# EFFECT OF STRATEGIC HUMAN RESOURCE PLANNING ON THE PERFORMANCE OF SAFARICOM PUBLIC LIMITED COMPANY

# BY

# **MOSES KARANI M'MBURA**

A RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILMENT OF
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# **DECLARATION**

I hereby declare that this research project is my original work and has not been
presented in any other institution.
S'
Signature Date
MOSES KARANI M'MBURA
D61/5085/2017
This research project has been submitted for examination with my approval as the
University supervisor.
Signature Date
DR. MERCY MUNJURI
Senior Lecturer, School of Business
University of Nairobi

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# **DEDICATION**

I dedicate this work to the Almighty God granting me victory through the academic journey and to entire family for their encouragement and support throughout my studies.

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# LIST OF ABBREVIATIONS

HR Human Resource

HRP Human Resource Planning

#### **ABSTRACT**

Organizations have developed advanced human resource strategic plans that can be formulated both implicitly and explicitly. It should be noted that strategic human resource planning directly influences organizational performance. The purpose of measuring organization performance is to assist in making judgement that lead towards progress in meeting outcomes of set organizational strategic plans. Based on this argument it can be stated that progress towards organizational goals can be attained by studying an organization's strategic human resource plans, and improving on them. This formed the general objective of this study which was to establish the effect of strategic human resource planning on the performance of Safaricom Public Limited Company. The study was guided by two theories including the resource-based view theory which explains how an organizations' resources can be a source of competitive advantage and the organizational performance theory which explains the principle goal of an organization being profit maximization. In this study the research design that was adopted was the case study which implied that the data collected was from one organization. Data for this project was collected from primary sources through personal interview. The data was analyzed using content analysis technique given its nature being nature. The study sought to establish the effect of strategic human resource planning on the performance of Safaricom Public Limited Company. Results revealed that the effect was positive implying that human resource planning resulted to improved organization performance. The study also concluded that organization strategy at Safaricom guided HR planning to a great extent. This Further, the study concluded that there existed internal and external factors which influenced the HR planning process. The internal factors included organization structure, attrition, and change in technology while the external factors included government policy and availability of skills. Based on the study findings the study recommends that companies in the telecommunications industry should embrace human resource planning. This is due to the fact that human resource planning impacts organization performance positively. This would thus result into improved performance through articulate recruitment and selection of employees and improved employee productivity. Since this study was qualitative, the study recommends that a similar study be conducted but adopt a quantitative approach. This would help to clearly define the magnitude of effect of human resource planning on organization performance. This would thus help companies that engage in human resource planning to make informed decisions on what aspects they should put more emphasis on.

#### CHAPTER ONE

#### INTRODUCTION

# 1.1 Background of the Study

Each positive strategic action undertaken by an organization essentially has an orientation aimed at realizing the main goal, in occurrence of this, firms should initiate the necessary line of actions: to enhance the general performance (Buradun, 2017). Organizations have appreciated the usage of best Human Resource Practices that not only define the accomplishments within a stipulated period but in addition the kind and the number of human resource needed to achieve the specified organizational goals (Salaman, 2016). This has lent credence to the argument that the core performance of any entity is contingent to the competences of its personnel as effective entity performance is founded on human elements (Delaney & Huselid, 1996). Therefore, human element is very important when it comes to the composition and functioning of an organization because organization cannot be without the human element (Barney, 1991).

Sensible management heads of organizations that perform optimally recognize that so as to maintain success of the organization in the long term success, organization appeal towards the job market must be top notch. This can be gauged by an organization's rate of attracting talented job seekers and the rate of retaining skilled and experienced employees. In order to attain such optimal performance an opposite human resource activity involving human resource planning must be instigated. Human Resource planning (HRP) definition is the continuous process of systematic predicting with an aim of attaining optimum use of human resources (Sikora, 2014).

Human Resource planning can be said to provide a linkage between Human Resource Management and the strategic plan of an entity. Bulla and Scott, (1994) state that making sure that the jobs available are matched with the best fit of employees while at the same time ensuring there are no deficiency or excess manpower is the main goal of HRP. Striking the right balance in determining the best fit for employees against organizational needs is key in laying the foundation of success in an organization determined by its performance. Organizations that practice competency based management, uphold the combination of human resource planning with organizational planning through provision of access to data from Human Resource databases. Such data allows entities to evaluate the available human resource capability founded on proficiencies against capability desirable to achieve the strategy of the entity (Chanda, 2016).

Resource based view theory states that the performance of firms is primarily determined by the resources under their possession (Armstrong, 2009). The theory further states that resources might stay dormant till when the firm utilizes its abilities, and hence resulting to a sustainable competitive advantage (Mweru & Muya, 2011). Simply put, resource based view theory states that the competition of firms is based on the firms' capabilities and resources (Peteraf & Bergen, 2003). The resource based view theory in Human Resource Management intentions is to provide explanation for giving importance to talent management and aid in improving the value contributed by human resource in the attainment of competitive edge through strategically adopting best practices in human resource (Armstrong, 2009). Organizational performance theory postulates that organizations should be studied as a whole on their ways of adaptation, strategies and structures that guide them (Jones, 1995). The theory matches abilities to measure behaviours and outcomes, using control as a measurement and evaluation

process, with reward being inherent (Foss & Knudsen, 2003). The theory advocates for the use of information as a purchasable commodity.

There is no doubt that Safaricom is the leader of mobile phone operators in Kenya leading in technological innovations, customer satisfaction, and corporate social responsibility (Collymore, 2017). Safaricom has remained the largest mobile operator in Kenya since the advent of the mobile revolution in Kenya with an ever increasing subscriber base, resulting in the creation of direct, indirect and induced jobs. Direct jobs have been established as a result of ongoing operations, indirect jobs as a result of multiplier effects of operating expenditure and induced jobs being persons directly employed by Safaricom (www.bizhub.com). The employment opportunities created by the corporation has led to improved living standards as well as broadened network coverage and money transfer services both locally and international making Safaricom a major telecommunication and financial service provider. The company has also contributed to the growth of Kenya's Gross Domestic Product through increased tax payment with the most recent annual sustainability report done in 2018 stating tax payment in excess of 10 billion Kenya Shillings.

