THE INFLUENCE OF HUMAN RESOURCES MANAGEMENT PRACTICES ON PERFORMANCE OF EMPLOYEES AT NATIONAL IRRIGATION BOARD IN KENYA

#### **VERONICAH NDUNGE MUNUVE**

A RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILMENT OF THE REQUIREMENT FOR THE AWARD OF MASTER OF BUSINESS ADMINISTRATION IN HUMAN RESOURCE MANAGEMENT, SCHOOL OF BUSINESS, UNIVERSITY OF NAIROBI

# **DECLARATION**

I, Veronicah Ndunge Munuve, do declare that this project is my original work and has not been submitted to this or any other University for any academic award
Signature: Date:
Veronicah Ndunge Munuve
D61/69315/2013
This research project has been submitted for examination with my approval as the University
Supervisor Signature: Date:
Dr. Florence Muindi
Lecturer department of Business Administration
School of Business, University of Nairobi

# **DEDICATION**

To My husband, Dan Odhiambo and my daughters Doreen, Cynthia and Clara.

For your Love, Inspiration, Patience and Support. May JEHOVAH give you FAVOUR and GRACE in your journey to your destiny and purpose.

#### **ACKNOWLEDGEMENT**

I wish to extend gratitude to my academic mentor, Dr. Florence Muindi for her inexhaustible guidance. Her input and re-direction from the point of inception of the thesis to its completion is inconceivably great and intellectually rich. My gratitude to you remains timeless.

My gratitude goes to all National Irrigation Board workers in the eight work stations for your logistical support that enabled the execution of the fieldwork, my respondents for their cooperation throughout the study period. I salute you all for your openness and assistance. I wish to give special cognizance to my workmates at Bins (Nairobi) Services Limited; Hardard, Mark, Joshua and others in the administration who encouraged me and allowed me time off from my employment station to concentrate on field work and the writing of this thesis. May your actions be rewarded and wish you all the best in your endevours.

Finally, I warmly acknowledge my family for their immense support. I thank my husband, Dan for invaluable support and our children Doreen, Cynthia and Clara for their love and patience that enabled them endure my long working hours.

To my Almighty God, you are the giver of wisdom and knowledge. I really honour You.

#### **ABSTRACT**

Globally competitive enterprises and business organizations depend greatly on the uniqueness of the human resource management in order to achieve successfully their competitive advantages, therefore the human resources practices and their contribution on the employee performance has been greatly researched on by different scholars. The current study focused on the influence of human resource management practices on the performance of employees at the National Irrigation Board in Kenya. The Research will have a positive impact on the senior managers and board of directors of NIB. The Human resource department at NIB will benefit from the study and feedback and can guide on implementing strategies for change and enhance the growth of the institution. Human resource managers in other organizations would also be enlightened on various aspects of human resource management practices for the enhancement of their employee performance. The current study adopted the use of the descriptive research. This research design was used to enable the researcher establish how human resources management practices influence employees performance at National Irrigation Board. A response of 100 was adopted where a response rate of 81 respondents was realized. Questionnaire was used to collect data from the employees of NIB from the 8 selected stations. The study revealed that (22%) of the respondents were aged between 36-40 years, 20% were aged between 30 years and below, 19% were aged between 41-45years, 17% were aged between 31-35years, 16% were aged between 46-50 years while 6% of them were aged above 50 years. This implies that majority of the irrigation station employees in Kenya were aged between 36-40 years. The study revealed that applicants are fully informed about the qualifications required to perform the job before being hired, the study revealed that the National Irrigation Board employs candidates with good experience for the station who do their work effectively, that advertising for vacant posts are mostly done through newspapers, line managers and human resource managers participate in the selection process and that the selection system selects those having the desired knowledge, skills and attitude to perform. The study concluded that there are a number of variables on the human resource planning such as having the right people at the right time doing the right job, management focusing on the employee competencies, providing solutions necessary to satisfy the human resource needs, utilization of the changing needs which are related to the utilization of its employees, application of the systematic procedures for collecting, analysing and documenting information provided about a particular job are all necessary and important in enhancing employees performance. The study recommends a need for the top management of the National Irrigation Board to initiating human resource planning to allow for the improvement of effectiveness.

# TABLE OF CONTENTS

DECLARATION	ii
DEDICATION	iii
ACKNOWLEDGEMENT	iv
ABSTRACT	V
LIST OF TABLES	1
LIST OF FIGURES	2
CHAPTER ONE	3
INTRODUCTION	3
1.1 Background of the Study	3
1.1.1 Human Resource Management Practices	4
1.1.2 Employees Performance	5
1.2 National Irrigation Board	5
1.3 Problem of the Study	6
1.4 Objective of the Study	7
1.5 Value of the Study	8
CHAPTER TWO	9
LITERATURE REVIEW	9
2.1 Introduction	9
2.2 Theoretical Background of the Study	9
2.2.1 Social Exchange Theory	9
2.2.2 Human Capital Theory	10
2.3 Human Resource Management Practices	11
2.4 Measures of Employee Performance	13
2.5 Human Resource Management Practices and Employees Performance	15

CHAPTER THREE	18
RESEARCH METHODOLOGY	18
3.1 Introduction	18
3.2 Research Design	18
3.3 Target Population	18
3.4 Sample Size and Sampling Procedure	19
3.5 Data Collection	20
3.6 Data Presentation and Analysis	20
3.7 Ethical Consideration	21
CHAPTER FOUR	22
DATA ANALYSIS PRESENTATION AND INTERPRETATIONS	22
4.1 Introduction	22
4.2 Response Rate.	22
4.3 Back Ground Information.	23
4.3.1 Distribution by Age	23
4.3.2 Distribution of the Respondents by Gender.	24
4.4 Human Resource Management Practices on Employees Performance	26
4.4.1 Influence of Human Resource Planning on Performance	26
4.4.2 Effects of Recruitment and Selection on Employees Performance	28
4.4.4 Effects of Compensation and Rewards on Employees' Performance	30
4.4.5 Effects of Employees Relations on Employees Performance	31
4.5 Employees Performance	32
4.6 Inferential Statistics	34
SUMMARY, CONCLUSIONS AND RECOMMENDATIONS	37
5.1 Introduction	37

5.2 Summary of Findings	37
5.3 Conclusions	39
5.4 Recommendations	41
5.5 Limitations of the Study	42
5.6 Suggestions for Further Study	42
REFERENCE	43
APPENDICES	48
Appendix II: Questionnaire	48

# LIST OF TABLES

Table 3. 1 Target Population	19
Table 3. 2 Sample size	19
Table 4. 1 Effects of Human Resource Planning on Employee Performance	27
Table 4. 2 Effects of Recruitment and Selection on Employees Performance	28
Table 4. 3 Influence of Training and Development on employees Performance	29
Table 4. 4 Effects of Compensation and Rewards on employees' performance	30
Table 4. 5 Effects of Employees Relations on Employees Performance	31
Table 4. 6 Employees Performance	32
Table 4. 7 Model Test	34
Table 4. 8 Model Summary	34
Table 4. 9 Coefficients of determination	35

# LIST OF FIGURES

Figure 4. 1 Response Rate	22
Figure 4. 2 Age Bracket of the Respondent	23
Figure 4. 3 Distribution of the Respondents by Gender	24
Figure 4. 4 Length of Service at the Station	25
Figure 4. 5 Level of Education of the Respondents	26

#### **CHAPTER ONE**

#### INTRODUCTION

## 1.1 Background of the Study

Globally competitive enterprises greatly depend on how unique human capital in an organization is managed for the realization of a successful competitive advantage, therefore the human resources (HR) practices and their contribution on the employee performance has been greatly researched by different scholars. According to Guest (2011), human resource management practices (HRMP) is extremely crucial aspect and it is fundamental to analyze them in diverse situations to validate their contributions towards the employees' performance. In the recent past, the trajectory of HRMP has changed significantly owing to the global environment, privatization, competitions and the technological advancements not forgetting the wavering social, political and economic factors that ensured that organizations operationalize innovative practices that will guarantee employees performances. Paul (2013) asserts that human resource practices remains fundamental for any organization to expand and went ahead to identify array of human resource practices which are not limited to reward management, training, procurement, evaluations and also security in employment. According to Hundley (2008), human resource management is a crucial facet for the attainment and maintenance of a competitive advantage thus human resource managers have been tasked with the responsibility of coaching employees with precise expertise and the capabilities that will enhance the competitive gains of the organization.

The research is grounded on the Social exchange theory (Blau, 1964) and Human Capital Theory (Becker, 1964). Social exchange theory emphasizes that employees should be treated as assets who are important to the organization and who have very vital information and the understanding of the organization and its activities as well. The human capital theory was proposed by Becker in 1964. The theory emphasizes on the need of the organizations to consider the different abilities, skills and knowledge of its staff as significant capital. The theory thus looks at the human aspect that if combined gives an organization its unique competitive advantage.

The research will be conducted at National Irrigation Board which is a semi-autonomous government agency established by the Irrigation Act legislated by Parliament of Kenya in 1966. The main motivation of establishing this institution was to provide for the development,

management and control of National irrigation stations. The present study hypothesized that the unique human capital of an organization helps to differentiate an organization from its competitors and helps it in gaining results. The study reveals that human capital is indeed a significant contributor to the overall performance of the National Irrigation Board. Based on the findings of this study, it is recommended that institutions should pay attention to designing HR strategies in a way that appreciates their human capital if their long-term goal of competitiveness is to be achieved.

