ADOPTION OF HUMAN RESOURCE BUSINESS PARTNERSHIP MODEL AND PERFORMANCE OF SAFARICOM LIMITED

By

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DECLARATION

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

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This research paper has been submitted with my approval as a university supervisor.

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Supervisor: Margaret Muthoni Kariuki.
DEDICATION

I dedicate this research work to my Husband Joseph, Dad Ambrose and Mum Paskalia and Clementina who made so much sacrifice to educate me despite the harsh economic times and walk through with me during my studies, not forgetting my unborn baby who kept me strong all through the project period. Indeed, they inspired and gave me reasons to study.
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I thank the almighty God for the blessings of life, health, guidance and love during my entire masters degree program. I would like to express my profound gratitude to my supervisor, Margaret Muthoni Kariuki for guiding me through the entire project. As my supervisor for this project, despite her many other academic and professional commitments, she always had time for me. Without her support, guidance and patience this study would not have been completed. It is to her I owe the deepest gratitude.

Whereas great care has been taken in preparing this paper, any mistakes are highly regretted but I remain solely responsible for any such mistakes.
The concept of business partnering emerged in the mid 1990s. Dave Ulrich's business partner model was launched to great acclaim in 1997 in the book, Human Resource Champions. Ulrich, et. al (1997). The Human Resource Business Partnership is a model where the Human Resource function deploys Human Resource specialist to the business with an aim of them offering strategic Human resource support in all fields. Within the model, the HR generalists work closely with the HR specialists in the back office to offer workable solutions for the business depending on the unique requirements at the same time maintaining the general policies as approved by the business Information systems. A high performance organization is intentionally designed to achieve excellence by bringing out the best in people, thereby increasing organizational capacity to deliver sustainable results.

Safaricom limited introduced the Human Resource Business Partnership model two and half years ago with an aim of improving performance within the organization (Safaricom), this study is therefore intended to investigate the benefits of adopting the Human Resource Business Partnership model within the organizations and its relationship to organization performance. Past research findings in the organization management of Telecommunication sector have demonstrated that market orientation, learning orientation, entrepreneurial management style, and organizational flexibility are highly correlated with organizational performance.

The human resource department participates in strategic planning to help the business meet present and future goals. Rather than concentrating solely on human resource duties such as benefits, payroll and employee relations, human resource departments seek to add value to the company by overseeing recruiting, training, advancement and placement of new and current employees. The study found that Safaricom limited has adopted human resource business partnership model, which assist in identifying, developing and grooming key employees for advancement.
The study finally concludes that there are many benefits that Safaricom limited drives from implementing human resource business partnership model which are but not limited to:- relieving pressure from management by honing employee job skills for efficiency and productivity; enables effective implementation of organizations goals of skills development and continued improvement of business efficiency; provides guidance and knowledge-based advice on where and how an organization’s investments in human capital best support its strategic aims and it contribution to strong working relationships with individuals in business critical areas including business development, sales and marketing, production supply chain and finance. The researcher recommends that companies should aim at implementing human resource business partnership as it increases the company’s performance

The study further recommends that Safaricom should integrate business partnership model across other departments as it was observed that the concept reinforces better working relationships thus leading to high performance within the organizations. The researcher suggest that future scholars should investigate more of the influence of human resource business partnership in other industrial set up such as, agriculture, manufacturing and mining industry for comparative purpose and to verify the study results.
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CHAPTER ONE: INTRODUCTION

1.1 Introduction

This chapter introduces the concept of Human Resource Business Partnership (HRBP) and its possible association with business performance. The chapter also brings out the need for the study and the possible way that the knowledge gap would be filled-in.

1.2 Background of the Study

The concept of business partnering emerged in the mid 1990s. Dave Ulrich's business partner model was launched to great acclaim in 1997 in the book, Human Resource Champions. Here, Ulrich, et. al (1997) answer recent critics, who say it just doesn't work, by reflecting on what has been learned about the relevance of the model over the past decade. It is important to note that the need for greater business performance has put all support functions under a microscope. If they are not delivering definitive and sustainable value, they have been given the mandate to change, be eliminated or be outsourced. Information systems, finance, legal, marketing, research and development and HR are all under scrutiny and pressure to create greater value for their companies.

Embedded HR professionals work as HR generalists within organisation units (business, function, or geographic). They collaborate with line leaders to ensure that their organisations deliver value to stakeholders by defining and delivering competitive strategies. They help shape the business strategy, conduct organisational diagnoses to determine which capabilities are most critical, design and deliver HR practices to accomplish strategy. They also coach business leaders to behave congruently with strategy, and manage the strategy development process. They provide technical insights on HR issues such as staffing, leadership development, rewards, communication, organisation development and benefits. The aim of the business partner model is to help HR professionals integrate more thoroughly into business processes and to align their day-to-day work with business outcomes. Corporate Human Resource professionals define
corporate-wide initiatives, represent the company to external stakeholders and meet the unique demands of senior leaders (Ulrich 1997).

HR professionals also partner with line managers to identify and create capabilities such as speed to market, innovation, leadership, collaboration, fast change and culture management. These less tangible business activities increasingly have an impact on shareholder value and are top of mind among Chief Executive Officers (CEOs) and general managers. Effective HR professionals not only work with business leaders to draft strategies, they also focus and collaborate on how to make strategies happen. Talent and organisational issues become the mechanisms to best deliver a strategy. Business leaders are increasingly attuned to the importance of talent and organisation as a way to turn aspirations into actions and strategic intent into business results as they co-ordinate closely with their HR professionals.

The Human Resource function has in many years been considered as a cost function with less support on achievement of company goals and this has been due to their administrative function within the organization. This is thus the reason the HR function is currently striving to offer strategic support to the organization through the Human Resource Business Partnership model (HRBP), which is a model that the human resource department has adopted with an aim of participating in strategic planning to help the business meet present and future goals (McKay, 2010 and Ulrich, Losey and Lake, 1997).

The existence of a human resources department is vital to overall productivity and efficiency of the strong workforce in any thriving company. The human resources job is people, and people are the company’s most important asset. The Human Resource Department deals with management of people within the organization, they are responsible for hiring members of staff; this will involve attracting employees, keeping them in their positions and ensuring that they perform to expectation. Besides, the Human Resource Department also clarifies and sets day to day goals for the organization. It is responsible for organization of people in the entire Company and plans for future ventures and objectives involving people in the Company (Handy, 1999).
Research has shown that the human aspect of resources within an organisation contributes approximately eighty percent of the organisation's value. This implies that if people are not managed properly, the organisation faces a serious chance of falling apart. The Human Resource Department's main objective is to bring out the best in their employees and thus contribute to the success of the Company. The Human Resource Business Partnership (HRBP) is thus a model that organizations are adopting with an aim of providing the Human Resource support required by the organization in order to meet the set individual and organizational goals. It is important to note that the Human Resource (HR) function has undergone change since 1970's when the 'labour unions' were invented. The HR department at the time was entrusted with the intermediary responsibility management and the labor unions. Frederick W. Taylor's (1856-1915) had tremendous impact on attaining better productivity from low-level production workers. Personnel Managers started seeing more sunshine since the Wagner's Act (aka National Labor Relations Act in, 1935). The evolution of Human Resource Management took a new turn at the end of the century and the human resource management rose to become the most critical function of an enterprise (Nayab and Wistrom, 2011).