#### 1.1.1 Strategic Human Resource Planning

Dessler (2005) defines strategic HRP as systematic methods used in achieving the optimal benefits of human resources in an organization. Walters (2016) states that HRP is a procedure through which the human resource needs whether future or current are identified for the attainment of organizational goals. On the lowest level, strategic human resource planning makes sure there is sufficient staffing to achieve an organization's operational goals, through identifying of the right people for the right skills and on the right time (Armstrong, 2006). A standard strategic plan lays out the weaknesses and strength of an organization, the environment that of its operations as

well as the goals that it wishes to attain during a specified period (Walters, 2016). Reilly (2003) defines strategic human resource planning like a method by that an entity endeavors to get an estimation of the labor demand and asses the size, type and sources of supply that will be needed to attain the demand. Organizations need to realize the strategic advantage human resource planning holds in terms of improving organizational performance. (Bulla & Scott, 1994) go further in defining human resource planning as involving activities such as creating a visible employer brand, feasible retention strategies, recruitment and selection strategy, talent management and absence management strategy.

Wirtz (2009) states that a strategic plan directs an institution in fruitfully attaining its set mission. He further argues that centered on the strategic plan, an institution can come up with a human resource plan which will enable it in making management decisions currently that will impact the course of the institution in future. Peterson (2009) postulates that HRP through the analyses of the present human resources, future human resource environment and the external labor market the future needs of an organization are identified. However, it has to be noted that strategic human resource planning is different from strategic operational planning due to focus on matters external to the organization as well as formulating situations concerning the future. This can be ascertained by the questions answered using strategic human resource plans, where are we going and assumed the conditions how will we get there (Nyaencha, 2016).

The concern of the modern HRP is predicting the future human resources requirement and making up a plan on how to attain those requirements. It necessitates the determination of the objectives, advancement and implementation of specific agendas, like recruitment and offering trainings, to ensure staff are available with the necessary characters and capabilities depending on the need (Jackson & Schuler, 1990). It is significant for organizations to come up with their own customized strategic human resource plans. The basic layout of such plans encompasses an assessment of current staffing status, forecasting of future staffing needs in line with organizational goals, aligning organization strategy with employment planning and implementation (Armstrong, 2006).

# **1.1.2** Organizational Performance

Organization performance are cyclic actions that are employed to establish organizational pre – determined objectives, observing advancement concerning achieving these objectives and developing modifications to achieve them in a proficient and successful manner (Alagah, 2017). Armstrong (2006) defines performance as behavior as well as results and put emphasis on that both behaviour, input, and results, output, should be put into consideration in performance management. Since measuring performance changes depending on various factors, it is considered a multi – dimensional construct (Holton & Swanson, 2008). Organization performance measurement mostly entails a continued data gathering process from particular core areas of an organization (Cantens, 2011). The process of organizational performance involves ongoing monitoring and reporting of organizational progress towards attaining its organizational goals (Yasui, 2011). Organizational performance can thus be said to involve an internal system that collects, organizes and reports on the workflows, outputs and outcomes.

Organization performance involve the measurement of change of affairs within an entity as consequence of decisions from management and the implementation of the decision by organizational members (Carton, 2004). The essence of measuring performance is to help in decision making that lead towards advancement in achieving

results of set organizational strategic plans (Ireland, 2011). Frameworks and reference models are common ways used to measure organizational performance (Delaney & Huselid, 1996). Performance measurement of an entity has originated by various reference models and frameworks (Armstrong, 2006). Obonyo (2015) considers reference models to being more rigorous standards, specifically within particular performance measures and related business processes, used by a sector or by an ordinary functional unit. Some of the models include economic value added, balance scorecard, activity based costing among others.

Previous empirical studies on the area of organizational performance (OP) have always concentrated on; financial performance, market performance and shareholders return. However, measuring performance using these indicators was finally confronted because they do not apply to every organization specifically those whose aim is not profit maximization. Furthermore, financial performance does not consider other areas of the organization. The shortcomings of focusing on financial performance to measure performance was addressed by Kaplan and Norton (1992) when they came up with the Balance Score Card (BSC) that broaden ways in which a firm's performance is evaluated through addition of nonfinancial measures like the level at which customers are satisfied not forgetting the degree of learning as well as growth. The Balance Score Card additionally recognizes key stakeholder groups like the customers, employees as well as the shareholders and apply objective performance measure pertaining each one of them.

Lusthaus et al (1999) also developed a performance assessment which broke down organizational performance into four main factors; effectiveness that is extent to which an organization's activities matches the expectation of customer; efficiency which by the extent that an organization optimally utilizes resources; relevance which is the

capability of adapting to the environmentally demand changes while fulfilling the anticipations of main stakeholders and financial viability which indicated the capability of generating more resources than its consumption.

# 1.1.3 Safaricom Public Limited Company

Safaricom PLC is a mobile network operator in Kenya that was started in 1993 as a division of the former state-owned telecommunications company, Kenya Post and Telecommunication Corporation. In the year 1997, Safaricom Limited Company was incorporated as a private limited liability company with 40 percent of its shares held by Vodafone Kenya Limited. The remaining shares amounting to 60 percent was held by its parent company, Telkom Kenya back then a government parastatal. As the years rolled by and a new government came into place in the year 2002, the Kenyan government handed over responsibility of managing the company to Vodafone Group Public Limited Company which belongs to the United Kingdom. The company was converted into a public company later in 2008 with the government selling off 25 percent of its shares which were auctioned at the Nairobi Stock Exchange.

Overtime, Safaricom has proved to be a pioneer in innovation evidenced by its various innovative products launched with its most successful innovation being M – pesa which was launched in January of 2007 that allowed Kenyans to make money transfer via short message service. M -pesa was to begin with developed as a system that allowed loan repayments from micro financing institutions be made via a mobile phone. This was meant to reduce the costs associated with handling cash as well as providing a secure means of transferring cash. The growth of M-pesa gave Safaricom Limited Company a significant proportion of the market share with data from Communications Authority of Kenya indicating a controlling market share of 66.3 percent as at September, 2015.

Safaricom Limited Company transitioned to Safaricom Public Listed Company in February, 2018 in an effort to comply with Section 53 of the 2015 Companies Act. At the helm of the company is the Acting Chief Executive Officer, Michael Joseph. By December 2017, Safaricom the number of employees were over 5,000 people directly. Through its dealership throughout the country, it has been able to ensure all its customers have been able to get its products and services. By December 2015, the number of subscribers had been roughly 25.7 million by the Communications Authority of Kenya. By March of 2018, brighter Monday rated Safaricom as the number one organization to work for in a competition among 100 other companies in Kenya as per career professionals and job seekers (www.safaricom.co.ke).

#### 1.2 Research Problem

Scholes (2002) states that organizations have developed advanced human resource strategic plans that can be formulated both implicitly and explicitly. It should be noted that strategic human resource planning directly influences organizational performance as Ireland (2011) argues that the purpose of measuring organization performance is to assist in making judgement that lead towards progress in meeting outcomes of set organizational strategic plans. Based on this argument, it can be stated that progress towards organizational goals can be attained by studying an organization's strategic human resource plans and improving on them.

