The effect of human resource strategic orientation on performance of large private manufacturing firms in Kenya

Abstract:

The study was set to investigate the effect of human resource strategic orientation on performance of large private manufacturing firms in Kenya based on the following general research objective: To establish the relationship between human resource strategic orientation and performance. The specific objectives of the study were as follows: (i) to determine the effect of universalistic perspective human resource strategic orientation on firm performance; (ii) to determine the effect of contingency perspective of human resource strategic orientation on firm performance. The target population was all large private manufacturing firms in Kenya that were registered members of Kenya Association of Manufacturers. Using probability sampling, a sample population of 108 firms was chosen. Out of the sample population, only 68 firms managed to respond giving a response rate of approximately 63%; which was seen by the researcher based on the previous research as appropriate for analysis. The respondents were human resource managers, finance managers, corporate planning managers or any other senior manager. Data was collected using questionnaires developed by Huselid (1995), Becker and Huselid (2006) and Becker and Gerhart (1996) and that these were modified by the researcher. The research adopted descriptive research design which utilized both descriptive and inferential statistics for effective generation of the required output. The Statistical Package for the Social Sciences (SPSS) version seventeen (17) was used to analyze the data. The results of this study showed that there was high positive correlation between universalistic human resource strategic orientation and firm performance. These results to a greater extent portrays that all forms of universalistic human resource strategic orientation if managed properly, enhances performance of manufacturing firms and most specifically those registered with the Kenya Association of Manufacturers (KAM). These findings can also be generalized to cover all other manufacturing firms in the country. As of the direction for further study, the researcher recommends that future research in universalistic human resource strategic orientation focus on public manufacturing firms and for the sake of knowledge, consider the use of longitudinal research design as opposed to the survey research designed which was central to this study. Further still, researchers should consider the moderating or intervening variables in this study. The main contribution of this paper lies in highlighting the fact that, proper configuration of universalistic human resource strategic orientation in manufacturing firms, will enable them enhance performance