural technical where the researcher administered six questionnaires.

Data Analysis:The data was exported to Statistical Package for Social Scientist (SPSS) version 12. The study utilized descriptive statistics. Frequency tables, Bar graphs and pie-charts were used to enable critiques to conceptualize the results.

Research Findings and Discussion

Training and Development: This was to investigate the application of the training and development policy in determining staff training.

Table 4.1 Category of trained and untrained respondents

Category	Frequency	Percentage
Trained	25	100
Untrained	0	0
Total	25	100

Table 4.1 shows that all respondents have gone for training i.e. 100% were trained

Table 4.2 Sponsorship

Sponsor	Frequency	Percentage
Institute/government	2	8
Self-Sponsored	22	88

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External Sponsor	1	4
Total	25	100

Table 4.2 above indicates that the employees have self-initiative to be trained.

Table 4.3 Training Policy Implementation

Response	Frequency	Percentage
Yes	25	100
No	0	0
Total	25	100

Table 4.3 indicates that the institute endeavours to implement the training policy.

Training Methods

Table 4.4 On the job-training methods

Training method	Frequency	Percentage
Workshops	25	100
Work based	25	100
Delegated duties	5	20
Seminars	25	100
Induction	20	80
Job rotation	6	24

Some employees had attended several types of training methods. Workshop, work based and seminar 100%, job rotation 24% and delegated duties 20%.

Table 4.5 Off the job training

Training method	Frequency	Percentage
Study leave	20	80
Holiday based	18	72

From the table, it means majority of the respondents preferred study leave based training.

Staff empowerment

Table 4.6 Promotion

Response	Frequency	Percentage
Yes	21	84
No	4	16

The majority of employees are empowered through promotion.

Table 4.7 Refresher course time interval

Time period in years	Frequency	Percentage
1	8	32

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2	3	12
3	0	0
Never	14	56
Total	25	100

This implies that probability the required skills, knowledge and attitude in the institution is very manifest within the staffs.

Table 4.8 Motivating factors

Type of drives/ Motivators	Frequency	Percentage
Incentives	0	0
Salary increment	19	76
Rewards for performance	1	4
Opportunity to train	2	8
Praises	1	4
Promotion	2	8
Total	25	100

It is clear therefore majority of employees are motivated by salary increment.

Table 4.9 Training force

Response	Frequency	Percentage
Yes	24	96
No	1	4
Total	25	100

Table indicated that ninety six percent of the respondents perceive training as a driving force to performance.

Performance

According to Armstrong (2011) performance is the outcome of any input.

Table 4.10 Performance level after training

Level	Frequency	Percentage
Excellent	13	52
Good	11	44
Satisfactory	1	4
Poor	0	0
Total	25	100

Table This implies that training is essential and needed for performance.

Table 4.11 Change in performance after training

Response	Frequency	Percentage
Yes	25	100
No	0	0

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Total	25	100

Table shows that 100% respondents noted a change in their performance after training.

What the institute has been doing to improve performance other than training

The institute has been having or holding departmental meetings to discuss the performance, bottlenecks and encouraging the staff to come up with the way forward.

Summary

The purpose of the study was to find out the role of training in developing staffs, performance in Government Training Institute in Embu West District. The study adopted descriptive design to ensure complete description, making minimum bias in collection of data. The target population was 110 staffs and the accessible population was 60 staffs. The sample size was 30 staff a 50% of the accessible population, and a 27.27% of the target population. 25 were respondents and 5 non respondents. This was 83.33% response, 16.67 % non-respondents of sample size. The data was analyzed by use of SPSS Version 12.0. Data was presented in form of tables, bar graphs and pie-charts.

Majority of the respondents of 84% showed that they are aware of the existence of training policy in the institution and its being implemented. The commonly used methods for training are workshop, work based and seminars. 80% said that induction and study leave are used for training as well and 72% of the respondents said that holiday based training is also highly used.

Eighty four percent of the respondents agreed that empowerment through promotion is practiced in the institute. 81% of the respondent of the 21 respondents who agreed they have ever been promoted said that it took them a span of one to five year (1-5 years) to be promoted. This is an indication that the institute promotes staff within a short period of time usually five years interval.   Ninety two percent of the respondents (92%) said that empowerment in the institute is done through salary increment annually. This is in respect to what the government recommends or practices for salary increment.

Seventy six percent (76%) of the respondents are greatly motivated by salary increment and 8% are motivated by opportunity to train and the other 8% by promotion and 4% are motivated by rewards after performance and another 4% by praises.

After training, performance rose to a higher level. After training it was found that no performance was rated at poor level.

Conclusions

The institute has embarked on training her staffs to improve her performance. This has reduced the level of illiteracy to zero. There is involvement of staff in administrative duties a alongside other responsibilities.

The institute has the training and development policy and that it is being implemented by the institute. No specific criterion in the institute used for selecting staff suitable for training. There is a high degree of awareness of the existence of training policy in the institute. There are varieties of methods of training used. However induction is so much practiced.

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In terms of human resource development systems and approaches to ensure performance, the institute has a staff development training policy and a system for identifying personnel for staff development. The training methods used in training and developing the staff in the institute is on-job training with its different types, as well as off the job training.

The institute has however endeavoured to empower the staffs in various ways. Most used way in empowerment is through salary increment and through promotions. A bigger percentage is motivated by salary increment.

It is clearly shown that the performance was wanting before training. However after training there was a shift from poor or low performance to excellent and good performance.
        The institute also has been commended for her efforts to involve the staff in decision making and encouraging participation thus employees have what is referred to as employee voice.

Recommendation

After going through the study process the following recommendation were deemed important for the role of training in the institute geared towards staff performance. Training and Development policy: The institute should ensure that all the staff is aware of the training and development policy, much emphasis being the content of the policy.

Methods of training: Greater number showed that induction is the most common used method which is good for it brings familiarity of the staff with the institute. It also creates awareness of the job ahead of the employee as well as the people who will be working with this particular or newly employed staff. It is recommended that the institute explore other methods of training. Empowerment: There is negligence of other ways of empowering the staff. The institute should explore a variety of empowerment other than the convectional ones, namely, promotion and salary increment.

Motivating factor: The research indicated that a majority of the staff is motivated by both salary increment and promotion. It is recommended that the institute put in place salary review scheme that would see to it that the salary of employees are reviewed now and then and at a certain period of time. This would ensure fair and just remuneration in the institute. Secondly it should commensurate with the national salary and remuneration committee.

Performance: The research exposed the fact that there are improvement indices after training.

Training should be emphasized and should be continuous.

Suggestion for further study.

The following are some of the areas further study can be done;

i) Impact of Learning on employee productivity, ii) An analysis of learning methods to improve job out- put, iii) The effect of training, in developing employee performance, iv) Adopting learning as a tool to change management by an organization

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CHALLENGES OF DEVOLVING HUMAN RESOURCE FUNCTION IN KENYA: A CASE STUDY OF NAKURU COUNTY

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ABSTRACT

Devolution of human resource function is both a growing and global trend. Kenyans have been advocating for this type of devolution with the aim of trickling resources to the county governments. A number of authors have suggested that there are positive as well as negative consequences of devolution. The presence of challenges suggests that HR devolution is not without its own shortcomings. The aim of this paper therefore, was to identify the challenges of devolving HR function in Kenya. Nakuru County was selected as the unit of study. The study adopted a descriptive design using a questionnaire survey approach. The instruments used in this study were closed interview questions which involved interviews of randomly sampled 20 HR practitioners in the county. Data was analyzed using SPPSS and presented in tables. The researchers found evidence of all the major challenges reported in the literature, including, lack of line managers' HR skills, their apathy towards HR, complaints about increasing workload, HR inconsistency, and line manager short-termism. Of great concern was the new dimension of ethnicity; where respondents rated it as the major challenge. The study reports a clear mismatch between the challenges faced and measures undertaken in response to those challenges. The study was conducted in only one county in Kenya and with a limited number of respondents. The overall implication from the study is that the challenges of devolution reported in the literature are found in Kenya with positive and negative outcomes. However, if the challenges and issues associated with devolution could be properly addressed, counties could expect to reap more benefits from implementing this HR strategy. It was therefore recommended that the central government provide frameworks for creating awareness and information related to the significance of devolved HR function.

Key Words: Human Resource Management, HR Devolution, HR Function

Introduction

One of the central features of ongoing debate on strategic human resource management approaches is the importance of devolving HR function (Budhwar & Khatri, 2002). Past studies suggests that more organizations are devolving their HR functions, either partially or fully, and line managers now have far greater responsibility on HR issues than ever before. Most of these organizations are based in various European countries and in the United States of America (Brandl, Madsen & Madsen, 2009; Cascon-Pereira et al. 2006). In Africa, the management of human resources has not changed much since independence. The HR function is still a support function that provides services to its internal customers and which is constantly under challenge to improve its service quality and in turn nurture further organizational development (Heskett et al, 1994). Public sector reforms meant to address these challenges have achieved minimal results (AAPAM, 2005).

In the Kenyan context, the Constitution of Kenya (RoK, 2010) adopted a devolved system of governance. The new constitution introduced major changes in governance with a clear shift from a highly centralized to a decentralized or devolved system. Devolution, as envisaged in

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the Constitution of Kenya entails sharing of political, administrative and fiscal responsibilities between the national and county governments. One of the main resources to be devolved is the human resources. Though there a number of studies that have reported positive outcomes of devolution of HR function, there are equally numerous inherent problems within the framework of devolution that can seriously undermine the positive outcomes reported. Further, Schou and Haug (2005) noted that the major concerns over devolution in ethnically diverse societies are that it encourages ethnic identification, accentuates inter-group differences and fosters discrimination against local minorities. There is also overwhelming evidence showing that the success of devolution is dependent on the design and implementation of the devolution framework (Ter-Minassian, 1997).