#### 1.1.1 Human Resource Management Practices

According to (Minbaeva, 2012), HRMP are approaches used by organizations in managing employees by accelerating the progress of capabilities that are aimed at sustaining competitive advantage. Therefore, HRMP are methods used in managing people. Organizations ought to execute best human resource practices that suit how they operate (Armstrong, 2012). Further, Delery and Doty (1996) described human resource practices as internally dependable policies that are designed and executed to ensure that organization's human resources add into the realization of the set goals.

Human resource management practices is defined as the practice in organizations and policies that influence behavior (Dessler, 2008). The practice includes choosing human resource requirements, reference checks, recruitment, training, reward, assessing and also labor relations, health and safety and fair concerns among others (Dessler, 2007). Human resource practices have been defined in several characteristics which are not limited to; a system that catch the attention of employees, improves their experience, encourages them to work and maintain them for a period of time so as to comply with the effective conclusion and continued existence of the business entity and employees (Schuler and Jackson 1987).

Furthermore, some of these practices are considered as a set of reliable guiding principles that are within planned and employed to ensure that an institution's employees add to the achievement of the organizations goals (Delery & Doty, 1996). Minbaeva (2005) describes human resource management practices as approaches used by organizations in managing employees by accelerating the progress of capabilities that aim at sustaining competitive advantage.

## 1.1.2 Employees Performance

The performance of employees is related to the ability of the employee to effectively and efficiently complete tasks as expected by the employing authority. The performance of employees concerns the quality of output as per the set standard (Mathis and Jackson, 2009). According to Gilbert (2008), employee performance is a function of motivation and capability. The employer provides performance support by working on the environment and making sure the hindrances to one's performance is minimized. Failure of employees to perform to the expectations of the employer is not always because of the inability of the employee but rather influenced by external factors like the office support system (Ströh, 2001). Upon joining new institutions, employees bring with them certain expectations that influence their performance and output. The needs could be psychological values, physical values or both (Davis and Newstrom, 2006). They further emphasise that high job satisfaction does not always lead to high employee performance because employee performance is not associated with socio-economic or psychological achievements.

According to Nzuve (2007) the assessment of the performance of employees provide with information that helps in evaluating an institution. Certo (2010) postulates that employee performance catalyzes one to perform even better and by so doing, an employee is likely to exceed their own/and companies expectation and that works for the good of all, both the employee and the organisations wins. Today's performance is critical for planning tomorrow's performance and for the overall improvement of organizational performance. Noe *et.al* (2011) on their part, consider performance as a process that ensures that the actions taken by an employee and the respective outputs are in line with the organizations' goals. In their view, the HR department is charged with the responsibility of ensuring that the performance of the employees are congruent with the organizations' goals. They do that by matching employee's job description with the respective goals of the positions.

# 1.2 National Irrigation Board

The National Irrigation Board is a semi-autonomous government agency which was established by the Irrigation Act legislated by Parliament of Kenya in 1966. The main motivation of establishing this institution was to provide for the development, management and control of national irrigation stations. These stations include Mwea, Tana, Perkerra, Ahero, Bunyala, West

Kano and Bura all of which were developed between 1953 and 1983. Changes in the government's economic policies in the 1970s through to the 1980s have had significant impact on National Irrigation Board leading to its near collapse between 2000 and 2003. As a consequence, the Bura, Tana, Ahero, West Kano and Bunyala stations collapsed dragging down with them commercial activities in the nearby towns and centers such as Bura, Hola, Ahero and Nyadorera. The impact of the near collapse of the Board affected thousands of people either directly or through lost business opportunities and livelihoods. National Irrigation Board prepared its first strategic plan in 2003, which culminated in a staff right-sizing process leading to the laying off 85% of the workforce, re-definition of the business domain and formulation and promotion of a new culture and value system throughout the organization. Each plan has a five-year time horizon. National Irrigation Board has consistently engaged in strategic management from 2003 to date.

From August 2014, there was a strong perception by the Ministry of Agriculture, Livestock and Fisheries, which was then in charge of National Irrigation Board that the Board's performance was poor. This was followed up by a similar perception by the Board of Directors starting in October 2015. However, there has been no known published, independent and objective evaluation of the institution's performance which could inform such conclusions. Secondly, it is important to understand the influence of strategic management practices on an organizational performance within the context of National Irrigation Board so that it can inform future decision making.

#### 1.3 Problem of the Study

The alignment of employees' perspectives to the organizational objectives is a key responsibility of human resource. The way an organization manage its employees distinguishes one organization to the other, particularly today when there is increased competitiveness. Depending on the human resource management approach, an organization can either succeed or fail. With the dynamics and turbulences in the market to date, organizations are increasingly looking for new strategies to help them respond to the changing business environment. The organizations that have factored the human capital aspect have turned out successful. Realization of the critical role played by employees is a great step towards organizations' competitiveness. The changing dynamics are exacerbated by globalization that has made the world a global village in which one

has to remain competitive to survive. As such, shifting organizations' focus to the management of human resource cannot be overemphasized (Aquinas, 2008). This calls for proper taping and management of organizational human capital if the objectives of the organization were to be achieved. The Human resource department thus has a duty to initiate successful human capital management strategies (Kohli & Deb, 2010).

The National Irrigation Board has faced a number of challenges including high employee turnover and this has had a negative impact on its competitiveness. It was therefore imperative and timely to conduct a study like the present one to understand how the management of human resources in the organization contribute to its performance.

Saira (2016) examined the influence of human resource practice in the growth of textile industry in Pakistan. His study considered the following variables; compensation, career development, employees evaluation and employees engagement impact on the performance of the employees. The study revealed that for the employees to be productive there is need to sharpen their motivations. On the same vein, Amendi (2015) examined the impact of the human resource management on the performance at micro financial institutions. He found that HR practices resulted in a positive employee performance. Dimba & K'Obonyo (2009) examined the effects of human resource planning on the performance of the organization and demonstrated that employees resourcing and reward practices are associated with their performance as well. Ndungu (2011) conducted a study on the job satisfaction and the organization performance and revealed that satisfied employees perform better as compared to the employees who were demotivated in the organization. The aim of this study was to investigate how organizational HRMP influence the performance of the National Irrigation Board employees. At the time of conducting this study, no known study has focused on examining the influence of human resource factors in the performance of National Irrigation Board employees hence the need for this study.

## 1.4 Objective of the Study

The main objective of the study was to investigate how human resource practices influence the performance of the National Irrigation Board employees.

#### 1.5 Value of the Study

The Research has a positive impact on the senior managers and board of directors of the NIB. The Human resource department at NIB benefits from the study and feedback and can guide on implementing strategies for change and enhance the growth of the institution. Human resource managers in other organizations would also be enlightened on various aspects of human resource management practices for the enhancement of their employee performance.

The Government of Kenya also benefits from the study as the findings help in the achievement of national long-term development goals and improved public policy making and implementation. This can be realized through quality and public policy advice, capacity building and dissemination of quality research outputs by the institute. Public and private institutions also benefits from the study as the findings provide information on how to effectively enhance human resource practices for sustainable employees' performance. Scholars have also benefited from the findings since it lays a basis for future research.

To the academic community the study is of value as it has identified gaps that have not been addressed in past studies that focused on HRM. Future studies are thus able to address these gaps in a way that seeks to provide better human capital management approaches that promises organization competitiveness.

#### **CHAPTER TWO**

#### LITERATURE REVIEW

#### 2.1 Introduction

In this chapter, literature review and theoretical background of the study are presented. Theories including social exchange theory and human capital theory were employed to advance the literature review on HR management practices. The literature was accessed from the peer-reviewed journals, various reference books, discussion papers and various reports as well.

## 2.2 Theoretical Background of the Study

This research study used the social exchange theory and human capital theory to advance the literature review. This is because HR management practices are based on the reciprocity in relationships between organization management and the employees. These theories present a reason on how employee performance is associated with organization's HR management practices.

### 2.2.1 Social Exchange Theory

In an attempt to understand the correlation between human resource management practices on the employees' performance, the study employs social exchange theory. The theory has its foundation factored on reciprocity in interactions between a supervisor and his employee. The Social exchange theory lays emphasis on this relationship. Social exchange has been defined as the deliberate actions of individuals when they are motivated by what they will get in kind for a service that they offer in an organization (Blau, 1964).

There are a number of researches that support the social exchange theory where an employee has the direct influence on their role to an organization and subsequently what the organization gives the employees in return (Wayne, Shore, & Liden, 1997). It has been agreed that the responsibility and actions of the correlation between the employers and the employees is one that is of just exchange and they both benefit from the interaction (Pinder, 1984). One of the notable impressions of this theoretical concept is that an individual will do an unselfish act for another individual and expect a kind of return for the service rendered back.