The Human Resource function is key within an organization and is therefore entrusted with the responsibility of dealing with management of people. It is involved in the development of a perfect blend between traditional administrative functions and the well-being of all employees within an organization. The Human Resource department is responsible for the development and application of ongoing research on strategic advances while hiring, terminating and training staff. Ideally, a Human Resource Department is responsible for an interdisciplinary examination of all staff members in the workplace. The department bears the onus of converting the available task-force or hired individuals into strategic business partners. The HR functions sole goal is motivating and encouraging the employees to prove their mettle and add value to the company. This is achieved via various management processes like workforce planning and recruitment, induction and orientation of hired task-force and employee training, administration and appraisals (Handy, 1999).
1.2.1 Human Resource Business Partnership Model (HRBP)

The Human Resource Business Partnership is a model where the Human Resource function deploys Human Resource specialist to the business with an aim of them offering strategic Human resource support in all fields. The Human Resource generalists work closely with the Human Resource specialists in the back office to offer workable solutions for the business depending on the unique requirements but maintaining the general policies as approved by the business. The main responsibility for the Human Resource Business Partners include: acting as de-centralized business-aligned generalists, partnering with line leaders to assess department needs and communicate them to Human Resource specialist for solution crafting and recommending new practices and applications. They are also involved in developing people strategies for operating units - with line leaders and Participate in policy and practice planning for the Division.

The Human Resource business partnership model is a model that the human resource department has adopted with an aim of participating in strategic planning to help the business meet present and future goals. In the thrust of human resource management to align individual goals with corporate goals, the Strategic Human Resource Management came to play leading to the implementation of the Human Resource Business Partnership (HRBP) with an aim of meeting the “existing business needs” of the organization (McKay, 2010 and Ulrich, Losey and Lake, 1997).

The primary reason that companies consider and implement the Human Resource business Partnership model is change. Whether to grow the business or to make it more competitive, productive, efficient or to solve problems, change in the business paradigm is often necessary. The Human Resource business Partnership model handles the changes and improvements necessary by investing in what is known as "human capital." Proponents of the model recognize that the personal success and job satisfaction of the individual is one of the keys to business success, and a well-run Human Resource partnership model is ideally suited to focus on both the needs of the individual and the company (McKay, 2010).
Business success is more dependent today than ever on softer organizational agendas, such as talent and organization capabilities. Just as general managers turn to senior staff specialists in marketing, finance and IT to flame the intellectual agenda and processes for these activities, they also turn to competent and business-focused Human Resource professionals to provide intellectual and process leadership for people and organizational issues (Serrat, 2009).

In the HR business partnership model, the human resource department participates in strategic planning to help the business meet present and future goals. Rather than concentrating solely on HR duties such as benefits, payroll and employee relations, Human Resource departments seek to add value to the company by overseeing recruiting, training, advancement and placement of new and current employees. The business partnership model requires Human Resource to be involved in almost every aspect of the business, including production statistics, financial status and sales projections. The Human Resource Business Partnership model is geared towards developing the Human Resource function to be more commercial and to transform the value it adds to the business. HR business partners as in other key functional areas base their activities on solid empirical research associated with business results (Serrat, 2009).

1.2.2 Organizational Performance

Performance is the accomplishment of a given task measured against preset known standards of accuracy, completeness, cost, and speed. In a contract, performance is deemed to be the fulfillment of an obligation, in a manner that releases the performer from all liabilities under the contract. A high performance organization is intentionally designed to achieve excellence by bringing out the best in people, thereby increasing organizational capacity to deliver sustainable results. The key to high performance is the ability to make the best use of the organization's most valuable resource – its people – in order to deliver sustainable results. Kaplan and Norton (1992) listed various methods to measure the overall organizational performance which are: accounting measures (profitability measures, growth measures, leverage, liquidity and cash flow measures), operational performance (market share, changes in intangible assets such as patents or human resources, customer satisfaction and stakeholder performance), market based measures (return to shareholders, market value added, holding period returns, Jensen's alpha and Tobin's Q), survival
measures (takes time horizons of five years and less) and economic value measures (residual income, economic value added and cash flow return on investment).

Mahmood and Mann (1993) selected six measures performance of a firm; return on investment, return on sales, growth in revenue, sales by total assets, sales by employee, and market to book value. Lee and Bose (2002) note that performance can be measured in numerous ways: sales, profit, productivity, revenue, dividends, growth, stock price, capital, cash flow, return on assets, return on capital, return on equity, return on investment, earnings per share, as well as other financial ratios.

Presence of leaders without ability to anticipate changes, negatively impacts the organization’s ability to fulfill its mission leading to performance failure. Thus, involving appropriate people in planning and implementing changes in a way that is consistent with the organization’s vision, mission and values would have a u-turn on such performance failures and it’s the mettle of HRBP. Organizations with no culture of continuous learning are bound to fail in their performance. HRBP encourages learning culture, thus, keeping people engaged in ongoing learning and the continuous journey toward higher organization performance.

1.2.3 Link between Human Resource Business Partnership and Organization Performance

In the HR business partner model, the human resource department participates in strategic planning to help the business meet present and future goals. Rather than concentrating solely on HR duties such as benefits, payroll and employee relations, Human Resource departments seek to add value to the company by overseeing recruiting, training, advancement and placement of new and current employees (Constance, 2008).

The Human Resource business partnership model relieves pressure from management to hone employee job skills for efficiency and productivity, as well as identifying, developing and grooming key employees for advancement. Human resource personnel are also responsible for analyzing employee review data. This allows Human Resource personnel to recognize strengths, which they may then further develop to place employees more effectively, and weaknesses.
which they may correct with further job skill training or disciplinary action (Zhang and Xu, 2004).

If the Human Resource department is already overworked with everyday employee relation issues, there may not be adequate time and personnel to devote to partnering with the business for additional functions. The business partner model requires Human Resource to be involved in almost every aspect of the business, including production statistics, financial status and sales projections. Management buy-in may also be a challenge, as the traditional role of human resources is extended to that of an overseer of the entire business in the business-partner model (Zhang and Xu, 2004).

In theory, the HR business partner model is designed to positively impact the business on all levels over time. By being involved in the recruiting process, Human Resource is able to more carefully screen and choose individuals best suited for the jobs. In the training and development process, HR is able to pinpoint which employees need particular training and ensure that it is carried out. In knowing the inner workings of the business, the strategic nature of the HR partnership model is tasked with a corporate chess game of employee and manager placement to achieve the most productive outcome (McKay, 2010).

The primary reason that companies consider and implement the Human Resource business partnership model is change. Whether to grow the business or to make it more competitive, productive, and efficient or to solve problems, change in the business paradigm is often necessary. The Human Resource Business Partnership handles the changes and improvements necessary by investing in what is known as "human capital." Proponents of the model recognize that the personal success and job satisfaction of the individual is one of the keys to business success, and a well-run HR partnership model is ideally suited to focus on both the needs of the individual and the company (Constance, 2008). Performance management is the systematic process of: planning work and setting expectations, continually monitoring performance, developing the capacity to perform, periodically rating performance in summary fashion, and rewarding good performance.
1.2.4 Safaricom Limited

Safaricom is a leading provider of converged communication solutions, operating on a single business driver that has a peerless understanding of voice, video and data requirements. Safaricom Limited is the leading mobile network operator in Kenya. The mobile telephone technology entered the Kenyan market in the year 2000 with the award of GSM license by the government to Safaricom and later to Airtel; former Kencell to Celtel to Zain Kenya. Two other operators namely Orange Kenya and Essar Telecom (trading as YU) have since joined the mobile telephone market. By 2010-end, the number of mobile subscribers in Kenya reached almost 22.9 million representing a penetration rate of around 63 per cent.

