

**STRATEGIC HUMAN RESOURCE MANAGEMENT PRACTICES ADOPTED
BY MOBILE PHONE SERVICE PROVIDERS IN KENYA**

BY

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**A Management Research Project submitted in Partial Fulfillment of the
Requirement for the Award of Masters of Business Administration (MBA)
Degree, School of Business, and University of Nairobi.**

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DECLARATION

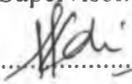
This Research Project is my original work and has not been presented for a degree in any other University.

Signed.......... Date.....13/11/2010.....

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This Research report has been submitted for examination with my approval as University Supervisor.

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DEDICATION

This project is dedicated to my dad Gerald Mwangi Kuguria and the entire family for their Moral support and encouragement as I undertook the course. God bless you all.

ACKNOWLEDGEMENT

My sincere gratitude goes to my supervisor, Ms. Florence Muindi who tirelessly devoted her time to guiding me by offering her able support and constructive criticism throughout the study.

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I thank all the respondents who participated in the filling of the questionnaires and have contributed in making this work a success.

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ABSTRACT

Strategic human resource management is concerned with the contributions human resource strategies make to organizational effectiveness, and the ways in which these contributions are achieved Strategic human resources management practices enhance employee productivity and ability of agencies to achieve their mission.

The study had the objective of identifying the various Human Resource Management Practices adopted by Mobile Phone Service Providers in Kenya. In order to meet these objectives the researcher used census study, the population of interest in this study was all the four Mobile Phone Service Providers in Kenya. The sample in this study consisted of 12 respondents who are Human Resource personnel of each of the Mobile Phone companies in Kenya. The data collected was analyzed by use of means, frequencies and percentages.

There was a revelation that Mobile Phone industry has to a great depth implemented the strategic Human resource Practices method which includes Performance management with appropriate systems and procedures in place. Issues of recruitment have been implemented to follow modern methods of recruitment like the Internet, media advertising as well as head hunting. Various forms of rewards have also been inculcated into their performance management system. Learning and development is utilized where the use of online training is prevalent as well as coaching on the job.

In conclusion, it was established that the Mobile Phone companies have embraced the use of Strategic Human Resources Practices in line with best practices of Human resources.

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CHAPTER ONE: INTRODUCTION

1.1 Background

Strategic human resource management (SHRM) is concerned with the contributions human resource strategies make to organizational effectiveness, and the ways in which these contributions are achieved. Strategic human resources management practices enhance employee productivity and ability of agencies to achieve their mission. Integrating the use of personnel practices into strategic planning process enables an organization to better achieve its goals and objectives. Productivity gains from the diffusion of technological innovations are now incorporated into public and private sector organizations. Future productivity gains must focus on how people use these technologies (Chris H, 1995).

A human resource (HR) department that is highly administrative and lacks strategic integration fails to provide the competitive advantage needed for survival, thus losing its relevance Huselid and Becker (1997) found that there were noticeable financial returns for organizations whose human resource management (HRM) systems have achieved operational excellence and are aligned with strategic business goals. According to Ulrich (1998), a major role of HR personnel is to become a strategic business partner. Youndt and Scott (1996) find that firms employing HR practices according to the stated strategy are regarded as having better perceptual performance.

Singh (2003) gives a broader approach to looking at strategic human resources management (SHRM) by integrating various functions and establishing the linkage of these functions with the business plan. It is important not only to identify HR competencies in concurrence with the business needs and to develop selection and

development practices to secure those competencies, but also to evolve and implement a performance evaluation plan that links the performance of the employees to the strategic goals.

Research shows that when organizations employ such personnel practices as internal career ladders, formal training systems, results-oriented performance appraisal, employment security, employee voice/participation, broadly defined jobs, and performance-based compensation, they are more able to achieve their goals and objectives. This study examines the perception of strategic human resources practices like internal career ladders, formal training systems, results-oriented performance appraisal, and performance-based compensation held among Mobile Service Providers in Kenya. The study will examine the relationship among these SHRM perceptions and demographic characteristics such as education level, work experience and Position.

1.1.1 The concept of Strategy.

Strategy has been defined by (Hohnson and Scholes, 1993) as: 'The direction and scope of an organization over the long term, which matches its resources to its changing environment and in particular to its markets, customers and clients to meet stake holder's expectations. (Alan p, 2007) defines strategy as the means by which an organization seeks to meet its objectives. It's a deliberate choice, a decision to take a course of action rather than reacting to circumstances. It focuses on significant, long-term goals rather than day-to-day operating matters.

The strategy (or 'Strategic Plan') 'is the pattern or plan that integrates an organization's major goals, polices and action sequences into a cohesive whole (Quinn, 1991). It's the

overall plan which holds together and gives purpose to special programmers' of action such as plan modernization and department plans. Strategy according to (G. Cole, 2002) determines the direction in which the organization is going in relation to its environment. It is the process of defining intentions (Strategic intent) and allocation or matching resources to opportunities and needs (Resource-Based Strategy). Business Strategy is concerned with achieving competitive advantage. The effective development and implementation of strategy depends on the strategic capability of the organization's managers. Strategy is expressed in strategic goals and development and implemented in strategic plans through the process of strategic management.

Strategy is about implementation, which includes the management of change, as well as planning. A good business strategy, one which is likely to succeed, is informed by people factors. One of the driving factors behind the evaluation and reporting of human capital data is the need for better information to feed into the business strategy formulation process. An organization's HRM policies and practices must fit with its strategy in its competitive environment and with the immediate business conditions that it faces. (Armstrong, 2006).

According to (P. Alan, 2007), strategy is about choice. The underlying assumption is that the firms can make deliberate decisions about their markets, products or services they provide, prices, quality standards and the deployment of human and other resources. Strategic thinking is based on rational decision making, taking into account the competitive and financial pressures on an organization and the resources available to it including its people. A strategic orientation is a vital ingredient in human resource management. It provides the framework within which a coherent approach can be

developed to the creation and installation of HRM policies systems and practices.

1.1.2 Strategic Human Resources Practices.

Wheelmen and Hunger, (1995) define Strategic Management as 'that set of managerial decisions and actions that determines the long-run performance of a corporation. Strategic management is considered to be a continuous activity that requires constant adjustment of three major interdependent poles: the values of senior management, the environment, and the resources available. Strategic human resource management practices are those practices specifically developed, implemented and executed based on a deliberate linkage to a company's strategy (Hustled, Jackson, and Schuler, 1997). The term strategic human resource management implies that employees are strategic resources i.e. human capital that must be managed and leveraged in executing corporate strategy. Strategic HRM is an approach to making decisions on the intentions and plans of the organization in the shape and policies, programmers' and practices concerning the employment relationship, Resourcing, learning and development, performance management, reward, and employee relations. Strategic HRM is the interface between HRM and Strategic Management. It takes the notion of HRM as a strategic, integrated and coherent approach and develops that line with concept of Strategic Management (Boxall, 1996).