The theory has influenced many researchers as it suggests groundwork and an in-depth analysis for the study on the employee actions and inspirations as well. The theory has spearheaded the preparation of the worthwhile networks. In an employee and employer phenomenon, the social exchange theory is based on kindness from the employer towards the employee and this is done in kind with respect to the other factors being considered as well. It is crucial to understand that the well-deserved doings between the two parties is commenced by a good turn for example an offer of a reward that can either be extrinsic or intrinsic in nature (Cropanzano & Mitchell, 2005; Organ, Podsakoff, & MacKenzie, 2006; 1996). Therefore, the current study will be based on the theory since it lays more emphasis on the human resource management practices and how they contribute to the employee's inspiration and motivation which eventually affects their performance.

## 2.2.2 Human Capital Theory

Becker proposed the human capital theory in 1964. The main contention of the theory is that human resource is a critical component for the competitiveness of a firm. The proponents of the theory argue that the optimization of employee's abilities by an organization has a significant impact on the overall ability of the organization. In essence, an organization that has mechanisms of tapping the most qualified employees in the market and optimizes the capabilities of these employees has a comparative advantage over other organizations in the industry.

According to the theory, employees are of great importance in a firm because without them the organization's productivity is compromised. Organizations have to view their employees as investments and essentially form part of its capital. On the same vein, Scarborough and Elias (2002) opine that perceiving human capital as a bridging concept adds value to the organization since in this way, the relationship between human resource practices and organization performance is made clear. Human resources is the most important firm of organizational capital since they have the ability to learn and be innovative in a way that is responsive to the changing dynamics of the market. Proper management of the human resource capital will result in the long-term survival of the firm. The theory is useful in understanding the contribution of employees to the performance of an organization (Davenpory, 1999). The theory was thus

instrumental in the determination of the contribution of the NIB staff to the performance of the organization. Through the adoption of the theory, the present study has established that the NIB staffs have immensely contributed to the performance of the organization.

## 2.3 Human Resource Management Practices

According to De Cieri *et al.*, (2008), practice in organizations and policies that influence the behavior is described as the human resource management. The practice involves choosing human resource requirements, reference checks, recruitment, training, reward, assessing and also labor relations, health and safety and fair concerns among others (Dessler, 2007). The human resource practices have been described in several characteristics which include; system that catch the attention of the employees, improves their experience, encourages them to work and also maintain them for a period of time so that the employees are able to comply with the effective conclusion and the continued existence of the business entity and employees as well (Schuler and Jackson 1987). Some of the HR practices have been perceived as a set of reliable guiding principles that are within planned and are employed to ensure that an organization's employees contribute to the achievement of the institution's goals as well (Delery & Doty, 1996).

More importantly, human resource practices are also a set of activities which are put into practice and are being used by the business entity to help direct the human resources by assisting the improvement of employees competencies that are organization precise, produce multifaceted collective relations and can also generate an institutions' intellect so as to sustain cutthroat competition with the institution's opponent. Human resource practices are also related to the clear guidelines and formal policies and the procedures that are planned to draw the attention of new employees as well and also encourage them to grow, inspire them to improve and maintain the employees who make certain that the institution remains successful and its implementation and continued existence are on the track (Minbaeva, 2005).

According to Gary Dessler (2008), human resource management practices is also about the formulation and execution of human resource systems which are the human resource policies and the activities that produce the employee competencies and behaviors needed for the achievement of an organization's strategic objectives. An organization that implements human resource management practices is able to adapt to the turbulent business environment and thus meet

customers' demands and hence the company's overall performance (Guest 1989). Similar findings are shared by Huselid (1996) whose study revealed that HRMP significantly improves employees' performance. Human resource practices can also help institutions reduce their cost, promote operating efficiency, increase innovation, revolutionize ability and increase employee's performance (Dyer, 1983). According to Grobler *et al* (2006), employees are investments that will if effectively managed and developed provide long-term productivity. There are various components of the human resource practices as discussed in prose;

First, human resource planning involves a set of procedures and processes for making decisions with regard to the institution's long-term goals and strategies. Such programs have a strong external orientation that covers major portions of the institution (Snell & Bohlander, 2007). The fundamental objective of such strategies is to position the institution in a place of long term survival, value and growth. Human resource planning ensures that the company can tap to an array of talent from the pool of employees. An innovating pool of talents employees can inject new ideas that enhance the performance of the organization.

Secondly, the process of timely identification and selections of adequate employees with requisite skills (Mondy & Robert, 1996). Recruitment sources can be internal or external such as those done through colleges, universities and other institutions as well. Recruitment allows the organization to have a pool of potential employees (Cole, 2002). Selection process refers to the process of choosing from a large pull of applicants who among them are the most suitable for available positions in an organisation (Mondy & Robert, 1996).

Training and development, where training is the process of teaching new and present organization staff skills they need to perform their jobs well (Stoner, 1994, Dessler 1997). Training can also be considered as a means of systematically modifying behaviours by learning occurring by a number of means including planned experience, education and instruction development (Armstrong 2002). The overlying aim of training is to assist the institution achieve its fundamental purpose by adding value to its key resource and the people it employs as well. According to Mondy & Robert (1996) training is organized to permit learners to acquire knowledge and skills which is required for their current jobs.

Moreover, compensation and rewards apply to all forms of pay or rewards which go out to the employees and arise from their employment. It's important to note that there are two components of it which includes the direct financial payments in the form of wages, salaries, commissions, bonuses and other monetary incentives and the indirect payments such as paid for insurance, pension and vacation among others (Gary Dessler, 2000).

Considerations must also be made to employee relations, which virtually touch on all the other aspects of human resource management. Organizations must aspire to relate well with the employees and allow them to be members of movements that be of help in negotiations for their welfare in times of differences. The aspect of employee relations, is alive not only to the formal but to the informal interrelationships that if not well managed can potentially affect the organization negatively (Cole, 2002).

Employee rewards are some of the benefits employees get from their employers and are key determinants of performance (Malhotra et al., 2007). Some studies have established that rewards must not always be inform of monetary gains (Stone et al., 2010). While monetary rewards are good, not all employees will get fulfillment from such. Employees thus require comprehensive rewards that addresses not only their financial but psychological needs as well (Gross and Friedman, 2004).

In his model, Giancola (2009) outlines that comprehensive employee rewards can be adopted by human resource practices. The five elements include; work-life balance, remuneration, career opportunity, benefits and environment related prizes. On their part, IRS (2004) developed a model that laid emphasis on three factors; environment related prizes, execution related prizes and settled prize. In the model, the commitment of the employee in the firm is appreciated through base compensations. The employees' commitment is also rewarded as they are seen as the greatest assets in an organization.

#### 2.4 Measures of Employee Performance

Human resources are a significant element of an organization, and should be optimized for better organizational results. Human resource is a system of interconnected activities, processes and

functions that aim at not only attracting but maintaining an organizations' human resources. Employee's performance is an indicator of the overall organization's performance. If the performance of the employees is poor, then the competitiveness of the organization is negatively influenced and the reverse is true. Firms must thus put structures in place that allow for an optimal performance of the employees. Putting of these structures call for a proper human resource management plan that ties the abilities of the employees to the overall goal of the organization (Dreikorn, 1995; Guest, 2001). The ability of the employees to work to the success of the organization is a function of many factors which can either be financial or non-financial, cost oriented or otherwise, and either be external or internal. While most of the available literature have treated performance as a financial aspect of the organization that only view employee performance in terms of profits, there is need to broaden the scope of performance indicators to other aspects that are not limited to; product quality, market share and the organization image are among some that have been proposed by some researchers practicing in the field of human resources.

The measurement of employees performance from a financial perspective has received criticisms for its lack of inclusivity of all other variables that may contribute to the performance of the organization. The other criticism of this approach relates to the fact that it is short-term and cannot be used in examining the long-term objectives of the firm. Subsequently, employee's job performance has been assessed in terms of the adeptness within which one carries out duties in ones' job description. Employee job performance has been about the timeliness, effectiveness and the efficiency with regards to the completion of tasks set out by an employer to the employee. According to Mathis and Jackson (2009), performance has been linked to the amount, excellence, aptness, turnout, competence, efficacy and dependability while an employee is discharging his duties at the place of work. Motivation and the work ability results in the employee job performance according to Gilbert (1978).

Human resource practices needs to recognize the different abilities of an organization's employee and provide incentives for employees to fully use their skills and to contribute in decision-making. With such a system in place, employee performance is enhanced (Appelbaum et.al, 2000). The impact of HR practices in employee performance was noted to be immense in a study by Deng, Menguc, and Benson (2003). HRMP also enhance employee satisfaction,

satisfied employees tend to give their best and hence organizations' performance is boosted (Bjorkman and Fan, 2002).

While the association of HRMP and organizational performance is said to be positive, its association with market performance is said to be weak (Usyal and Koca, 2009). There exists a positive association in different HRMP elements including, training, selection and recruitment, employee relations among others in the service industry (Usyal and Koca, 2009). More importantly, the individual performance can also be measured through creative works, innovativeness, satisfaction of clients and skillfulness at the place of work. Employers are therefore tasked to provide an enabling environment so as to support performance since lack of performance support hinders exemplary and skillful performance (Ströh, 2001). Davis and Newstrom (1986) has noted that individuals do bring with them the needs that can affect their on-the-job performance the moment they have joined an organization. These needs can be physical while others are also related to the psychological and social values of the said individual as well. These virtues espouse that improved performance normally ensure to yield cost-effective, sociological and the emotional rewards.