Safaricom Limited was formed in 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. Initially by virtue of the 60% shareholding held by the Government of Kenya (GoK), Safaricom was a state corporation within the meaning of the State Corporations Act (Chapter 446) Laws of Kenya. Till 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 under the State Corporations Act and therefore the provisions of the State Corporations Act shall no longer apply to it.

In addition to providing a broad range of first-class products and services for Telephony, EDGE, Broadband Internet M-Pesa 3rd Generation Network and Fax, Safaricom seeks to uplift the welfare of Kenyans in direct ways through value added services and financial support for community projects. Safaricom is a “one stop shop” for integrated and converged data and voice communication solutions. Safaricom, with its countrywide network, is the only network that can provide broadband high-speed data to its customers through its 3G network, Wimax and fibre. Safaricom services are all geared towards growth and it seeks to make positive contributions to communities in direct ways through value added services and financial support for community
projects. It’s commitment in giving back to the society seeks to address Health, Sports, Culture, Environment and Education.

1.3 Research Problem

Over the years there have been many developments in Human Resource’s role and especially how to execute it. The outcome has often been a new way to organize Human Resource to deliver. The Human Resource function is transitioning from a transactional role to a strategic business partnership, and therefore the need to closely align to the business strategy so as to directly contribute to the needs of the business. As earlier stated, the Human Resource business partnership model is a model that the human resource department has adopted with an aim of participating in strategic planning to help the business meet present and future goals.

Safaricom limited introduced the Human Resource Business Partnership model two and half years ago with an aim of improving performance within the organization (Safaricom), this study is therefore intended to investigate the benefits of adopting the Human Resource Business Partnership model within the organizations and its relationship to organization performance. To gain a variety of perspectives, I intend to undertake a case study on Safaricom Limited. It is important to note that although all four factors were highly correlated with performance, the impact of the Human Resource Business Partnership model on results may vary and therefore further research should help understand the roles of this Model to performance of the organization. Because the best HR practices are emerging from all parts of the world, Human Resource research increasingly will be conducted on a global scale, and will focus on the practices and competencies that result in company performance.

Past research findings in the organization management of Telecommunication sector have demonstrated that market orientation, learning orientation, entrepreneurial management style, and organizational flexibility are highly correlated with organizational performance. Most of the related research has been in relation to the general organization management as stated and only recently has the Human Resource Business Partnership model received research attention (Ignacio, Gonzalez, Vijande, and Casielle, 2002; Hurley and Holt, 1998).
Various research have been undertaken on the Human Resource Business Partnership model in relation to the structure of the Human Resource function, Dave Ulrich (1997, 23) and Wang and Niu (2010: 13) (three-legged stool), which was established with the primary purpose of the transformation of human resource departments in companies. They said that for the Human Resource department of an organization to be fully effective, it must ensure that considers four key issues deeply. The model of three-legged stool is focused on the implementation of shared services, centers of excellence and strategic business partners as the main functional areas of improvement effective not only in modern times, but also for the future of the organization. Other research done aimed in improving efficiency in human resources were by Castledine (2007).

It is based on these various research stated that there is need to undertake a study on adoption of the Human Resource Business Partnership model in relation to performance of Safaricom limited. The critical analysis will cover both positive and negative criticisms. After that, the recommendations in an attempt to solve difficult problems associated with the views will be documented.

1.4 Research Objective

i. To establish the influence of utilization of Reasource Business Partnership model and performance of Safaricom Limited.

1.5 Value of the study

This study will be invaluable to the Safaricom Ltd’s management and company as a whole as its findings would appraise the Human Resource Business Partnership model and link the same to the corporate performance. The study will offer an opportunity for review of Human Resource Business Partnership model as it tries to unearth how it has affected the Company’s performance.

The study will help other organizations in appreciating human resource and its contribution to the organizations performance. Thus, the organizations would adopt Human Resource Business
Partnership model as a strategy of achieving at the bottom line. The findings, conclusions drawn on Safaricom Human Resource Business Partnership would help realize this.

The study will benefit both academicians and future researchers in Kenya and beyond. Academicians and researchers are always searching for new information and references. They can benefit from this study as it will add to the wealth of limited research on Human Resource Business Partnership and link the same with corporate performance. The study will, thus, broaden the knowledge on HRBP and provide a basis for future research on the same.

This study will aim at contributing to the existing body of knowledge on how Human Resource Business Partnership model can be used in improving organization’s performance. Another beneficiary of the study will thus be the professionals in the human resource field who would acquire new knowledge on Human Resource Business Partnership. The Human Resource professional and consultants would thus be in a position of advising their clients on the subject matter.
CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter presents the theories, literatures and empirical work that have been done on human resource partnership and performance. The chapter is thus structured into, challenges facing telecommunication industry, human resource business partnership (HRBP), reasons for implementing HRBP, roles of HRB Partner and the benefits there-to.

2.2 Human Resource Business Partnership

Hunter, Saunders, Boroughs, and Constance (2006:3) shared the view that current thinking reveals that HR has been on the transformation road for the past 30 years. Even the non-existence of a recognized map that shows this trip over the years, does not overshadow the number of common milestones that have been achieved and can be identified through the change in the perception and focus of the function. Thus, if Human Resource seeks to support the business in its strategic objectives, then defining and documenting an Human Resource strategy seems to be the minimal entry requirement to join the strategic debate of boardrooms.

Being a business partner according to Kenton and Yarnall (2005:5) is to help the organization to make the necessary shifts and take the organization to where it needs to be. This view is supported by Ulrich (quoted in Kenton & Yarnall, 2005:5) who sees the role of a strategic business partner as successfully helping, executing business strategies, and meeting the customers' needs. The unofficial model of business partner has been recognized for more than a century when the functions have delivered more value and thus, a better business result. However, formalizing how Human Resource functions can give added value as business partners has just been focused by researchers since a decade ago (Ulrich & Brockbank, 2009). The concept of Human Resource business partner has become more popular due to the publishing of Human Resource Champions written by Dave Ulrich, a leading Human Resource academic (1997). In his book, he proposes a new Human Resource roles model which is based on eight key challenges that businesses will be facing. From this model, the concept of the Human Resource Business Partnership has explored.
Beckett (2005) states that business partner is a business advisor who utilizes the human capital assets in the most profitable manner. Human Resource professionals may be asked to analyze and have to give some advices and opinions on an issue to managers in organization. They also can sponsor business managers through a change process. This is a new job title which reflects that HR professional should not only be professional capable but also need to be business aware and knowledgeable about personnel matters. Emmott (2004) also states about the definition of strategic business partner though the main responsibility of HR function is to make a strategic contribution to the success of business objectives. Sandstrom (2002) claims that Human Resource Business Partnership is an actual partner in the business, and a person helping the management in decision-making about human capital, developing those Human Resource capabilities and interventions into the strategic business plan.

According to Ulrich (1997), the dynamic business environment requires Human Resource managers to fulfill four roles, namely those of administrative expert, employee champion, change agent, and strategic partner. According to Ulrich (1999, 1997), Human Resource professionals become strategic partners when they master the theory and practice of forming and implementing strategy, participate in the process of defining business strategy, ask questions that move strategy to action, and design Human Resource practices that align with business strategy. Thus, the primary actions of the strategic Human Resource manager translate business strategies into Human Resource priorities.

Being a strategic partner will enable the Human Resource manager, along with the rest of the senior management team, to achieve greater strategic integration between the organizational strategy and the strategies of the various sub-divisions, as empirically confirmed by Lawler and Lawler and Mohrman (2003) study regarding Human Resource unit effectiveness in large organizations. The study confirmed that the Human Resource department played a major role in influencing business strategy only in cases where Human Resource management was a full strategic partner. The researchers suggested that Human Resource executives who understand the business strategy are more likely to develop Human Resource processes and systems to support the implementation of that strategy. Human Resource executives may even influence the
business strategy to such an extent that it is more realistic in terms of the organization’s and Human Resource management’s ability to execute it.