Strategic Human Resource Management is the process of linking the human resource function with the strategic objectives of the organization in order to improve performance. Examples of SHRM practices are Recruitment practices, Staff appraisal systems, Remuneration systems, and Work Flexibility Arrangements. It also means instituting policies and procedures that facilitate proficient strategy execution, using

teams to leverage cross-functional knowledge and competencies, developing knowledge management capabilities that facilitate the leveraging of best practices and effective and efficient capture of economy of scope opportunities, developing learning organizations that facilitate the constant adoption, utilization, ownership, and internal dissemination of best practices, and executing change management approaches that contribute to building and maintaining strategy supportive corporate cultures (Hustled, Jackson and Schuler, 1997).

There are various SHRM practices that have been identified by Scholars some of which include; Recruitment- a firm must engage in strategic HRM planning to forecast its future human resource needs and competencies to develop innovative recruiting tactics to find and attract the talent needed, commit to a comprehensive selection process which includes assessment tests and background checks, and install a cultural immersion process to fully integrate a new person into the firm.

Sheila R. (1991) defines Recruitment as the identification of required competences as indicated by the strategic direction of the firm, attracting and retaining these competences. There are strategic approaches to recruitment which includes changing attraction practices, changing inducements offered to applicants and Targeting non traditional sources of applicants. Staff appraisal system is a strategic HRM practice, according to (P. Alan, 2007) From a strategic perspective; the process of assessment is an exercise in management's power and control. It's a method by which an enterprise can evaluate its employee's and feedback the organization's view to them. It's is a motivation concept in human resources, in which employees receive increased

compensation for their work if their team, department or company reaches certain targets.

Most of the organizations are performance based: performance is reviewed from the corporate perspective to an individual contribution. Formal appraisal in organizations is undertaken annually or semi annually. Performance objectives are normally set and cascaded from the corporate objectives. Performance management and reward systems are also cited as practices that are adopted in strategic HRM. Performance management is based on the underlying belief that managers can influence behavior and therefore the rationality is the basis of human action. (P. Alan, 2007). Providing Extensive Development & Training-Every person has painfully experienced ineffective training programs. As a result, it is not uncommon for managers to be skeptical of the value of training. High performance organizations develop an extensive array of employee training and management development programs, configured in a strategic plan, to strengthen the competencies of its human resources. Moreover, they measure the results and make adjustments as necessary to insure results (Steven J. Mayer, 2008)

1.1.3 Mobile Phone Service Providers in Kenya

Mobile Phone Service Providers begun in the year 1997 with the first Service provider (Safaricom) setting foot in Major towns like Nairobi, Kisumu and Mombasa. Safaricom, Ltd is a leading mobile Network operator in Kenya.It was formed in 3rd April 1997 as a fully owned subsidiary of Telkom Kenya.In May 2000, Vodafone group Plc of the United Kingdom the world's largest telecommunication company, acquired a 40% stake and management responsibility for the company. Telkom Kenya as a result owns a 60% stake in the company. Until 20 December 2007, the Gok shares

were held by Telkom Kenya Limited (“TKL”), which was a state corporation under the Act. Following the Offer and sale of 25% of the issued shares in Safaricom held by the GoK to the public in March 2008, the GoK ceased to have a controlling interest in Safaricom.

This is a report according to (Safaricom Journal, 2000). Kencell Kenya came into operation in August 2000 but has since changed its names to Celtel and lately to Zain in 2008. The two have operated with a lot of competition as Safaricom scooped the largest market share than its competitor due to its cheaper tariffs charged at per second billing while Kencell charged using per minute billing. CCK Annual Report for the financial year 2000/2001.

There is cut throat competition within the mobile phone service providers as each operator tries to woo subscribers to their network as well as trying to retain the ones on board. Competition started growing with the change of Kencell to Celtel, this saw a lot of reorganization of the business process under new management. The per second billing was introduced and cheaper tariffs too were integrated. Celtel increased its market share as callers were more inclined to the Vuka tariff which allowed customers to call all network at a standard charge of eight shillings to all networks. The company has since changed to Zain and a new chief executive officer came on board. They have adopted strategic changes like the adoption of E- money transfer which was predominantly operated by Safaricom with a Brand names Mpesa. Zain (Bi-Annual Newsletter ,2005).

The year 2008 saw the coming in of two new competitors, Orange mobile and Econnet Wireless. Orange network operates in collaboration with Telkom Kenya which previously offered fixed line telephone services but had also lately introduce the

Telkom wireless phones. Currently there are four licensed Mobile phone service providers in Kenya namely Zain, Safaricom, Econet- Wireless and Telkom Orange. There has been intense competition among the four service providers with each seeking for ways to gain greater competitive advantage over their competitors. This has led to the adoption of Strategic HRM policies to help improve resource capability. HR policies constitute an important non -imitable resource which is achieved by ensuring that the firm has a higher quality of people than its competitors, the unique intellectual capital is developed and nurtured through encouraging organization learning. (MBendi journal ,1995-2005).

1.2 Statement of the Problem

Wright McMahan and McWilliams, (1994) proposed that it is through the human resource capital pool and employee behavior that human resources can constitute a sustained competitive advantage. Thus, managers can implement human resource practices that can positively impact the knowledge creation process and, as a result, the strategic goals of the firm. SHRM promotes team-based job designs, flexible work forces, employee empowerment and incentive compensation, which are essential for facilitating innovation in organizations (Armstrong, 2006).

Bamberger and Meshoulam, (2000) describe SHRM as the process by which organizations seek to link the human, social and intellectual capital of their members to the strategic needs of the firm. An organization HRM policies and practices must fit with its strategy in its competitive environment and with business conditions it faces' (Beer et al., 1984). Sustained competitive advantage is achieved when a firm is implementing a value creating strategy not simultaneously being implemented by any current or potential competitors and when these other firms are imperfectly able to

imitate the benefits of this strategy (Barney, 1991).

Mobile Phone Companies have realized that they can assume or retain market leadership through investing in human resources. In the majority of Organizations people are the greatest asset. The knowledge and skills and abilities have to be deployed and used to the maximum effect if the organization is to create value. The Mobile Phone Service Providers have learnt to link their business strategies with the HR function to move the organization higher and gain competitive advantage over their competitors (MBendi journal 1995-2005). Mobile phone service providers have experienced high employee turnover which is the rate at which people leave the organization. This can be very costly to the organization due to the recruitment and training cost involved. (Purcell et al, 2003). The turnover is as a result of uncompetitive pay packages, unattractive terms of employment as well as outright poaching by competitors. These companies' work on recruiting and retaining highly skilled workforce that is inimitable. Their retention strategies mainly involve career advancement through learning opportunities as well as performance recognition and rewards. (MBendi journal, 1995-2005).

