

**HUMAN RESOURCE AUDIT PRACTICES AMONG THE GOVERNMENT
MINISTRIES IN KENYA**

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DECLARATION

STUDENT'S DECLARATION

This research project is my original work and has not been presented for a degree in any other university.

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This research project has been submitted for examination with my approval as the candidate's University Supervisor.

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DEDICATION

I dedicate this project to my parents the late Tumbo Nguli and Grace Mwikali ,who gave me the gift of life and quality education , husband Gregory Munyao , my lovely children Roy Munyao, Diana Ndunge, Esther Mwikali , Sylvia Nduku and my ever caring and supporting sister Doris Nthenya, former college mates, Rose Mkalama, workmates Elizabeth Chege, Mrs Marangu ,Sammy, Martha, friends and all those who supported and prayed for me in the completion of this project writing.

Thank you and God bless you abundantly.

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To all I say, may God Bless you in a mighty way.

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ABSTRACT

Human Resources are the most critical inputs in successful organizations, the real source of competitive advantage. Human resource issues have therefore, become central to the deliberations on performance seeking answers to the organizations growth and development. The objective of the study was to establish the Human Resource Audit practices among the Government Ministries in Kenya.

This was a descriptive survey. The target population of the study was the forty two (42) Government Ministries in Kenya. Both the primary and secondary sources of data were used to obtain information for the study. Primary data was obtained through a questionnaire. Secondary data concerning Human Resource Audit was obtained from Human Resource Audit Manual (2006) and Human Resource Inspection Audit Reports of Government Ministries/Departments PSCK (2007/2008).

The data collection instrument was a questionnaire. The respondents were the Heads of the Human Resource Management departments in the respective Ministries who are directly involved in the Human Resource Audit. Descriptive statistics such as the mean, standard deviation, frequencies and percentages were used. Gathered information was presented by use of tables, graphs and charts to allow quick interpretation. Qualitative data was used to validate and qualify the quantitative results.

The study concludes that all ministries carried out human resource audits. The human resource audits are carried out on a bi - annual basis or on a yearly basis. The study further concludes that Human Resource Audits among the Government Ministries in Kenya covered Implementation of Public Service Commission Decisions and Regulations, Implementation of Ministerial Human Resource, Implementation of Ministry of State for Public Service circular, Confirmation in Appointment, Discipline issues, Compliance with Human Resource practices in the Code of Regulations, Recruitment/Appointment/Secondment and Promotion procedures. The study further concludes that human resource audits led to various benefits. The study recommends that for Government Ministries in Kenya to improve their human resource audits, there is need for regular auditing.

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

Today, Managers are working extra hard to build successful organizations; the competitive forces they face today and continue to face in future demand organizational excellence, (Ulrich, 1997). Even the public sector and not-for-profit organizations are not exempt. Governments have been under pressure to respond to demands from their citizens and to the increasing complexity and change in their global environments.

The wave of change has not spared Kenya. Calls for reform of Civil Sector systems and for a redefinition of the role of Ministries Human Resource offices have been a perennial part of dialogue in Public Management. Indeed the Government of Kenya has crafted Kenya Vision 2030 as a grand strategy for propelling the country to middle income status. The Government started implementing public sector reforms way back in 1993. Key among them was the establishment of Public Sector Reform and Development Secretariat (PSR&DS) in 2004 under Economic Recovery Strategy (ERS) policy direction to coordinate reforms and mainstream Results Based Management (RBM) (DPM, 2004).

To achieve ERS objectives and manage performance, the Government adopted Performance Contracting strategy to improve Sector delivery. Public Sector Reforms acknowledge importance of Human Resource as emphasized in the Social pillar of Kenya Vision - 2030, (GOK 2007) – Human Resource must be nurtured and systems must cohere to realize the Vision.

Studies show that organization improvement issues have always been the difference in addressing them, (Ulrich, 1997; Mathis & Jackson, 2006); and strategists agree that success

rests in the Human Resource. Organizations that believe in Human Resource as crucial, build competitiveness by aligning Human Resource processes with corporate strategies.

1.1.1 Concept of Human Resource Audit

The concept of Human Resource Audit has emerged from the practice of yearly finance and accounting audit, which is mandatory for every organization. This audit serves as an examination on a sample basis of practices and systems for identifying problems and ensuring that sound accounting principles are followed. Similarly, a Human Resource Audit serves as a means through which an organization can measure the health of its Human Resource function.

Human Resource Audit is a discipline born out of the need to measure those factors in business that determines success or failure, while internal Audit is the process that examines and evaluates the functioning of the organization, (Aden & Moriah, 1996). It is an ongoing process of comparing actual performance with expectations, based on relevant indices in order to improve organization's achievements (Globerson & Globerson, 1990).

Organizations conduct a Human Resource Audit is to get a clear judgment about the overall status of the organization and also to find out whether certain systems put in place are yielding any results. It also helps companies to figure out any gaps or lapses and compares the target and plans to actual implementation.

The concept of organizational diagnosis may be new to organizational process, but not new within organizations. The Human Resource is the Organizational Audit. In organizational Audits, systems and processes are examined with the goal of improving them for better achievement of strategic goals, (Ulrich, 1997).