It is thus postulated that establishing an adequate strategic partnership will enable the Human Resource department to achieve greater vertical strategic fit, which is, developing Human Resource strategies that are integrated with the business strategy and support its realization (Armstrong, 2003). Research findings suggest that the business strategy – Human Resource management interaction accounts for more variation in company performance than the main effect of Human Resource management (Khatri, 2000). According to Mabey, C., et al. (2003), the idea that Human Resource management can be a source of competitive advantage is based on various assumptions: firstly, it is human capability and commitment that distinguish successful organizations from the rest; secondly, managing human resources is a matter of importance; thirdly, managing human resources is not the duty of the Human Resource department only; and key levers must be internally integrated with business strategy. The strategic role of Human Resource management makes the achievement of strategic fit crucial to the effectiveness of Human Resource departments, and makes the development of an Human Resource strategic partnership critical.

It is obvious from the title of this position that people have great relevance to working in partnership with their other business colleagues. Liu, Combs, Ketchen, & Ireland (2007) suggest that it is a responsibility of Human Resource managers to retain the close relationship with line managers in order to keep up-to-date with the strategic focus of the organization. The Human Resource business partner now exists to work as a partnership with the line in order to help their colleagues focus attention on development of Human Resource programs and management activities that fit business needs, as well as to deliver Human Resource services to support the key clients. It is expected that deployment of Human Resource programs is efficient and accurate within a business unit and that it supports managers in their Human Resource responsibilities (Farndale, Paauwe and Boselie, 2010).

HR has to coordinate with line managers to construct a framework of measures that help to effectively direct the human capital (Mayo, 2005). They work together to build real employee
engagement and to appropriately implement policies and practices that support business growth and development in organization. In order to do this, the activists Human Resource professionals are responsible to collect information from many sources and multiple perspectives to assist them in decision-making. Ashton and Lambert (2005) argue that Human Resource partnership contribute to the creation of an organization’s strategic goals, and have much input into shaping strategy which enables effective implementation of organizations goals. Human Resource partnership is involved in the development of business strategy, and provides the business with a pragmatic reality check in terms of how strategic decisions directly affect employees. Human Resource partnership also provides guidance and knowledge-based advice on where and how an organization’s investments in human capital best support its strategic aims. By acting as a key contributor to strategic decision-making, Human Resource reduce its propensity for reacting to decisions that have already been made, and instead focus on the proactive support of longer-term strategic considerations.

Human Resource partnership contributes to strong working relationships with individuals in business critical areas including business development (sales and marketing), production/supply chain and finance in order to build credible and sound organization. Lawler and Mohrman (2003) argue that the degree to which Human Resource can work in partnership with the business is dependent on a number of interrelated factors. Human Resource’s structure has an important impact upon its strategic partner status. For example, the creation of centralized Human Resource service teams and the use of decentralized Human Resource business partner roles have a strong influence upon Human Resource’s strategic partner status. Furthermore, rotating Human Resource staff both within and out with the function helps leverage strategic partnering capabilities, as individuals gain greater exposure to the business and develop a deeper understanding of how Human Resource can add value.

Brockbank (1999) has shown that organizational performance is improved where Human Resource focuses more effort into its strategic inputs, and less upon transactional process-driven tasks. This strategic focus has led to a dramatic rise in Human Resource-outsourcing as Human Resource seeks to strip away time consuming transactional tasks, and has enabled a restructuring of the function to better align with other business functions through business partnering models.
Without its heavy administrative burden, Human Resource business partners can develop and leverage their business knowledge and create a greater strategic impact by working closely with key business units. A number of organisations, including BP, Sony, Prudential and American Express, have chosen to outsource many of their administrative Human Resource tasks, as a means of strengthening the capability of strategic Human Resource partners (McKay, 2010).

2.3 Organization Performance

Organizational performance comprises the actual output or results of an organization as measured against its intended outputs (or goals and objectives). According to Richard et al. (2009) organizational performance encompasses three specific areas of firm outcomes, they include financial performance (profits, return on assets, return on investment, etc.); product market performance (sales, market share, etc.); and shareholder return (total shareholder return, economic value added, etc.). The term Organizational effectiveness is broader. Specialists in many fields are concerned with organizational performance including strategic planners, operations, finance, legal, and organizational development. In recent years, many organizations have attempted to manage organizational performance using the balanced scorecard methodology where performance is tracked and measured in multiple dimensions such as financial performance (e.g. shareholder return), customer service, social responsibility (e.g. corporate citizenship, community outreach) and employee stewardship.

Five classifications of performance measures have been identified, they include efficiency (ability of an organization to perform a task), effectiveness (ability of an organization to plan for output from its processes), quality (Whether a unit of work was done correctly. Criteria to define “correctness” are established by the customer), timeliness (Whether a unit of work was done on time. Criteria to define “on time” are established by the customer) and productivity (amount of a resource used to produce a unit of work). According to Kaplan and Norton (1996), balanced scorecard as performance metric calls for organizations to look at their performance management from human resource perspectives when establishing a balanced set of measures and human resource business partnership model is geared towards achieving this. The employee perspective focuses attention on the performance of the key internal processes that drive the organization.
This perspective directs attention to the basis of all future success—the organization's people and infrastructure. Adequate investment in these areas is critical to all long-term success. Without employee buy-in, an organization's achievements will be minimal; employees must be part of the team (NPR 1999).

Organizations must develop a successful system of accountability, that is, managers and employees alike “buy in” to performance measurement by assuming responsibility for some part of the performance measurement process (NPR, 1997). A number of mature organizations have determined that there is a linkage between the health and satisfaction of their employees and the performance of their companies (Brown, 1996). One of the best analyses of the company gains from high performance work practices is that of Huselid (1995). He sought to evaluate the links between systems of these practices and company performance. The assumption is that more effective systems of Human Resource business partnership model, which simultaneously exploit the potential for complementarities or synergies and help to implement a firm’s competitive strategy, are sources of sustained competitive advantage.

Interest in the belief that individual employee performance affects company outcomes have intensified as scholars have begun to argue that a company’s employees also provide a unique source of competitive advantage that is difficult for its competitors to replicate. For example, Wright and McMahan (1992), drawing on Barney’s (1991) resource-based theory of the firm, contended that human resources can provide a source of sustained competitive advantage when four basic requirements are met. First, they must add value to the company’s production processes, and second, the skills that the firm seeks must be rare. Since human performance is normally distributed, all human resources meet both of these criteria. The third criterion is that the combined human capital investments a company’s employees cannot be easily imitated. Finally, a company’s human resources must not be subject to replacement by technological advances or other substitutes if they are to provide a source of sustainable competitive advantage.

Given the link between employee behavior, Human Resource Management and company performance, a company’s Human Resource Management practices should be related to at least
two dimensions of its performance. First, superior Human Resource Management practices should directly affect intermediate outcomes, such as turnover and productivity since employees have direct control over them. Second, if the returns from Human Resource Management investments practices exceed their costs, then lower employee turnover and greater productivity should in turn enhance corporate financial performance. Huselid’s study provides broad evidence that there is considerable support for the hypothesis that investments in such practices are associated with lower employee turnover and greater productivity and corporate financial performance.