Top management of organizations need to realize that having a strategic human resource plan in place does not act as a guarantee to improved organizational performance (Richard et al, 2009). Human resource practitioners have a duty to ensure that communication occurs so that the general workforce understands what is required of them (Bloomberg, 2015). Once this occurs human resource departments can begin

embarking on initiatives that ensure proper implementation of human resource planning strategies occurrence. A large group of institutions appreciate the importance of explicitly identifying their mission and objectives, their urgencies and areas of enhancement and the steps to be undertaken in order to attain them.

Human resource planning aims to utilize rare talents for the benefit of an organization in an effective manner. Strategic human resource planning involves estimating future requirement of employees, likening the requirement with current workforce and determination of the kind of employees as well as the number that should be hired or laid off in an organization (Hamill & Haworth, 2015). This ensures that the organization has quality employees who can deliver high class services. Strategic HRP to an organization can be said to enhance its internal decision making process by having acquired the right personnel with the required skills, who can have openly gainful discussions on organizational matters thus resolving any conflicts in existence. This ensures that organizational performance goals set are attained within the set time frame (Annasus, 2007).

A critical aspect of Human Resource planning at Safaricom Public Limited Company is forecasting. Forecasting the supply and demands of human resource provide light on the correct quantity and quality of staffs need to uphold the preferred growth of a sector and also it assists in making plans about educational curricula that are in line the labor market needs. There exist diverse methods for human resources prediction that are employed in Safaricom under different situations considering both internal and external organizational factors. Among the techniques include trend analysis, ratio analysis and management judgement.

Several studies have been done that link strategic HRP practices and organizational performance though in different industries. Kagwiria (2010) conducted a study on the

strategic growth practices practiced by banking institutions in the country with concentration on Commercial Bank of Kenya. The study focused on market development, product development and diversity strategies. The study however failed to study strategies of promotion and technology. Letangule (2012) in his study investigated the effects of human resource strategies on performance of firms based in the telecommunication industry. The study looked into the various human resource strategies that were in use at the time by Safaricom Public Listed Company. The study failed to highlight the important role that planning practices as a component of human resource management plays in strategy formulation at the organization under study despite being a major contributor to overall organization performance. Byremo (2015) carried out a study on how strategic human resource practices affected organizational performance in the maritime segment in Kenya. The case study was on Safaricom Public Limited Company. The study looked into the various strategic practices that were in use at the time finding out that there was in theory best placed strategic human resource practices. In practice however there was a lack of implementation due to financial constraints. This study is therefore aimed at filling up knowledge gaps. Against this backdrop, this study attempts to answer the question what is the effect of strategic human resource planning on the performance of Safaricom Public Limited Company?

# 1.3 Research Objective

The objective of the study was to establish the effect of strategic human resource planning on the performance of Safaricom Public Limited Company.

# 1.4 Value of the Study

This study will help in understanding institution theory and how strategic human resource planning affects performance of Safaricom. This study will also enlighten in identification of loopholes in human resource planning process and provide solutions on how to seal them. The researcher shall derive benefits from the study as it will broaden the growing area of knowledge in strategic human resource practices in Kenya.

The study findings will be of great significance to the managers and specifically the human resource managers since they will be enabled to make strategic decisions concerning human resource planning like talent management, workshops and training as well as other functions. More information regarding the private sector, public sector as well as development partners concerning human resource planning shortcoming which may direct strategic plan will be provided.

The results realized in this research shall be of high significance to the ministry of information communication and technology since it will help in formulation of policies. These policies will assist human resource practitioners in implementation of procedures for the organization in telecommunication industry. Further, Government agencies and participants in other sectors of the economy will have access to the prevailing information concerning human resource planning which will be essential when making strategic decision

#### **CHAPTER TWO**

#### LITERATURE REVIEW

#### 2.1 Introduction

Within this chapter an analysis of particular literature that is related to the subject being investigated as outlined by various authors, analysts, scholars and researchers will be presented. The research drew materials from journal articles and books, which have a close relationship to the study's theme and objective. It will give light to the achievements made and challenges that have been encountered in the field under study.

#### 2.2 Theoretical Framework

The study was anchored on two theories including the resource based view theory which explains how an organizations' resources can be a basis of competitive advantage and the organizational performance theory which explains the principle goal of an organization being profit maximization.

# **2.2.1 Resource Based Theory**

The resource-based view of a firm (RBV) derives from the idea of economist Edith Penrose and had been advanced by several scholars' principle among them being Barney (1991). The theory argues that organization resources which include employee systems and business partners are integrated in a manner of functioning that are scarce, unmatched, of value and non-exchangeable so they derive competitive advantage. The Resource Based View continue to facing quick diffusion all over strategic management literature (Priem & Butler, 2001). Attaining a competitive advantage among the competitors should be the focus of every firm. Rendering to Barney (1991) there are

three ways of categorizing resources which are namely physical capital resources like machinery and plant, human capital resources like experience and trainings relationships, and finally organizational capital resources, for instance, hierarchy of reporting. The theory further argues that resources should pass the scarce (rare), irreplaceable (imperfectly imitable) and valuable test so as be considered as basis of competitive advantage that is sustainable. Resources may be of various forms like processes, rights and patents as well as relationships.

Additionally, Barney (1991) contends that the opposite applies to informal strategic planning. When the top managers engage in talks that are not official, this can result to occurrence of informal planning parallel on the formal process. Contary, some organizations have decided to get rid of all the formal processes, henceforth adopting strategic planning methods which are based on emergency and autonomous. Shell is a good example: The organization perceive strategic planning as a process of learning and desists from adopting formal methods in the best way possible (De Geus, 2008). The process of planning may be considered as a functional competence because it involves allocating organizational resources for the suitability of the organization strategy alignment. Strategic activities should be allocated and implemented as stipulated in the strategic plan.

Hamel and prahalad (1993), argued that for achievement of the competitive advantages processes must be right sized and the implication therefore is that the existing resources must be maximized such that more outputs are gotten and their use is maintained at optimal level. This theory is relevant for this study as it provides a basis for arguments regarding the importance of managing the most precious resource of any organization which is human resources. Weakness of the resource based view approach is that it

assumes that only the internal resources are the principle consideration when striving to attain a competitive advantage that is sustainable. This theory does not consider other underlying factors in the different sectors since it only portrays the difference in firms of the same sector as a competitive advantage.