Importance of the Study

Despite its growing importance of devolving HR function, most of studies to date have been conducted in the West (Budhwar, 2000), with limited research in a few Asian countries. There is no evidence in literature suggesting any such study has been conducted in Kenya. Thus more research is needed to address important issues regarding devolution of HR function. Considering that devolution encompasses financial resources, decision-making and power, its effectiveness within the county system of governance can only be attained if its processes, dynamics and challenges are well researched and understood. The present paper examines the challenges to devolved HR function in Kenya. By outlining these challenges and offering possible mitigating measures, the paper hopefully creates a better understanding of the dynamics of HR devolution strategy. This research thus builds on the existing literature and also contributes to overcoming the dearth of empirical research on HR devolution which has been predominantly of western context.

Review of Related Literature

The underpinning literature review briefly addresses issues regarding the devolution of HR function. Cascon-Pereira et al. (2006), defines devolution as "the reallocation of personnel tasks or activities, and the related decision-making power, financial power and expertise power required to carry out these tasks, from other agents to line managers". Literature on devolution of HR function has produced mixed findings of either positive or negative outcomes. Some of the common reasons behind devolution include: to improve efficiency and effectiveness of the HR function (Heraty & Morley, 1995), to leverage line managers' proximity to employees (Purcell & Hutchinson, 2007), to achieve a more strategic approach to HR (Delmotte & Sels, 2008), to make line managers more responsible (Renwick, 2000) and to cut HR related costs (Budhwar, 2000).The positive outcomes of devolvement reported in most past studies include more problems being solved at a lower level, better change management, more responsible line managers, improved efficiency of employees and greater freedom for specialists to move away from routine activities(Budhwar, 2000; Resnick, 2000). Although some scholars promote HR devolution in a positive light, the devolution literature is replete with evidence that show devolution of HR function faces a number of challenges. Some even state that transferring HR responsibilities to line managers is 'problematic' (McGovern et al., 1997; Heraty & Morley, 1995). Moreover, those who report the success stories of devolution, are quick to note that the rate and extent of success is not at the desired level and there are a lot of issues still unresolved.

According to McGovern et al., (1997), a number of challenges have been identified in devolution of HR function that include the problem of managerial short-termism,

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inconsistencies in delivering HR function, increased workload, lack of HR skills, increased costs, inadequate training and lack of employee development. Similarly, Thornhill and Saunders (1998) found that there was failure to achieve effectiveness in an organization where the specialist HR function was completely devolved. Brewster and Holt-Larsen (2000) noted that though the devolution of HR functions has received much attention by both academicians and practitioners in the UK and Europe over the last decade, the actual degree of involvement is not so extensive. In the African context, public services in many countries are confronted with challenges, which constrain their delivery capacities (Lienert, 2003). They include the human resource management factor, relating to shortages of the manpower in terms of numbers and key competencies, lack of appropriate mindsets, and socio-psychological dispositions. There is also the perennial problem of the shortage of financial and material logistics that are necessary to support effective service delivery. On the other hand, the gradual erosion of the ethics and accountability has continued to bedevil the public sector in delivering public services to the people effectively. Lankeu and Maket (2012), in their study on public service delivery in Kenya, points out that the public service for a long time, has been characterized by corruption, low productivity, inefficiency and lack of transparency and accountability. Despite the potential gains of the HR devolution, there is little evidence in literature on devolution of HR function in Kenya.

Objectives of the Study

Given the review outlined above, this research examines the devolvement of HR function and attempts to identify the key challenges within a county government set up in Kenya. The related research questions are as follows:

1. Are the reasons for devolving HR function applicable to counties in Kenya?
2. What are the likely challenges of devolving HR function?
3. What possible mitigating measures can be taken to counter these challenges?

Research Methodology

The study adopted a descriptive design using a questionnaire survey approach. The instruments used in this study were closed interview questions. The questionnaire items were divided into four parts. The first part contained items relating to demographic information of the respondents. The second part contained items related to the reasons for devolving HR function. The third part contained items relating to the problems of devolving HR function. The last part contained items relating to possible solutions to these challenges. Responses to all the items in the second, third and fourth parts were in the form of five-point Likert scale, requiring respondents to choose from five given responses. A total of 30 questionnaires were issued to the selected practicing HR professionals. Of these, 20 questionnaires were received and analyzed giving a response rate of 66%. Descriptive statistics using frequencies means and standard deviations were used for all measures with a five-point Likert scale.

Research Findings

Demographic Information

The majority of the respondents participating in the questionnaire survey from were HR professionals with 80% having more than 10 years experience in Kenya. All were registered with the Institute of Human Resource Management (IHRM), the professional body authorized to license all HR practitioners in Kenya. All the respondents had at least a

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university degree, with 60% of the respondents having a postgraduate degree. Thus the respondents were highly educated and qualified. This could possibly reinforce the accuracy of the findings.

Reasons for Devolving HR Function

The reasons for devolution of HR function indicated the growing trend of such practices globally. The responses to the main reasons of devolving HR function to the counties are depicted in table 1 below. The average mean item score was 4.6 indicating the respondents provided an overall response of "Strongly Agree". The items with the highest mean scores included: improved efficiency and effectiveness (4.87), quicker response to HR problems (4.72), HR services closer to the people (4.71) and more problems being solved at lower levels (4.70). It is thus clear that respondents cite the main reasons for devolving HR function to include an improvement in efficiency and effectiveness in HR service delivery, faster response to HR problems and a general increase in participation in HR issues. Clearly, the general aim of devolving is to ensure that HR plays a more strategic role and to ensure that the counties benefit from more focused solutions, delivered in a timely and effective way.

Table 1: Reasons for devolving HR function

Item	Mean	Standard Deviation
Improved efficiency and effectiveness of HR function	4.87	0.64
	4.72	0.72
Quicker and timely response to HR issues	4.70	0.61
More HR related problems solved at lower levels	3.85	0.74
Reduced HR related costs	3.44	0.71
Increased participation in HR issues	4.71	0.66
Take HR services closer to the people		

Challenges of Devolving HR Function

Past studies have demonstrated the growing interest in devolution of HR function and the rationales for devolving HR function with a number of challenges reported (Brewster & Holt-Larsen, 2000; Budhwar, 2000). In the current study the respondents reported similar findings on most issues. Quite apart and deemed by most respondents to be the major challenge to devolving HR function are the twin issues of ethnicity and corruption. Though a number of studies have reported similar challenges bedeviling public services in Africa, it is noted that these problems are deemed by the respondents to increase with devolution of HR function.The responses to the challenges are shown in table 2 below. The top four items relating to challenges of devolving HR function were: increased ethnicity and nepotism in HR practices (4.82), corruption being entrenched in all HR function processes (4.77), lack of HR skills in to manage HR function at the county level (3.9) and inconsistency in HR service delivery (3.7). Other challenges noted include increased workload, short-termism and insufficient financial resources to implement devolved HR function.

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Table 2: Challenges of devolving HR function

Item	Mean	Standard Deviation
Increased ethnicity and nepotism	4.82	0.46
Increased corruption in HR function	4.77	0.54
Lack of HR skills amongst county managers	4.62	0.72
Inconsistencies in HR services delivery	3.86	0.74
Increased workload amongst county managers	3.27	0.71
County managers short-term view of HR	3.46	0.66
Inadequate resources to support HR function	3.74	0.82

The problem of ethnicity and nepotism is clearly the greatest challenge to devolution of HR function. The ethnic diversity within Kenya may encourage ethnic identification, increase discrimination and alienation of minority groups, entrench nepotism in the public service and accentuate inter-group differences as previously noted by Schou and Haug (2005). Thornhill and Saunders (1998), noted that among the problems of devolution was a lack of clear direction from top management. Necessary HR skills amongst county managers may also have a negative effect on devolved HR function which may lead to inconsistencies in service delivery, enhance short-termism among managers and entrench inefficiencies. Closely related is the problem of corruption being entrenched in the county public service and thus negatively affecting HR function. Such corrupt practices occur in the recruitment and selection process, promotions, creation of county structures and resource allocation. Corruption was earlier cited by Lankeu and Maket (2012) as being one of the main problems bedeviling public service in Kenya. It is also noted that inadequate resources may limit the ability of counties to attract and retain competent employees. Further, lack of sufficient resources may weaken capacity building measures thereby reducing the capacity of counties to offer continuous employee training and development.

Possible Solutions

The problems identified in the past studies and the findings of this study have shown that similar problems remain unresolved and continue to exist in established organizations. Respondents asserted that if devolution of HR function was to succeed, counties need to not only offer appropriate training, but also to place greater value on HR skills, create a better understanding and cooperation and to enhance the effectiveness of HRM practices in counties. Some of the specific solutions proposed by correspondents are shown in table 3 below. From table 3, the most probable solutions to the challenges of devolving HR function include; legislating to leverage on ethnicity, promotions and staffing (4.2); provide continuous and effective training to County Public Service Boards and the entire county workforce (3.8); nationalize recruitment and selection to attract and retain the appropriate workforce (3.9); devolving anti-corruption agencies to counter emerging corruption within county governments (4.1). Other solutions include enhancing financial support, increasing awareness of HR function, entrenching HR as a key pillar of county development and formulating policies and regulation that enhances the benefits of devolving HR function.