Guest and Peccei (2002) explored the operation of partnership systems at work conceptualized as systems of cooperative exchange between management and labor in organizations. They developed a model proposing that trust, exchange and cooperation are central mechanisms underlying the effective operation of partnership systems. This includes the idea that management and labor, by engaging in mutually beneficial forms of cooperative behavior in organizations, can contribute to the development of potentially self-reinforcing high trust-high performance partnership systems.

2.4 Performance & Utilization of the Human Resource Business Partnership Model

Organizational performance encompasses three specific areas of firm outcomes namely; financial performance, product market performance and shareholder return Richard et al. (2009). It is important to note that a well structures organization encourages high performance. The Human Resource Business Partnership Model implementation aims at providing a greater level of strategic and implementation support within the businesses and support functions. The model covers the responsible for delivering a Human Resource frontline service to employees across the organization and to a significant business transformation project. Working alongside both the project and function management teams.

The model ensures Human Resource accountability for the delivery of the people agenda and support elements of organisational design. In the 1990s, corporations made an effort to take advantage of every cost-cutting tool. However, they realized that the great competitive
advantages do not come from cost cutting but from growth. So their aim goes beyond cost cutting to focus instead on growing their business faster. In order to achieve the certain purpose, many huge organizations involve more experts to join their strategic planning. Many top managements and line managers perceive the increasing importance of human resources which are not just the resources for solving business problem but they are an essential administrative function. HR takes a step forward with ideas and insights which become more and more valuable for the company's success and will enhance the company's growth and performance. HR experts are provided an equal seat at the business-planning table. From the increasing roles and importance of HR experts, companies tend to use the generic term business partner to call them (Sandstrom, 2002). Human Resource (HR) business partners dedicate their time on business partner activities and give little time on the HR's routine.

Ulrich & Brockbank (2005) outline the trends about the increasing roles of HR professionals and suggest that HR must play as full business partners in organizations. The role of HR business partner has to be closely aligned with business strategy and its tasks should flow from the company's needs. Ulrich & Brockbank (2005) describe the purpose of the business partner model is — to help HR professionals integrate more thoroughly into business processes and to align their day-to-day work with business outcomes which means that they should concentrate more on deliverables and business results rather than HR activities. To make the full impact of HR practices on firm performance, HR professionals are needed to be involved in the strategy formation process (Vosburgh, 2007).

These agents are accountable for managing the corporate and business-unit level strategic direction by deploying their people management knowledge. They use the knowledge to create the people strategy for meeting current and future human resource needs and provide the right resources to help the company achieve success in reaching their business goals. The Human Resource Business Partnership should be able to find out the most effective ways to attract people with right skills, to hire before its competitors and to keep them within the companies. All HR staff functions are striving to seek opportunities to provide more value to top-line growth and bottom-line profitability (Ulrich, Brockbank, & Johnson, 2009)
Business partner is not just another job, it is kind of challenge that requires a special kind of person (Sandstrom, 2002). There are many organizations have failed to implement Human Resource Business Partnership model successfully and have thought that this model is ineffective. Ulrich (1997) states that the companies fail because they fail to apply this new role correctly or the person, who is responsible for the new strategic role, is not sufficiently trained or qualified. Hence, in order to become a talented HR business partner, people must have a great ambition to know about the company's process and its direction which allows them to develop the most effective methods in helping company to reach the goals. They must have a deep understanding of the business and realize the key objectives of organization. However, Sandstrom (2002) declares that having the know-how is not enough to perform this role. This new role is only suitable for individuals who have multi-skills to be able to perform tasks because some may require strong generalist skills while the others may need HR expertise.

The business partner must have good communication skill to provide full and effective HR support for the management team and must have marketing skills necessary to influence key managers and make change happen. Reilly (1952) also mentions about the requirement for business partner role. He suggests company has to make sure that this position is performed by those with HR experience. Human Resource Business Partnership can find talented individuals from elsewhere. They may be able to perform their job extremely good and perhaps better than HR agents in the company. They are expected to develop their skills set in both their professional area and their generic management roles in order to add useful value to the business at a strategic level.

2.5 Challenges in Telecommunication Industry

Telecommunication industry is going through major changes in its more than one hundred years history. From one side communications has become a value of unquestionable importance in recent years, but from the other side emerging new services, new market players, new consumer thinking are challenging existing industry landscape. Traditional players are facing a new competition from IT world; consumers require more service of higher quality and all this
together forces telecom operators and vendors to transform their business and mindsets towards more open and dynamic models (Djelic and Ainamo, 2005).

Mobile telecommunication industry immediately brings to mind network development and optimization (Kremling, 2007). According to Lewis (2007), telecommunication companies face many large challenges today. These include: containing costs while delivering increasingly more complex services and providing a consistently higher level of customer service across wide geographical areas; enhancing the effectiveness and efficiency of communications with citizens and other stakeholders; utilizing emerging technologies to improve staff productivity; ensuring the reliability, availability, survivability and security of telephone, data network and Internet platforms and services; and, implementing centralized administration of services provided at satellite sites.

With increasing traffic, a highly complex and non-optimal network topology cause major problems. This owes to low degree of reliability of the telecommunication network; at the same time, costs have to be controlled. Telecommunication companies face challenges not only on the network side, but also in the development of innovative new services. Internationally, in most networks, early mobile services were GSM-based and fairly simple. With the introduction of third-generation, and subsequently high-speed downlink packet access, mobile data services have become more and more popular (Kremling, 2007). Across the telecommunications industry, the same challenges arise again and again: how to acquire and retain customers when competition is so intense, how to ensure the best possible return from capital investment on network infrastructure, how to reduce operating costs without risking customer satisfaction.

According to telecommunication industry experience the challenges related to personal services and convergence. Personal services challenges include: Customer preferences, customer 'prostitution', real-time information, direction, hints, links, appropriate advertisement and secure and trusted. Convergence challenges include: advancement of technology for authentication and e-purchase, security measures, efficient use of bandwith, compression and rendering and fixed like mobile usage (Kremling, 2007).
In the last few years, many new service ideas have been based on a merging of mobile and fixed services, as in fixed–mobile substitution offers that allow customers to use just one call number and device for all their phone calls, special tariffs within customers’ “home regions,” and mobile broadband/DSL, offered for the most part in cooperation with fixed network operators.

In Kenya, the rapid growth in the telecommunication industry in Kenya continues to present more opportunities for expansion in the sector. Till recently, Safaricom remained the market leader controlling 75.9% of the market, with Airtel (Zain), Essar (yu) and Orange Telecom having 13.5%, 6.7% and 4.0% market shares respectively as per (CCK, 2010). Over the same period, subscriber numbers grew by 9.5% (1.19 million subscribers) to 22 million subscribers with Safaricom attracting 0.47 million new subscribers. The sector reported a 9.6% increase in the total minutes of local calls to 6.63 billion (100.3 minutes per user) from 6.05 billion minutes in the previous quarter supported by the lower tariffs by the operators. Internet subscription registered a 4.3% growth to 3.09 million subscriptions with mobile internet subscription through GPRS/EDGE and 3G accounting for 99% of the total subscription. By 2011, Safaricom and Orange were the only operators who had fully rolled out the 3G network in all major towns across the country with the former upgrading to 4G. However, Airtel and Essar plan to roll out the 3G network in future.

Another across company change that has had the telecommunication to rethink their strategies is mobile number portability (MNP) service, thus, deepening the level of competition in the mobile telecommunications market and enhance consumer choice as the companies have to focus on quality and good customer service (Kimutai, 2011).