Human Resource Audit has evolved, becoming increasingly specific, until the term functional Audit has emerged whose objective is to diagnose, analyze, control, and advice within boundaries of each functional area of the organization thus, Human Resource Audit is a functional Audit. Mathis & Jackson (2006) contend that Human Resource Audit is a “formal research that evaluates the current state of Human Resource Management in an organization”- a process of examining, reviewing and evaluating the Human Resource functions to identify and give an opinion on strengths and weaknesses in the systems. Fombrun, Tichy & Devanna, (1984), says it is a “data-based approach to organization change”. As a diagnostic tool it is most useful when the manager is ready to act on the Audit findings in an effort to enable the Human Resource function apply its full potential in support of the organization’s objectives, (Ulrich, 1997).

1.1.2 Human Resource Audit Process

Human Resource Audit function is a systematic process that involves: gathering information to determine compliance, effectiveness, costs and efficiencies, and evaluating the information and preparing a written report, with an action plan based on exposures, priorities and a timeline for instituting changes. All Stakeholders are involved in the Audit. The management’s support and commitment to the process is required in terms of resources, the middle management (line managers) and Human Resource Staff are actively involved in the actual implementation, Marta Fossas Olalla and Miguel Angel Sastre Castillo (2002).

It is an ongoing process of comparing actual performance with standards or expectations, based on relevant indexes in order to improve organization’s achievements, and as Batra (1996) notes, without Human Resource Audit, organizations may not realize the inefficiency or ineffectiveness of their Human Resource systems in time for corrective action. The Audit

works best when the focus is on analyzing and improving the Human Resource function in the organization (Karapetrovic and Willborn, 2000). All Human Resource activities are assessed and analyzed based on the objective of the Audit.

1.1.3 Human Resource Audit Practices

The Human Resource Audit is a process of examining policies, procedures, documentation, systems, and practices with respect to an organization's Human Resource functions. It is a tool for evaluating the human resource activities of an industry or an organization and is an overall quality control check. The Human Resource Audit evaluates the Human Resource Management functions, the use of procedures used by the Human Resource Managers and the impact of these activities on the employees.

Human Resource Audit covers the following areas as identified by Mathis & Jackson, (2006). Audit of managerial compliance, audit of environment culture in the industry and audit of corporate or industrial strategy .Audit is a discipline born out of the need to measure those factors in business that determines success or failure (Aden & Moriah, 1996).

Human Resource Audit has a wide scope, involves much more than management of Human Resource; it covers concept of 'people management' at all levels (philosophies, policies, procedures and practices); involves all activities of Human Resource functions: planning (forecasting, scheduling, staffing and development, organizing); motivation and commitment; administration (leadership styles, supervision, delegation, negotiation); research and innovation, experiments and theory testing in all areas (Hannagan, 2008). Specifically Human Resource Audit involves itself with Audit of Human Resource Management to measure managerial compliance; Human Resource climate/employee satisfaction; and corporate strategy (Grojer and Johanson, 1998).

The Audit may include review and analysis of the following aspects: employees' needs, wants, expectations, perceptions and satisfaction; Human Resource related strategy, plans, programmes and budgets; Human Resource related policies, systems, rules, regulations and procedures; Organizational Culture; job descriptions, job performance standards, job competencies and jobholders competency profiles; induction and training development; performance management; compensation and benefits; Industrial Relations and Human Resource Information Systems (Mullins, 2007).

The purpose of a Human Resources Audit is to assess the effectiveness of the Human Resources function and to ensure regulatory compliance and to reveal the strengths and weaknesses in the organization's human resources system, and any issues needing resolution. A good fit between a firm's Human Resource practices and its business strategy enhances chances of success, proving that internal alignment of business strategy, Human Resource practices, and management philosophy contribute to business results. The measurements of impact of Human Resource Audit is conditioned to the practice and application of the Human Resource results in decision-making areas: namely level of Human Resource Audit practice in organizations; quality of the Audits in terms of frequency and adequacy for strategy formulation; quantity of the Audits in terms of type and coverage of the Human Resource activities and implementation of the Audits and impact or level change associated with Audits (Torrington et al, 2008).

1.1.4 Human Resource Audit among the Government Ministries in Kenya

The management of the Human Resource Audit function is under the purview of the Public Service Commission of Kenya, a constitutional body that was established in 1954 by an Act of Parliament. Under Section 107 (1) of the Constitution of Kenya, Public Service Commission has delegated certain powers to Authorized Officers in the ministries,

departments and local authorities. The rationale behind this delegation is to facilitate faster decision making at the Ministries level. However, to avoid abuse or misuse of these powers, the Human Resource Audit department in the Commission was established and mandated to ensure that the delegated powers are properly applied; policies complied with; decisions implemented; and officers' grievances attended to.

Human Resource Audit is practiced and applied in the Human Resource Management departments of the Ministries (IPAR, 2002). The Heads of the Human Resource Management departments are responsible for Human Resource Audit function in their respective Ministries. The Ministries Human Resource function operates within defined structures, clear policies and procedures encased in written statutes and guidelines of Government rules and regulations. The scope of Human Resource Audition function in the Ministries is wide and covers all the primary components which include: Human Resource Information Systems, Recruitment and Selection, Training and Development, Succession Management, Performance Management including Performance Appraisal, Harmonizing Skills and Functions, Human Resource Planning, Employee Relations, Employee Communication and Counseling, Salary Administration, Management of Change and Compensation and Benefits. Given its wide responsibility and scope, Human Resource Audit has the potential to bring about optimum utilization of the Ministries most important resource, the human resource (PSCK, 2006). It also becomes a useful tool that defines status, identify gaps, and develop appropriate action plans to bridge the gaps (IPAR, 2002).