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Table 3: Possible solution to identified challenges

Item	Mean	Standard Deviation
Enact national legislation to tame ethnicity	4.2	0.62
Continuous training and development of county public service boards	3.8	0.68
Recruitment and selection of all senior employees to be done nationally through the public service commission	3.9	0.61
	4.1	0.56
Devolving anti-corruption agencies to counter corruption in counties	3.6	0.72
Increased financial support to counties	3.4	0.66
Increased awareness of HR function		

From these findings, it is clear that legislation must be enacted to reduce ethnicity within the county public services. This will ensure counties attract suitable individuals without their ethnic backgrounds playing any significant role. The county public service boards must also be strengthened through continuous training and appraisal on HR practices to enhance their ability to effectively deliver HR services. To counter the challenges posed by corruption, anti-corruption agencies should be devolved, awareness on these corrupt activities increased and stiffer penalties for corruption related practices be enforced. Other key solutions to challenges of devolving HR function include increased funding aimed at capacity building, attracting suitable candidates and sustaining HR activities.

Summary of key findings and implications

On the basis of analysis of the questionnaire responses, some of the key findings and implications regarding the devolution of HR function to county governments are:

i. Structural change in the form of national legislation must be undertaken in order to effectively undertake such functions as devolution of recruitment and selection, promotions and training and development.

ii. There are specific and critical challenges facing HR devolution in Kenya majorly relating to ethnicity and corruption and these challenges need to be addressed adequately for the counties to reap the benefits of the strategy.

iii. The process of devolvement significantly leads to increased workloads and greater responsibility with possibility of lack of HR skills, hence increased work pressure.

iv. Role ambiguity in the devolution of HR function between the national and county government could give rise to problems with the devolution process and thus in the transition regime, the national government must provide operational frameworks in order to nurture the nascent county structures.

v. There is clear and urgent need to sustain financial support and decision making role of counties in order to minimize some of the challenges of devolving HR function.

Limitations

One of the limitations of this study is the empirical setting of the study, which was confined to 30 practicing HR professionals in Nakuru County which may not be representative of all counties considering the differences in the demographic factors. Future studies involving different counties would be ideal to provide a larger sample, increasing the

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reliability and validity of the findings. This was not feasible in this instance, in view of limited resources and time constraints. However, this study provides some interesting results and perhaps will open avenues for further research.

Conclusion

Despite the presence of challenges, devolving HR function has numerous positive gains that far outweigh the negatives. The success of the strategy therefore lies in mitigating the challenges of devolving HR function. Further, the findings of the study demonstrates the growing trend of such practices globally even in non-Western set-up. It is hoped that the results of this study will provide useful information to HR practitioners, policy makers and the governments in their quest to enhance service delivery. It is also suggested that a more extensive research covering at least half of the counties to give a true picture of this strategy in Kenya.

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THE RELATIONSHIP BETWEEN HUMAN RESOURCE PRACTICESAND THE PERFORMANCE OF KENYAN STATE OWNED CORPORATIONS

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Abstract

The purpose of the study was to investigate the relationship between HRM practices and the organizational performance of the Kenyan state corporations. There are 29 Kenyan State Corporations in the Agricultural Sector. The study hypothesized that; there was a significant relationship between HRM practices and organizational performance and therefore the need to investigate the significance of a bundle of HRM practices to the performance of state corporations. The HRM practices under investigation were; Recruitment and Selection, Performance Appraisal, Compensation, and Training and Development.
The study adopted an explanatory research design. The target population was 232 HRM from which a sample of 142 respondents was selected. The research tool was a questionnaire which constituted structured or closed ended items, unstructured or open ended items and likert items.
A pilot study was conducted to help establish the reliability and validity of the research tool. Quantitative and qualitative data was generated was analyzed using SPSS. Qualitative data was operationalized by arranging the data according to emerging themes or patterns with assigned numbers to make them measurable. As far as quantitative data is concerned, Correlation coefficients were calculated for initial exploration of the relationships between variables. This helped to measure the size and direction of the relationship between the independent and dependent variables.
The findings indicated a positive correlation between performance appraisal and organizational performance, followed by compensation and training and development and an insignificant relationship between recruitment and selection and organizational performance and therefore recommended to the authorities of the Corporations studied to give main focus on performance appraisal for enhanced organizational performance.

Key Words: Dynamic business environment,HRM practices, Organizational Performance, State Corporations

Introduction

Modern Organizations are constantly wrestling with revolutionary trends in the dynamic business environment which is characterized by accelerating product and technological changes, global competition, deregulation, demographic changes, and at the same time, they must strive to implement trends towards a service and information age society (Kane 2000). It is therefore the imperative responsibility of all managers and other players in the organization irrespective of their areas specialization to develop strategies that will ensure that their respective organizations overcome challenges posed by such an environment.

The purpose of this study was to investigate the relationship between HRM practices and the organizational performance of the Kenyan State OwnedCorporations. Research findings from developed countries; such those established by Harel and Tzafrir(1999); Noeet. al(2000); Katou and Budhwar, (2006); show that HR practices have significant effect on Organizational Performance. Their findings were also buttressed by the opinions of the HRM

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gurus such a Armstrong (2006) who observes that people are the organization's key resource and organizational performance largely depends on them,Dessler (2003) and Mondy (2008) who sums up the influence of HRM on organizational performance by arguing that human capital through appropriate management increases the productive output from each employee either through improvement in skill level or through improvement in morale and job satisfaction.

However, insufficient number of studies has been conducted in Kenya in this area to boost the contemporary knowledge base of HR practices of developing countries. In fact no studies have been conducted in Kenya with special to State Owned Corporations using HRM bundle as advanced by Collins and Druten (2003). It was on the basis of this line of thought that this study was conducted.

Objectives of the Study

The general objective of the study was to investigate the relationship between HRM Practices and the Organizational Performance of the Kenyan State Owned Corporations in the Agricultural Sector. The following were the specific objectives of the study;

  i. To determine the relationship between recruitment and selection and organizational performance.
 ii. To establish the relationship between performance appraisal and organizational performance.
iii. To establish the relationship between compensation and organizational performance.
 iv. To find out the relationship between training and development and organizational performance.
  v. To establish the moderating effect of organization's internal environment on the relationship between the independent and dependent variables.

## Hypotheses of the Study

The study hypothesized that;

  i.   There is a significant relationship between recruitment and selection and organizational performance.
 ii.   There is a significant relationship between performance appraisal and organizational performance.
iii.   There is a significant relationship between compensation and organizational performance.
 iv.   There is a significant relationship between training and development and organizational performance.
  v.   There is a significant moderating effect of organization's internal environment on the relationship between the independent and dependent variables.

Theoretical Framework

Theories reviewed in this section are in line with how a bundle of HR practices namely; employee recruitment and selection, PA, employees' rewards and benefits and T&D relate to OP. They include; Resource-Based View, expectancy theory and system theory.

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Conceptual Framework

According to Collins and Druten (2003) researchers have produced compelling evidence for the causal link between how people are managed and organizational performance. They argue that the effectiveness of HR practices, particularly employee selection procedures, performance appraisal, Compensation, and employee training and development (the matching model of HRM) often have a direct bearing on organizational productivity and performance. This concept is illustrated in figure 1.

Independent Variables   **Moderating Variables**   **Dependent Variable**
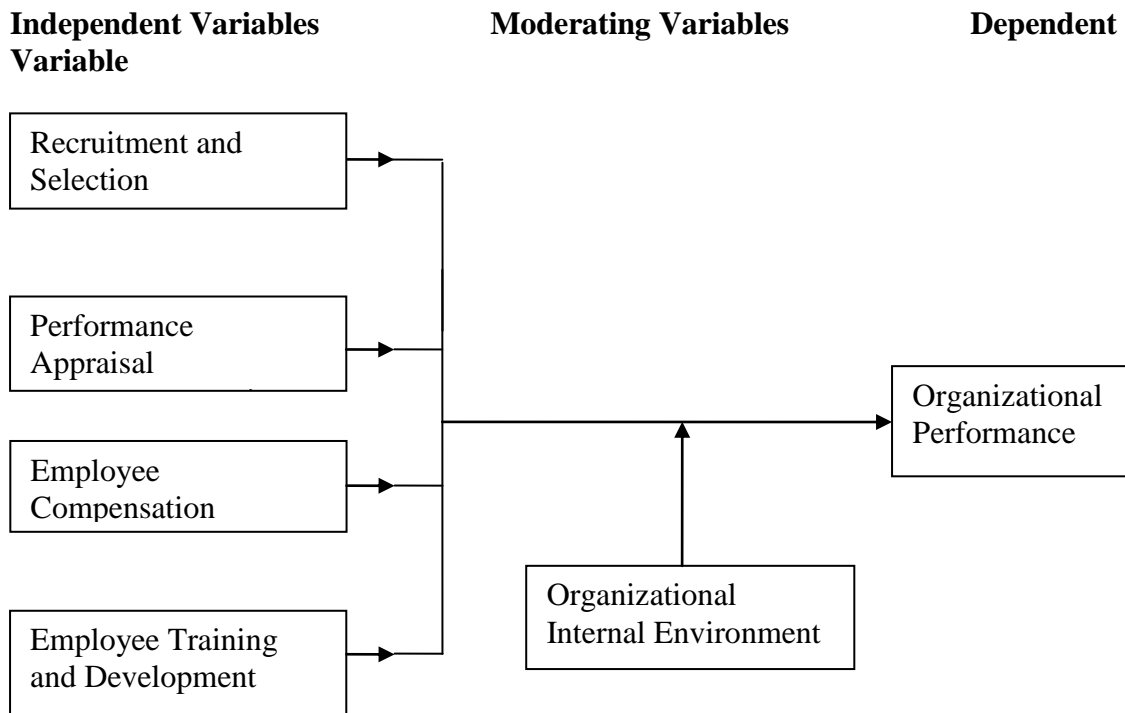
Figure 1: Conceptual Framework

HR Practices

HR practices refer to all those function undertaken by the HR department of an organization. Some of these functions include; Human Resource Planning (HRP), job analysis, recruitment and selection, training and development, performance appraisal (Dessler 2008) among others. The HR practices investigated in this study were; recruitment and selection, performance appraisal,employee compensation, employee training and development as integrated in the Guest Model of HRM. A firm's HR practices determine the productivity of its workers and the subsequent organizational performance. The choice of appropriate bundle of HR practices is influenced by its internal environment (Armstrong 2006). This informed why organizational internal environment was selected as a moderating variable. The study assumed that the four HR Practices captured in the conceptual framework had significant relationship with the organizational performance

Organizational Performance

Organizational performance (OP) is the ultimate reason why organizations are formed and managed. OP comprises of the actual results of an organization as measured against its intended goal. According to Richard et al. (2009) organizational performance encompasses three specific areas of firm outcomes; financial performance (profits, return on assets, return

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on investment, etc.); product market performance (sales, market share, etc.); and shareholder return (total shareholder return, economic value added, etc.).