## 2.5 Human Resource Management Practices and Employees Performance

Past studies have revealed a positive association between HRMP and employees' performance. Tessember (2006) investigated the degree to which HRMP affects the employee's performance in Eritrea. From his research work, it was determined that the execution of human resource practices can successfully boost the performance. Further Kiptis *et.*al (2014) studied HR practices effects on the employee performance in Kuresoi South District in Kenya and found that there was a positive correlation between wellbeing practices, reward, job security and performance of the employees. Therefore, in order to motivate employees in the large-scale tea farms both comprehensive training and job security measures should be provided to the employees. Kai (2007), in a study on firms listed on the Australian Stock Exchange established that HR practices are indeed associated with the employees' performance.

Moreover, Kagwiria (2015) in her study on the alignment of HR practices and business strategy of the Coca-Cola Company Ltd, Nairobi, revealed that HR practices aimed at enhancing employees' performance in customer delivery and were well allied to the institution's business

strategy therefore creating efficiency and the effectiveness. Finally, David (2002) also assessed the connection between human resource practices and performance in Singapore and found that human resource practices elements have affirmative impact on the business strategy of an institution. Consequently, Som (2008) in his research on the human resource practices on the achievement of organization objectives revealed that informed employee resourcing and financial and non-financial rewards positively affect the employees' performance.

Mugambi (2017) conducted a study on the effect of perceived HRMP on employee performance at Kenya Medical Training College, Nairobi campus and established that a greater majority of the respondents were illiterate on human resource management practices and the concept of employee job performance. The study revealed that KMTC needs to incorporate other aspects of coaching and mentoring, knowledge management, change management, talent management as well as team building to couple the human resource management practices so as to have a positive influence on employee job performance. The study recommended that KMTC should adopt human resource management policy and practices to ensure that the human resource practices can indeed influence positive employee job performance.

Muga, (2012) conducted a study on the contributions of the strategic human resource management practices to the financial performance of the Savings and Credit Co-operatives Societies in the public universities, the study revealed that the increase in profitability levels were as a result of the capital base, membership and the dividend payout that can be clearly attributed to good human resource management practices that have resulted in recruitment and selection of qualified and committed employees who are committed to the organizations missions. A study by Nyabuto (2016) examining how compensation practices influence employee performance revealed that compensation practices influenced performance positively.

In organizations where compensation was practiced, there was a marginal increase in performance; consequently, such organisations' productivity was improved. Similar findings were revealed in a study by Anyumba, (2016) who examined how employee retention was impacted by human resource management practices and found that capacity building, career progression, compensation of staff, reward, performance appraisal, conducive working environment, efficient leadership, and employee commitment and organization culture are important in the organization since they greatly influence the employee retention. From the many

foregoing studies above have elucidated that there is a research gap and thus the need to carry out a study on the influence of the human resource management practices on the performance of the employees at National Irrigation Board in Kenya.

#### **CHAPTER THREE**

#### RESEARCH METHODOLOGY

#### 3.1 Introduction

The current chapter described the proposed research design, population of the study, data analysis and collection procedures to be utilized for the study.

### 3.2 Research Design

The current study adopted the use of the descriptive research. According to Gay (1981) descriptive research refers to the processes and the procedures employed to collect data for the purposes of testing hypothesis on the current status of the subjects in the research. Descriptive research design has been considered suitable because the key focus was to discover the possible relationship between matters under the investigation. This research design was used to enable the researcher establish how human resources management practices influence employees performance at National Irrigation Board.

# **3.3 Target Population**

Target population is the population from which information is sought. Population is on the other hand is a set of group with desired characteristics and are under investigation by a study (Ngechu, 2014). The target population must share certain characteristics to allow for representation by a section (sample) of the population (Mugenda & Mugenda, 1999). In the present study, the target population was the staff working in all stations of National Irrigation Board. The researcher targeted 8 stations of National Irrigation Board which are spread across the country with a total population of 543 staff.

Table 3.1 shows the target population of the study as identified for each of the targeted workstations of National Irrigation Board. The target population was distributed among the different respondents from different workstations.

**Table 3. 1 Target Population** 

S/No	Name of Station	Total
1	Mwea	150
2	Bura	89
3	Tana	76
4	Perkerra	54
5	Ahero	47
6	West Kano	39
7	Bunyala	28
8	Head office	60
TOTAL		543

# 3.4 Sample Size and Sampling Procedure.

A simple random sampling technique was applied in this study where all the eight work stations were included in the study. This technique gives every item in the study population an equal opportunity of being selected to be included in the study. It is sometimes known as the method of chance or probability. Simple random sampling may also be used with both qualitative and quantitative research techniques. Probability sampling was applied to select respondents from each work station. The number of respondents selected from each work station varied depending on the number of staff working in a particular station. A sample size of 100 respondents was adopted.

Table 3. 2 Sample size

S/No	Name of Station	Total
1	Mwea	25
2	Bura	10
3	Tana	10
4	Perkerra	10
5	Ahero	10
6	West Kano	5
7	Bunyala	10
8	Head office	20
TOTAL		100

Source: (Author, 2019)

#### 3.5 Data Collection

Structured questionnaires were distributed to collect primary data. The questionnaires were administered to all the respondents by dropping and picking later method. The questionnaires have three parts; Part A: Biodata, Part B: Human Resources Management Practices and Part C: Employee Job Performance. The questionnaire was based on a five-point Likert scale.

## 3.6 Data Presentation and Analysis

A descriptive statistic in form of mean, standard deviation, percentages obtained through the use of SPSS, was used in analysis of data. Findings were presented by use of tables and charts. Linear Regression Analysis was used to ascertain how human resource management practices influence performance of the employees.

 $Y1 = \beta_0 + \beta 1X1 + \beta 2X2 + \beta 3X3 + \beta 4X4 + \beta 4X5 + \beta 4X6 + \beta 4X7 + \epsilon$ 

Where:

Y1= Employee Performance

 $\beta_0$ =Intercept

**β**=Beta Coefficient

**ε**=Error term

**X1**=Human Resource Planning

**X2**=Recruitment and Selection

**X3**=Training and Development

**X4**=Compensation and Reward

**X5**=Employees Relations

## 3.7 Ethical Consideration

The research process ensured that privacy and confidentiality of the information provided by the respondents are secure in order to curb any ethical issues which may arise. The questionnaire issued was not required respondents to enter their details in order to protect them and no identification of names were disclosed. The study also sought license and authorization from NACOSTI and an introduction letter from the University of Nairobi. This helped to make respondents understand that the study was for academic purpose only.

#### CHAPTER FOUR

#### DATA ANALYSIS PRESENTATION AND INTERPRETATIONS

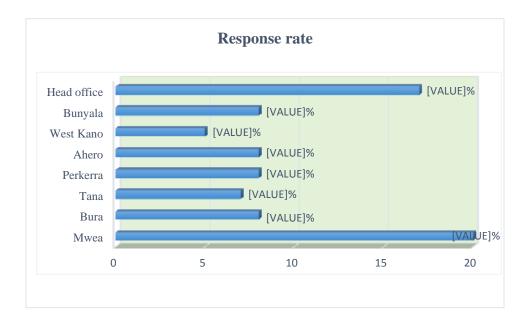
#### 4.1 Introduction

This chapter presents data analysis, interpretation and presentation. The objective of the study was to establish the influence of human resources management practices on performance of employees at National irrigation board in Kenya. Data was collected from the 8 National irrigation stations in Kenya; including Mwea, Bura, Tana, Perkerra, Ahero, West Kano, Bunyala and the Head office. The data sources were through the Questionnaire that was administered to the employees of respective irrigation stations. Data was collected based on the variables of the study, that is [employees performance] depicted by the human resource planning, recruitment and selection, training and development, compensation and reward and employees relations.

## 4.2 Response Rate.

To ensure that there was no sampling bias, the study computed the response rate in the survey. A response rate of over 50% is deemed suitable for the study quality to be confirmed. Figure 4.1 below presents the response rate of the study.

Figure 4. 1 Response Rate



## Source: (Fieldwork 2019)

From the figure above Head Office recorded a response rate of 17%, Bunyala 8%, West Kano 5%, Ahero 8%, Perkerra 8%, Tana 7%, Bura 8% while Mwea at 20%. Therefore, the study realized a response rate of 81% and a non-response rate of 19%. According to Idrus and Newman (2002) a response rate of at least 50% is sufficient in social science, 81% is thus an excellent rate.

#### 4.3 Back Ground Information.

The demographic information of the study participants was sought by the study. This information was used in establishing the suitability of the respondents in participating in the study. All the participating respondents were therefore deemed suitable in providing information relating to how human resources management practices influence the performance of National Irrigation Board employees.

#### 4.3.1 Distribution by Age

The age distribution of the respondents based in the various stations of National Irrigation Board was sought by the study. Figure 4.2 below is a presentation of the findings.