A number of Researches have found a positive impact of SHRM on organizational performance. For instance, (Becker and Gerhard, 1996), (Becker and Huselid 1998), and (Dyer & Reeves 1995) empirical studies found that firms which align their HRM practices with their business strategy will achieve superior outcomes. A study was also done in Malaysia on The effect of human resource management practices on business performance among private companies Zaini. A, 2009). Another study was done on Strategic human resource management and knowledge workers by (Stephen .T, David

B, 2008). Autier, F, Thierry researched on whether the resource-based view is a useful perspective for SHRM research; this was a case study of the video game industry. In Kenya. (Dimba, B.A. 2009) studied the effect of strategic human resource management practices on organizational performance of manufacturing multinational companies in Kenya. (Kiai D, 2006) studied Strategic human resource management practices among insurance companies in Kenya.

The understanding in the Kenyan companies about the strategic human resource practices and their adoption is not developed. There hasn't been a research on why these strategies are gaining great significance in the mobile phone sector in Kenya. I therefore hope to unravel the factors that have guided the mobile phone service providers to adopt SHRM as a tool to gain competitive advantage. This leads to the key research questions; what are the Strategic human resources practices adopted by mobile phone service providers in Kenya?

1.3 Objectives of the study

The aim of the study is to establish the strategic human resource management practices adopted by mobile phone service providers in Kenya.

1.4 Significance of the Study

The findings of this study will be useful to:

The mobile phones service providers in Kenya as they evaluate their SHRM Practices.

The manager can evaluate their strategic HRM practices in operation and modify them to suit the needs of their business and thus help them gain a competitive edge.

Other organizations intending to adopt the SHRM practices into their Human Resource management many organizations are now adopting the SHRM practices to help move their business to the next level. They may therefore find this research helpful as a basis of setting their SHRM practices.

Future Scholars and researchers who may use it for reference and as a basis for further researchThe findings of this study may act as a springboard for future researchers who may wish to conduct further studies on the area of SHRM.

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CHAPTER TWO: LITERATURE REVIEW

2.1. Strategy and Human Resources Management

When discussing business strategy, (Boxall and Purcell, 2003) argue that “it is possible to find strategy in every business because it is embedded in the important choices managers and staff of the firm make about what to do and how to do it”. It is referred to by them as “strategic choice” or as the strategies firms adopt in dealing with strategic problems. A further dimension to this is that strategy is directed towards maintaining the viability of the organization and/or producing sustained advantage in the markets in which the organization exists. Strategic HRM can encompass a number of HR strategies.

There may be strategies to deliver fair and equitable reward, to improve performance or to streamline structure. However, in themselves these strategies are not strategic HRM. Strategic HRM is the overall framework which determines the shape and delivery of the individual strategies. Boxall and Purcell argue that strategic HRM is concerned with explaining how HRM influences organizational performance. It's a coherent approach to the management of people; it's concerned with longer-term people issues and macro-concerns about structure, quality, culture, values, commitment and matching resources to future needs.

The emphasis of SHRM is that of a strategic business partner. It now supports the company's competitive advantage by providing high quality people and by helping business managers strategically plan the functions of the human capital within the organizations (Rowden, 1999). SHRM strongly believes that critical organizational

capabilities or performance behaviors are sine qua non, for the attainment of a particular business strategy or goal. Unlike the traditional HRM which covers a wide range of employment practices, including recruitment, selection, performance appraisal, training and development and administration of compensation and benefits, SHRM reflects a more flexible arrangement and utilization of human resources to achieve organizational goals, and accordingly helps organizations gain competitive advantage Wei, (2006).

Becker and Huselid, (2006:899) the traditional HRM differs from SHRM in two important ways: "First, SHRM focuses on organizational performance rather than individual performance. Second, it also emphasizes the role of HR management systems as solutions to business problems (including positive and negative complementarities) rather than individual HR management practices in isolation". This therefore reflects a shift of emphasis from operating efficiency of individual employees to managerial efficiency of the entire organization.

Autier, Fabienne Picq, Thierry Researched on whether the resource-based view is a useful perspective for SHRM research. This was a case study of the video game industry. The purpose of this paper is to present the results of an exploratory empirical research carried out in 2001 2002, amongst 20 firms in the French video game industry. The objective of this research was to analyze the SHRM of these companies and to test the relevance of the Resource based view of the firm, which states that Human Resources are all the more crucial for a given firm as they are specific, non imitable and socially complex (Coff, R. ,1997) Academy of Management Review. On the basis of semi-directive interviews of HR operators, the stake was to characterise

the HR practices of each company in connection with its strategy and development stage. We thus obtained a snapshot of SHRM's various profiles existing in this sector. We further analyze the possible rationales to explain a paradoxical finding: video games companies, as they grow, tend to get rid of their specific, socially complex and causally ambiguous assets (namely the creative skills) in favor of more generic set of skills (namely, the management skills).

Strategic HRM emphasizes the need for Human Resource (HR) plans and strategies to be formulated within the context of overall organizational strategies and objectives, and to be responsive to the changing nature of the organization's external environment. It is a model which, like all models, requires interpretation and adaptation by practitioners to ensure the most suitable fit between HR and business strategies and plans. Thus, the overall themes of strategic human resource management (SHRM) are the integration of the adherence of all HRM functions to broad organizational goals, and responsiveness to the external environment.

Nankervis, Compton and Baird, (2000) identified three types of linkages between HR and organizational strategies. First, there is the accommodative type. Here, HR strategies simply follow organizational strategies, accommodating the staffing needs of already chosen business strategies. In this sense, 'strategic' indicates that HRM is to follow the organization's business strategy. Second, there is the interactive type. It is characterized as a two-way communication process between HRM and corporate planning whereby HRM contributes to, and then reacts to, overall strategies. For this type, strategic HRM asserts that HRM is an active contributor to strategy development and execution. Third, there is a type known as fully integrated. For this type the HR

specialist is intimately involved in the overall strategic process in both formal and informal interactions – a real reflection of strategic human resource management in practice (Nankervis et al, 2001). The degree of involvement will extend to HRM being fully represented at the senior management level and HR personnel actively participating in strategic decisions, and might even involve an HRM appointment to the Board of Directors.

2.2 Human resource strategy models

This section examines the link between organization/business strategy and HR strategy. Human resource strategies are here taken to mean the patterns of decisions regarding HR policies and practices used by management to design work and select, train and develop, appraise, motivate and control workers.

2.2.1 Control-based model

This is grounded in the way in which management attempts to monitor and control employee role performance. According to this perspective, management structures and HR strategy are instruments and techniques to control all aspects of work to secure a high level of labor productivity and a corresponding level of profitability. This focus on monitoring and controlling employee behavior as a basis for distinguishing different HR strategies has its roots in the study of 'labor processes by industrial sociologists. Thompson and (McHugh, 2002) comment that, 'control is not an end in itself, but a means to transform the capacity to work established by the wage relation into profitable production'. The choice of HR strategy is governed by variations in organizational form (for example size, structure and age), competitive pressures on management and the stability of labor markets, mediated by the interplay of manager-subordinate relations and worker resistance (Thompson & McHugh, 2002) Implicit in

this approach to managerial control is that the logic underlying an HR strategy will tend to be consistent with an organization's competitive strategy like (Schuler & Jackson, 1987). (Friedman, 1977) structured his typology of HR strategies – direct control and responsible – around the notion of differing logics of control depending upon the of the product and labour markets. The growth of in new call centers has recently given rise to a renewed focus of interest the use of technical control systems: the electronic surveillance of the operator's role performance (Callaghan & Thompson, 2001); (Sewell, 1998).