1.2 Statement of the Problem

Human Resources are the most critical inputs in successful organizations, the real source of competitive advantage. Human resource issues have therefore, become central to the deliberations on performance seeking answers to the organizations growth and development.

There have been concerns and criticisms on the Ministries inefficiencies and mismanagement in the Human Resource Management function. Areas that elicit most concern are those pertaining to stagnation, succession management, staff establishment, favorism/nepotism in appointments, review and draft of scheme of services, promotion, delays in retirement dues, handling of discipline cases, poor records management, corruption practices and lack of equal opportunities. The performance of Ministries can only be evaluated by conducting Human Resource Audits to ensure that human resource practices, policies and systems are in tune with and support the service delivery challenges.

The introduction of carrying out Human Resource Audit inspections and routine audits has since provided numerous insights into the performance of the Ministries, (GOK 2007/2008). Although the Audits are being practiced in the Ministries, there have been few empirical assessments of their effectiveness. Batra (1996) notes that without Human Resource Audit, organizations may not realize the inefficiency or ineffectiveness of their systems in time for corrective action and (Weick et al, 1999) adds organizations that complete a Human Resource Audit are bound to enjoy an improved employment climate and a healthier bottom line.

The Audit itself is a diagnostic tool, not a prescriptive instrument. It helps to identify what you are missing or need to improve, and it may even tell you what you need to do to address these issues (Caudron, 1994). A human resources Audit is a tool that is used to collect and evaluates information the state of an organization's human resources practices and policies to determine the overall effectiveness of people management in the organization (Fonda and Buckton, 1995).

Mathis and Jackson (2006) in their study on Human Resource Management found that Human Resource Audit can effectively contribute towards the development of extension personnel. Olalla and Castillo (2002) focusing on Human Resource Audit found that organizational development is a planned effort and is done with the help of an external expert in the behavioural sciences. Despite the available literature on Human Resources, there is surprisingly, little or no theory to underpin the image portrayed (Lado and Wilson, 1994). The purpose of this study was to establish whether the Human Resources Audit practices are in place in the Government Ministries in Kenya.

1.2 Objective of the Study

The objective of the study was to establish the Human Resource Audit practices among the Government Ministries in Kenya.

1.4 Importance of the Study

The study will be of significance to all practicing managers including Human Resource practitioners, particularly in the civil service. An effective and efficient Service becomes a benchmark for other organizations, therefore a catalyst for national growth and wealth. The private and non-governmental organizations can also borrow from the results of the study for improvement of Human Resources Audit practices in their organizations. And the academics and other researchers the study will be useful as it will provide a basis for further research and contribution to the body of knowledge in the area of Human Resource Audit.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

The literature review explores Human Resource Audit as a discipline, a specialization, a process and a practice. As a critical part of the strategic process of organizations, the review highlights Human Resource Audit with respect to facilitating Human Resource strategy crafting and execution, and value creation in the light of today's critical business challenges with reference to the Government Ministries in Kenya.

Ultimately, the chapter is an attempt to review relevant literature highlighting theories, concepts, views and ideas advanced in Human Resource Audit process, application and exploitation. It seeks to explore strengths and weaknesses of the current Human Resource Audit practice and application in organizations; approaches to Human Resources in relation to change management processes and organizations positioning in their environments.

2.2 Role of Human Resource Audit

In view of the premises on the functionality of Human Resource Audit concept, the Human Resource function is expected to influence and contribute to the formulation, development and implementation of business strategies aimed at positioning the organization for strategic change, (Fonda & Buckton, 1995). Again, given this scenario, it is imperative that the Human Resource function is audited to ensure its efficiency and effectiveness; it must justify its existence by stating what value it adds to the organization.

The emphasis is coherence of the systems and their integration into other control systems of the organization; according to Mathis & Jackson (2006), Human Resource Audit evaluates how well Human Resource activities have been performed for management to identify areas of improvement, Ulrich (1997) says, it as a diagnostic tool that examine organization

systems and processes for effective strategic goals, while Armstrong (2000) says Human Resource Audits should be conducted regularly to ensure alignment with the organization goal. Organizations undertake Human Resource Audits for many reasons: to ensure effective utilization of human resources, to review compliance with tons of laws and regulations, to instill a sense of confidence in the human resource department that it is well-managed and prepared to meet potential challenges and opportunities and to maintain or enhance the organization's reputation in a community.

2.3 Approaches to Human Resource Audit

There are five approaches for the purpose of evaluation of Human Resource in any organization: Comparative approach, in this, the auditors identify competitor Company as the model. The results of their organization are compared with that of the Model Company/ industry. Outside authority approach - the auditors use standards set by an outside consultant as benchmark for comparison of own results. Statistical approach - Statistical measures are performance is developed considering the company's existing information. Compliance approach - auditors review past actions to calculate whether those activities comply with legal requirements and industry policies and procedures. Management by Objectives (MBO) approach - this approach creates specific goals, against which performance can be measured, to arrive at final decision about industry's actual performance with the set objectives. William B. Werther and Keith Davis (1996), K. Aswathappa (2006).

Human Resource Audit approaches advance the strategic alignment model; Human Resource policies and their level of fit with the strategy of the firm and the characteristics of human capital. Kandula (2004), Walker (1999), differentiates internal and external aspect approaches. Today's economy dictates that organizations continually assess the external and internal environment and make relevant changes to remain competitive. External and

internal fit concepts posit that organizations succeed when they achieve environmental alignment and internal systems coherence and consistence.