In acknowledging the relevance of HRM in organizational performance, scholars have suggested that a good fit between HRM strategies and the business strategy of the firm tends to lead to superior outcomes (Armstrong 2006; 2010;Boxall 1996 and Dyer and Reeves 1995). In other words, when the company's HRM practices support firm strategy, superior performance is expected. The Organizational Performance aspects of this study included; financial (revenue and profit) generated, corporate image, employee and customer acquisition and retention among others.

The Relationship between HR Practices and Organizational Performance

Going by current studies, it is clear that the focus of research on HRM has shifted from studying and relationship of individual HRM practices on employees' performance to entire HRM system and its influence on OP (Becker and Huselid, 1998). From the reviewed literature, the study concludes that, researchers are in agreement that HR practices have a positive impact on OP. The only area of divergent views is the degree to which each of HRM practices in a given bundle or model affect firms' performance. In a study in Greece, Katou and Bedhwar (2006) found that HRM practices of staffing, training and promotion, involvement of employees, incentives, and safety and health have positive relationship with firms' performance.

In a study of managers from Taiwan and Cambodia, Sang (2005) concluded that workforce planning; staffing; compensation, and incentives; teamwork; training, and employee security had a positive and significant influence on non-financial and financial dimensions of OP. The study validated the positive effects on operational dimensions of performance, namely, production flexibility, product cost, product quality, and product delivery.

Further, in a comparative study of United States and Japan, Ichniowski and Shaw (1999) found that Japanese firms were more productive than United States' firms on account of implementing HRM practices. In a study in Taiwanese high technology firms, Chang and Chen (2002) established that HRM practices of workforce planning, training and development, benefits, teamwork, and performance appraisal significantly affected productivity.

These are just but examples of studies that have been conducted and indicate a positive relationship between HR practices firms' performance. There are many more studies in this area that have the same general deportment. Fortunately or unfortunately, most of these studies have conducted in the developed economies of the world. However, a further analysis of the findings of each the HR practices in a given model indicate that they affect firm's performance differently from one study to the other depending on the model and the sector under which the firm under investigation falls.

Methodology and Design

Research Design: The study adopted explanatory research design. An explanatory design is a process of collecting data in order to test the hypothesis on the nature of certain relationships with an aim to differentiate between, and measure, the relative influence of the factors and explain the cause and effect relationship between them. It frequently includes descriptive elements but goes beyond this to identify and explore the causes lying behind the

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effects and the nature of the relationships between the two. Therefore, explanatory research attempts to investigate the causes of particular phenomena, not simply to describe them. Hypothesis testing provides an understanding of the relationships that exist between variables (Sekaran 2003; Kothari 2004).

Population: The population of the study was HR managers since they are the most reliable persons to provide data related to HR practices and overall organizations performance (Huselid& Becker, 1996; Tzafrir, 2006). The study established that there were 224 HR managers (Head of HR, HR section heads and their respective supervisors) in the 29 state corporations under the agricultural sector.

Sample Size and Sampling Technique: The following formula was used to get the sample size of the study:

$$n = \frac{X^2 * N * P * (1-P)}{(ME^2 * (N-1)) + (X^2 * P * (1-P))}$$

Where :

n = sample size

X^2 = Chi – square for the specified confidence level at 1 degree of freedom

N = Population Size

P = population proportion (.50 in this table)

ME = desired Margin of Error (expressed as a proportion)

Source: Krejcie and Morgan (1970) Substitution:

n= $(1.96^2 \times 224 \times 0.5 \times 0.5) \div (0.05^2 \times 223 \times 1.96^2 \times 0.5 \times 0.5)$

n= 141.70

Therefore, the sample size of the study was 142 respondents. This translates to 63% of the study population and has sufficiently surpassed the minimum threshold sample size of 10% suggested by Gay (1983), 30% considered acceptable by Stanley and Gregory (2001); Kothari, (2004); and Kerlinger (1986) and a sample size of 30 respondents for a small population as proposed by Mugenda and Mugenda (2008). The sample size was equally divided among the 29 State Corporations where the study was to be undertaken. This means that 5 respondents were randomly selected from each one of them to respond to the study questionnaire.

Data Collection Instrument: Primary and secondary data was collected to ensure that the study achieved its objectives. Questionnaire items HR practices and organizational performance with likert items with 5 options (1= strongly disagree to 5= strongly agree) and items about the basic characteristics of the respondents was developed to aid the collection of primary data. A further of published and unpublished materials helped in compiling secondary data.

Reliability and Validity: The study conducted reliability testing before subjecting data that was collected to statistical analysis. Testing of the reliability of the scale is very much important as its shows the extent to which a scale produces consistent result if measurements were made repeatedly. This is done by determining the association in between scores obtained from different administrations of the scales. If the association is high, the scale yields consistent result, thus is reliable. Cronbach's alpha whose value varies from 0 to 1 is

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most widely used method. However, satisfactory value is required to be more than 0.6 for the scale to be reliable (Malhotra, 2002; Cronbach, 1951). In this study, therefore, Cronbach's alpha scale was used as a measure of reliability. The outcome of reliability testing is shown in table 1.

Table 1: Reliability Testing

Scales	No. of Items	Cronbach's Alpha (α)
Recruitment and Selection	06	0.728
Performance Appraisal	12	0.839
Compensation	09	0.784
Training and Development	09	0.845
Internal Environment	06	0.734
Organizational Performance	09	0.789

From table 1, reliability values ranged between α= .728 to .845. When compared with standard value of α= 0.6, as advocated by Cronbach, (1951) and Malhotra (2002), the scale of the study was highly reliable for data analysis.

Validation process involved consulting HRM and research experts on the questionnaire. They also judged the face content validity of the questionnaire as acceptable. This way the research tool satisfied the reliability and validity threshold.

Data Analysis and Discussion of the Findings

The study was organized around the research objectives aimed at testing research hypothesis. These hypotheses were formed on basis of the variables of the study which included: employee recruitment and selection, PA, employee compensation, employee training and the organizational challenges.

Response Rate: From the 142 questionnaires distributed, 134 were returned fully completed. This translates to a response rate of 94.37%. Babbie (1998) and Mugenda and Mugenda (2003) asserts that more than 70% response rate is very good, 60% rate is considered good and 50% is adequate. Based on the recommendations by the two scholars, the study concluded that the response rate of 94.37% for this research was "very good" and therefore a good basis of this study report.

Data Analysis: Data was analyzed in a stepwise method through forward selectionusing multiple regression analysis where all the variables were analyze to help establish the relationship between the independent and dependent variables under the in influence of the mediating variable.   The model; OP=ß0+ß1 (RNS) +ß2 (PA) +ß3 (COM) +ß4 (TND) +ewas used to establish the relationship between the independent and dependent variables. Where;

ß0, ß1, ß2, ß3 and ß4 are the regression co-efficient, OP   =   Organizational Performance, RNS   =   Recruitment and Selection, PA   =   Performance Appraisal, COM   =   Compensation, TND =   Training and Development, *e* = Error Term / Disturbance Term

To test how this fit the data and findings; correlation (r), Coefficient of determination (R, R2), analysis of variance (ANOVA) and t statistic were used.

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Correlation Coefficient for all Variables

Correlation analysis aimed to establish the pairwise relationship among the independent variables (recruitment and selection, compensation, performance appraisal, training and development) and the dependent variable (organizational performance). Pearson correlation coefficient analysis for all variables was performed. From table 2, the highest correlation (r =0.480) was between performance appraisal and organizational performance, followed by the association (r =0.389) between training and development and organizational performance; compensation and organizational performance (r= 0.346); and recruitment and selection and organizational performance (r =0.210).

The HR practices were pair-wise positively correlated with one to another and also statistically significant at P-value 0.000. Among the four HR practices, the relationship (r =0.426) between Compensation and Training and Development was the highest, followed by the links (r =0.416) between Recruitment and Selection and Performance Appraisal, (r = 0.351) between Performance Appraisal and Compensation and (r= 0.308) between Training and Development and Recruitment and Selection. Thus, the relationships among the independent variables in this study indicated that there was multicollinearity because no correlation had more 0.8 between any two independent variables.According to Kleinbaumet.al,(1988). Multicollinearity is a problem because it can increase the variance of the coefficient estimates and make the estimates very sensitive to minor changes in the model. With highmulticollinearity, the coefficient estimates are unstable and difficult to interpret since saps the statistical power of the analysis and can cause the coefficients to switch signs making them more difficult to specify the correct model.