2.2.2 The resource-based model

This second approach to developing typologies of HR strategy is grounded in the nature of the reward–effort exchange and, more specifically, the degree to which managers view their human resources as an asset as opposed to a variable cost. The sum of people's knowledge and expertise, and social relationships, has the potential to provide non-substitutable capabilities that serve as a source of competitive advantage (Cappelli & Singh, 1992). Resources are inputs into a firm's production process, such as capital, equipment, and the skills of individual employees, patents, finance, and talented managers. It is through the synergistic combination and integration of sets of resources that competitive advantages are formed (Boxall, 1996).

The resource-based approach exploits the distinctive competencies of a work organization: its resources and capabilities. An organization's resources can be divided into tangible (financial, technological, physical and human) and intangible (brand-name, reputation and know-how) resources. To give rise to a distinctive competency, an organization's resources must be both unique and valuable. The genesis of the resource-based model can be traced back to (Selznick, 1957), who suggested that work

organizations each possess 'distinctive competence' that enables them to outperform their competitors, and to (Penrose, 1959), who conceptualized the firm as a 'collection of productive resources'

2.2.3 The integrative model

Amberger and Meshoulam, (2000) integrate the two main models of HR strategy, one focusing on the strategy's underlying logic of managerial control, the other focusing on the reward–effort exchange. Arguing that neither of the two dichotomous approaches (control- and resource-based models) provides a framework able to encompass the ebb and flow of the intensity and direction of HR strategy, they build a model that characterizes the two main dimensions of HR strategy as involving 'acquisition and development' and the 'locus of control. Acquisition and development are concerned with the extent to which the HR strategy develops internal human capital as opposed to the external recruitment of human capital. Locus of control is concerned with the degree to which HR strategy focuses on monitoring employees' compliance with process-based standards as opposed to developing a psychological contract that nurtures social relationships, encourages mutual trust and respect, and controls the focus on the outcomes (ends) themselves (Rousseau, 1995).

Case study research on call centers, workplaces that some organizational theorists label 'post-industrial', reveal systems of technical and bureaucratic control that closely monitor and evaluate their operators Sewell, (1998); (Thompson & McHugh, 2002). To develop cooperation and common interests, an effort–reward exchange based upon investment in learning, internal promotion and internal equity is typically used (Bamberger & Meshoulam, 2000). In addition, such workplaces 'mobilize' employee consent through culture strategies, including the popular notion of the 'learning organization'. As one of us has argued elsewhere (Bratton, 2001).

2.3 Strategic Human Resource Management Practices.

Strategic HRM is the interface between HRM and Strategic Management. It takes the notion of HRM as a strategic, integrated and coherent approach and develops that line with concept of Strategic Management. From a resource-based perspective, firms desiring competitive advantage cannot expect to purchase or imitate sustained competitive advantages through the acquisition of a universalistic set of best practices.

A firm must take a configurationally perspective and create a system of HR practices that are customized to suit a particular firm's competitive strategies, and internal practices, policies, and resources – provide both vertical and horizontal fit. That way, advantages may be found in the rare, imperfectly imitable, and non-substitutable resources already controlled by the firm (Derrick & Cool, 1989). (Wright et al. 1994) conclude that the role of the HR manager then, is to recognize, develop and exploit the resources within the firm through the application of HR systems that develop the human capital pool and elicit employee behavior supportive of a firm's competitive strategy.

Strategic HRM can encompass a number of HR strategies. There may be strategies to deliver fair and equitable reward, to improve performance or to streamline structure. However, in themselves these strategies are not strategic HRM. Strategic HRM is the overall framework which determines the shape and delivery of the individual strategies. To generalize the efficacy of seven HRM practices (Pfeffer, 1998) (Ahmad and Schroeder 2003) found the seven HRM practices such as employment security, selective hiring, use of teams and decentralization, compensation/incentive contingent on performance; extensive training, status difference and sharing information have

significant relationship with operational performance. (Kuo, 2004) adopted 11 HRM practices found that employment security, team working and incentive compensation are regarded as three of the main practices for impacting hospital performance.

Various research studies on Strategic HRM practices have been done. (Kiai. D, 2006) studied Strategic human resource management practices among insurance Companies in Kenya. The study was aimed at investigating how the insurance companies in Kenya have adopted the strategic human resource management practices. These practices are more business and strategic oriented and less oriented towards traditional human resource management functions such as staffing, training, appraisal and compensation. Strategic practices include team-based job designs, flexible workforces, quality improvement practices; employee empowerment and incentive compensation Findings have demonstrated that the insurance companies in Kenya have not fully adopted the Strategic Human

Human Resource Management professionals are increasingly faced with the issues of employee participation, human resource flow, performance management, reward systems and high commitment work systems in the context of globalization. These are some of the major issues that HR professionals and top management involved in SHRM are grappling with in the first decade of the 21st century: Internationalization of market integration. Increased competition, which may not be local or even national through free market ideology. Rapid technological change, New concepts of line and general management, Constantly changing ownership and resultant corporate climates, Cross-cultural issues, The economic gravity shifting from 'developed' to 'developing' countries (Arthur, 1994); (Huselid, 1995); (McDuffie, 1995); (Youndt et al., 1996).

Some of the best practices in Strategic Human Resource Management Practices include;

2.3.1 The strategic Approach to Recruitment

Strategic HRM emphasizes the importance of Human Resources in achieving organizational capability and therefore the need to find people whose attitudes and behavior are likely to be congruent with what management believes to be appropriate and conducive to success (Townley, 1989) The approach to resourcing therefore emphasizes that matching resources to organizational requirements does not just mean maintaining the status quo. It does mean radical changes in thinking about skills and behaviors required in the future to achieve sustainable growth and cultural change. It also means using a systematic approach, starting with human resource planning and proceeding through recruitment, selection and induction, followed by performance management, learning and development, recognition and reward (Quinn. M, 1983).

There are various components of people resourcing strategy. The first is Human resource planning which involves assessing future business needs, deciding on the numbers and types of people required and preparing plans for obtaining them from within or outside the organization.

This is followed by creation of an employer brand; this involves developing the organizations employee value proposition. Retention strategy, this involves preparing plans for retaining the people the organization needs. Talent Management strategy entails ensuring that the organization has the talented people it requires to provide for management succession and meet present and future business needs. Recruitment and

selection strategy involves planning the approaches used to obtain people (Armstrong, 2009).

Recruitment metrics include: Cost per hire which includes all the costs involved from the time the recruitment process commences until the selected candidate reports for duty. Speed of Hire also referred to as Time to hire referring to the time the position fell vacant to the time a replacement is found. Customer Satisfaction, this refers to the satisfaction of the requester for the new employee and customers of the section where the new recruit is stationed. Quality of Hire, some consider this as the most important measure. This means that the requesting department or unit now have the right people in order to be more productive (Claudius. P, 2008).