Intense mobile telephony wars that have erupted since the last quarter of 2010 has seen telecommunication companies rank their brains for viable strategies to remain afloat with the two main rivals, Zain and Safaricom, slashing their call rates with a view to controlling the emerging telephony market and wooing more subscribers (Toili, 2010). While Safaricom boost of the as the most innovative telecommunication company with the biggest market share while Airtel boasts of having the most clear network with little congestion and lower call rates. These challenges; debilitating price war, spiraling inflation and a changing regulatory environment saw
the most profitable company; Safaricom, announce net profits of $153 million in the first quarter of 2011, down from $176 million, a 13% dip (Kinyanjui, 2011).
CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter explains the design of the study, target population and sample design, data collection methods, analysis, interpretation and reporting procedures to be used in the study.

3.2 Research Design

The study will take on a case study research design. Case study research design has the advantage of generating new understandings, explanations and is cheaper than survey and takes less time; it is for this that the study will adopt a case study research design. Safaricom has adopted the Business Partnership model and therefore easy to get the required details from the Human Resource Business Partners.

3.3 Data Collection

The study will rely on primary data sources collected using interview guides research administered on research sample. The study will cover all the five senior human resource business partners within the company, this will eliminates biasness and also ensure every element in the target population are chosen for the study.

3.4 Data Analysis

The data will be collected from the interviewees will be qualitative in nature. The researcher shall use content analysis to analyze the data through describing phenomena, classifying it and seeing how the concepts interconnect as will be indicated by the respondents. This approach of analysis is preferred because it gives results that are predictable, directed, or comprehensive. Content analysis will also enable the researcher to shift through large volumes of data with relative ease in a systematic fashion. Moreover, the researcher will also use the method for inferences to be made which will enhance a comparison of the different phenomena in the data collected.
CHAPTER FOUR: DATA ANALYSIS, DISCUSSION AND INTERPRETATIONS

4.1 Introduction

This chapter presents the analysis and interpretations of the data from the field. It presents analysis and findings of the study as set out in the research methodology on adoption of human resource business partnership model and performance of Safaricom Limited. The data was gathered exclusively from an interview guide as the research instrument. The interview guide was designed in line with the objectives of the study. To enhance quality of data obtained, unstructured questions were used whereby respondents indicated their views and opinions on adoption of human resource business partnership model and performance of Safaricom Limited.

4.2 Response Rate

The researcher targeted 5 interviewees; however, only 4 out of the 5 respondents targeted completed the interview guide making a response rate of 80%. This complied with Mugenda and Mugenda (2003) who suggested that for generalization a response rate of 50% is adequate for analysis and reporting, 60% is good and a response rate of 70% and over is excellent. This commendable response rate was actualized after the researcher made personalized calls to explain the importance of participating in the study and visited the respondents to fill in the interview guide.

4.3 Demographic Characterization of Respondents

The study established that most of the respondents had worked at Safaricom limited for 5 to 7 years though others had worked for a shorter period. The respondents were senior staff in the Human Resource department. All the respondents held management positions in the said departments and were therefore conversant with the information that the study sought.
4.4 Safaricom Human Resource Business Partnership Involvement

Safaricom human resource business partnership involvement is involved in almost every aspect of the business, including headcount planning statistics, financial status and sales projections. The human resource business partnership act as overseer of the entire business in the business partnership model. The department of human resource through the Human Resource Business Partnerships in Safaricom is engaged in all decision-making process, when the problem or issue is being identified. By doing this all relevant expertise is involved and is used to identify the issues, create alternatives, evaluate those alternatives, and make a decision. Working together in this way makes the human resource department through the Human Resource Business Partnership valuable to the organization. The human resource function through the Human Resource Business Partnership has ensured alignment of their strategic objectives with the business goals of the organization. They put in effort to understand the organization’s business and the particular problems associated with that business so that the best possible and most balanced solutions are developed and implemented.

Safaricom human resource function through Human Resource Business Partnership bring relationships that they have developed with staff, unions, and line leaders into the business partnership with functions such as Technical, Information Technology, Customer Care, Strategic Management, Enterprise Business, Consumer Business Units research, Finance and Corporate Affairs department. These relationships are extremely valuable for the resolution of issues, especially when those relationships are founded on the value system of the organization. The human resource managers interpret each stakeholder to the other, so that each one’s understanding of the other’s needs is enhanced, along with trust and the commitment to the organization’s mission. Maintaining positive relationships throughout Safaricom limited is a big plus in resolving even the thorniest of problems without endangering the engagement of staff. The human resource function through the Human Resource Business Partnership in Safaricom maintain positive relationships by looking at every interaction with staff, unions, and line leaders as an opportunity to enhance the relationship. They are up to date on issues of importance to the stakeholders.
Safaricom human resource function through Human Resource Business Partnership and the heads are involved in strategic planning. The human resource department through Human Resource Business Partnership participates in strategic planning to help the business meet present and future goals. Rather than concentrating solely on human resource duties such as benefits, payroll and employee relations, human resource department through Human Resource Business Partnership seek to add value to the company by overseeing recruiting, training, advancement and placement of new and current employees.

The study found that Safaricom limited has adopted human resource business partnership model, which assist in identifying, developing and grooming key employees for advancement. Human resource business partners are also responsible for analyzing employee review data. This allows then HRBP to recognize strengths, which they may then further develop to place employees more effectively, and weaknesses, which they may correct with further job skill training or disciplinary action.

Safaricom business partnership model is designed to positively impact the business on all levels over time. By being involved in the recruiting process, Safaricom human resource department through the Human Resource Business Partnership model is able to more carefully screen and choose individuals best suited for the jobs. In the training and development process, Safaricom human resource department through the Human Resource Business Partnership model is able to pinpoint which employees need particular training and ensure that it is carried out. In knowing the inner workings of the business, the strategic nature of the Safaricom human resource partnership model is tasked with employee and manager placement to achieve the most productive outcome.

Safaricom’s main reason for implementation of the human resource business partnership model is change. Its strategy is to grow the business; to make it more competitive, productive, and to make it more efficient. Safaricom human resource business partnership model handles the changes and improvements necessary for investing in human capital. The models recognize that
the personal success and job satisfaction of the individual is one of the keys to business success. The Safaricom human resource partnership model is ideally suited to focus on both the needs of the individual and the company. Safaricom business partnership model is faced with challenges of human resource department which is already overworked with everyday employee relation issues; there may not be adequate time and personnel to devote to partnering with the business for additional functions.

4.6 Recruitment Placement and Training

The study found that Safaricom limited human resource department through the Human resource business partnership recruit, do placement and train its employees. The goal of recruitment and staffing in Safaricom is to identify the smartest, most versatile employees that the company can find. Retention of best employees starts with effective recruitment and staffing process, strategies, policies and procedures which are not limited to training. Recruitment and staffing are the focus of safaricom human resource department.

Safaricom limited aims to be the employer of choice and retain a high-performance workforce through enhancing skills through training. Safaricom delivers expert advice on attracting and hiring the best candidates, rewarding workers and keeping them motivated, adapting benefits ideas that save money, and integrating technology into its training and human resource programs. Safaricom human resource department recognizes that employee recruitment is one of the activities that impact most critically on the performance of an organization. Safaricom understand and accepted that poor recruitment decisions continue to affect organizational performance and thus the company has implemented various recruitment method including using consultancy and head hunting.