Table 2 Pearson Correlation Coefficient for all Variables

Variables		OP	RNS	PA	COMP	TND
OP	Pearson Correlation	1				
	Sig. (2-tailed)					
	N	134				
RNS	Pearson Correlation	.210*	1			
	Sig. (2-tailed)	.015				
	N	134	134			
PA	Pearson Correlation	.480**	.416**	1		
	Sig. (2-tailed)	.000	.000			
	N	134	134	134		
COMP	Pearson Correlation	.346**	.306**	.351**	1	
	Sig. (2-tailed)	.000	.000	.000		
	N	134	134	134	134	
TND	Pearson Correlation	.389**	.308**	.443**	.426**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	134	134	134	134	134

*. Correlation is significant at the 0.05 level (2-tailed).
**. Correlation is significant at the 0.01 level (2-tailed).

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Regression analysis for Summary Results

A multiple regression analysis was performed to identify the predictors of Organizational Performance as conceptualized in the model. A step-wise variable selection was used in the regression analysis and table 3 and table 4show the summary measure and analysis of variance (ANOVA) of the model.

The HR practices (Recruitment and Selection; Performance Appraisal; Compensation and Training and Development) in the model revealed the ability to predict Organizational Performance ($R2 = 0.949$). In the goodness of fit model, value of $R2$ denotes that 94.9 percent of the observed variability in Organizational Performance can be explained by the said HR practices when controlled for organizational internal environment. This was an improved performance of 1.9 percent since the model revealed the ability to predict 93 percent Organizational Performance when uncontrolled for organizational internal environment. The remaining 5.1 and 7 percent respectively are not explained suggesting that there are other variables (not depicted in the model) that are responsible for the variation in Organizational Performance.

Table 3 Goodness of Fit- Summary Model for Predictors of Organizational Performance

Model	R	R Square[b]	Adjusted R Square	Std. Error of the Estimate
1	.966[a]	.933	.930	9.8878859
2	.975[c]	.951	.949	8.4732630

a. Predictors: Training and Development, Compensation, Recruitment, Performance Appraisal

This variance is highly significant as indicated by the F value (F= 499.123 and P = 0.000). An examination of the model summary presented by the table 3 in conjunction with ANOVA, presented by the table 4, indicates that the model explains the most possible combination of predictor variables that could contribute to the relationship with the dependent variable.

Table 4: Analysis of Variance for Predictors of Organizational Performance

	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	175727.356	4	43931.839	449.337	.000
	Residual	12710.137	130	97.770		
	Total	188437.493[b]	134			
2	Regression	179175.785	5	35835.157	499.123	.000
	Residual	9261.708	129	71.796		
	Total	188437.493[b]	134			

a. Predictors: Training and Development, Compensation, Recruitment, Performance Appraisal

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Results of Hypotheses Tests

The study combined four HRM Practices into one regression to see the overall effect on OP. The results in table 5show that of the four hypothesized relationships, three are significant ($p<0.05$) and one is non-significant ($p>0.05$).

H1 hypothesized that R&S had a positive relationship with OP. However, the regression results show non-significant relationship with the OP ($t=1.346$; $p=0.181$). The degree of non-significance is even higher when the moderating variable is controlled ($t=0.31$; $p=0.975$). The findings are counter to early study by Lee and Lee (2007).

H2 hypothesized that PA has a positive effect on OP. The regression results support this hypothesis ($t=5.703$; $p=0.000$). The findings are consistent with other studies Lee and Lee (2007), Sang (2005), Ahmad and Schroeders (2003) among others who found out that, the higher an organization engages in PA related activities, the higher the OP will be.

H3 hypothesized that COM positively affected OP. This is true as far as regression results were concerned because they support the hypothesis ($t=2,024$; $p=0.045$). The relationship is even higher when the moderating variable is controlled ($t=2.419$; $p=0.017$). The findings are consistent with other findings that the higher the organization engages in COM related activities, the higher the organizational performance as confirmed by Singh (2004).

H4 hypothesized that training and development positively influenced organizational performance. The regression results supported this hypothesis ($t=2.773$; $p=0.006$). This confirmed the finding by Chang and Chen (2003); Chiu et.al (2002) among others.

Table5 Regression Coefficient of All Variables

HRM Practices		Unstandardized Coefficients B	Std. Error	Standardized Coefficients Beta	t	Sig.
1	Recruitment & Selection	.331	.246	.112	1.346	.181
	Performance Appraisal	.886	.155	.526	5.703	.000
	Compensation	.404	.200	.127	2.024	.045
	Training & Development	.511	.184	.221	2.773	.006
2	Recruitment& Selection	.007	.216	.002	.031	.975
	Performance Appraisal	.594	.140	.353	4.255	.000
	Compensation	.414	.171	.130	2.419	.017
	Training & Development	.284	.161	.122	1.760	.081
	Organizational Internal Environment	1.149	.166	.396	6.930	.000

a. Dependent Variable: Organizational Performance,
b. Linear Regression through the Origin

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Thus given these findings in table 5, Hypothesis H2, H3 and H4 were accepted. But H1 was rejected given that it fell in the area of rejection. Therefore, the study concluded that performance appraisal, compensation and training and development had a significant impact on organizational performance while recruitment and selection was not.

The Equation Model Substitution

The equation model $Y = \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5$ for all the variables of the study, Where:
Y = the dependent variable - Organizational Performance
X_1 = the independent variable - Recruitment & Selection
X_2 = the independent variable - Performance appraisal
X_3 = the independent variable - Compensation
X_4 = the independent variable - T&D
X_5 = the Moderating variable - Organizational Challenges

From table 4.42; $\beta1 = 0.007$, $\beta2 = 0.594$, $\beta3 = 0.414$, $\beta4 = 0.284$ and $\beta5 = 1.149$

Therefore; $Y = 0.007X_1 + 0.594X_2 + 0.414X_3 + 0.284X_4 + 1.149X_5$

As stated above, α is 0.05. From Table 5, the p-value is 0.000. This means that the alpha level is greater than the p-value. This led to conclusion that performance appraisal, compensation, and training and developmentare the factors that are significant to organizational performance in the state corporations in the agricultural sector. The findings corroborate Absar, Nimalathasan and Jilani (2010) who found PA to be the highest contributor to the organizations performance in Bangladesh. In their research, the next contributor was recruitment and selection followed by compensation and lastly training and development. This is not the case in this study as the order has changed dropping recruitment and selection which was found not significant to the whole model.

Conclusion and Recommendations

The findings of the study implied that the more emphasis should put on Performance Appraisal for superb Organizational Performance. Compensation is also crucial for more perceived organizational performance followed by other HR practices (i.e., Training and Development and Recruitment and Selection respectively). The study recommends an analysis on the on the differences of the relationship between organizational performance and each HR practice that was investigated. The findings could impact on the future usages of HR practices in organizations. A further analysis may also be undertaken to establish the moderating effects Government policy and the kind of technology being used in the organizations.

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FACTORS AFFECTING MOTIVATION OF PUBLIC PRIMARY SCHOOL TEACHERS: A SURVEY OF PUBLIC PRIMARY SCHOOLS IN THIKA MUNICIPALITY.

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Abstract

Teacher motivation could be referred to as those factors that operate within the school system which if not made available to the teacher could hamper performance, cause stress, discontentment and frustration all of which would subsequently reduce classroom effectiveness and student quality output. This implies that teacher motivation includes factors that cause, channel, sustain and influence teachers' behavior towards high management and academic achievement standards in schools. The purpose of this study was to investigate the factors affecting motivation of public primary school teachers where a survey of public primary schools in Thika municipality were assessed with the objective of determining how working environment, remuneration and workload affect motivation of public primary school teachers. This study adopted a descriptive survey design where the target population of this study was all the teachers' of public primary schools in Thika Municipality with a sample size of 66. The finding implies that the working environment was poor and not conducive for the teachers and remuneration is also low hence low motivation and poor performance. The study recommends that working environment in public schools should be improved as it is an impediment to motivation.

Keywords: Motivation, remuneration.

Introduction.

A motivated workforce is necessary to achieve organization goals. Teachers in public primary schools have low motivation as evident in the rising cases of strikes and the ever declining performance of public schools compared to their private counterparts in the Kenya Certificate of Primary Education examinations. Lack of motivation among primary school teachers has adverse effects on several parties mostly the pupils, parents and teachers. This trend will also by extension affect the Government especially as far as the achievement of Millennium Development Goals (MDGs) and Vision 2030 for education are concerned. The problem may affect the pupils in a number of ways with the most significant effect relating to the fact that pupils may not get quality education from the de motivated teacher. Some studies have focused on the factors affecting motivation of public primary teachers for example Kadzamira (2006) conducted a study on teacher motivation and incentives in Malawi focusing mainly on the extent to which low teacher motivation was a constraint to the attainment of universal primary education in low-income developing countries.

A study on Factors Influencing Early Childhood Development Teachers' Motivation in Thika District by Ndani & Kimani (2010) highlighted the teachers motivation levels and the motivators and de-motivators where findings of the study identified good conditions, working near home, relationships with pupils and the terms of service to be a source of motivation while some of the things that de-motivated the teachers were low salary, poor physical working conditions and heavy workload among others. This study however only

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focused on the early childhood development alone and while the factors may be same they cannot be applied across the whole primary school teachers since they handle the pupils at different levels and thus the motivators or de motivators may be differentiated. Since most of the research findings in Kenyan primary schools have not considered these specific factors that affect the motivation of teachers this study therefore focuses on these factors through a study of the four objectives like the working conditions, remunerations, workload and the facilities needed for the job.