2.3.2 Learning and development in Strategic HRM

Learning and development is the process of acquiring and developing knowledge, skills, capabilities, behaviors and attitudes through learning or developmental experiences. It is concerned with ensuring that the organization has the knowledgeable, skilled, engaged and committed workforce it needs. Learning is the process by which a person constructs new knowledge, skills and capabilities, where as training is one of several responses an organization can undertake to promote learning (Reynolds et al, 2002). Training should be systematic in that it is specifically designed , planned and implemented to meet defined needs. It is provided by people who know how to train and the impact of training is carefully evaluated (Armstrong 2009).

Learning and development Strategy is a plan designed to align advancement and training needs within an organization and establish a strategy to deliver education to cover those needs. This provides a framework to identify key factors affecting the workplace productivity and advance knowledge in those areas. The strategy will also

define metrics that will indicate the impact of the learning and development strategy and provide feedback on areas that can be improved regarding efficiency and effectiveness of programs offered (Amberger and Meshoulam, 2000).

2.3.3 Strategic Performance Management System

Performance Management is a systematic process for improving organizational performance by developing the performance of individuals and teams. It is a means of getting better results by understanding and managing performance within the agreed framework for planned goals, standards and competency requirement (Weiss and Hartel, 1997). It is a planned process of which the five primary elements are agreement, measurement, feedback, positive reinforcement and dialogue. It's concerned with measuring outcomes in the shape of delivered performance compared with expectations expressed as objectives.

Strategic performance management is a process which guides an organization as it develops a clear mission, sets goals to accomplish the mission, and defines clear, measurable steps in order to achieve those goals (Armstrong, 2009) A strategic performance management system is a powerful tool to help manage the process, measure the results, and allow the organization to more quickly and easily identify those areas that are not performing as needed. Companies which implement a strategic performance management system do things a little differently. They take the time and effort to set a clear strategy. The first step in developing an organization's strategy is to define and then prioritize the end goals for the entire company (Huselid, 1995).

Performance appraisal systems are based on some ranking or scaling criteria. Ideally, the judgment should be made with the help of statistics, along with the feedback coming from managers, coordinators and peers. Assessment criteria must be uncomplicated and easily available to everybody. Give them a transparent review system, where employees can judge themselves against their fellow workers, at any given time. Monitor the performance on regular basis instead of waiting for the month end before you go through the evaluation process.

The most important part of performance appraisal is to communicate with employees and discuss their overall performance. Once the end goals are defined, the steps and processes to get there need to be laid out. Each step should be calibrated against measurable guideposts. This often involves a review of the entire organization, each department, and even each individual's function within the company. The strategic performance management process would then be better able to give each individual employee a clear vision of their role in the overall mission and define measurable achievements. Once an entire organization becomes involved and focused on a set of clear goals, the culture of the organization inevitably begins to change. The organization begins to function more as a cohesive team, with each individual player aware of his or her importance to the overall mission (Pfeffer, 1995)

2.3.4 Reward Management

Reward management is concerned with the formulation and implementation of strategies and policies in order to reward people fairly, equitably and consistently in accordance with their value to the organization. People should be rewarded according to what the organization values and wants to pay for. The right things should be rewarded to convey the right message and thus develop a performance culture. Align

reward practices with both business goals and employee values: as (Duncan. B, 2001) emphasizes the alignment of your reward practices with employee values and needs. Employees may see compensation as a return in exchange between their employer and themselves, as an entitlement for being an employee of the company, or as a reward for a job well done. The reward or compensation people receive for their contribution to an organization includes monetary and non-monetary components. Remuneration does not simply compensate employees for their efforts - it also has an impact on the recruitment and retention of talented people (Price .A, 2007).

Reward strategy is declaration of intent that define what the organization wants to do in the longer term to develop and implement reward polices, practices and processes that will further the achievement of its business and meet the needs of its stakeholders. Reward strategy provides a sense of purpose and direction and a framework for developing reward polices practices and processes. It is based on an understanding of the needs of the organization and its employees and how they can best be satisfied. It should be rewarded and formulation guiding principles that will ensure that these values are enacted (Armstrong, 2006).

2.3.5 Other strategic HRM Practices

Employ relations-this is not confined to unionized collective bargaining but encompasses all employment relationships. It goes beyond the negotiation of pay and benefits to include the conduct and power relationship between individual employees and their employers (Price. A 2007).other practices include team-based job designs, flexible work forces, and employee empowerment(Armstrong,2006).

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter presents the research methodology used in the study. Section 3.2 and 3.3 describe the research design and the population respectively. Section 3.4 covers Data collection while Section 3.5 describes the data analysis and presentation techniques.

3.2 Research Design

This was a census study, which was meant to establish the Strategic Human Resources Practices that have been adopted by Mobile Phone Service Providers in Kenya. The study was done in Nairobi as their head offices are located within the City.

3.3 The Population

The population of interest in this study was the Four Mobile Phone Companies in Kenya namely Safaricom, Zain, Yu and Orange. The sample size was 12 respondents who were drawn from the four Mobile Phone companies. The respondents comprised of Human resource personnel within the Mobile phone companies.

3.4 Data Collection

The research used primary data, which was collected using questionnaires containing both structured and unstructured questions. The basic data collection method was through the 'drop and pick later' technique for those without time and personal interview where time allowed. The data was collected from Human resource managers and other human resource personnel.

3.5 Data analysis and presentation Techniques

Data collected was mainly qualitative thus the mode of presentation is mainly content analysis. Data presentation techniques were used to present the outcome of the study which included tables. Findings were summarized into a report based on the objectives of the study. Thus, the report was structured in terms of the strategic Human Resource practices that Mobile phone service providers have implemented in their organizations.

CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSION

4.1: Demographics

The data was collected from Senior Human resources personnel from the four Mobile Phone Service Providers and the results of the interview are analyzed and presented below. The response rate was 83.33 as only 10 questionnaires were fully filled and returned out of the 12 issued. There were 3 participants from both Safaricom and Zain while Orange Mobile and Yu had each 2 participants. The results are presented in the subsequent section of this Chapter in form of descriptive data as well as tables.

4.2: Performance Management System process.

The respondents were asked whether there was a performance Management system in place in their respective organization and the response was in the affirmative in all the four Mobile phone service providers. The four companies' performance management process followed a similar mode of operation. The organizations normally establish long range strategic objectives followed by the formulation of specific overall organizational goals. The departments have goals set dependent on their operations and outcomes required and its from these goals that each individual's targets are set. Some of those interviewed trained their employees or offered some form of coaching through the line managers to enhance understanding of the expected outcome.

The implementation stage comes next where each individual's performance is recorded for all the activities and roles engaged in. Rating is done semi annually in some departments within the same organization while others do it annually. One of the four Mobile Phone Companies have both Annual and Semi Annual rating methods in

use while the other three just use the Annual review. The Bi- annual is meant for the Customer Care Department whose evaluation is done in April and October.