As the Kenyan job market has becomes increasingly competitive and the available skills grow more diverse, Safaricom has therefore become more selective in their choices, since poor recruiting decisions can produce long-term negative effects. Safaricom has also put aside a budget for learning and development to minimize incidence of poor performance and high turnover which, in turn, impact staff morale, the production of high quality services.
4.7 Recognition and Reward

The respondents agreed that Safaricom do recognize and reward for performance. This is so because it has a greater impact on the individual or team been rewarded. Safaricom limited understand the importance of offering awards and incentives that recognize, validate and value outstanding work. It keeps its employees motivated thus reinforcing company expectations and goals. Safaricom human resource function through Human Resource Business Partnership recognize the importance to manage human intellect and to convert it into useful products and services. Consequently Safaricom has maintained sustainable performance excellence by maximizing its people’s potential through recognition and reward for its competence and talent for its employees.

4.8 Performance

The researcher established that high human resource function through the human Resource business partnership model involvement in Safaricom business has led to better performance, as witnessed by the company’s growth and good performance. This is attributed to the fact that Safaricom is the highest tax payer in Kenya. The human resource partners involve themselves in the daily business of the company mainly through hiring effective employees, putting in place promotion strategies, defining competencies and performance measures, defining learning and development programs for current job and preparation for future positions, implementing reward and recognition programs.

The Human Resource Business Partnership in collaboration with all other function within the company has allowed four leave days thus increasing the visibility of the company across the country thus encouraging work life balance. The respondents also noted that Safaricom has that best Customer Care in the country and this is attributed to the Human Resource Business Partnership within the function who has clearly understood requirements of the team and facilitated various requirements to enable them perform efficiently and effectively thus delivering high customer service level. The respondents also noted that the flow if information across the various functions has been made easier through the Human Resource Business
Partnership model thus reducing red tapes within the organization. They also noted that the appraisal/performance evaluation has been centralized and a lot of focus has been put on the critical activities within the various functions as discussed with the Human Resource Business Partnership and the functional heads, this has ensured that all objectives are aligned to overall organization goals and the measures are relevant to each set objective. It was noted that this has greatly eliminated duplications and subjectivity during performance reviews.

The respondents further said that they respond swiftly and effectively to changes and ensure continuing high utilization of human and other resources thus leading to the high performance of the company. The quality of Safaricom employees, their enthusiasm, and their satisfaction within their jobs and the company all have a significant impact on the organization’s productivity, reputation and organization survival. The respondent noted that in a competitive environment of telecommunication industry in Kenya, people make the difference in performance of companies.

Respondents further stated that they have continuously ensure competitive advantage within the various function they represent as Human Resource Business Partnership by putting in place succession plans therefore shielding the organization from coming down through poaching from competition thus maintaining high performance within the organization.

4.9 HR Business Partnership Model

The study established that HR business partnership model relieve pressure from management by honing employee job skills for efficiency and productivity. The respondents said that HR business partner model enables effective implementation of organizations goals, skills development and continued improvement of business efficiency. Human resource partnership in Safaricom is involved in the development of business strategy, and provides the business with a pragmatic reality check in terms of how strategic decisions directly affect employees. Human resource partnership in Safaricom also provides guidance and knowledge-based advice on where and how an organization’s investments in human capital best support its strategic aims. By acting as a key contributor to strategic decision-making, human resource reduce its propensity for
reacting to decisions that have already been made, and instead focus on the proactive support of longer-term strategic considerations enhancing productivity of company.

The respondents further commended human resource business partnership model as it contributes to strong working relationships with individuals in business critical areas including Technical, Information Technology, Customer Care, Strategic Management, Enterprise Business, Consumer Business Units research, Finance and Corporate Affairs department thus relieving management pressure.

4.10 Work Alignment

The researcher sought to learn whether Safaricom employees align their day-to-day work with business outcomes. The interviewee indicated that Safaricom employees align their day-to-day work with business outcomes to enable the human resource department within Safaricom to concentrate on what are deliverable and business results.

Safaricom has a highly productive workforce, this is attributed to the Human Resource Business Partnership model which has enabled the various functions to hire the right people for the right jobs, this is due to the Human Resource Business Partnership being able to understand the needs of the function and match the same to the skills in the market. It was noted by the respondents that the CEO of Safaricom also publicly stated that he has the best people and is not willing to let go of any.

4.11 Employee Turnover

The respondents rated the employee turnover at Safaricom to be very low. They attributed it to continual training and development of a work force that is competent, consistent, competitive, effective and efficient. Safaricom limited has a culture of providing its employees with the necessary skills to perform their job beginning from the first day of work. The interview and hiring process at Safaricom expose new hires to an explanation of the company, so individuals know whether the job is their best choice or not thus preventing job hopping in future. Safaricom
also motivate employees to focus on customer success, profitable growth and the company well-being.

Safaricom further keeps its employees informed and involved by including them in future plans, new purchases, policy changes, as well as introducing new employees to the employees who have gone above and beyond during reward and recognition forums. It also has early engagement and engagement along the way, to show employees that they are valuable through information making them feel included.

The respondents further noted that they hire the best people, new talent hired and veterans are enabled to reach company goals, maximizing the investment of each employee. Taking the time to listen to employees and making them feel involved so as to create loyalty, in turn reducing turnover and thus allowing for growth. The low turnover at Safaricom indicates that employees are satisfied, healthy and safe, and their performance is satisfactory to the employer.
CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATION

5.1 Introduction

This chapter discusses the summary of findings, conclusions and recommendations of the research study, these findings were obtained from analyzed data. Recommendations of the study were explained on adoption of human resource business partnership model and performance of Safaricom limited; the suggestion for further studies was encouraged to enhance further exploration of the adoption of human business partnerships which were not mentioned by the study.

5.2 Summary of Findings

5.2.1 Human Resource Business Partnership (HRBP) and Performance

The role of the human resource manager must parallel the needs of the changing organization. Safaricom limited is becoming more adaptable, resilient; quick to change, and customer centered thus the need to foster business partnership. Within this environment business managers at Safaricom are furthering strategic partnership, employee sponsorship and advocating for change in order to enhance performance.

The human resource managers contribute to the development of and the accomplishment of the organization wide business plan and objectives. The human resource business objectives are established to support the attainment of the overall strategic business plan and objectives. The Safaricom human resource managers are deeply knowledgeable about the design of work systems in which people succeed and contribute. This strategic partnership impacts positively on human resource services such as the design of work positions; hiring; reward, recognition and strategic pay; performance development and appraisal systems; career and succession planning; and employee development at Safaricom limited leading to greater performance of the company. In order for the Safaricom human resource managers to be successful business partners and enhance company’s performance, the human resource managers have the responsibility of
thinking like business people, know finance and accounting, and are accountable and responsible for cost reductions and the measurement of all human resource programs and processes.

It was further noted that Safaricom human resource business partners facilitate performance by doing evaluation of the effectiveness of the company’s results in the need for the human resource business partners to champion change. Knowledge and the ability to execute successful change strategies make the human resource business partners to be valued at Safaricom as it is through this that they facilitate the company’s performance.

The Safaricom human resource business partners’ link change to the strategic needs thus minimize employee dissatisfaction and resistance to change leading the employees to be more productive. They constantly assess the effectiveness of the human resource function. They also sponsors and supports change in other departments and in work practices. To promote the overall success of Safaricom limited, the human resource business partners champions the identification of the organizational strategic plan: mission, vision, values, goals and action plans. Finally, they help to determine the measures that will tell Safaricom how well it is succeeding in all of this.