Literature review

There is a wide range of views about teacher motivation in Africa and most of which are country specific. However, there appear to be mounting concerns that unacceptably high proportions of teachers working in public school systems in many developing countries are poorly motivated due to a combination of low morale and job satisfaction, poor incentives, and inadequate controls and other behavioral sanctions. The behavior of a person is influenced by different factors. Various theories have been offered to provide insight into how people behave in certain ways or what factors motivates them towards specific behavior. Among all these, the most influential theory was presented by Abraham Maslow (1970) which was termed as Need-Based Theory of Motivation.

This theory provided hierarchy of factors that motivate an employee such as physiological/basic needs, safety and security, belongingness and affiliation, self-esteem, and self-actualization. In organizational context, an employee is first motivated due to physiological factors such as food, clothing, shelter etc or in short he needs pay to fulfill his basic needs. Then security and safety needs are activated. Employees need secure jobs, safe working conditions, protection against threats etc. Later belongingness and affiliation needs are required to be fulfilled. Then employees look for love and association which induce them be a part of groups and coalitions. Afterwards, he needs respect, autonomy, recognition. The last ladder comprises the need for self-actualization where employees seek to realize personal potential and interested in fulfilling their potential.

For example, Bennell (2004) reports that Country Assessment for Pakistan noted that poor teacher motivation is a colossal problem', which is seriously compounded by political interference. Okino (2008) reported that the provision of houses to teachers was a major incentive to performance of teachers since most head teachers did not live near schools; thus spending a lot of time traveling to schools. According to Mumanyire (2005) the most important motivator to the teacher is money which can be in form of salaries, allowances, wages, bonuses, duty allowances and other monetary rewards. However, other factors such as actual teaching conditions, the environment in which the school is located are all crucial to the level of motivation of teachers. Bennell (2004) noted that incentives for schools and teachers in the public education system to perform well are frequently weak due to ineffective incentives and sanctions.

This was particularly the case when teachers cannot be effectively disciplined for unacceptable behavior (absenteeism, lateness, poor teaching, and abusive behavior towards pupils) by school managements because it was very difficult to dismiss them and pay and promotion are largely unrelated to actual performance. This situation was also revealed by Carron (1996) that where teacher pay is very low, there is normally de facto recognition that the labor process' in schools has to be organized in such a way that enables teachers the autonomy to generate additional income. Most managers also engage in these survivals' activities. More generally, there is a widespread acceptance that you get what you pay for',

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which is not very much when pay does not meet minimum livelihood needs. Secondary employment activities are likely to both directly and indirectly lower the motivation of teachers and eventually their performance in their main jobs. According to Maicibi (2003), increasing hours of work, larger class sizes, more subjects, and constantly changing curricula are cited as major de-motivators in many countries. What is expected from teachers is not pitched at a realistic level in many countries given material rewards, workloads, and work and living environments. Large class sizes and heavy workloads in relation to pay (the effort-price of work) also make teachers resistant to the introduction of new teaching methodologies and other innovations. While pupil-teacher ratios are very high in many countries, they do not appear to have increased appreciably during the last 10-15 years in the majority of the developing countries. However, the introduction of free universal primary education in SSA has generally resulted in larger classes, especially in the lower grades, which tend to stress teachers hence de-motivating them. Teachers facing heavy workloads need sufficient motivational supports in order to sustain their effort and professional conduct on the job. If teachers" workload is greater than teachers" motivational supports, teacher motivation is threatened. Unfortunately, the literature, interviews, and SC country surveys confirm that this occurs in many developing countries, therefore stretching teacher motivation thin.

On the other hand, if teachers" workload is reasonable and motivational supports match or exceed this workload, teacher motivation is supported rather than threatened; more motivated teachers bring about improved student achievement (Anderson, 2001). Various theories that inform the independent and dependent variables of the conceptual framework exploring conceptualization of the independent and the dependent variables by analyzing the relationships between the variables.

Independent Variables   **Dependent Variable**
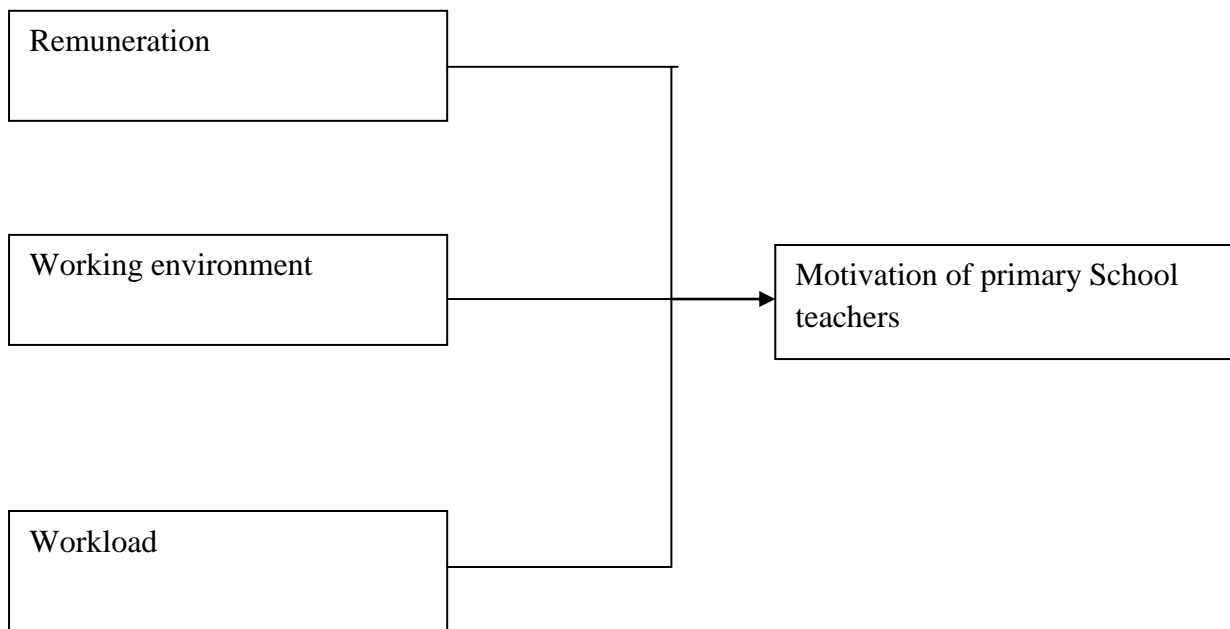
The research design was a descriptive survey research so as to find out the state of affairs as it exists at the moment and descriptive survey was preferred because it describes the status quo (Kothari, 2004). The target population of this study was all the teachers in public primary schools in Thika Municipality. A stratified random sampling was adopted to identify the sample of 66 where a sample proportion of 3 teachers per school were taken. The criteria

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for choosing the teachers was based on three strata, that is, a head teacher, a teacher from upper primary and a teacher from lower primary. Questionnaires were administered to collect primary data. The data was collected by use of questionnaires both open ended and closed ended which were formulated to find out the factors affecting motivation of public primary teachers. Quantitative analysis was carried out using descriptive statistics and inferential statistics while qualitative data analyzed using content, by categorizing the main themes or patterns of information. The results were then presented using graphs, pie charts and tables and a final report was compiled for presentation containing the recommendations and conclusions of the study.

Results and discussion

On the factors affecting motivation of public primary school teachers the respondents were asked if they receive an adequate basic salary. A majority (67%) disagreed while another 25% strongly disagreed bringing to a total of (92%) of those who disagreed. While 8% were neutral. The finding implies that the teachers do not receive an adequate basic salary hence less production. The respondents were asked if they receive a salary that is commensurate with experience and qualifications .A majority (68%) disagreed while another 25% strongly disagreed bringing to a total of (93%) of those who disagreed. While 12 % were neutral. The finding implies that the school did not give a salary that is commensurate with experience and qualification. The finding implies that the schools do not avail a salary that is commensurate with experience and qualification.

Thus relax on their ability to give quality production. The respondents were also asked if they receive a salary that is comparable with the private sector. A majority (58%) disagreed while another 25% strongly disagreed bringing to a total of (83%) of those who disagreed. While 7% were neutral. The finding implies that the school doesn't provide a salary that is comparable with the private sector. Thus less performance on the productivity required. The findings agree with those in Khan (2011) who noted that most young workers are satisfied with the salary they have, but experienced workers are not paid according to their functions so the wage structures require further attention This disparity does not bring good results for the schools. Intensity of job satisfaction depends on the discrepancy of expectations of person, what he or she wants and what he or she gains (Porter& Lawer, 1973).

This study also sought to establish the effect of workload on motivation in public primary schools as shown in table 2. The respondents were asked if the school does not increase workload through constantly changing curricula which affect workload. A majority (45%) disagreed while another 12% strongly disagreed bringing to a total of (57%) of those who disagreed. 22% agreed and 2% strongly agreed. While 20 % were neutral. The finding implies that the school does not increase the workload by increasing the hours of working often for the same pay hence, poor work load management leads to low motivation.The respondents were asked if the school does not increase workload through constantly changing curricula which affect workload. A majority (43%) disagreed while another 12% strongly disagreed bringing to a total of (55%) of those who disagreed. 22% agreed and 3% strongly agreed .While 20 % were neutral.

The finding implies that the school does not allocate them large class sizes for the same pay hence, poor work load management leads to low motivation. The findings implies that the school does not allocate more subjects to teach for the same pay hence, poor work load management leads to low motivation. The findings agree with those in Maicibi (2003), who note that increasing hours of work, larger class sizes, more subjects, and constantly changing

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curricula are cited as major de-motivators in many countries. What is expected from teachers (the social contract') is not pitched at a realistic level in many countries given material rewards, workloads, and work and living environments. Large class sizes and heavy workloads in relation to pay (the effort-price of work) also make teachers resistant to the introduction of new teaching methodologies and other innovations. While pupil-teacher ratios are very high in many countries, they do not appear to have increased appreciably during the last 10-15 years in the majority of the developing countries. However, the introduction of free universal primary education in SSA has generally resulted in larger classes, especially in the lower grades, which tend to stress teachers hence de-motivating them.