Internal perspective, focus on Human Resource function as an organization delivering Sectors to an internal market place of line users, (Fombrun, Tichy & Devanna, 1984). Human Resource function capability is judged on its ability to render Sectors to the organization on the basis of cost, quality, quantity and reliability. The Audit here seeks to answer questions related to adequacy, reliability, and value of Human Resource policies to the organization. The external perspective takes the form of ultimate appraisal of the effectiveness of Human Resource function based on its impact on organizational results. However, whatever the approach, the Audit boundary must be specified from the start, (Fombrun, Tichy & Devanna, 1984).

Tsui & Gomez (1998) distinguishes Audits based on “process and output” criteria. Using the “process” approach, the Audit analyses how well things are done (efficiency), while the “output” approach examines the impact made by the process (effectiveness). This approach borrows from Peter Drucker’s distinctions between efficiency and effectiveness – doing things right in terms of what you do (efficiency) and doing the right things in terms of what you achieve (effectiveness), (Drucker, 1967). Human Resources effectiveness is viewed on the basis of the advice and support provided to enable line managers achieve business objectives and meet operational requirements (Armstrong, 2006).

The Human Resources compares existing control systems with others, sometimes by benchmarking against comparable organization and addresses strengths and weaknesses; they are the blue prints that illuminate organization parts that require immediate improvement, (Mathis & Jackson, 2006; Ulrich, 1997). State-of-the-art structures must be created to support organization objectives. Armstrong, (2006) says the system must allow

for innovativeness and devolution of issues, and integration. The Audit checks organization against its objectives and Human Resource contribution to the business strategy. Human Resource function capability is judged on ability to efficiently supply Sectors to the organization, (Armstrong 2006). Operational measurements used refer to quantity; quality and reliability; cost and speed, focus on activities, costs, or productivity ratios. Performance of the Human Resource function is reviewed with regard to its impact on key Human Resource measures such as turnovers, sickness/absenteeism and level of motivation. The function Audit focuses on Human Resource systems' adequacy to evaluate performance in all activities.

2.4. Benefits of Human Resource Audit

As competition grows, management systems are becoming increasingly complex and diverse. The Human Resource function cannot be considered to be a complete system of efficiency and effectiveness unless it is followed by an equally competent system of Audit. Human Resource Audit attempts to ascertain effectiveness of the Human Resource function to drive organizations strategic objectives. In the absence of Human Resource Audit, organizations may not realize the inefficiency or ineffectiveness of their Human Resource systems in time for corrective action, (Batra, 1996). Optimizing the performance of Human Resource system is the ultimate goal of Human Resource Audit. Human Resource Audit is future orientated and seeks to identify areas for organizational improvement - the basis for strategy development. Ulrich, (1997) notes that Human Resource issues have always been, the difference is the approach to manage them.

Unfortunately, managers concentrated on identifying cost rather than quantifying output - there should be a shift from "doables" to "deliverables". Knowing what people do is not enough - "results alone are not sufficient measures of effectiveness, methods by which the

results have been achieved also matter”, (Ulrich, 1997). Mathis & Jackson, (2006) insist that Human Resource performance must be quantifiable or measurable – justifying cost by defining the value added, or else the cost should not be incurred. Human Resources Audit evaluates Human Resource systems effectiveness in quantifiable terms to justify the relevance of the Human Resource function in organizations.

Finding out what is insufficient and inadequate is a first step toward improvement, next is to attempt to address these gaps, and organizations should take that first step only when they are ready to act. The application and usefulness of Human Resource Audit depends on the future efforts and experiments to be made from its findings and supported by management, only then can the full benefits of Human Resource Organizations undertake Human Resource Audits for many reasons: to ensure effective utilization of human resources, to review compliance with tons of laws and regulations, to instill a sense of confidence in the Human Resource department that it is well-managed and prepared to meet potential challenges and opportunities and to maintain or enhance the organization's reputation in a community.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter describes the research methods used to satisfy or achieve the research objectives, and includes research design, population of study, sample and data analysis.

3.2 Research Design

This was a descriptive survey .Descriptive research design is a scientific method which involves observing and describing the behavior of a subject without influencing it in any way. This design is considered appropriate because of the cross-sectional nature of the data and the envisaged comparative analysis.

3.3 Population of Study

The target population of the study was the forty two (42) Government Ministries in Kenya.

3.4 Data Collection

Both the primary and secondary sources of data were used to obtain information for the study. Primary data was obtained through a questionnaire. The questionnaire was administered using drop and pick later method. It contained both open and close-ended questions. The close-ended questions provided more structured responses to facilitate analysis. The open-ended questions provided additional information that might not have been captured in the close-ended questions. Secondary data concerning Human Resource Audit was obtained from Human Resource Audit Manual (2006) and Human Resource Inspection Audit Reports of Government Ministries/Departments PSCK (2007/2008).

The data collection instrument was a questionnaire (Attached as Appendix I) which was divided into two parts. The first part is mainly on the ministry background which was the

name, years in operation and size of the department, while the second part was on Human Resource Audit practices in the Ministries.

The respondents were the Heads of the Human Resource Management departments in the respective Ministries who are directly involved in the Human Resource Audit. This made a total of forty two (42) target respondents for this study.

3.5 Data Analysis

Before processing the responses; the completed questionnaires were edited for completeness and consistency. Data collected from the study was both quantitative and qualitative in nature. Quantitative data collected was coded using Statistical Package for Social Sciences (SPSS) version 17.0 to allow easier analysis. Descriptive statistics such as the mean, standard deviation, frequencies and percentages were used. Gathered information was presented by use of tables, graphs and charts to allow quick interpretation. Qualitative data was used to validate and qualify the quantitative results.