The human resource managers at Safaricom limited through human resource business partnership create a work environment in which people will choose to be motivated, contributing, engaged, and happy. They foster effective methods of goal setting, communication and empowerment through responsibility and builds employee ownership of the organization. The human resource managers help establish the organizational culture and climate in which people have the competency, concern and commitment to serve customers well to enhance company performance. The Safaricom human resource business partnership through the human resource business partners work with various function managers to provide employee development opportunities, gain sharing and profit-sharing strategies, organization development interventions, due process approaches to employee complaints/ problem solving, and regularly scheduled communication opportunities.
5.2.2: Benefits of Human Resource Business Partnership Model

There are many benefits associated with adoption of human resource business partnership model at Safaricom limited. The real value added by the Human Resource Business Partnership Model is the knowledge of the business and the ability of the human resource function to identify quickly gaps in the operation of the internal client.

Human Resource Business Partnership Model helps the internal client at Safaricom limited to find the best way how to implement human resources procedures and policies thus ensuring they are in compliant all through. Human Resource Business Partnership Model helps human resource managers to prioritize the impact of the solutions and quick wins are clear and the internal clients see the improvement in the managed area. Human Resource Business Partnership Model helps human resource managers to coach the line managers on internal customer and helps managers to develop the subordinates. The human resource managers know personally the key employees in the managed area and are able to obtain the formal and informal feedback, which can be highly significant for the managerial decisions about people management.

Human Resource Business Partnership Model helps human resource managers to find the best way, how to develop the staff and how to increase the performance as the internal clients contributes to building the sustainable competitive advantage constantly. Furthermore Human Resource Business Partnership Model is essential in the recruitment process at the internal client and finds the talented employees internally and externally. The human resource managers at Safaricom through using Human Resource Business Partnership Model identify the top talents and by negotiating with the top managers can push the line managers to rotate the best staff as the organization keeps its healthiness.

Safaricom managers through the assistance of Human Resource Business Partnership Model perform roles such as talent and career management for various functions within the company. The human resource managers at Safaricom are valued and the internal customers are keen on their opinion and ideas which they highly respect, the human resource function through backing of Human Resource Business Partnership Model can support career steps and rotations. By using
Human Resource Business Partnership Model human resource function is able to understand the
real issues of the internal customers and help to choose the right goals thus positively impacting
on human resource strategy. By applying Human Resource Business Partnership Model at
Safaricom limited, human resource function has a strong influence on the satisfaction of internal
customers.

The Human Resource Business Partnership model clearly brings out business needs for the
various functions, which are shared with the HR function for implementation and support, then
HR business partners also HR goals are aligned to goals for the various functions and the
company as a whole. Since the policies are developed to manage operations within the company,
the Human Resource Business Partnership ensure harmonization of policies and procedures
across the organization and various function. The Human Resource Business Partnership model
has eased Human Resource activities pressure from managers and thus ensure cut off of red tape
through delegation by HR director.

5.3 Criticisms

Human resource business partnering is a good idea in theory, though it is very difficult to
achieve in practice. It tends to focus more on shared-services than the full business partnering
model. This is because the partnering is a highly specialized job that has been undermined by
poor implementation and people just changing role names with no attempt to re-skill.

Hence, Human Resource Business Partnership doesn't do what it says on the paper. If
organizations are calling people business partners, these people need to be more commercially
savvy and more in tune with the imperatives of the business across the board. The Human
Resource Business Partnership profession hasn't developed enough HR people with these skills.
This case study found that line managers tend to look for advice from Human Resource
generalists rather than specialists.
5.4 Conclusion

The study concludes that adoption of the human resource business partnership model has greatly assisted in enhancing the performance of Safaricom limited as witnessed by its robust company’s growth and good performance. The Human Resource Business Partnership model has supported performance through enabling human resource function to design, key work processes and effective working teams. It has also assisted the HR function to hire effective employees, putting together promotion strategies and defining competencies and performance measures for the various functions. Other designs include putting together training and development programs for current job and preparation for future positions, reward and recognition systems, motivation and retention strategies.

Furthermore the study concludes that Human Resource Business Partnership model facilitates Safaricom performance by enabling managers to act swiftly and effectively to changes and ensure continuing high utilization of human and other resources thus leading to the high performance of the company. Moreover the quality of the Safaricom employees, their enthusiasm, and their satisfaction with their jobs and the company all have a significant impact on the organization’s productivity, level of customer service, reputation and survival.

5.5 Recommendation

The researcher recommends that companies should aim at implementing human resource business partnership as it increases the company’s performance. More to that, there are other more benefit to tap through implementation of human resource business partnership model. The study further recommends that Safaricom should integrate business partnership model across other departments as it was observed that the concept reinforces better working relationships thus leading to high performance within the organizations.

5.6 Suggestion for further studies

The researcher suggest that future scholars should investigate more of the influence of human resource business partnership in other industrial set up such as, agriculture, manufacturing and
mining industry for comparative purpose and to verify the study results. The researcher further suggest that the future scholars should investigate the challenges of implementing human resource business partnership.
REFERENCES


Fredrick W. Taylor's (1856-1915)


Richard et al. (2009). *Organization Effectiveness*


Appendix I: Introductory letter

30TH August 2011

Dear Respondent,

I am a student of Nairobi University undertaking MBA-Human Resources. I am sure you have heard about Human Resource Business Partners which has been implemented in Safaricom Human Resources Division. It is a HR concept that most organisations around the world are increasingly implementing to strategically position it resources in the core operations of its every day activities to stay ahead of their competition.

I am currently conducting a case study on Impact of HRBP concept in Safaricom’s Performance in the mobile industry. I urge you to assist by slotting time within your tight schedule to have an interview session with me or if necessary, by referring me to a relevant colleague. The session itself should take no more than 15 minutes to complete. I have attached the interview guidelines for your preparation and encourage you to provide your honest opinion. Your insight and input is requested in gathering information surrounding the latest trends in Human Resource Management. The information you provide will remain confidential and the results will be analyzed and reported collectively. As such no findings will be directly attributed to you as an individual. The survey is designed to gather expert industry opinion on the development of HRBP and the respondents should have knowledge of the human resource management for a period not less than five years and thus should be at a managerial level.

As a “thank you” for your participation, I will provide you with the case study results. If you have further questions please contact me on the contact provided below.

I appreciate in advance your time.

Yours faithfully,

Caroline Luchiri

MBA Student

D61/P/8383/2005.

Mobile +254722702130
Appendix II: Interview Guide

1. Respondent name (optional):....................................................................................................

2. For how long have you worked at Safaricom?...................................................

3. At Safaricom is HR involved in every aspect of the business, including production of statistics, financial status and sales projections? Explain?

4. What are the key responsibilities of the Human Resource Business Partner?

5. At Safaricom, are Human resource managers and the heads involved in strategy planning?

6. Does the employee recruitment, placement and training belong to the HR department or is the process outsourced?

7. Does the organization recognize and reward human resource competence/talent? Kindly explain?

8. Are you currently a HR partner or associate at the Company?

9. In your opinion, do you think that high HR involvement in the Company's business has led to better performance?

10. Does HR business partner model relieve pressure from management to hone employee job skills for efficiency and productivity?

11. Do employees align their day-to-day work with business outcomes?

12. Does the Company have employee share ownership plans for employees and management staff?

13. How would you rate employee turnover at the company?

14. What factors have contributed to the current turnover?
15. What are the intended outcome of the Human Resource Business Partnership model implementation

16. What are the costs associated with hiring the Human Resource Business Partner in relation to the model 'delivery?'

17. What Challenges is the Human Resource Business Partnership model experiencing?

18. What solutions have you implemented so far and what is the outcome?

19. Is it the best model compared to conventional HR model?

20. What are the Human Resource Business Partnership model success measures so far?

21. What other information relating to implementation of the Human Resource Business Partnership model within Safaricom might you wish to share?

THANK YOU FOR YOUR TIME