# 2.2.2 Organizational Performance Theory

Advanced by Huselid (1995), the theory argues that the major objective of all firms is to continually exploit and develop their bottom line. Huselid, (1995) pose that as per the theory, a firm's HRM practices should be linked to its performance. Superior HRM planning practices increase organizational productivity, by directly affecting the results that staffs have uninterrupted control over, for instance income and productivity. This in line affects the functioning of the organization. The effect that HRM strategies and exercises have on the general firm performance is quite essential in relations to human resources management and planning, (Huselid, 1995). Several managers perceive human resource planning as a vital part of this, whereas its validity remain questioned.

The above is supported by Wright and Mcmahan, (1992) who says that human resources can make available a source of competitive advantage. They focus on the significance that human resources are crucial in the formation of firm exact competitive advantage. However, the efficiency of even more vastly experienced workers will be limited if they are not encouraged to perform. Bailey, (1993) additionally suggested to the point that the contribution of a vastly capable and motivated labor force will be extremely reduced, if occupations are designed in a way that employees lack the chance to use their skills and knowledge to plan new and better ways of carrying out the tasks. So as to make sure that workers are not underutilized, organizations should use HRM planning practices to encourage staff and support involvement as well as contribution.

Firms can encourage employees by means of performance assessments that assess a single person or group performance and relating these assessments with incentive compensation systems and interior promotion systems, (Huselid, 1995).

Critics of organizational performance including Steers (2009), note that the theory cannot be applied universally due to its limitations with regards to the scope it covers. They note that there exist different ways of performance for various organization and different weightings of significance to various dimensions of performance for different organizations. Suggestions are therefore presented that performance constructs should be in line with organization and target audience. This theoretical literature plainly summarizes that HRM planning can influence employees' individual performance by way of their impact on the skills and motivators of employees' as well as use of organizational structures that enables workers to enhance the performance on their jobs.

# 2.3 Strategic Human Resource Planning Practices

Human Resources planning is presented to be the procedure of evaluating the requirements of an organization's human capital in relation to the objectives pursued by the organization as well as the fluctuating conditions and developing plans to guarantee employment of a workforce that is competent and stable. The process is systematic that entails identification of necessary workforce competencies that will ensure organization's strategic objectives are met and also that strategies are developed. The process ensures managers are provided with a model for using to make decisions with regards to human resource while considering the firm's mission, its strategic plan, the available budgetary resources, and a set of preferred workforce abilities (Armstrong, 2003). It is the process that enables organizations to be sure that it has the correct number of employees with the necessary skills who have the capability of completing

tasks effectively and efficiently, thus enabling the organization achieve its goals (Decenzo and Robbins 2005).

There are four distinct phases in HRP which are scanning of firm situation as well as the environment, demand forecasting, analysis of present employee supply as well as developing action plans (Ivancevich, 2004). The first stage which is situational and environmental scanning is the first interaction point between human resource management and strategic planning. The focus is to develop a clear, comprehensive and precise organizational image, internally as well as externally (Vermont Workforce Planning Toolkit, 2011). It involves identifying and analyzing the key trends systematically as well as the driving factors in the external environment that can potentially influence the human resource management, and necessitate advancement of continuous patterns in flow of decisions in an organization (Mintzberg, 1983). A Firms strategic plan must be adaptive to the external environment and human resource management is a critical mechanism that assists organizations in the process of adaptation. For instance, an organization may be forced to bring in personnel with technological skills that were initially not required, as the technological landscape evolves (Robbins and Couiler, 2005).

The second step is forecasting which entails estimation of anticipated number of human resource and expected skills and competences that the firm will require. The ground of the prediction is the longer-term business plan and the budget, cascaded into activities of each functional unit or department or decision in downscaling. Labor demand forecasting refers to future quantity and quality of people required by an organization. Future projections are done against uncertainties such as changes in technology, population trends, local housing and transport plans as well as government policies.

Although forecasting can be facilitated by majority of quantitative tools, most often the aspect of human judgment comes into play. Further, a lot of human resource plans that have turned out to be successful have mostly been based on "gut instincts" regarding future circumstances. An organization's personnel demand is obviously fixed to its strategic plan regardless of whether it is on growing mode or reengineering mode that is aimed at shrinking the workforce. With regards to estimating the quantity and type of employees for future needs, organizations can make use of four techniques (Cole, 2002). The expert estimate technique is more common and is less mathematical and less sophisticated approach in employment forecasting.

The next step in HRP procedure entails analyzing the current human resource supply in the firm. The procedure entails identifying discrepancies and existing gaps between present supply and future needs of the organization workforce which is carried out based on the gathered information on jobs supply analysis and demand analysis (O'Brien-Pallas et al, 2001). More importantly, the focus of this process is on finding areas where the upcoming requirement of the institution will exceed the present supply of human resource, or vice versa (Cotten, 2007). Jacobson (2010) presents a number of key factors to be highlighted which include the skills the firm anticipates that they will be in need of; areas in which future needs surpass present human resources and projections; skill gaps that that have been identified to be critical for future objective achievement; areas where present workers surpass the expected future needs; and present skills and qualifications of employee, as well as competencies that are seen to be ideal for recommended firm objectives. After identification of gaps, firm leaders and managers need to prioritize on developing action plans that concentrate on filling the gap of demand and supply (Dunlap, 2013).

The last step includes development of plans for action and entails the act of formulating actual human resource plans. By reviewing the firm's mission and also the ability of the organization to supply products and services as well as external environment's demands, managers are able to plan for the essential human resources. Developing plans enable involved people to delve more on analyzing solutions, where gap analysis assists in the identification of gaps that exist between present competencies in the firm and those that are ideal for future work place tasks (Tekklemariam, 2009). Solution analysis entails the development of strategies that will aid the organization fill its competency gaps. The plans outline strategic considerations with regards to work flexibility, retention and redeployment levels, the nature of supervision, staff recruitment, employee retirement programs, industrial relations, and management of crisis and change (Appleby, 1989).

# 2.4 Measures of organizational performance

Armstrong (2006) contends that to be able to manage performance, then it has to be measured. Certainly, performance cannot be improved until one knows the present situation (Amimo, 2003). Measurement of performance is a key concept in organizations (Armstrong &Baron, 1998). It is the center for provision and generation of feedback. It points out areas where output is good, which provides a foundation for building further success and also exposes areas where there are lapses, thus enabling corrective action to be implemented. The measures offer a better opportunity for continuous performance with various distinct human resource practices like human resource planning and development (Ahadzie et al., 2005). This against the background of recent evidences to the effect that different factors significantly goal attainment. In general measures provide the grounds for responding to two questions: is what is being done worth doing? And has it been done well?