CHAPTER FOUR : DATA ANALYSIS, PRESENTATION AND INTERPRETATION

4.1 Introduction

This chapter presents analysis and findings of the study as set out in the research methodology. The data was gathered exclusively using a questionnaire as the research instrument. The questionnaire was designed in line with the objective of the study. Likert type questions were used whereby respondents indicated the extent to which Government Ministries practiced Human Resource Audit. The data is presented in quantitative and qualitative forms, followed by discussions of the results. The chapter concludes with critical analysis of the findings. Out of the 42 targeted Ministries, the researcher collected 33 questionnaires, hence achieving a (74 %) response rate.

4.2 Respondents' Demographic Characteristics

4.2.1 Gender

The respondents were asked to indicate their gender. The results are presented in table 4:1. As shown in the table majority (64%) of the respondents were females. The rest (36%) were males.

Table 4.1 Distribution of Respondents by Gender

Gender	Frequency	Percent
Male	12	36
Female	21	64
Total	33	100

Source: Researcher, 2010

4.2.2 Age Bracket

This section aimed at establishing the age bracket of the respondents. Findings from the study presented in table 4.2 reveal that majority of the respondents were between the ages 51 – 55 years constituting (73 %) while (27 %) were between the ages 41-45 years.

Table 4.2 Distribution of the Respondents according to Age Bracket

Age Bracket	Frequency	Percent
41-45	9	27
51-55	24	73
Total	33	100

Source: Researcher, 2010

4.2.3 Highest Level of Education

This section aimed at establishing the highest level of education of the respondents. Results presented in table 4.3 revealed that majority of the respondents had Masters level of Education constituting (73 %) while (27 %) had Bachelors level of Education.

Table 4.3 Highest Level of Education

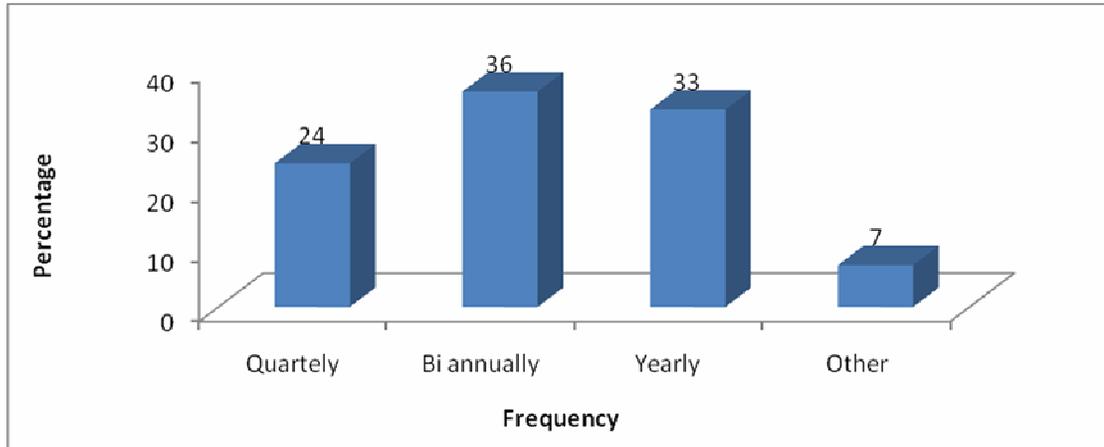
Level of Education	Frequency	Percent
Masters	24	73
Bachelor	9	27
Total	33	100

Source: Researcher, 2010

4.2.4 Frequency of Human Resource Audits

The study revealed that all respondents agreed that their ministry carried out human resource audits. This section aimed at establishing the frequency of carrying out human resource audits in the ministries. Results depicted in figure 4.1 reveal that majority (36%) of the ministries carry out human resource audits on a bi - annual basis ,(33 %) on a yearly basis and (24 %) on quarterly basis. The study further established that human resource audits were carried out by Public Service Commission of Kenya, Human Resource Auditors. In addition, in some ministries human resource audit was done by internal auditors from Human Resource Management Department.

Figure 4.1 Frequency of Human Resource Audits



Source: Researcher, 2010

4.3 Human Resource Audit Practices

4.3.1 Purpose of Human Resource Audit

This section of study aimed at establishing the purpose the ministries undertake the human resource audit. Findings depicted in table 4.4 reveal that majority of the ministries (75%) undertake the human resource audit as a routine function, while 15 % undertake the human resource audit as a special/adhoc assignment.

Table 4.4 Purpose of Human Resource Audit

Purpose of Human Resource Audit	Frequency	Percent
As a routine function	25	75
Special/adhoc assignment	5	15
Other	3	10
Total	33	100

Source: Researcher, 2010.