Concerning the working environment, the respondents were asked if the school has well lit offices. As shown in table 3, a majority (50%) disagreed while another 45% strongly disagreed bringing to a total of (95%) of those who disagreed. While 5 % were neutral. The finding implies that the school did not have well lit offices thus the working environment was not conducive for the teachers. The respondents were asked if the school has adequate class rooms. A majority (38%) strongly disagreed while another 35% disagreed bringing to a total of (73%) of those who disagreed. 15% agreed and 7% strongly agreed .While 5 % were neutral. The finding implies that the school doesn't have adequate class rooms thus the classes are overcrowded. The respondents were asked if the school is located in an area with no noise pollution. A majority (35%) disagreed while another 33% strongly disagreed bringing to a total of (68%) of those who disagreed. 20% agreed and 7% strongly agreed .While 5 % were neutral. The finding implies that the school has comfortable staff chairs thus the working environment was not conducive for the teachers. The respondents were asked if the school is located in an area with adequate security.

A majority (35%) disagreed while another 23% strongly disagreed bringing to a total of (58%) of those who disagreed. 23% agreed and 7% strongly agreed .While 5 % were neutral. The finding implies that the school has no security, hence not conducive for both teachers and students. Indicates that the relationship between motivation and working environment is positive significant (r=0.695, p value < 0.000).The findings imply that motivation has significant effect on working environment. Hence, poor working environment leads to low motivation and good working environment leads to high motivation. On this note, Dungu (2000) also cited this problem of residential accommodation in some of the countries of sub Saharan Africa. He noted that many primary school teachers were given small house allowance to cater for their residential accommodation which forced them teachers to reside in poor houses. On the other hand, Farel (1993) also observed that teachers who fail to get institutional houses had to look for accommodation elsewhere; a situation which results into demonization of teachers to effectively performs at work.

Summary and conclusions

This study established that working environment, workload and remuneration affects motivation of public primary school teachers in Thika municipality. The findings indicated that a majority disagreed with the statement that the school had well lit offices, school has comfortable staff chairs, the school has adequate class rooms, the school has adequate clean drinking water, the school is located in an area with adequate security, and the school is located in an area with no noise pollution. The finding implies that the working environment was poor and not conducive for the teachers. The results also indicated that the correlation between motivation and working environment is positive significant (r=0.695, p value < 0.000).The findings imply that motivation has significant effect on working environment.

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Hence, poor working environment leads to low motivation and good working environment leads to high motivation. The findings also indicated that a majority disagreed with the statement that they receive an adequate basic salary, if they receive adequate meal allowance, they receive a salary that is comparable with the private sector, and they receive an adequate housing allowance, they receive adequate transport allowance, and they receive a salary that is commensurate with experience and qualifications.

The finding implies that there the remuneration is low hence low motivation and poor performance. Findings reveal that the correlation between motivation and remuneration is positive significant (r=0.488, p value < 0.000).The findings imply that motivation has significant effect on remuneration. Hence, poor remuneration leads to low motivation and good remuneration leads to high motivation. On the effects of workload on motivation of public primary school teachers findings reveal that a majority disagreed with the statement that the school does not increase workload through constantly changing curricula which affect workload, the school does not increase workload through constantly changing curricula which affect workload, and the school does not increase workload through constantly changing curricula which affect workload, the school does not increase workload through constantly changing curricula which affect workload. Results indicate that poor work load management leads to low motivation. Findings show that correlation between motivation and workload is positive significant (r=0.478, p value < 0.000).The findings imply that motivation has significant effect on workload. Hence, poor work load management leads to low motivation and good work load management leads to high motivation. Study findings led to the conclusion that the most important factor affecting motivation of teachers was working environment. Findings led to observation that correlation between motivation and working environment is positive significant (r=0.695, p value < 0.000).The findings imply that motivation has significant effect on working environment. Hence, poor working environment leads to low motivation and good working environment leads to high motivation.

The second most important factor affecting motivation of teachers was remuneration. It was observed that correlation between motivation and remuneration is positive significant (r=0.488, p value < 0.000).The findings imply that motivation has significant effect on remuneration. Hence, poor remuneration leads to low motivation and good remuneration leads to high motivation. It was also inferred that correlation between motivation and workload is positive significant (r=0.478, p value < 0.000).The findings imply that motivation has significant effect on workload. Hence, poor work load management leads to low motivation and good work load management leads to high motivation. The findings imply that motivation has significant effect on teaching facilities. Hence, poor teaching facilities lead to low motivation and adequate teaching facilities leads to high motivation.

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Table 1 Effect of Remuneration on Motivation

	strongly disagree %	disagree %	neutral %	agree %	strongly agree %
I receive an adequate basic salary	15,(25%)	40,(67%)	5,(8%)	0,(0%)	0,(0%)
I receive a salary that is commensurate with experience and qualifications	15,(25%)	41,(68%)	3,(5%)	0(0%)	0,(0%)
I receive a salary that is comparable with the private sector	15,(25%)	35,(58%)	7,(12%)	3,(5%)	0,0%)
I receive an adequate housing allowance	15,(25%)	34,(57%)	7,(12%)	4,(7%)	0,(0%)
I receive an adequate transport allowance	12,(20%)	47,(78%)	1,(2%)	0,(0%)	0,(0%)
I receive an adequate meal allowance	24,40%)	35,(58%)	1,(2%)	0,(0%)	0,(0%)

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Table 2: Workload of Teachers

	strongly disagree %	disagree %	neutral %	agree %	strongly agree %
The school does not increase the workload by increasing the hours of working often for the same pay	7,12%	27,45%	12,20%	13,22%	1,2%
The school doe not allocate me large class sizes for the same pay	7,12%	26,43%	12,20%	13,22%	2,3%
The school does not allocates me more subjects to teach for the same pay	2,3%	25,42%	14,23%	15,25%	4,7%
The school does not increase workload through constantly changing curricula which affect workload	3,5%	31,52%	5,8%	15,25%	6,10%

Table 3: Effect of Working Environment on Motivation

	strongly disagree %	disagree %	neutral %	agree %	strongly agree %
The school has well lit offices	27,(45%)	30,(50%)	3,(5%)	0,(0%)	0,(0%)
The school has comfortable staff chairs	20,(33%)	21,(35%)	3,(5%)	12,(20%)	4,(7%)
The school has adequate class rooms	20,(33%)	21,(35%)	3,(5%)	12,(20%)	4,(7%)
The school has adequate clean drinking water	23,(38%)	21,(35%)	3,(5%)	9,(15%)	4',(7%)
The school is located in an area with no noise pollution	23,(38%)	19,(32%)	3,5%)	11,(18%)	4,(7%)
The school is located in an area with adequate security	23,(38%)	16,(27%)	3,(5%)	14,(23%)	4,(7%)

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ROLE OF TRAINING ON THE PERFORMANCE OF FINANCIAL COOPERATIVES BASED IN NAIROBI COUNTY KENYA

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Abstract

The purpose of the study was to investigate the relationship between training and the performance of financial cooperatives otherwise known as Savings and Credit Cooperative Societies in Nairobi County in Kenya. Though financial cooperatives contribute enormously to the development of Kenya they have not yet reached their optimal levels in performance. Problems in Human Resource Management led the researcher to formulating a research problem which guided the research process and the final results may be used to solve HRM problems thus improving performance. Population of financial cooperatives in Nairobi is 2959 and from this number 340 were selected. Simple random sampling technique was used to select a representative sample. Data was collected using questionnaire and interview methods. Data was analyzed using a combination of data analyses techniques. Both qualitative and quantitative data was collected and analyzed. Statistical Quantitative data was analyzed using inferential statistics. From the results of data analysis there is evidence that training has a relationship with performance of financial Cooperatives. Conclusions and recommendations are made based on the results of findings of the study to guide financial cooperatives in improving their HR practices thus performance.

Key words: Performance, Training, Training Needs Analysis, Training Evaluation

Introduction

Many countries that have achieved economic development have a vibrant and a dynamic cooperative sector which contributes substantially to the growth of those economies. For example, in Kenya cooperatives contribute 45% of the Gross Domestic Product (GDP) and 31% of the total national savings and deposits. Cooperatives control 70% of the coffee market, 76% of the dairy market and 95% of the cotton market (ICA Report, 2006).

According to Wanyama (2009) the greatest contribution of cooperatives to Kenya's social and economic development is in the financial sector where financial cooperatives such as savings and credit cooperatives hold substantial savings portfolios. This underlines the importance of financial cooperatives to the economy of Kenya.

Davis (2006b) investigated the issue of HRM in cooperatives through fieldwork over seven years with co-operative organizations including the international co-operative alliance (ICA), Asian confederation of credit unions (ACCU), and the British society for co-operative studies and found problem of inadequate Personnel or HRM systems in the majority of co-operatives. Additionally, cooperatives are lagging behind the private sector in HRM according to this study.

Uysal and Koca (2009) researched on HRM practices and firms performance and found out that HRM practices have a strong relationship with organizational performance but weak relationship with market performance. Additionally, Khan (2010) investigated the effects of

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HRM practices and found a positive significant relationship between practices and organizational performance.

Problem Statement

A number of studies done on financial cooperatives and also documents from organizations concerned in this sector point out that there are challenges facing these organizations. Problems and challenges facing cooperative movement are diverse in nature. This is in spite of the fact that the movement has grown in leaps and bounds.