Performance measurement that is based on both financial and non-financial measures gives organizations an opportunity to review their performance across an extensive range of dimensions. Financial Performance information like return on equity and return on assets, as well as non-financial measures about customers and market, position in competition, customer service performance, operational performance, suppliers' performance among others should be dynamic, accurate, integrated, visible and accessible so as to fast track decision making and to encourage a management style that is proactive resulting to responsiveness and agility. Aligning performance measures with organizational strategy provide information on the extent of strategy implementation as well as reinforcing behaviors that are in line with organizational strategy (Kaplan and Norton, 1992)

According to Verah (2017) the value of shareholders refers to the fiscal worth that business shareholders get which is equivalent to shares owned in a company. Growth of shareholder value is realized when a firm earns a return on capital that has been invested and it should be greater as compared to the weighted average cost of capital. A firm's performance can be determined by looking at sales revenue made, company's market share, firm's profitability, competitive advantage possessed by the firm, levels of customer satisfaction as well as loyalty. With regards to customer satisfaction, it is perceived to be the overall evaluation based on totality of purchase and consumption experience with the good or service over a period of time (Fornell et al, 1996). Marketing also contributes to customer satisfaction whereby it establishes client expectations with regards to how goods and services are being expedited by firms. Reliable information that informs on customer satisfaction is thus a crucial outcome (Oliver, 1999).

Rue and Bayers (1998) add that measurement of performance in organizations is in terms of output. The term performance generally denotes a level of realization of operational objectives, considering firm's goals and objectives (Sita, 2003). There is need to put in place Objective key performance indicators (KPIs) to facilitate monitoring of processes as well as ensure development of parameters and standards for evaluating change and performance in organizations, together with reporting any noted deviations from the firm's expectations. These will ensure origins of lapses are addressed which enhances organizational success (Yamo, 2006). Performance in majority of industries largely depend on customer demands and requirements in the markets that they serve. Critical Success Factors point out specific areas of corporate performance that are critical in ensuring successful realization of a firm's mission (Armstrong, 2002).

# 2.5 Empirical Studies

A study by Hansen-Thompson (2007) HRP practices in the Ghanaian Banking Sector, whose purpose was to conduct a comprehensive analysis of the proof of the concept as practiced in the Ghanaian Banking Sector, focusing on factors both external and internal that come together in shaping HRP to serve organizational wellbeing and purpose. The findings of the study revealed a significant relationship existing between environmental factors and human resource planning in organizations.

Narasimha (2000) conducted a study to look at how strategic human resource planning impacted firm performance in service industry in India. The study adopted the survey design and was carried out to find out how behaviors of humans, their traits, and activities affected the general management in an organization as well as its performance where data was gathered using questionnaires. Findings from this research affirmed

there being a connection that is positive between the extent of formality in strategic planning and firm performance and the reason behind this is more emphasis is put on refining the process quality of strategic decision-making. Further, the findings indicated that strategic planning possibly had an effect on human resource management activities whereby it influenced workers' motivation system, organization of tasks, and enhancement of employee skills, ability and knowledge. With the business environment being characterized by constantly changing parameters, effective planning becomes a challenge.

Subaie, (2016) investigated the factors affecting workforce planning in Saudi Universities. The findings established clarity of objectives, technical improvement, organizational structure, policies of development of human resources and the financial situation as the key factors influencing work force planning. Noe (2013) also conducted a study to determine ways in which HRP affected human resource management. The data collected from the study Results from the study HRP as a critical tools of driving goals in an organization. The findings affirmed the role of HR planning in organizational efforts of defining paths as well as decision-making, which is connected to how available resources are allocated.

Githua, (2008) who researched on the process of HRP in private hospitals in Nairobi and found out that HRP process begins with the comprehension of objectives and strategy of the organization. Putting into use the human resource information system, the human resource department does an analysis of the prevailing availability and also do an analysis of the firm's external environment to look out for readjustments that may be considered and at the same time identify individuals together with their abilities and skills. Wanjiru (2009), researched on the existing relationship between HRP and labor

turnover among Macro Finance Institutions in Kenya and found out that the turnover was high among the institutions as they have not valued the importance of human resource planning.

#### **CHAPTER THREE**

#### RESEARCH METHODOLOGY

#### 3.1 Introduction

Research methodology refers to the process stage which describe how a research will be conducted. Research normally requires an intensive thinking, planning and creativity in order to examine research activity. This stage is very important in conducting research as data collection process is a complex process (Kombo, 2006). This chapter also elaborates how the study is designed and how the study would use qualitative research so as to get statistical description of the problem and to understand the phenomenon. It is a glue that holds all element of research project together. Furthermore, this refers to the scheme out line or plan that employed in generation of answers to research into better problems solving.

#### 3.2 Research Design

Research design is key when planning for collection as well as analyzing of data because it ensures the collected data is relevant to the research purpose (Orotho 2012). This refers to the scheme outline or plan that employed in generation of answers to reach into better problem solving. A research design provides for techniques that will be employed when collecting and analyzing data ways that aim to bring together research relevance with the resources available to the researcher.

In this study the research design that was adopted was descriptive case study which implies that the data collected was from one organization. This approach was preferred because it is flexible with regards to wide-ranging data within the firm as well as facilitation of an investigation that is in depth within the unit of inquiry. The data that was gathered was qualitative in nature.

#### 3.3 Data Collection

Data for this project was collected from primary sources through personal interview. Kothari (2004) refers to primary data collection to be original in character given that they are collected afresh and for the first time. The personal interview that was used required the researcher to ask questions face to face for efficiency and relevance and the tool of data collection that was used was an interview guide. This method of data collection was preferable as it allowed the researcher to use the probing technique assisting in collection of vast and rich amounts of data.

Mason (2002) gives more reasons why interviews are ideal for collecting data among them being that it ensures heightened flexibility and triggers emergence of diverse topics as well as issues in the course of the interview process. Bryman and Bell (2007) further state that while conducting a qualitative interview, interviewers can probe further by asking for clarifications following up the responses given by the respondent. This ensured the information is adjusted accordingly including altering of the order or wording of the questions if and when necessary. Adopting the interview method to collect data for this research therefore presented the researcher the opportunity to seek in-depth knowledge of how strategic human Resource planning affects performance. The respondents was drawn from the top level management staff based at the Safaricom Public Limited Company.

# 3.4 Data Analysis

The data was analyzed using content analysis technique given its nature being nature.

Content analysis as a technique entails an in-depth study of the response manual or automatically coded documents, newspapers, video or audio media and transcripts to

get word counts, phrases, or word-phrase clusters for the purpose of analyzing statistically.