Reviewing of performance is done against the objectives that were set initially and thus each individual is rated accordingly. Once performance is rated, individuals are appraised and appropriate behavior is reinforced through various forms of reward. Those whose performance is below expectation are put on Performance development Plan where they are observed keenly and necessary assistance and guidance offered through training and coaching to Improve performance.

4.2.1: Methods of Performance Appraisal

The respondents were required to state the methods they used to appraise their employees' performance. The respondents ticked those methods that they use in performance management in their organizations. The data was analyzed on the frequency of the responses and percentages formulated.

Table 1: Performance Appraisal

Appraisal Method	Percentage	Ranking
Line Manager	100	1
Self Assessment	70	2
Upward Appraisal	30	3
360-Degree	20	5
Peer Assessment	20	5

The most popular method of performance management was the use of Line Manager at 100% as all the Organizations reported to have been using the method. The second most popular method of Appraisal was Self Appraisal at 70% followed by Upward Appraisal at 30%. The most unpopular were Peer Assessment and 360-degrees methods of Appraisal at 20%. This phenomenon can be attributed to the notion that its the work of the supervisor to monitor the progress and performance of their employees and not vice versa. The Line managers are involved in the entire process of objectives setting, coaching and monitoring performance, hence are taken to be the most suited to appraise the employee.

Time constraints can also be attributed to the lack of popularity on the 360-degree method of appraisal that is meant to be a holistic method that utilizes all the other methods of Appraisal in its evaluation. Peers might not be trusted by the management to be the right people to evaluate their Colleagues, this could be the reason that the method is not as popular as the line manager Appraisal method.

4.2.2: Limitations of performance Management

The researcher sort to find out the limitations of performance management as a tool used in organizations to monitor and hopefully improve the performance of individuals as well as the business. The key limitation cited by 100% of the companies was Time Consumption, the whole process of objectives setting, providing career counseling as well as identifying training needs for non performers was deemed as too hectic for the line managers. Those who are great achievers expect to be compensated through promotions which might not be applicable as the opportunities are limited.

The other issues was on reward management,80% of the respondents noted that most organization prefer to reward good performance through pay rise instead of trying out other options which might be more motivating to the employee. 50% of the respondents also felt that some employees felt that they were not fully involved in the designing and implementation of the performance system and therefore fail to embrace it fully. Objectivity of the performance Management system was noted by 60% of the respondents; some employees despise the system as they view the rating by their supervisors as subjective rather than objective and based on personal prejudices. Some performance appraisals were deemed to be faulty with poor cooperation from line

managers, lenience bias in the appraisal methods used and ultimate resistance to change.

The lack of objective, accountable results for most jobs that requires the use of performance rating also hindered the whole process. Some of the office administration roles do not have clear cut ratings for the performance of those who carry out those roles.

4.3: Reward Management

The researcher wanted to find out whether the organizations had a form of reward management scheme in place. All the Mobile Phone Service Providers have a reward management system in place but some categories of employees still had the fixed level pay. Those employees on contractual basis and those on internship as well as casuals earned a fixed level pay without any form of rewards.

Table 2: Reward Management

Reward Scheme	No. of Yes Responses	Percentage
Pay Rise	10	100
Executive pay	7	70
promotions	5	50
Bonus/Profit Sharing	3	30
Option scheme	3	30

Various forms of rewards were in use and are represented graphically in the table below. The responses were from 10 participants among the 12 provided with the questionnaire. The number of responses recorded was from across the Four Mobile Phone Companies. The percentages were formulated from the total Number of responses received per the total Number of interviewees who responded.

The reward scheme that is most Popular among the Mobile Phone Service providers is the use of Pay increment for those who have achieved the set targets and thus termed as performers. All the responses had selected pay increment as a method exercised in their organization and thus it topped with a 100%. The second most popular reward scheme was Executives' pay which had a high of 70%. In every organization there those Executives who govern the organization in the top most positions. The Shareholders deliberate the Executive pay that is meant to motivate the holders of this positions to drive the organization to top performance. This was a popular method that was being exercised within the Mobile Phone Service Providers where competition is stiff.

Promotions came in third at 50% of the organization using it as a reward method in managing performance. The low percentage can be attributed to the fact that many people within the organization achieve targets and the positions to which people can be promoted are very few thus its not practical to promise a promotion on achieving commendable performance.

Safaricom was the only Company that had Bonus and Profit sharing Scheme. Other Mobile Phone Companies have not registered the profits as high to facilitate the issuance of bonus to its employees. Thus, bonus and Profit sharing reward method has

not been fully utilized across the Sector. Safaricom Limited was also the only Mobile Phone Company to have been listed in the Stock market after the Initial Public offer of its shares. The company undertook the Employee Share Option (Esop) Scheme this year where its staff were able to enter into a contract where they shall be able to purchase the shares in the future at the offered price promised by the company. Thus the share option and Bonus/ Profit Sharing comes in last at 30%.

The Mobile service Providers mostly reward employees on Individual performance based pay, those who meet targets get a pay rise and some bonus at the end of the financial year. Team based incentives were very minimal and came in the form of team building sessions with no monetary gains or advancement of a group. There were few cases of tokens of appreciation given in the course of duty to recognize employees who have shown initiative and devotion to their work.

4.4: Methods of recruitment

The respondents were required to respond on whether they recruited their staff internally or externally. The response was affirmative on both methods; they recruit from within the organization as well as externally. The internal recruitment is meant to promote those who are qualified and have demonstrated their capabilities through good performance.

The researcher also wanted to establish the method of recruitment the Mobile phone Companies used in their recruitment; hence the respondents were given a list of these methods to select the ones they used in their organization. The findings are represented in the form of a table with percentages as per the responses. The total Number of respondents were 10 and hence the percentages were reached at dependent on the

number of interviewees whose responded in the affirmative, the higher the responses the higher the popularity of the recruitment method.

Table 3: Recruitment methods

Recruitment method	Percentage	Ranking
Company's Website	100	1st
National Newspaper	80	2nd
Internet	70	3rd
Word of Mouth	70	4th
Commercial employment/recruitment agencies	60	5th
Executive Search	40	5th
Job center	40	6th
Visiting University	30	7th

According to the data analyzed, all the agencies recruited by advertising on their website were at a 100% and ranked first. This is a good method that ensures that those who aspire to join the organization have taken the initiative to read about the organization and knows the activities and business they are engaged in. 80% of the recruitment was advertised through the National Newspaper which is targeted at those who posses technical skills as well as others skills and area able to access the Newspaper. This was closely followed by the Internet at 70%., Most of the people in urban centers have access to the Internet and hence it has become a popular method of recruitment. Its also meant to attract those who are looking for a change of jobs and

already working elsewhere, There are limitations of use of Internet as it limits the number of applicants to only those who have access to the Internet. There are also jobs that are advertised by unscrupulous individuals and do not exist. Mobile Phone Companies also receive applications from people referred by their friends from within the organization or externally when they learn of the existence of a vacancy Only a small percentage of the recruitment was done by visiting the university at 30% and Job centers at 40%.