MCDM (2009) has acknowledged that cooperatives are underperforming. The contributing factors include lack of clarity in roles and responsibilities of the elected leadership vis-à-vis management teams, limited application of management and operational system and inadequate internal management and operational controls.

MCDM (2010) explain that there is poor Human Resource Management in financial cooperatives. This leads to high labor turnover as employees move to organizations in other sectors of the economy where they perceive better human resource practices. Studies touching on financial cooperatives have been done but a few deal with Human Resources in these organizations. A Study done by Financial Sector Deepening (2010) identified staff capacity as one of the constrains financial cooperatives are facing in Kenya.

Significance of the Study

The findings of the study will be used by the department of cooperatives formerly Ministry of Cooperative and Marketing Development to streamline and advice financial cooperatives in Kenya At a higher level, the department will find this research useful as it will use the findings to inform decisions made and strategies formulated. At the global level, the research will benefit financial cooperatives since HR related problems were noted as affecting financial cooperatives globally. This study will be of great importance to researchers investigating HRM issues in financial cooperatives. It will also be of great benefit to financial cooperatives as they seek to play an important role in realization of Vision 2030.

Performance

One key area of concern is the definitions and limitations of performance used in evaluation. Current measures of performance are largely determined by financial performance and productivity, usually within a highly managerialist perspective (Guest, 1997). However, this approach neglects the role and contribution of employees in achieving organizational performance and fails to consider how employees' perceive HR practices (Guest, 1999).

Non financial performance in this research that is labor turnover was measured on a scale of one 1 to 5 where 1 means very low and 5 means very High. Additionally financial performance was measured by the amount of net profits realized in Kenya Shillings.

Training

Pepper (1984) defines training as organized process concerned with acquisition of capability or maintenance of capability. While many organizations recognize the need for training, not all of them link training with establishing and maintaining a competitive advantage. Even

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fewer try to assess the effectiveness of training programmes in the light of facilitating the achievement of competitive advantage (Proctor & Baden, 2000).

Angochiya (2007) explains that customized training can be organized periodically to strengthen organizational processes and enhance productivity and effectiveness. According to Proctor and Baden (2000) many organizations do not take measuring of training effectiveness as a priority. The implication of this then is that these organizations are likely to invest highly in training programs without necessarily this investment meeting the goals of the training in the first place.

Organizations can no longer afford to provide training that has not been evaluated for its contribution to the organization's strategic goals and mission and its effectiveness and use on the job to achieve those goals (Brinkerhoff, 2005). Effectiveness goes to the heart of what training and development are all about in an organization: giving employees the knowledge and skills they need to perform their jobs effectively (Noe & Schmitt, 1986).

Wilson (2009) argues that evaluation should be parallel with training needs analysis and design and should not be something done at the end of training. Effectiveness of training is also influenced by transfer of training. According to Haslinda and Mahyuddin (2009) transfer of training refers to the application of acquired knowledge and skills on the Job.

There is growing recognition that the training program must not only be effective in terms of productivity gains but also be in line with the competitive strategic objectives of the organization. The human resources are the most valuable assets of the organization and, thus, expenditures on training should be regarded as 'investment in people' and, therefore, the most valuable investment of all (Siddiqui & Asghar, 2008). Barrett and O'Connell (2001) explain that employees may view training as a "gift". If these are the case employees would therefore become more productive in the organization and feel indebted to the organization.

Training needs analysis refers to organizations data collection activities that underpin decisions making particularly in relation to whether training can improve performance, who should receive training and training content (Clarke, 2003). A systematic approach to HRD should begin by identifying the organization's business objectives or strategy. Hence, needs assessment and analysis is recognized as the first step in any HRD intervention (Leigh, et al., 2000).

Boydell (1983) has identified three levels of training needs within organizations. This includes organizational, occupational and individual levels. Other researchers argue that four levels of needs have to be analyzed. These include assessing the needs of the organization, individual employees' skills, knowledge and attitudes, and their functional responsibilities as well as departments' needs (Wilson, 2009; Harrison, 2000).

Wilson (2009) cautions that when conducting training needs analysis it's imperative that the organization measures itself not only by using traditional financial performance indicators but also other metrics such as accident rates, customer complaints and quality costs. However this does not imply that these nontraditional performance indicators when addressed do not lead to financial performance of the firm.

Measurement for training used in this research was done using perception based scales. Support for use of these scales can be found in similar research done by Delery and Doty (1996). Training was measured on a scale of 1 to 5 where 1 means strongly disagree and 5

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means strongly agree. Measurement scales focused on conducting training needs analysis, linking training to performance and measuring effectiveness of training.

Methodology

This research adopted a mixed research design. This means that descriptive survey and correlation research designs was used. The implication is that the research design was both qualitative and quantitative in nature. Correlation research design was used to show the strength of relationship between dependent and independent variables as used in research. Saunders (2009) identifies reasons for using mixed research designs. This include triangulation, facilitation, complementarily, generality, to aid in interpretation, study different aspects and lastly to solve a puzzle.

The population consisted of the registered Financial Cooperatives in Kenya. According to the MCDM (2011) there are 2959 financial cooperatives in Nairobi County. Thus this research targeted all 2959 financial cooperatives in Nairobi County formerly Nairobi Province as registered by the former Ministry of Cooperative Development and Marketing. All financial cooperatives in Nairobi County were targeted whether they have a Human Resource department or not.

Given the target population, the researcher used a formula to calculate the sample size to be 340 as proposed by Saunders (2009). The researcher adopted simple random sampling technique to select financial cooperatives.

This study adopted multi methods research. This implies that both qualitative and quantitative methods were used. The use of quantitative and qualitative research methods is to strengthen the validity of data and to corroborate survey findings (Creswell & Miller, 2000; Creswell, 2003). Questionnaires and interviews were used to collect data. Questionnaires were administered with heads of HR departments while interviews were administered to employees. The questionnaires included both open and closed ended questions. Statistical package for Social Scientists (SPSS) was used to analyze data. Quantitative data was analyzed inferential statistics while qualitative data was analyzed using categorization.

Results

To assess the reliability of statements Cronbach's Alpha was used. Financial performance had an alpha of 0.857 while non financial had an alpha of 0.756. Cronbach's Alpha was greater than 0.7 indicating reliability of the data. Lastly training had an alpha of 0.833.

Pearson correlation was employed to show the relationship between financial and non financial performance and training. Financial performance was reported to have significant positive relationship with training (.588) with p-values<5% as indicated in the table above. Non financial performance was reported to have significant positive relationship with training (.431) with p-values<5% as indicated in the table 4.1.

From the interview schedule, 45.1% of the responses revealed that training needs analysis is never conducted on the interview item on training needs analysis. 27.5% of the responses indicated that it is done through observation of performance.71% of responses on training evaluation indicated that training evaluation is not done while 29% indicated that training

evaluation is done. This means that the training been done in financial cooperatives may to a large extent be irrelevant.

Table 4.1: Correlations

		Financial performance	Non Financial performance
Training practices	Pearson Correlation	.588**	.431**
	P-value	.000	.000
	N	235	234
	P-value	.000	.000
	N	220	219
**. Correlation is significant at the 0.01 level (2-tailed).			

Hypothesis Testing

Table 4. 2: Multiple Regression Coefficients

		Unstandardized Coefficien		Standardized Coefficients		
Model		B	Std. Error	Beta	T	Sig.
1	(Constant)	.663	.258		2.568	.011
	Training	.404	.099	.338	4.076	.000
a. Dependent Variable: Financial performance						

With regard to financial performance test of hypothesis supports that there is a positive relationship between training and financial cooperatives' performance in Nairobi County, Kenya. From the table 4.2, the t test gives a positive figure of 4.076. The probability value (p-value) of the relationship between training and financial cooperatives' performance is 0.000 which is less than alpha value of 0.05. These results are consistent with other previous studies such as those done by (Taseema and Soeters, 2006; Huselid, 1995; Chad and Katou, 2007; Dimba, 2008).

With regard to non financial performance test of hypothesis fails to reject the null hypothesis that there is no relationship between training and Financial Cooperatives' performance in Nairobi County, Kenya. From the table 4.3, the t test gives a positive figure of 1.122. The probability value (p-value) of the relationship between training and financial cooperatives' performance is 0.263 which is more than alpha value of 0.05. Thus the test of hypothesis fails to reject the null hypothesis that there is no relationship between training and Financial Cooperatives' performance in Nairobi County, Kenya. These findings agree with a previous study done by Uysal and Koca (2009).

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Table 4. 3 Coefficients

Model		Unstandardized Coefficients B	Std. Error	Standardized Coefficients Beta	T	Sig.
1	(Constant)	.692	.298		2.317	.021
	Training	.129	.115	.096	1.122	.263
a. Dependent Variable: Non financial performance						

Conclusions

Training contributes to financial performance in financial cooperatives. For financial cooperatives to maximize net profits, they must implement training practices that are geared toward improvement of performance. Training evaluation should be done using well known evaluation models. Additionally, training needs analysis should be performed before any training is done. In this research, training was found to have a significant relationship with financial performance. Training in financial cooperatives as currently implemented does not lead to reduction in labor turnover in financial cooperatives.

Recommendations

HRM policies and strategies should address training of employees. This will give guidance and direction to the intentions of financial cooperatives as far as training of employees is concerned. The researcher additionally recommends that financial cooperatives should have a structured way of conducting training needs analysis so as to improve performance. Any training, apart from when training needs are rather obvious should be done after careful and extensive training needs analysis. This should also be incorporated in the HRM procedures document. Financial cooperatives should also carry out training programs aimed at career progression, and that ultimately will lead to reduction of labor turnover.

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