Qualitative research analysis aims at transforming data to be meaningful so as to comprehend the concepts under research (Sekaran & Bougie, 2013). Easterby, Thorpe, and Jackson (2008) contend that explanations on how the analysis was conducted and how the conclusion was reached. Having an understanding of analysis processes is paramount when conducting qualitative research, and also interpretation of the findings (Weber, 1990). It entails observing and giving detailed description of the objects, items or things that are under study. Content analysis, as argued by Cooper and Schindler (2003) may be employed in the analysis of written, audio or video media.

#### **CHAPTER FOUR**

# DATA ANALYSIS, INTERPRETATION AND DISCUSSION

#### 4.1 Introduction

The objectives of this research was ascertaining the effect of strategic human resource planning on the performance of Safaricom Public Limited Company. This chapter provides the analysis and findings in line with study topic. The chapter also presents the discussion of the study findings.

### 4.2 Human Resource Planning

The data was collected from 7 top-level management staff at Safaricom Ltd that were well conversant with strategic HRP at the firm. Of the 7 respondents only 5 were interviewed. This represent a response rate of 71.4% which was considered adequate for the study as it was above 50%. The results also revealed that most of the respondents were in from the human resource department while rest were from the finance department.

This section captures various aspects of human resource planning (HRP). These include level of involvement in HRP, relationship between organization strategy and HRP, role of strategic HRP, process of conducting human resource planning, techniques are used in HRP process and senior management support of human resource planning. The sections also delved into establishing the internal factors influence HRP, the external factors influence HRP and frequency of reviewing and making changes to human resource planning process.

# 4.2.1 Level of Involvement in Human Resource Planning

The study sought to ascertain the extent of your involvement with HRP in Safaricom Company. The respondents retorted that it was to a great extent. To explain their response, they stated that they have frequent meeting with the relevant stakeholders at Safaricom to articulate the HRP process. The top-most management communicate the mission and vision of the company to us as stipulate in the strategic plan. They then proceed to having meeting within the human resource department and articulate ways on how to ensure that the HR function is in line with the company's vision and mission. This is made possible through effective HRP. The respondents stated that through these meetings they were able to forecast both the HR demand and supply and thus come with strategies of ensuring there exists an equilibrium between these two forces.

The specific roles that we have been engaged in include recruitment, selection and placement, training and development, retraining and redeployment, designing retention plans, redundancy plans and succession plans. The recruitment, selection and placement entail advertising for open positions, selecting candidates who are best to fill in the open positions and absorb them into the company's human resource. The steps that follows is training and development which entails orientation of the selected candidate, giving clear guidelines of their responsibilities (job description) and even training with an aim of acquainting the selected candidate with job specific skills. The nest role is retraining and development. The respondents alluded that they engage their existing staff members in training sessions that help to equip them with relevant skills to perform their jobs responsibilities which at times keep on changing owing to various factors—such—as technological advancement. Retraining—is intertwined with redeployment which involves engaging an employee to perform other duties different from what they were performing previously.

With regard to designing of retention, redundancy and succession plans, the respondents stated that they were responsible in ensuring that they came up with mechanism of ensuring that they retain staff who possessed skills and experience that the company was not ready to lose. This included having lucrative remuneration and allowance packages for them. They also posited that they were keen to notice functions that were turning out to be obsolete and make decisions on whether to lay off employees or to retrain and redeploy them. Further, they stated that at times it was inevitable to lose some employees owing to various factors that were not within their control. Thus, they ensured that they had an articulate succession plan in place to ensure that skills and knowledge is passed on to employees who fill in positions of employees who leave the company.

# **4.2.2** Relationship Between Organization Strategy and Human Resource

### **Planning**

The respondents were also asked to specify the degree to which the organizational strategy guide human resource planning. All the respondents were of affirmative and stated that organization strategy does guide HR planning to a great extent. To explain their answer, they reiterated that the company esteems communication of its goals to the employees, this is achieved through existence of an effective top-down communication. Achievement of organization goals is only possible if those goals are aligned with day to day operations and more so with the tasks performed by all the employees. HRP comes in handy and ensures that the company's goals are communicated to the employees and their responsibilities designed to meet these goals and objectives. This may at times require redesigning of an employee's task. It may also involve training so as to acquit an employee with requisite skills needed to perform

new tasks which they may not necessarily possess such skills. Further, it may require to hire more employees who are in possession of special set skill which will help in achieving those objectives or even layoff an employee whose services become redundant.

### 4.2.3 Role of Strategic Human Resource Planning

The study also sought to establish the role of strategic HRP within the organization's planning strategy. The respondents stated that the role of strategic HRP are for maintaining and improving the organizations capacity to attain its goals and objectives by developing strategies that will primarily lead to optimum contribution of human resources. They explained that this is achieved through having a robust human resource that is focused on achieving the organization's goals. Further, they stated that HR planning is a very important and crucial portion of the complete business or corporate plan their company and thus they are keen to analyze the organizational goals and objectives for a given period of time.

On being implored to state the expected outcomes. The respondents stated that by aligning the HR planning process with the organization planning strategy they are able to achieve various outcomes. These outcomes include; managing to recruit employees who competence aid in attaining the organization goals and objectives. They are able to make their forecast of the future human resource requirements align with the organization goals. They also posited that being aware of the organization strategy planning enables them to maximize use of the available HR resources. Further, they stated that through forecasting they are able to assist the organization strategy in budgeting the available resources to suit their need.

### 4.2.4 Process of Conducting Human Resource Planning

The researcher also implored the respondents to describe the process of conducting HRP at Safaricom. The respondents posited that the process of HRP at Safaricom had five phases. These phases included HR demand forecast, HR supply forecast, HR programming, HR plan implementation and control and evaluation. With regard to HR demand forecast, they explained that they are involved in making estimations about the future in terms of quantity and quality of employees required. They were keen to note that they took into consideration various factors such as projected turnover, organization growth, technological changes, and desire to enter into new markets. This thus guides them to even make necessary arrangements in terms of budgeting and delegation of duties to various people in the HR department.

With regard to HR supply forecast, the respondents reiterated that they evaluate the company's ability to procure and sustain the required number of employees. This involves making projections on the number of employees who will still be working for the company taking into considerations cases of absenteeism, turnover and movement of jobs. They also explained that it involves accounting for internal movements and possibilities of promotions as well as change in working hours among other factors. With regard to HR programming, the respondents explained that this is the reconciliation of both the demand and supply forecast to ensure that there is an equilibrium. This ensures that open vacancies are taken up by only those candidates who have the right set of skills and that those positions are filled at the appropriate time. Further, with regard to HR plan implementation, the respondents reiterated that the process basically means the actualization of the HR plan. A series of action programs are initiated as a part of HR implementation. They stated that the action included; recruitment, selection and placement, training and development, retraining and

redeployment, designing retention plans, redundancy plans and succession plans. Finally, with regard to control and evaluation, the respondents posited that this phase brings in the aspect of finances. They expounded that for any HR plan to be successfully implemented there has to be finances set apart to actualize it. Thus, this phase encompasses budgeting and setting of targets and standards. This makes it possible to have milestones which are set to be achieved at a specific time which makes monitoring easy. These milestones helps in the production of reports such as the number of employees recruited against the set target, the amount of money used against the target.