4.3.2 The Scope of Human Resource Audits in Ministries

This section aimed at establishing the extent to which human resource practices are covered by human resource audits in the ministries. Findings presented in table 4.5 reveal that (76%) of the ministries agreed that human resource audits covered Implementation of Ministerial Human Resource Management Advisory Committee decisions to a very great extent as shown by a mean score of 4.606, Implementation of Public Service Commission Decisions and Regulations (2005) (73%) as shown by a mean score of 4.666, Implementation of Ministry of State for Public Service circulars (67%) as shown by a mean score of 4.575, Confirmation of Officers in Appointment (58%) as shown by a mean score of 4.394, Discipline issues (55%) as shown by a mean score of 4.333, Compliance with Human Resource Practices in the Code of Regulations(2006) (49%) as shown by a mean score of 4.333, Recruitment/Appointment/Secondment and Promotion procedures (46%) as shown by a mean score of 4.273 , Effectiveness of Performance Appraisal System (Revised 2008) (36%) as shown by a mean score of 3.818, Surcharges (36%) as shown as a mean of 3.788 and Promotion procedures (49%) as shown by a mean score of 4.242 .Some ministries indicated to a moderate extent, Stagnation (36%) of officers in one job group for long periods was the practice as shown by a mean score of 3.849 while (67%) indicated Compliance with Ministry's Service Charter as shown by a mean score of 3.606.

Table 4.5 The Scope of Human Resource Audits in the Ministries	Not covered	To a less extent	To a moderate extent	To a great extent	To a very great extent	Mean	Standard Deviation
Implementation of Public Service Commission Decisions and Regulations (2005)			6%	21%	73%	4.666	.59512
Implementation of Ministerial Human Resource		6%	13%	15%	76%	4.6061	0.82687
Implementation of Ministry of State for Public Service circulars			9%	24%	67%	4.575	0.6628
Confirmation in Appointment			18%	24%	58%	4.3939	0.78817
Discipline issues	3%		12%	30%	55%	4.3333	0.92421
Compliance with Human Resource practices in the Code of Regulations(2006)			15%	36%	49%	4.3333	0.73598
Recruitment/Appointment/Secondment			18%	36%	46%	4.2727	0.76128
Promotion procedures			24%	27%	49%	4.2424	0.83030
Retirement			27%	49%	24%	3.9697	0.72822
Re-designation	3%	6%	15%	46%	30%	3.9394	0.99810
Establishment		9%	24%	33%	33%	3.9091	0.97991
Stagnation		3%	36%	33%	27%	3.8485	0.87039
Effectiveness of Performance Appraisal System (Revised 2008)	3%	15%	15%	30%	36%	3.8182	1.18466
Surcharges	3%	15%	18%	27%	36%	3.7879	1.19262
Ministerial Human Resource Management Advisory Committee (MHRMAC) decisions		9%	24%	33%	33%	3.7878	0.4455

Compliance with Ministry's Service Charter	6%	12%	6%	67%	9%	3.6061	1.02894
Implementation of current Ministry Strategic Plan	3%	12%	27%	46%	12%	3.512	0.97215
Extension of Service	9%	12%	46%	9%	24%	3.2727	1.23168

Source: Researcher, 2010

4.3.3 Length of time it takes to Implement Findings and Recommendations of Audit Reports

This section aimed at establishing the length of time it takes to implement findings and recommendations of Audit reports. Results presented in table 4.6 reveal that majority of the ministries (61%), take less than 3 months to implement findings and recommendations of audit reports, while 30 % of the ministries take 3-6 months to implement findings and recommendations of Audit reports.

Table 4.6 Length of time it takes to Implement Findings and Recommendations of Audit Reports

Length of time	Frequency	Percent
Less than 3 months	20	61
3-6 months	10	30
Other	3	9
Total	33	100

Source: Researcher, 2010

4.3.4 Changes in the Human Resource Management function emanating from Human Resource Audit Reports

This section aimed at establishing whether there were specific changes in the Human Resource Management function of the Ministry/Department after the implementation of the Audits reports. Findings depicted in table 4.7 reveal that most ministries at (96%) indicated that changes were done in the Human Resource Management function of the Ministry/Department after the Audit report .On the other hand (4%) of the ministries undertook no change after implementation of Human Resource Audit reports. The study further inquired on other changes after Audit. The respondents cited changes such as promotion of common cadres, correction of errors and motivation of employees.

Table 4.7 Changes in the Human Resource Management function after the Audit Reports Implementation

Changes	Frequency	Percent
Yes	32	96
No	1	4
Total	33	100

Source: Researcher, 2010

4.3.5 Extent into which Human Resource Audit is considered important to the Ministry's/Department's Performance

In this area of study, the aim was to identify the extent into which Human Resource Audit was considered important to the Ministry's/Department's performance. Findings from the study revealed that majority of the respondents agreed to a great extent that Human Resource Audit is considered important to the Ministry's/Department's performance

comprising 52 % while 48 % agreed to a very great extent that human resource audit is considered important to the Ministry's/Department's performance. The study further inquired on the reasons why the ministries considered human resource audit important to the Ministry's/Department's performance. The respondents revealed that audits lead to location of areas of implementation in recruitment, correction and promotion, important in decision making, establishment of weaknesses and strengths, and improves performance since it gives a spotlight on low performing areas.

Table 4.8 Extent Human Resource Audit is considered Important to Performance

Importance to Performance	Frequency	Percent
To a great extent	17	52
To a very great extent	16	48
Total	33	100

Source: Researcher, 2010

4.3.6 Extent of Benefits accruing to Ministries from the Human Resource Audit

This section aimed at establishing the extent the Ministry/Department has benefited from the Human Resource Audits undertaken. Findings from the study revealed that majority of the ministries had benefited to a great extent as a result of human resource audits as was shown by 48 %, while 27 % had benefited to a very great extent. 15 % of the ministries had benefited to a moderate extent as a result of human resource audits. Further, the study inquired on the various ways in which the departments and ministries had benefited as a result of human resource audits. The results cited ways such as expansion of common cadre, rules and regulations are adherently followed, performance checker, weaknesses were highlighted and thus led to improvement in the human resource department functions.