4.5: Selection methods employed during recruitment process

The researcher sought to find out the various methods used by mobile Phone companies in Kenya during the selection process. The respondents were required to select the methods they used from a listed number of selection methods.

Table 4: Selection Methods

Selection method	Percentage	Ranking
Structured interviews	100	1st
Aptitude Tests	90	2nd
Cognitive ability tests	80	3rd
References	70	3rd
Work Sample tests	70	4th
Psychometric Tests	60	5th
Personality tests	60	6th
Assessment Centers	40	7th
Graphology	30	7 th

The most commonly used method of selection was Structured interview at 100%, its used in all the four Mobile phone companies as their main method of selection. Most of the organizations conduct an oral interview where the candidate is expected to respond to some structured questions that help analyze his capabilities in terms of knowledge and skills, communications skills and personality traits. It was followed by Aptitude tests at 90% and cognitive tests at 80% where the candidates undertake tests with structured questions suited to test the mental capabilities of the candidates. In fourth place is References at 70%, candidates are recruited on the basis of referrals by people who know their technical skills and capabilities as well as their performance potential. Work sample tests are also commonly used at 70%; this is where candidates

are given some work sample to do that relates the actual roles they are being recruited for.

The least used methods of recruitment is Assessment Centers which had a 40% followed by Graphology at 30%. Assessment Centers have not popularity as they are time consuming and cost inefficient as a lot time is taken in testing and analyzing the candidates as well as issuing work samples. Graphology is also not popular as it requires that the assessor have some skills in handwriting reading which is well developed in the country at large. Hence its application might not yield the required results. Technology has also brought with it other methods of job application like online applications hence handwritten application letters are on the decline.

4.6: Methods applied in learning and development

The respondents were asked whether learning and career development practices were done at their organizations and the response was yes for all the respondents. The researcher further asked the respondents to select from a list the various types of learning and development methods they used in their organizations.

Table 5: Methods of Learning

Learning Method	Frequency	percentage	Ranking
E-Learning	33	66	1St
Formal Learning company sponsored	30	60	2nd
Workshop	18	36	3rd
Apprenticeship	16	32	4th

According to the data collected and analyzed, E-Learning was the most popular method of training within the Mobile Phone Service Providers with 66%. Most organizations find convenient to purchase the online training material for their staff to use in learning. It Saves time and the cost of having to organize the training that is facilitated by external trainers. Second in popularity as a learning method within the Mobile phone companies is Structured Formal training at 60% which is sponsored by the organization either within the organization or out of site.

The least popular as a learning and training method is the use of workshops whose ranking is third at 36%. These training methods are normally conducted out of site and hence the cost of organizing such is high and time consumed is too much to the detriment of organization performance, hence they are not favored by management. Workshops are a good means of getting out of office of a team from the office to be able to socialize in a less formal setting and hence break the barriers that might have been facilitated by routine and individualism. Apprenticeship came in last at 32%, this is normally for interns who have joined the organization from universities and colleges and may be hired later on after the learning through work experience. Its used in preparation of change of roles either through a promotion or movement across the department. Employees learn how to operate new systems or perform some tasks through the guidance of someone who has the experience.

4.6.1: Evaluating the Learning Experience

The respondents were to required to state how they evaluated the employees after the training to test understanding. Most of the responses were based on tests offered immediately after the training and prizes used as motivational incentives to encourage seriousness during training. Others evaluated the learning experience on the job by

offering tasks that were related to what had been trained. High performance was taken to mean that training had taken place and thus the training was worthwhile.

The employees were also required to rate the trainers on matters of course delivery, content analysis and benefits of the course. The organizers of these training are therefore able to prepare training materials for courses that benefits employees in relation to their needs and the needs of the Business.

4.7: Flexible Working Conditions

The respondents were asked whether they had Flexible working hours and special conditions to manage the workforce. The Response was at 100% in the affirmative for all the respondents. The Mobile Phone Service Providers have call centers where Customer Care Representatives operate 24 hours in a day. There are also other departments like the Engineering and Network Departments where employees are called upon late in the night to attend to duty.

There are special conditions that are suited to the needs of this workforce; Shifts selection was at 75% of the organizations; employees are given an opportunity to select the shifts that suit them putting into consideration family issues, career advancement activities like schooling.

Overtime and Shift allowances was also used at four organizations hence the response rate was at 100%. Those employees who work odd hours out of the 8Am to 5 Pm official working hours are compensated monetarily. There are also opportunities for working overtime where the agents are compensated double for working on public holidays.

Provision of transport was at 75% of the organizations; the employees are given a variety of shifts to choose from and transport is provided to and from work. In cases

one does not get the shifts they want, they have a provision for swapping to suit their need. Security issues were also stated in the responses, 75% of the organizations have enlisted the services of security personnel's to keep the employees company as well as escort them home while using the companies vehicles or those contracted to provide these services.

4.8: Benefits of Strategic Human Resource management Practices to the organization

The respondents were asked whether the adoption of Strategic Human Resources practices had helped improve performance, they were required to choose yes or No. The response was Yes from all the respondents. They were further required to state how the Shrm had helped realize the Strategic goals of the organization; the respondents were required to give their views. 70% of the responses were that the employees were involved in the planning and implementation of the process and they felt that they were part of the process hence resistance was low. The strategic goals were cascaded from the overall company goals and hence each individual strove to achieve his goal and in the long run the company strategic goals were met.

The other response at 80% was that employees are motivated by cash and non cash items in recognition of role well performed or objectives achieved. Hence the reward system has been helpful in motivating the employees to focus more on achieving their targets which helps the organization to realize its corporate strategic goal. Where team incentives are offered, it helps employees to work together other than compete with one another hence driving performance for each individual high.

4.9: Barriers to successful Implementation of Strategic Human Resources

Practices

The respondents were asked of what barriers they encountered in the implementation of the Strategic Human Resources Practices in the Mobile Phone Companies. The main barrier cited by 75% of the respondents was resistance to change. Most of the people in management as well as the employees didn't want a new way of doing things implemented, they wanted to stick to the norm.

Finances was also cited by 90% of the respondents, new systems needs to be put in place to facilitate the new processes and procedures. Training is also required after introducing new systems and procedures for people to learn how to operate them. This adds up to the costs and thus implementation is quite expensive.

Lack of Initiative was also cited by 50% of the respondents as a barrier to the successful implementation of Strategic human resource practices in Mobile Phone Companies in Kenya. Those in senior management and had the power to initiate change are reluctant to do so. The focus is mainly on performance, once employees achieve target and the company makes profits the rest of the practices are not keenly observed.

Performance management sometimes creates a negative feeling on the employees as they view it as a way for management to control them. The focus is mainly on individual performance which can sometimes have detrimental results as employees compete with one another to the point of causing enmity. It becomes hard for individuals to assist their co-workers in assigned tasks as they deem it as a competition with a winner and a loser. This may become counter productive to the organization, and hence greater emphasis should be on team performance.