### **4.2.5** Techniques Used in Human Resource Planning Process

The study also sought to establish the techniques used in HRP process. The respondents stated that Safaricom uses several methods for determining HR Requirements. This include various types of analysis such as trend analysis, ratio analysis, regression analysis, and management judgement. In expounding their responses, they stated that trend analysis means study of a firm's past employment needs over a period of years to predict future needs. For instance, through trend analysis they are able to tell which skills have been in high demand, which department has had a steady increase in the number of employees. They also stated that through ration analysis they are able maintain a balance of the number of employees needed. For instance, they can conduct a ratio analysis between sales volume and number of employees needed.

With regard to regression analysis, the respondents stated that they are able to determine the factors that impact employee productivity and thus are able to make the necessary adjustments so as to ensure that the company's performance is not affected negatively. Additionally, through regression analysis, they are able to project the factors that have significant effect on the firm's sales and volume of production. Finally, with regard to management judgment, they stated that they use the results of the previous analysis

such as trend and ratio to make informed decisions about the future taking into consideration other factors that are bound to arise or change over time.

### 4.2.6 Senior Management Support of Human Resource Planning

The researcher also inquired how the senior management support the HRP. The respondents stated that the senior management supported the HR planning process in various ways. These included clear elaboration of the company's strategic plan. This enables them to understand the company's goals and objectives. This thus ensures that the HR planning process is articulate and aligned with the company's goals and objectives. They also stated that the senior management supports them through approval of budgets set to aid in the actualization/implementation of the HR plan. They further alluded that the senior management also organized forums, such as seminars, that ensured they are trained to keep at par with continuous changes in the HR panning management.

# 4.2.7 Internal Factors Influencing Human Resource Planning

The study sought to establish the internal factors influence HRP in the organization? In what ways do they affect the HRP. The respondents stated that there are several internal factors that influence HR planning. These factors included organization structure, attrition, and change in technology. To expound on their answers, the respondents stated that change in technology has brought a paradigm shift in the HR planning process. They stated that as a company they have adopted new technology in human resource which makes the process seamless and less expensive. With regard to organization structure, the respondents explained that the structure of any organization is of great importance as it informs how various activities in the organizational are run. Therefore, it is the duty of the HR manager to ensure that they hire the right workforce in lieu with

the structure of the firm. To sum it up, the respondents stated that HR practices do not exist in a vacuum and thus comprehension of the context within which the role of HR in corporate decision making is influenced add to enhanced management of personnel. With regard to attrition, the respondents explained that lack of proper management of attrition rates can be very expensive to a company. This is due to loss of employees in whom the company has invested in in-terms of training. They explained further that employees who have amassed a wealth of experience and good performers have a high likelihood of being given better offers elsewhere and thus the HR manager should device strategies of retaining such employees. However, they added that the HR management should be prepared on how to cope with eventualities of employees leaving as they may leave due to various reasons such as resignation, termination, and retirement.

# 4.2.8 External Factors Influencing Human Resource Planning

Further, the study sought to establish the external factors influence HRP in the organization? In what ways do they affect the HRP. The respondents stated that there are several external factors that influence HR planning. These factors included government policy and availability of skills. With regard to government policy, the respondents alluded that change of labour laws by the government affect the HR planning. The government is also in some way involved in developing curriculum which is used for training. Change in curriculum also mean change in the competitiveness of the workforce who in the long run end up being hired by company. The respondents also indicated that the company at times is faced with challenges when seeking to hire employees in fields where skills are scarce. This at times causes the company to incur extra cost on training. For instance, experts in emerging issues such

as big data analytics are scarce and thus it is difficult to find an employee with all the desired set of skills.

### 4.2.9 Frequency of Reviewing and Making Changes to Human Resource

### **Planning Process**

The study also sought to establish how frequently, if at all, do they review and make changes to human resource planning process. The respondents stated that they did review the HR planning process. However, they stated that there are aspects that are reviewed frequently while other are reviewed quarterly while better still there are others that are reviewed annually. For instance, they reiterated that they review the demand and supply forecast regularly as the labour pool keeps on changing frequently. At the same time changes in technology may result to an increase or decrease of demand/supply of a certain skill.

### 4.3 Human Resource Planning Strategy and Organizational Performance

These section outlines the relationship between the HRP strategy and organizational performance and measuring the outcomes of HRP with regards to organizational performance,

The study also sought to determine the linkage between the HRP strategy and organizational performance. All the respondents were in agreement that there exists a linkage. To explain their response, they stated that the human resource in an organization, especially with respect to the availability of talent is primarily dependent on its HRP and talent acquisition practices. The also pointed out that their performances at Safaricom is directly proportionate to how successive HR planning becomes. This is due to various attribute of HR planning. These attributes include: the ability of HR planning to protect Safaricom from selecting the wrong people whose

underachievement could be a very expensive endeavors; the HR planning ensure that Safaricom recruits only those employees who possess adequate skills and competencies to do their jobs effectively thereby taking the organization towards the path of progress.

The respondents also added that the HR planning is of paramount importance to the entire human resource system of an organization. They went ahead to explain that the success of this component determines the total quality of human resource in the organization. The importance of HR planning was also alluded to the fact that the process is futuristic, allowing for estimation of future requirements in terms of human resource, the quality of human resource needed to achieve organization goals and objectives.

The respondents were also requested to state whether it is possible to measure the outcomes of HRP with regards to organizational performance. All the respondents indicated that indeed outcomes of HR planning can be measured using organization performance. To explain their answer, they said that organization performance is highly dependent on employees' productivity. Hence, increased organization performance reflects optimal employee productivity which depicts positive HR planning outcome. They also reiterated that optimal employee productivity points to effective function of the human resource department in aspect of recruitments and selection, training and development and even on matters related to performance appraisal which ensure that employees are motivated.

Further, the researcher implored the respondents to state whether Safaricom tries to measure the outcomes of HRP. All the respondents were of the affirmative. In explaining their answer, they stated that Safaricom does so in various ways such as evaluating the accuracy of forecasted demand and supply of skills, evaluating the accuracy of reports of analyzed data and evaluating the productivity of the employees

in terms of achievement of set goal and objectives as well as checking the attrition rates among the employees.