Figure 4.2 Age Bracket of the Respondents

Source: (Fieldwork 2019)

The findings as shown in Figure 4.2 above indicate the distribution of the respondents by age as captured from the different irrigation work stations. The findings revealed that (22%) of the participants were between 36-40 years old, this was followed by 20% of the participants aged between 30 years and below, 19% of the participants were aged between 41-45 years, 17% were aged between 31-35 years, 16% were aged between 46-50 years while 6% of them were aged above 50 years. This implies that majority of the irrigation station employees in Kenya were aged between 36-40 years. This further depicts the need for National Irrigation Board to review the risk element associated with the aging workforce and its possible influence on the HR management practices at the organization.

## 4.3.2 Distribution of the Respondents by Gender.

The study ascertained the distribution of the respondents by gender. The figure below is a presentation of the findings.

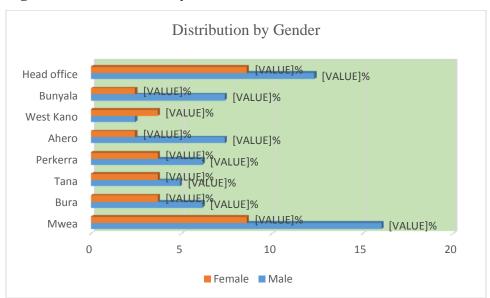


Figure 4. 3 Distribution by Gender

Source: (Fieldwork 2019)

From the figure above head Office reported 12% (10) male and 9% (7) female, Bunyala station reported 7% (6) male and 2% (2) female, West Kano reported 2% (2) male and 4% (3) female, Ahero reported 7% (6) male and 2% (2) female, Perkerra reported 6% (5) male and 4% (3) female, Tana reported 5% (4) male and 4% (3) female, Bura reported 6% (5) male and 4% (3)

female and finally Mwea reported 16% (13) male and 9% (7) female. Generally majority of the respondents were male at 63% (51) and 37% (30) were female.

#### 4.3.3 Period at the Station

Further, the study sought to establish on the distribution of the employees working in the respondent's irrigation station by the length of service. The findings are presented in Figure 4.4 below.

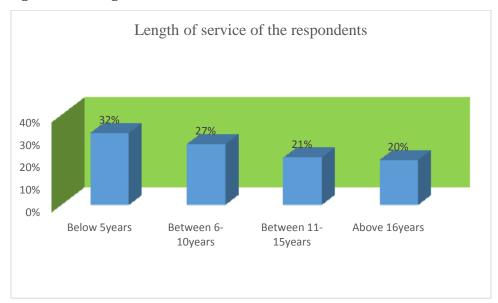


Figure 4. 4 Length of Service at the Station

Source: (Fieldwork 2019)

From the figure above, 32% (26) of the respondents have served for below 5 years, 27% (22) had served for between 6-10 years, 21%(17) had served for between 11-15 years, while 20%(16) had served for above 16 years. From the findings majority of the participants had served for below 5 years. The years the employees had served was important in establishing whether the information they gave on the influence of HR practices on their performance was of value to the study. Considering the findings, information given by the respondents was deemed credible.

## **4.3.4** Level of Education of the Respondents

The present study aimed at establishing the distribution of the employees working in the Irrigation Board by the level of education. The findings are as shown in the figure 4.5

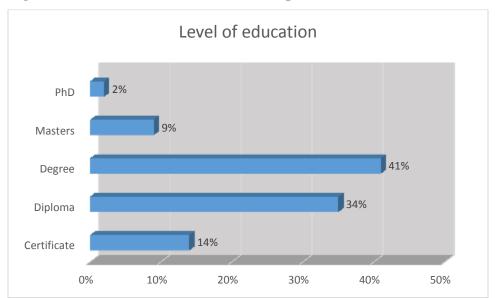


Figure 4. 5 Level of Education of the Respondents

Source: (Fieldwork 2019)

The findings as shown above reveals that majority 41% (33) of the respondents had attained degree education, 34% (28) had attained diploma, 14% (11) of the respondents had attained certificate, and 9% (7) had attained Master's degree while only 2% (2) of the respondents had attained a PhD. The findings therefore reveal that most of the respondents had attained degree as revealed by the findings above.

## 4.4 Human Resource Management Practices on Employees Performance.

The overall goal of the study was to establish the potential impact of human resource management practices on the performance of the employees at the National Irrigation Board in Kenya. A number elements of human resource practices were tested and the findings presented in the subsequent section.

# **4.4.1 Influence of Human Resource Planning on Performance**

In examining how HR planning influences the performance of the National Irrigation Board employees, a number of HP planning factors were tested. The participants opinions on the selected factors was rated. The participants indicated their levels of agreement or otherwise on a five point Likert scale where: 1 – Very low extent 2 – Low extent 3 – Moderate extent 4- Great extent and 5- Very great extent. The findings are as shown in table 4.1.

**Table 4. 1 Effects of Human Resource Planning on Performance** 

	Mean	Std. Dev
In our station the organization has the right people at the right	4.639	0.3559
time doing the right job		
In our station the management focuses on employee		
competencies in delivering the work well	4.572	0.9647
Solutions necessary for satisfying HR needs are always		
provided in my station	3.851	0.4054
Managers of the station meet changing needs relating to		
utilization of its employees.	4.433	0.6475
Systematic procedure for gathering, analyzing and		
documenting information about a particular job is provided	4.018	0.0159

The findings reveal that most of the respondents were of the opinion that NIB had recruited the right people for the respective jobs in the organisations with a score of 4.639. This was followed by the belief that the focus in hiring and assigning duties to employees was on the basis of individual competencies represented by a mean of 4.572. The study further revealed that in the different NIB stations, the organisations had managers with requisite abilities to respond to the ever changing employees' needs with a score of 4.433. The study also revealed that the organisation provides a systematic approach in information processing (4.018) and Solutions necessary for satisfying HR needs are always provided in my station (3.851).

The findings imply that the National Irrigation Board had programs that assure HR planning and as such, it was not clear what caused staff turnover. The existence of these factors meant that the performance of employees in the organisation should be at the optimum. The study has thus in the following section analysed the contribution of these elements to the performance of employees at NIB.

## 4.4.2 Effects of Recruitment and Selection on Employees Performance

In examining the influence of recruitment and selection on the performance of the National Irrigation Board staff, respondents' opinions on a number selected factors were rated on a scale of 1-5. where: 1 – Very low extent 2 – Low extent 3 – Moderate extent 4- Great extent and 5-Very great extent. Table 4.2 shows the findings.

Table 4. 2 Effects of Recruitment and Selection on Employees Performance

	Mean	Std. Dev
Applicants are fully informed about the qualifications required to perform the job before being hired	4.926	0.5782
We obtain suitable employees (candidates with good experience) who do their work effectively	4.328	0.2671
Advertising for vacant posts are mostly done through newspapers	4.261	0.8924
In this organization, line managers and HR managers participate in the selection process	4.152	1.0135
Selection system selects those having the desired knowledge, skills and		
attitude	4.238	0.0923

The findings reveal that majority of the respondents felt that the recruitment process clearly outlines the qualifications for respective jobs with a mean score of 4.926. It was also revealed that most of the stations obtain suitable employees (candidates with good experience) who do their work effectively (Mean=4.328). The respondents further indicated that advertising for vacant posts are mostly done through newspapers (Mean=4.261). The study noted that in the selection process, not only the HR managers but the line mangers as well were involved (4.152). The selection system at NIB only selected those with the desired qualifications (mean=4.238). These findings therefore imply that applicants are fully informed about the qualifications required to perform the job before being hired, that National Irrigation Board employs candidates with good experience who do their work effectively, that advertising for vacant posts are mostly done through newspapers, line managers and human resource managers participate in the selection process and that the selection system selects those having the desired knowledge, skills and attitude.

#### 4.4.3 Influence of Training and Development on Employees Performance.

In order to assess the influence of training and development on the employee performance of the national irrigation station in Kenya, the respondents were requested to indicate the extent to which various factors on training and development influenced the employees' performance of the National Irrigation Board in Kenya. The responses were rated on a five point Likert scale where: 1 - Very low extent 2 - Low extent 3 - Moderate extent 4- Great extent and 5- Very great extent. The findings are as shown in table 4.4

Table 4. 3 Influence of Training and Development on employees Performance

	Mean	Std. Dev
Every employee goes through various training programmes every year	4.463	0.2550
There is a budget dedicated to training and development every year	3.852	0.7156
The employees acquire the necessary knowledge through learning in		
our station which helps them achieve the goal of the organization	3.658	0.8229
The seminars and refresher courses are helpful for development of the		
1	3.364	0.4522
employees		
Coaching and mentoring are provided in my station	4.464	0.2550

From the study findings, the respondents were in agreement that existence of; Every employee goes through various training programmes every year (Mean=4.463), there is a budget dedicated to training and development every year (3.852), the employees acquire the necessary knowledge through learning in our station which helps them achieve the goal of the organization (3.658), The seminars and refresher courses are helpful for development of the employees (3.364), Coaching and mentoring are provided in my station (4.464)

From the results, it can be concluded that every employee goes through various training programmes every year, there is a budget dedicated to training and development every year, the employees acquire the necessary knowledge through learning in our station which helps them achieve the goal of the organization, the seminars and refresher courses are helpful for

development of the employees and coaching and mentoring are provided in most of the National Irrigation Board stations.