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1: Introduction

This chapter summarizes the findings and makes conclusions based on the objectives of the study which were to determine strategic Human Resource Practices adopted by Mobile Phone Companies in Kenya. This chapter also contains a summary and makes recommendations for improvements arising from the study, limitations and proposes a direction for further study. The findings of the study have shown that the Mobile Phone service providers have adopted the strategic Human Resource Practices which include, Strategic Performance Management and Appraisal Systems, Strategic Recruitment and Selection, Learning and Development, Flexible work schedule and Strategic Reward .

5.2 Summary

The data was collected from Senior Human resources personnel from the four Mobile Phone Service Providers and the results of the interview are analyzed and presented below. The response rate was 83.33 as only 10 questionnaires were fully filled and returned out of the 12 issued. There were 3 participants from both Safaricom and Zain while Orange Mobile and Yu had each 2 participants.

The Selection and recruitment process is mainly done through advertising in the media and the Internet. The most common method of selection used by the four Mobile Phone companies was the use of Structured Interviews and aptitude tests unlike Graphology which was only used by one of the. Recruitment was done through advertising on the especially the newspaper and use of the company's Website as well as the intranet for internal jobs.

The Mobile Phone Service Providers have implemented a performance management process whose aim is to intertwine the company's strategic goals with the individual goals thus individuals will strive to achieve their goals and this will ensure that all the corporate goals are achieved. Rewarding of top performance was practiced in all the Four Mobile Phone Companies in Kenya with incentives ranging from pay rise, bonus and in one of the companies there was employee share option. Employees on contractual basis didn't enjoy the rewards that other permanent staff received, they were reported to be receiving a fixed pay without any benefits

Learning and Development was mainly done through E-Learning with where training materials were posted onto the company's intranet and the employees read the materials at their own time. Some tests were also presented after learning to test the learning experience and in other cases work samples were given to evaluate the skills trained on.

Mobile Phone Companies have established some Flexible working schedules and processes that ensure that their workers choose when they are available for duty as some departments operate 24hours in a day and 7 days a week. Security measures were reported to be in place in a number of the respondent's organizations.

5.3 Conclusions

The Mobile Phone sector has implemented the Strategic Human Resource Practices which ranges from Strategic Selection and Recruitment method where they are able to fetch the best workforce through use of modern media like Internet and Newspaper advertisement. They have also formulated a Performance Management process which they use to organize, train, evaluate and give feedback to their employees on their

performance ratings. They have invested in recruitment and selection as well as training and reward schemes.

However, the Mobile Phone companies need to invest more in training where employees should be sponsored to attend trainings and workshops out of the organization. This will break the monotony of the office and create a conducive environment for learning. Team based incentives should be utilized more to encourage team work and reduce cases of competition and resentment among employees due to unachieved targets.

5.4 Recommendations

The company's should focus on other forms of rewards especially the Non-Monetary ones which will motivate the employees more. Contractual and casual employees should also benefit from these rewards as they were reported to be earning a fixed pay without any performance contracts. Promotions should not be used as forms for reward based on performance alone as those who perform and do not get a promotion will not be motivated to maintain high performance. There are normally few slots to fit everyone whose performance is great. Other methods that can keep the employees motivation high should be devised.

5.5 Limitations if the study

The Mobile Phone Industry operates in a very sensitive environment and due to the stiff competition involved in the Mobile Phone Industry; the stakeholders were not so comfortable with interviews as they feel that any information on their Operations is confidential.

The Employees of the mobile enterprises especially the ones in the City where the

research was done are very busy and as such dedicating their time to fill the questionnaires was problematic. This greatly affected the exercise of data collection.

5.6 Suggestions for further Research.

The study focused on Strategic Human Resource practices adopted by Mobile Phone Service Providers in Kenya. The researcher proposes that a study should be carried out to establish the challenges facing the implementation of the strategies within this sector. This will enable the companies' management to improve on their competitiveness by offering the best practices to their employees.

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APPENDICES

Appendix 1: Questionnaire

STRATEGIC HUMAN RESOURCE MANAGEMENT PRACTICES

Please read the questions below and answer them honestly. The information provided here is to be used strictly for the purpose of this study.

1. Which of these Mobile Phone Companies in Kenya do you work for? (Optional).

- a) Safaricom ()
- b) Zain(Kenya) ()
- c) Orange Mobile ()
- d) Yu (Econet) ()

2. What is your position within the organization?

3. Do you have a performance management system in place?

(a) (Yes)

(b) (No)

4. What are the stages to your performance management process? -----

5. Which of these methods of Appraisal does your organization use?

a) Self Assessment ()

b) Peer Assessment ()

- c) Line manager ()
- d) Upward Appraisal ()
- e) 360-degree or Multi-rater feedback ()

6. What are the limitations of performance management?

7. Which of these two methods of pay scheme does your organization use?

- a) Fixed levels pay ()
- b) Reward linked to performance ()

8. Which of these Rewards does your organization offer employees in recognition of their performance and service to the organization?

- a) Profit Sharing / Bonus ()
- b) Increased Pay ()
- c) Promotion ()
- d) Executive pay ()
- e) Option scheme ()

9. Which of these performance based incentives does your organization offer?

- (a) Team based incentives ()
- (b) Individual performance incentives ()
- (c) Merit Pay ()

10. If your answer is (d) in the above, what are the other incentives your organization offers for performance?

11. Which methods of recruitment does your organization use among the ones listed below. Tick as appropriate.

- a) Job centers
- b) Commercial employment agencies and recruitment agencies
- c) Management selection consultants
- d) Executive search (head hunters)
- e) Visiting universities
- f) National newspaper,
- g) Internet
- f) Company website

12. Which among these Selection methods does your organization use in the recruitment of new staff?

- a) Aptitude Tests ()
- b) Psychometric tests ()
- c) Graphology ()
- d) cognitive ability tests ()
- e) Work sample tests ()
- f) Assessment Centers ()
- g) Structured interviews ()
- h) personality tests ()

i) References ()

13. Do you recruit internally or externally?

a) Internally (promotion) ()

b) Externally ()

14. Does your organization offer training and career advancement skills?

a) Yes ()

b) No ()

15. If your answer in No.11 is yes, which of these training concepts listed below does your organization utilize most? From a scale of 1-5 how would you rate the frequency of use for each with 5 being the one commonly used? Write the selected No. in the parenthesis.

a) E-Learning ()

b) Organization Sponsored formal training ()

c) Seminars and workshop ()

d) Apprenticeship ()

16. How do you evaluate the learning experience?

17. Do you have flexible working hours and special conditions to manage the workforce?

18. Explain briefly how the adoption of SHRM practices has helped the organization realize its strategic goals? -----

19. Has the adoption of the SHRM Improved the overall performance? Tick as appropriate.

(a) (Yes) () (No) ()

20. What do you see as the main barriers to successful implementation of Strategic HRM?