Table 4.9 Extent of Benefits accruing to Ministries Human Resource Audits

Benefits of Human Resource Audit	Frequency	Percent
Not benefited at all	1	3
To a less extent	2	6
To a moderate extent	5	15
To a great extent	16	48
To a very great extent	9	27
Total	33	100

Source: Researcher, 2010

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMENDATIONS

5.1 Summary

The study revealed that a majority of the respondents were females constituting 64% while 36 % were females. In addition, most of the respondents were between ages 51 – 55 years comprising 73 %, while 27 % were between ages 41-45 years. Further, a majority of the respondents had Masters level of Education comprising 73 %, while 27 % had Bachelors level of Education.

The study revealed that all ministries carried out human resource audits. On the issue of frequency of carrying out human resource audits in the ministries, majority of the ministries carry out human resource audits on a bi - annual basis comprising 36 % while 33 % carry out human resource audits on a yearly basis. 24 % of the ministries carry out human resource audits on a quarterly basis. The study further established that human resource audits were carried out by Public Service Commission Human Resource Auditors. In addition, some respondents cited that internal audit was done by internal auditors from the Human Resource Management Department.

On the issue of the purpose ministries undertake Human Resource Audit, the study revealed that ministries (75%) undertake the human resource audit as a routine function while (15%) as a special/ adhoc assignment. On the scope covered by human resource audits in the ministries, the study revealed that human resource audits covered Implementation of Public Service Commission Decisions and Regulations (2005)(73%), Implementation of Ministerial Human Resource Management Advisory Committee Decisions (76%), Implementation of Ministry of State for Public Service circulars (67%), Confirmation in Appointment (58%), Discipline issues (55%), Compliance with Human Resource practices in the Code of Regulations(2006) (49%), and Recruitment/Appointment/Secondment (46%) and Promotion procedures (49%).

On the length of time it takes to Implement Findings and Recommendations of Audit Reports, the study revealed that majority of the ministries (61%), take less than 3 months while (30%) take six months.

The study further established that (96%) of the ministries indicated that there were specific changes in the Human Resource Management function of the Ministry/Department after the Audits report implementation.

On the extent into which Human Resource Audit is considered important to the Ministry's/Department's performance, (52%) revealed that majority of the respondents agreed to a great extent that Human Resource Audit is considered important to the Ministry's/Department's performance. The reasons cited as to why the human resource audit important to the Ministry's/Department's performance that were that audits lead to location of areas of implementation in recruitment, correction and promotion, important in decision making, establishment of weaknesses and strengths, and improves performance since it gives a spotlight on low performing areas.

The study revealed that majority of the ministries (48%) had benefited from Human Resource Audits. The study revealed that human resource audits benefits were expansion of common cadre, rules and regulations are adherently followed, performance checker, weaknesses are highlighted and leads to improvement in the human resource department.

5.2 Conclusion

The study concludes that all ministries carried out human resource audits. The human resource audits are carried out on a bi - annual basis or on a yearly basis. The study further concludes that human resource audits among the Government Ministries in Kenya covered Implementation of Public Service Commission Decisions and Regulations, Implementation of Ministerial Human Resource, Implementation of Ministry of State for Public Service

circulars, Confirmation in Appointment, Discipline issues, Compliance with Human Resource practices in the Code of Regulations, Recruitment/Appointment/Secondment and Promotion procedures.

The study further concludes that human resource audits led to various benefits. These include expansion of common cadre, rules and regulations are adherently followed, performance checker, weaknesses are highlighted and leads to improvement in the human resource department.

5.3 Recommendations

The study recommends that for Government Ministries in Kenya to improve their human resource audits, there is need for regular auditing. This is aimed at influencing and contributing to policy formulation, development and implementation of strategies aimed at positioning the ministries for strategic change.

The study further recommends that Human Resource Auditors should be deployed in the respective Ministries in the Government for ease of auditing the Human Resource functions. There is need to increase the external auditors from Public Service Human Resource Auditors to increase efficiency and wider coverage in the Audits carried out in the Ministries. Currently, there are only twelve Public Service Human Resource Auditors to carry out Audits in the Ministries.

5.4 Limitations of the study

The researcher encountered problems in eliciting information from the respondents in the ministries as the information required was subject to areas of transparency, and confidentiality which could not be accurately quantified and/or verified objectively. The

researcher encouraged the respondents to participate without holding back the information they had as the research instruments did not bear their names.

The researcher encountered problems of time as the research was being undertaken in a short period which limited time for doing a wider research. Some of the respondents approached were reluctant in giving information while others were too busy attending to meetings and duties to enable them to respond to the questionnaire. The researcher had to persuade them in order for them to fill the questionnaire.

5.5 Area of further study

This study aimed at establishing the Human Resource Audit practices among the Government Ministries in Kenya. More research needs to be carried out in other institutions such as the parastatals , universities and private organizations to give a comparative view on the various Human Resource Audit practices employed.

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APPENDICES

Appendix I: Letter of Introduction to Respondents

University of Nairobi

School of Business

P.O BOX 30197-00100

Nairobi.

Date:

Dear Respondent,

RE: COLLECTION OF SURVEY DATA

I am a bonafide student of University of Nairobi, School of Business.

In order to fulfill the Masters Degree requirements, I am undertaking a research project on **Human Resource Audit Practices among the Government Ministries in Kenya.**

You have been selected to form part of this study. Therefore, I kindly request you to assist me to collect data by filling out the accompanying questionnaire.