The findings concur with those of Branine & Pollard (2010) who suggest that training is a form of ensuring that employees better their abilities to perform. By offering training opportunities, employers invests in their human resource, in the end both the individual employee and the organization wins. In so doing, the organization is assured of having a pool of qualified personnel hence a synergic relationship is established between the employees and the organization. The significance of training and knowledge acquisition is furthered from Holy Scriptures where the Quran expressly advocates for gaining knowledge to deepen understanding (Holy Quran, 58:11). The bible equally speaks of this same significance (Psalm 119:66).

## 4.4.4 Effects of Compensation and Rewards on Employees' Performance.

In order to assess the influence of compensation and rewards on the employee performance of National Irrigation Board, views of participants on the level of agreement on selected factors was sought. The responses were ranked on a scale of 1-5 with 1 being the lowest and 5 highest. The findings are presented in table 4.4 below.

Table 4. 4 Effects of Compensation and Rewards on employees' performance

	Mean	Std. Dev
In my station there are financial rewards which motivate employees	4.129	0.6587
The employees get allowances in addition to salaries	4.184	1.7118
Employees are always motivated by being recognized by the management		
in the station by participating in some of the decision making	4.321	1.0241
Employees are encouraged by having employee of the year whereby the		
best ones are issued with certificates and some tokens	4.356	0.4475

From the study findings, the majority of the respondents were in agreement that in their respective stations, there are financial rewards which motivate employees (mean=4.129), the employees get allowances in addition to salaries (mean=4.184), employees are always motivated by being recognized by the management in the station by participating in some of the decision

making (mean=4.321), employees are encouraged by having employee of the year whereby the best ones are issued with certificates and some tokens (mean =4.356).

It can therefore be implied that there are financial rewards which motivate employees, employees get allowances in addition to salaries, employees are always motivated by being recognized by the management in the station by participating in some of the decision making and employees are encouraged by having employee of the year whereby the best ones are issued with certificates and some tokens.

The findings of this study affirm the findings of Harrison and Liska, (2008) which revealed that staff compensation has a significant contribution to the performance of employees and improved organizational performance. On the same vein, Kline and Hsieh (2007) opine that salary is a determinant of the performance of employees and the subsequent organisations' performance. Organisational compensation needs to be viewed by the employees as commensurate to their contribution and at par with what the market is providing. At the same time, compensation must not only be material benefits but must have a value connection with the values of individual employees as was established in a study by Rana and Malik (2017).

#### 4.4.5 Effects of Employees Relations on Employees Performance

Further, on assessing the influence of employees' relations on the employee performance at the National Irrigation Board in Kenya, the respondents were requested to indicate the extent to which various factors on employees relations influenced the employees' performance. The responses were rated on a five point Likert scale where: 1 – Very low extent 2 – Low extent 3 – Moderate extent 4- Great extent and 5- Very great extent. The findings are as shown in table 4.5

Table 4. 5 Effecs of Employees Relations on employees Performance

	Mean	Std. Dev
Our organization has policy on how to deal with grievances from employees	4.142	0.2793
There is disciplinary policy which is applied to employees who go against the organization's procedures	4.287	0.7621
against the organization's procedures		

There is conflict management committee which is found in all the	3.999	0.0976
stations to minimize conflicts among the employees		
Team work in my station makes employees work smoothly	3.904	0.6530

On the employee relations, the study findings reveals that majority of the respondents agreed the National Irrigation Board has a policy on how to deal with grievances from employees (mean=4.142), there is a disciplinary policy which is applied to employees who go against the organization's procedures (mean=4.287), there is conflict management committee which is found in all the stations to minimize conflicts among the employees (mean=3.999) and that the team work in any of the station makes employees work smoothly (mean =3.904).

It can therefore be concluded that the National Irrigation Board has a policy on how to deal with grievances from employees, there is disciplinary policy which is applied to employees who go against the organization's procedures, there is conflict management committee which is found in all the stations to minimize conflicts among the employees and that the team work in any of the station makes employees work smoothly.

## **4.5 Employees Performance**

Finally on the employees 'performance, the respondents were requested to indicate the extent to which various aspects of the employees performance were manifested at National Irrigation Board in Kenya. The responses were ranked on a scale of: 1 – Very low extent 2 – Low extent 3 – Moderate extent 4- Great extent and 5- Very great extent. The findings are as shown in table 4.6.

**Table 4. 6 Employees Performance** 

	Mean	Std. Dev
I pay close attention to details and comply with the standards of		
the project	3.985	0.9877
I accomplish my work quickly and accurately	4.097	0.9076
I do my job keenly and I use a reasonable amount of time	3.092	0.5683
I usually meet the set targets	3.903	0.8763
I am capable of working independently with very minimum	4.016	0.5643

#### supervision

I am accommodative and embrace others as well	4.018	0.5870
I usually adhere to the work schedule	3.912	0.4321
I relate well with the other employees in my station.	4.124	0.7864
We have good communication channel in my station	4.983	0.8761
We have teamwork in all the duties we are assigned	3.902	0.8972

The study revealed that most of the employees' respondents agreed that they pay close attention to details and comply with the standards of the project (mean=3.985), they accomplish their work quickly and accurately (mean=4.097), they do their job keenly and use a reasonable amount of time (mean=3.092), they usually meet the set targets (mean=3.903), most of the employees are capable of working independently with very minimum supervision (mean=4.016), most of the employees are accommodative and embrace others as well (mean=3.912), employees relate well with the other employees in their respective work station (mean=4.124), there is a good communication channel within the station (mean=4.983) and that there is a team work in all the duties the employees are assigned (mean=3.902).

From the findings it can be deduced that employees pay close attention to details and comply with the standards of the project, they do their job keenly and use a reasonable amount of time, they usually meet the set targets, and most of the employees are capable of working independently with very minimum supervision, most of the employees are accommodative and embrace others as well, employees relate well with the other employees in their respective work station and there is a good communication channel within the station and that there is team work in all the duties assigned.

The ability of an employee is established by means of appraisal which compares the performance of an employee against the expected standards. Appraisal of employees performance is aimed at achieving three objectives; improving the current employee performance, enhancing employee motivation, and identification of training needs. Overall, it is associated with organization performance (Rana & Malik, 2017).

#### 4.6 Inferential Statistics

# 4.6.1 Logit Model Analysis on the Influence of Human Resource Practices on National Irrigation Board Employee's Performance

**Table 4.7 Model Test** 

Steps	Chi-square	df	Sig.
Step	15.737	3	0.001
Block	15.737	3	0.001
Model	15.737	3	0.001

Direct logistic regression was performed to assess the influence of HR practices on the performance of NIB staff performance. The model included five independent variables; human resource planning, recruitment and selection, training and development, compensation and reward, and employee relations. The first step involved testing the model reliability in testing the five factors. The results in table 4.7 indicates that model was significant in predicting the influence of HR practices on employee performance. This was supported by model significant at 0.001 < 0.05. Thus, the results of the model are deemed valid and reliable.

**Table 4:8 Model Summary** 

	abic 4.0 Miduci bul	iiiiiai y					
S	tep	-2 Log likelihood	Cox	&	Snell	R	Nagelkerke R Square
			Squar	e			
1		28.663a	0.232				0.302

**Source**: research data, 2019

As shown in table 4.8 the results indicated that the model as a whole explained between 23.2%% (Cox and Snell R<sup>2</sup>) and 30.2%% (Nagelkerke R<sup>2</sup>) of the variance in NIB, with 69.8% of the change in the employee performance at NIB explained by factors not in the study model.

**Table 4.9 Coefficients of Determination** 

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	В	Std. Error	Beta		
(Constant)	0.812	0.186	0.567	4.903	.000
Human resource planning	0.712	0.287	0.714	2.829	.005
Recruitment and selection	0.752	0.207	0.611	3.440	.001
Training and development	0.678	0.289	0.662	2.692	.007
Compensation and rewards	0.875	0.276	0.572	2.982	.003
Employee relations	0.672	0.317	0.578	2.120	.033

The established model for the study was:

$$Y = 0.812 + 0.712X_1 + 0.752X_2 + 0.678X_3 + 0.875X_4 + 0.672X_5$$

The regression equation above has established that taking (recruitment and selection, human resource planning, training and development, compensation and reward, and employee relations), performance of National Irrigation Board staff, will be 0.812. The findings presented also show that increase in HR planning leads to 0.712 increase in the score of the performance of NIB staff, if all other variables are held constant. The variables was significant since 0.005 is less than 0.05.

Further the study revealed that a marginal increase in recruitment and selection results in 0.752 increase in the performance of NIP staff with a p-value of 0.001, the contribution of recruitment and selection was found to be significant since the value 0.001 is less than 0.05. The regression results further revealed that a unit increase in training and development lead to an increase in National Irrigation Board employee performance by 0.678 with a p-value of 0.007 which is less than 0.05 imply the contribution of the variable to employee performance was significant. It was also revealed that a unit increase in compensation and reward resulted in 0.875 increase in NIB staff performance with a p-value of 0.003 which is less than 0.05, implying significance of the

variable in contributing to NIB staff performance. Finally, the results show that a unit increase in staff relations increased NIB staff performance by 0.672 with a p-value of 0.033 which is less than 0.05 implying a significant contribution of the variable to NIB staff performance.

#### **CHAPTER FIVE**

#### SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

#### 5.1 Introduction

This chapter presents the summary of the data findings on the influence of human resources management practices on the employee performance of National Irrigation Board in Kenya. The conclusions and recommendations are drawn there to. The study addressed human resource practices which included human resource planning, recruitment and selection, training and development, compensation and reward and employees relations.

#### 5.2 Summary of Findings

From the findings the study established that human resource planning, recruitment and selection, training and development, compensation and reward influenced the employees' performance at National Irrigation Board in Kenya. The study further indicated that employee relations also influenced the employees' performance.

The study revealed that (22%) of the respondents were aged between 36-40years, 20% were aged between 30 years and below, 19% were aged between 41-45 years, 17% were aged between 31-35 years, 16% were aged between 46-50 years while 6% of them were aged above 50 years. This implies that majority of the National Irrigation Board's employees were aged between 36-40 years. Head Office reported 12% (10) male and 9% (7) female, Bunyala station reported 7% (6) male and 2% (2) female, west Kano reported 2% (2) and 4% (3) female, Ahero reported 7% (6) and 2% (2) female, Perkerra reported 6% (5) male and 4% (3) female, Tana reported 5% (4) male and 4% (3) female, Bura reported 6% (5) male and 4% (3) female and finally Mwea reported 16% (13) male and 9% (7) female.

The study revealed that there are various factors on human resource planning such as having the right people at the right time doing the right job, management focusing on the employee competencies, providing solutions necessary to satisfy the human resource needs, utilization of the changing needs relating to the utilization of its employees, application of the systematic procedures for gathering, analysing and documenting information about a particular job is

provided are all necessary and important in enhancing employees performance at the National Irrigation Board in Kenya.

Further, the study revealed that applicants are fully informed about the qualifications required to perform the job before being hired, the study revealed that the National Irrigation Board obtain suitable employees candidates with good experience to do their work effectively, that advertising for vacant posts are mostly done through newspapers, line managers and human resource managers participate in the selection process and that the selection system selects those having the desired knowledge, skills and attitude to perform.

The study also revealed that every employee goes through various training programmes every year, that there is a budget dedicated to training and development every year, the employees acquire the necessary knowledge through learning in the respective station which helps them achieve the goal of the organization, the seminars and refresher courses are helpful for development of the employees and coaching and mentoring are provided in most of the National Irrigation Board's stations.

The study revealed that there are financial rewards which motivate employees, employees get allowances in addition to salaries, bonuses are not used as a mechanism to reward higher performance employees at the end of the year, employees are always motivated by being recognized by the management in the station by participating in some of the decision making. and employees are encouraged by having employee of the year whereby the best ones are issued with certificates and some tokens.

Further the study revealed that National Irrigation Board has policy on how to deal with grievances from employees, there is disciplinary policy which is applied to employees who go against the company procedures, there is conflict management committee which is found in all the stations to minimize conflicts among the employees and that and that team work in any of the station makes employees work smoothly.

It was also revealed that employees pay close attention to details and comply with the standards of the organization, they do their job keenly and use reasonable amount of time, they usually meet the set targets, and most of the employees are capable of working independently with very minimum supervision, most of the employees are accommodative and embrace others as well, employees relate well with the other employees in their respective work stations and there is a good communication channel within the station and that there is team work in all the duties assigned.

#### 5.3 Conclusions

The study concluded that there are a number of variables on the human resource planning such as having the right people at the right time doing the right job, management focusing on the employee competencies, providing solutions necessary to satisfy the human resource needs, utilization of the changing needs which are related to the utilization of its employees, application of the systematic procedures for collecting, analysing and documenting information about a particular job is provided and necessary and important in enhancing employees performance.

The study concluded that applicants should be informed about the qualifications required to perform the job before being actually being hired, the study further concluded that organizations should obtain suitable employees candidates with good experience for them to be able to do their work effectively, further it was revealed that advertising for vacant posts other than through newspapers can be done through other means as well, line managers and human resource managers participate in the selection process and that the selection system selects those having the desired knowledge, skills and attitude to perform.

The study further concluded that every employee goes through various training programmes every year and that there is a budget dedicated to training and development every year, that the employees acquire the necessary knowledge through learning in the respective station which helps them achieve the goal of the organization, further it was concluded that the seminars and refresher courses are helpful for development of the employees and coaching and mentoring are provided in most of the stations.

Subsequently it was concluded that the National Irrigation Board has a policy on how to deal with grievances from employees and that there is disciplinary policy which is applied to

employees who go against the company procedures, the study concluded that there is conflict management which is found in all organizations to help in minimizing the conflicts among the employees.

Employees and, therefore, human resources represent the tool through organizations that can produce, deliver their products or services to the end customer. Only satisfied human resources can offer products and services that meet the needs and expectations of final customers. Therefore, the performance of the organization is linked to the performance of human resources. An inefficient tool in the hands of the manager does not help to the organization performance.

To improve organisation's performance, there is a need to first create a very safe environment for employees. Employee relations is thus a critical component of HRMP, employees should be encouraged to openly express and discuss their viewpoints and their ideas. The employees should be trained to collaborate more effectively with each other and to leverage each other's strength for meeting the team goals. For this to happen, as a manager you should ensure that the organization mission and the team goals are very clear and all of them align to it. The findings of this supported are supported by previous studies like the works of Storey, (1995) that found that the development of employees was one of the primary elements of HRM. Training is thus a way of ensuring that employees perform at their optimum.

The manager also needs to spend time with each individual in the team to know them personally, show empathy towards them, understand their potential, reward them for their good work, motivate them to achieve and perform to their individual potential. The team members require to trust each other and the team manager. Even if there is a conflict between members, the manager and the team should be able to address the conflict without causing harm to the team spirit.

The study also concludes that employee compensation (financial or otherwise) significantly influences the performance of not only the employee but for the organization as well. Among the elements that influence the performance of NIB staff performance, compensation was revealed to

have the greatest contribution. The study therefore concludes that a compensated staff will in equal measure be committed to the organsiation and hence the improved performance.

#### **5.4 Recommendations**

From the findings, the study recommends the following;

There is need for the management of the National Irrigations Board to initiate strategies that allow for human resource planning if the organization were to remain competitive in a way that the institutional culture appreciates human capital. Putting such a human resource plan in place would mean that the organisation is not short of human resource in case of turn over issues.

Considering the essence of employee reward system established by the study, it is imperative for the National Irrigation Board to have such a system in place. With such a system, employees will be motivated and would give their best. Employees will also be rewarded in a manner that is commensurate to their respective contribution. The overall benefit will be NIB because its performance will be enhanced.

There is also a need for NIB to put a performance management system in place. Such a system will be able to identify performance weaknesses and take necessary action in good time. Such a responsive system benefits the organaisation by way of increasing shareholders value because the company will be able to operate at a profit.

The findings on lack of an employee relations system at NIB calls for the need for establishment of such a system to enable the respective employee to participate. This has a benefit of enhancing the welfare of the employees. Employees whose welfare is taken care of are likely to give outstanding performance, subsequently the organization will benefit.

Finally, the study has established that employee capacity building (training and development) has a positive influence on employee performance, the study recommends that organisations need to put capacity building programs in place to help in enhancing employee competencies. Such programs are likely to boost the levels of employee satisfaction and potentially contribute to improved organizational performance.

## **5.5 Limitations of the Study**

The sample of this study was not large enough thereby making it difficult for the establishment of a positive significance between the study variables based on the collected data. The findings may thus not be representative as for study findings to be considered representative; data has to be drawn from a large sample size. The Study was also constrained by financial resources and time.

### **5.6 Suggestions for Further Study**

- A similar study in future whose objective would be to confirm these findings while also
  incorporating the perceptions of other critical stakeholders such as customers,
  government and suppliers within the industry. There is an opportunity to carry out a
  future study whose aim would be to isolate the influence of other critical events and
  factors on the employees' performance.
- 2. Furthermore, this being a descriptive study which offers an opportunity to carry out future explanatory research that aims at investigating the relationship between HRMP and performance across the irrigation sector, a study like that would be useful for the policy makers, regulating authorities and also the decision makers within the irrigation sector.