The information provided will be used exclusively for academic purposes and will be held in strict confidence. Thank you.

Yours faithfully

Margaret K. Muia _____

Student

Prof. Peter K'Obonyo _____

Supervisor

Appendix II: Questionnaire

TO BE COMPLETED BY RESPONDENTS

INTRODUCTION

This questionnaire seeks to collect information on the Human Resource Audit Practices in the Government Ministries. The information you will provide will be treated as confidential. Kindly complete the Questionnaire and give any relevant information that you feel is necessary for the study. (Please tick (✓) in the appropriate box).

Section I: Background Information

1. Respondent Profile

Name (Optional).....P/No.....

Gender [] Female []

Job Title.....

Job Group

Ministry/Department

Period worked in the Ministry/Department

Terms of Service.....

2. Age band/category

20 – 30 [] 31 – 35 [] 36– 40 []

41 – 45 [] 46 – 50 [] 51 – 55 []

Over 56 []

4. Tick the highest level of education that you attained

PHD []

Masters []

Bachelors []

Diploma []

College Certificate []

Form 6 “A” level []

Form 4 “O” level []

Form 4 (8.4.4) []

Primary []

Section II – Human Resource Audit Practices

1. Does your Ministry carry out Human Resource Audit?

- A. YES B. NO

If Yes, Explain by whom it is done.

2. How often do you undertake the Human Resource Audit?

- A. Quarterly (within 3 months)
 B. Bi-annually (3-6 months)
 C. Yearly (every year)
 D. Never
 E. Other Specify

3. Why does your Ministry undertake the Human Resource Audit?

- A. As a routine function
 B. Special/Adhoc assignment
 C. Other Specify

4. To what extent is each of the following areas covered by the Human Resource Audit in your Ministry?

The scales below represent the following:

1. Not covered
2. To a less extent
3. To a moderate extent
4. To a great extent
5. To a very great extent

	1.	2.	3.	4.	5.
A. Compliance with Human Resource practices in the Code of Regulations(2006)	<input type="checkbox"/>				
B. Effectiveness of Performance Appraisal System (Revised 2008)	<input type="checkbox"/>				
C. Implementation of current Ministry Strategic Plan	<input type="checkbox"/>				

- D. Compliance with Ministry's Service Charter
- E. Recruitment/Appointment/Secondment
- F. Confirmation in Appointment
- G. Promotion procedures
- H. Extension of Service
- I. Stagnation
- J. Discipline issues
- K. Retirement
- L. Establishment
- M. Re-designation
- N. Surcharges
- O. Implementation of Public Service
 - Commission Decisions and Regulations (2005)
- P. Implementation of Ministerial Human Resource
 - Management Advisory Committee (MHRMAC) decisions
- Q. Implementation of Ministry of State for Public
 - Service circulars

5. If your Ministry implements audit reports, how long does it take to implement findings and recommendations of Audit reports?

- A. Less than 3 month
- B. 3-6 months
- C. 7-12 months
- D. After 1 year
- E. Other Specify.....

6. Are there any specific changes in the Human Resource Management function of your Ministry/Department after the Audits report implementation?

- A. YES
- B. NO

If YES explain the change

7. To what extent is Human Resource Audit considered important to the Ministry's/Department's performance?

- A. Not considered at all
- B. To a less extent
- C. To a moderate extent
- D. To a great extent
- E. To a very great extent

Explain:.....

8. To what extent has your Ministry/Department benefited from the Human Resource Audits undertaken?

- A. Not benefited at all
- B. To a less extent
- C. To a moderate extent
- D. To a great extent
- E. To a very great extent

Explain:.....

THANK YOU!!!

Appendix III : Government Ministries

1. Ministry of Agriculture
2. Ministry of Co-operatives Development and Marketing
3. Ministry of Development of Northern Kenya & other Arid Lands
4. Ministry of East African Community
5. Ministry of Education
6. Ministry of Energy
7. Ministry of Environment and Mineral Resources
8. Ministry of Fisheries Development
9. Ministry of Foreign Affairs
10. Ministry of Forestry and Wildlife
11. Ministry of Gender ,Social Development and Children Affairs
12. Ministry of Higher Education, Science & Technology
13. Ministry of Housing
14. Ministry of Industrialization
15. Ministry of Information & Communication
16. Ministry of Justice, National Cohesion and Constitutional Affairs
17. Ministry of Labour and Human Resource Development
18. Ministry of Lands
19. Ministry of Livestock Development
20. Ministry of Medical Services
21. Ministry of Nairobi Metropolitan Development
22. Ministry of Public Health and Sanitation
23. Ministry of Public Works
24. Ministry of Regional Development Authorities
25. Ministry of Roads
26. Ministry of Special Programmes
27. Ministry of Tourism
28. Ministry of Trade
29. Ministry of Transport
30. Ministry of Water and Irrigation
31. Ministry of Youth Affairs and Sports
32. Ministry of State for Provincial Administration and Internal Security
33. Ministry of State for Defence
34. Ministry of State for Immigration and Registration of Persons
35. Ministry of State for National Heritage and Culture
36. Ministry of State for Planning, National Development and Vision 2030
37. Ministry of State for Public Service
38. Ministry of Local Government
39. Office of the Vice President and Ministry of Home Affairs
40. Office of the Prime Minister
41. Office of the Deputy Prime Minister and Ministry of Finance
42. Ministry of Performance Contracting