#### REFERENCE

- Abbott, K. (1964). A review of employment relations theories and their application. *Problems and Perspectives in Management*, 1, 187-199.
- Ahmad (2003). The impact of human resource management practices on operational performance: recognizing country and industry differences. *Journal of operations Management*, 21(1), 19-43.
- Amendi V. B (2015). Influence of Human Resource Management Practices on Performance of Savings and Credit Cooperatives in Vihiga County, Kenya, *Unpublished MBA Project*, University of Nairobi
- Anyumba, (2016) the perceived influence of Human resource practices on employees' retention at Kenya institute of public policy research and analysis.
- Armstrong, M., (2012). A Handbook of Human Resource Management Practice (10<sup>th</sup> edition), London & Philadelphia, Kogan Page Ltd.
- Barney (1991). Firm Resources and Sustained Competitive Advantage. Journal of Management, 17(1), 99-120S.
- Beer (2006), Human Resource Management: A General Managers Perspective, 6th edition, New York: Free Press.
- Bennett (2005). Human Resources Management. Pitman.
- Boselie (2005). Commonalities and contradictions in HRM and performance research. *Human Resource Management Journal*, 15(3), 67-94.
- Byars (2007). Human Resource Management (5th ed.). Boston, MA: Irwin / McGraw-Hill.
- Camppesino (2016). Human resource management practices and Firm performance,

  International Journal of Economics, Commerce and Management, 4 (13)

- Cole (2002), Personnel and Human Resource Management, Book Power EIST London, 5Th Edition
- Collins (2007). Strategic human resource practices, top management team social networks, and firm performance: The role of human resource practices in creating organizational competitive advantage. *Academy of management Journal*, 46(6), 740-751.
- Daven (1998), Working Knowledge How Organization Manage What They Know, Boston:
  Harvard Business School Press
- David (2002) An Examination of Employee Retention Strategy in a private Organization in Zimbabwe, African Journal of Business Management vol. 4 (10) pp.2103-2109
- Davis & Newstrom (2006) Human behavior at work: Organizational behavior. McGraw Hill international Editions.
- Delery, J.E., & Doty, D.H. (1996). Modes of theorizing in strategic human resource management: Tests of universalistic, contingency, and configurational performance predictions. *Academy of management Journal*, 39(4), 802-835.
- Dessler (2011). Human resource management and Employee performance: A case of University teachers and Azad Jammu and Kashmir (AAJK) in Pakistan. *African Journal of Business Management*, 5(13), 5249-5253.
- Dimba (2008) the effects of strategic human resource management practices on the organizational performance of manufacturing Multinational companies in Kenya. The mediating role of the employees' motivation. Unpublished doctoral thesis. University of Nairobi, Nairobi.
- Gay (1981) Techniques of writing research proposals and reports. Boston: Houghton Miffing Company

- Gilbert (2008) Human competencies: engeering worthy performance. New York: McGraw-Hill
- Government of Kenya (1991), Member Education Material: A handbook for trainer Resource

  Development unit education Section Ministry of Co-operative development and
  marketing Nairobi.
- Guest (2011), Effective People Management: initial findings of the Future of work survey,

  Chartered Institute of Personnel Management, London.
- Hundley (2008). The impact of human resource management practices on turnover, productivity, and corporate financial performance. *Academy of management journal*, 38(3), 635-672.
- Huselid. (1996). Human resource management and performance: still searching for some answers. *Human Resource Management Journal*, 21(1), 3-13.
- Kagwiria (2015) Alignment of HR Practices and Business strategy at the Coca cola bottling company Nairobi, Unpublished MBA Project, University of Nairobi.
- Khalid (2014). HRM Practices and Employee Performance in Public Sector Organizations in Pakistan: An Empirical study. *International Journal of Management Sciences and Business Research*, 3(2), 69.
- Kiptis (2014) Effects of Human resource management practices on emplyees performance in Kenya: A case of large scale tea farms in Kuresoi south District, Kenya. International Journal of Human resource management and research.
- Kiptis (2014) the effects of human resource management practices on employees' performance in Kenya. A case of large scale tea farms in Kuresoi south District, Kenya. International Journal of Human resource Management and research, (4), 6.
- Kothari (2008) Research methods (2<sup>nd</sup> ed). New Delhi; New age international (p) limited.

- Mathis & Jackson, (2009) Human resource management. Mason, OH, USA; South-western cengage learning
- Mitchell (2001). How to keep your best employee: developing an effective retention policy.

  Academy of management executive, 15(4)96-109
- Muga, (2012) A survey of the factors that Influence employee retention in Manufacturing firms in Kenya. Unpublished MBA Research Project, University of Nairobi
- Mugambi (2017) Moving Human Resource to a higher level: Human Resource Practices and Organizational Effectiveness.
- Mugenda & Mugenda (1999) Research methods qualitative and quantitative Approaches.

  Nairobi: Acts press
- Mullins (2010) Management and Organizational Behaviour: 9TH Edition Amazon UK
- Munjuri (2011). The effect of human resource management practices in enhancing employee performance in catholic institutions of Higher Learning in Kenya. *International Journal of Business Administration*, 2(4), p189.
- Ndungu (2011) the effects of Job satisfaction on the organizational performance; the case of Kenya Training Medical College, Unpublished MBA Project, University of Nairobi.
- Nyabuto, (2016) Factors that affect The Retention of Managerial and Specialist Staff: An Exploratory Study of An Employee Commitment Model. SA Journal of Human Resource Management; vol 3 no 2 (2005).
- Nzuve (2007) Management of human resources. A Kenyan perspective. Tech and Pro.
- Paul (2013). The impact of motivation, empowerment, and skill- enhancing practices on aggregate voluntary turnover: The mediating effect of collective affective commitment.

  \*Personnel psychology\*, 64(2), 315-350.

- Saira (2016) Impact of HRM Practices on employees' performance in the textile industry of Pakistan. International Journal of Academic research in Accounting, Finance and management sciences 6(1)
- Schultz, T. W. (1961) Investment in Human Capital. The American Economic Review 1(2) 1-17
- Som (2008) Employee retention and turnover: Using motivational variables as a panacea

  .African Journal of Business Management (3) 9, 410-415
- Ströh (2001) personnel motivation: strategies to stimulate employees to increase performance. Politeia, 20 (2).
- Waiganjo (2012). Relationship between Strategic Human Resource Management and Firm Performance of Kenya's Corporate Organizations. *International Journal of Humanities* and Social Science, May, 2(10), pp. pp-62-70

## **APPENDICES**

## **Appendix II: Questionnaire**

## PART 1: BIO DATA OF THE RESPONDENTS

(Please answer as honestly as possible. The information is for academic research only)

1. Tick against your Irrigation station;

Name of Station	
Mwea	
Bura	
Tana	
Perkerra	
Ahero	
West Kano	
Bunyala	
Head office	

2.	What is your age bracket?
	30 years and below ( )
	31-35 years ( )
	36-40 years ( )
	41-45 years ( )
	46-50 years ( )
	Above 50 years ( )
3.	What is your gender?
	Female ( )
	Male ( )
4.	For how long have you been serving in this station?
	Below 5 years ( )

	Between 6-10years ( )
	Between 11-15 years ( )
	Above 16years ( )
5.	What is the level of your education
	PHD ( )
	Masters ( )
	Degree ( )
	Diploma ( )
	Certificate ( )

## PART 2: Human Resource Management Practices.

You are required to rate to which each of the following statements presented below correctly describe your project aspect of **Human Resource Management Practices**. The numbers represent the following; the numbers represent the following; 1 – Very low extent 2 – Low extent 3 – Moderate extent 4- Great extent and 5- Very great extent.

(Please answer as honestly as possible. The information is for academic research only)

Human Resource Planning.	1	2	3	4	5
In our station the organization has the right people at the right time doing the					
right job					
In our station the management focuses on employee competencies in delivering					
the work well					
Solutions necessary for satisfying HR needs are always provided in my station					
Managers of the station meet changing needs relating to utilization of its					
employees.					
Systematic procedure for gathering, analyzing and documenting information					
about a particular job is provided					

Recruitment and selection	1	2	3	4	5
Applicants are fully informed about the qualifications required to perform the job					
before being hired					
We obtain suitable employees (candidates with good experience) for the station					
who do their work effectively					
Advertising for vacant posts are mostly done through newspapers					
In this organization, line managers and HR managers participate in the selection					
process					
Selection system selects those having the desired knowledge, skills and attitude					
Training and development	1	2	3	4	5
Every employee goes through various training programmes every year					
There is a budget dedicated to training and development every year					
The employees acquire the necessary knowledge through learning in our					
station which helps them achieve the goal of the organization					
The seminars and refresher courses are helpful for development of the					
employees					
Coaching and mentoring are provided in my station					
Compensation and rewards	1	2	3	4	5
In my station there are financial rewards which motivate employees					
The employees get allowances in addition to salaries					
Bonuses are used as a mechanism to reward higher performance employees at the end of the year					
Employees are always motivated by being recognized by the management in the station by participating in some of the decision making					
Employees are encouraged by having employee of the year whereby the best ones are issued with certificates and some tokens					
Employee relations	Î	2	3	4	4
At the station we have a trade union which negotiates with the management on					
salary increment and dispute resolution					L
			_		1
Our organization has policy on how to deal with grievances from employees					ļ

There is disciplinary policy which is applied to employees who go against the

There is conflict management which is found in all the stations to minimize

company procedures

conflicts among the employees			
Team work in my station makes employees work smoothly			

## **PART 3: Employee Performance**

You are required to rate to which each of the following statements presented below correctly describe your project aspect of **Employee job performance**. The numbers represent the following; the numbers represent the following; 1 – Very low extent 2 – Low extent 3 – Moderate extent 4- Great extent and 5- Very great extent.

(Please answer as honestly as possible. The information is for academic research only)

Measures of employees performance	1	2	3	4	5
I pay close attention to details and comply with the standards of the project					
I accomplish my work quickly and accurately					
I do my job keenly and I use a reasonable amount of time					
I usually meet the set targets					
I am capable of working independently with very minimum supervision					
I am accommodating and embrace others as well					
I usually adhere to the work schedule					
I relate well with the other employees in my station.					
We have good communication channel in my station					
We have teamwork in all the duties were assigned					
				•	