### 4.4 Discussion of Study Findings

The study revealed that the top-level management is fully involved in human resource planning process. This has ensured that the human resource planning process at Safaricom PLC is seamless which has helped to ensure that the company hires the right skill at the right time, only retains non-redundant talent and upgrades the skills of employees on time. The results also reveal that Safaricom PLC was very strategic in ensuring that they retain experienced employees through giving them lucrative remuneration packages. Further, the results revealed that Safaricom PLC is very articulate when it comes to succession planning as it ensures that important skills are passed on to successors in time. These results oscillate with the assertions of Decenzo and Robbins (2005) who opined that the HR planning process enables organizations to be sure that it has the correct number of employees with the necessary skills who have the capability of completing tasks effectively and efficiently, thus enabling the organization achieve its goals.

Results also revealed that organization strategy guides strategic HR planning. The results demonstrated that the two are intertwined in that the process of developing the HR plan is guided the organization strategy and the execution of the strategic HR plan helps in the achievement of the organization strategy. Results also revealed that the process of HRP at Safaricom had five phases. These phases included HR demand forecast, HR supply forecast, HR programming, HR plan implementation and control and evaluation. Further, results illustrated that Safaricom uses various techniques for determining HR Requirements. This include various types of analysis such as trend analysis, ratio analysis, regression analysis, and management judgement. These results

tally with the assertions of Ivancevich (2004) who reiterated that there are four distinct phases in human resource planning which are scanning of firm situation as well as the environment, demand forecasting, analysis of present employee supply as well as developing action plans.

Results also demonstrated that there are various internal factors which influence human resource planning in the organization. These factors included organization structure, attrition, and change in technology. The study also revealed that there are several external factors which influence human resource planning in the organization. These factors included government policy and availability of skills. The results depicted that both internal and external factors impacted human resource planning at Safaricom PLC in different ways and thus the stakeholders involved in HR planning ensured that they act accordingly to ensure that they make necessary adjustments so as to ensure effective HR planning. These findings are congruent with those of Subaie (2016) who investigated the factors affecting workforce planning in Saudi Universities. The findings established clarity of objectives, technical improvement, organizational structure, policies of development of human resources and the financial situation as the key factors influencing work force planning.

Finally, the results established that there exists a linkage between the human resource planning strategy and organizational performance. This alluded to the fact the existence of an effective HR plan enhanced employee productivity. The enhanced employee productivity was in various dimensions. To start with, it ensured retention of skilled employees, it ensured acquisition and equipping of current employees with relevant skills as well as dismissal of redundant skills. It also allowed for projections of future HR need and making necessary moves to remain competitive. Thus, effective strategic HR planning can be used as a measure of organization performance. These findings

tally with those of Wanjiru (2009) who researched on the existing relationship between human resource planning and labor turnover among Macro Finance Institutions in Kenya and found out that the turnover was high among the institutions as they have not valued the importance of human resource planning

#### **CHAPTER FIVE**

### SUMMARY, CONCLUSION AND RECOMMENDATIONS

### 5.1 Introduction

In this section, a summarization of the findings from the prior chapter is provided, the conclusions are drawn and recommendation made. The limitation of this study are also discussed all commensurate to the objectives.

### **5.2 Summary of Findings**

The findings discovered that HRP at Safaricom influences organization performance. Results also revealed that the human resource in any organization, especially with respect to the availability of talent, is primarily dependent on its Human Resource Planning and talent acquisition practices. Thus, results demonstrated that performances at Safaricom is directly proportionate to how successive the HR planning process becomes. This is due to various attribute of HR planning. These attributes include: the ability of HR planning to protect Safaricom from selecting the wrong people whose underachievement could be a very expensive endeavor; the HR planning ensure that Safaricom recruits only those employees who possess adequate skills and competencies to do their jobs effectively thereby taking the organization towards the path of progress. These results tally with the assertions of Scholes (2002) who stated that organizations have developed advanced human resource strategic plans that can be formulated both implicitly and explicitly. He also noted that strategic HRP directly influences organizational performance.

The study also revealed that organization strategy guided HR planning to a great extent. This was due to the fact that Safaricom esteems communication of its goals to the employees, this is achieved through existence of an effective top-down communication.

Achievement of organization goals is only possible if those goals are aligned with day to day operations and more so with the tasks performed by all the employees. HRP comes in handy and ensures that the company's goals are communicated to the employees and their responsibilities designed to meet these goals and objectives. This may at times require redesigning of an employee's task. It may also involve training so as to acquit an employee with requisite skills needed to perform new tasks which they may not necessarily possess such skills. Further, it may require to hire more employees who are in possession of special set skill which will help in achieving those objectives or even layoff an employee whose services become redundant. These findings are congruent with those of Subaie, (2016) who investigated the factors affecting workforce planning in Saudi Universities. The findings established clarity of objectives, technical improvement, organizational structure, policies of development of human resources and the financial situation as the key factors influencing work force planning.

The study also revealed that the role of strategic HRP is maintaining and improving the organizations capability to achieving its goals and objectives by coming up with strategies that will primarily lead into optimal influence of human resources. This is achieved through having a robust human resource that is focused on achieving the organization's goals. Further, results revealed that HR planning is a very important and crucial portion of the complete business or corporate plan their company and thus they are keen to analyze the organizational goals and objectives for a given period of time. These findings tally with those of Buradun (2017) who asserted that Each positive strategic action undertaken by an organization essentially has an orientation aimed at realizing the main goal, in occurrence of this, firms should initiate the necessary line of actions: to enhance the general performance.

Further, the study revealed that there existed internal and external factors which influenced the HR planning process. The internal factors included organization structure, attrition, and change in technology while the external factors included government policy and availability of skills. These results are consistent with those of Hansen-Thompson (2007) who evaluated the human resource planning practices in the Ghanaian Banking Sector. The findings of the study showed a significant relationship existing between environmental factors and human resource planning in organizations.

#### **5.3 Conclusion**

The study sought to establish the effect of strategic HRP on the performance of Safaricom Public Limited Company. Results revealed that the effect was positive implying that human resource planning resulted to improved organization performance. The conclusion was arrived after the realization that organization performances at Safaricom is directly proportionate to how successive the HR planning process becomes. This was due to various attribute of HR planning. These attributes include: the ability of HR planning to protect Safaricom from selecting the wrong people whose underachievement could be a very expensive endeavor; the HR planning ensure that Safaricom recruits only those employees who possess adequate skills and competencies to do their jobs effectively thereby taking the organization towards the path of progress. The study also concluded that organization strategy at Safaricom guided HR planning to a great extent. This was due to the fact that Safaricom esteems communication of its goals to the employees, this is achieved through existence of an effective top-down communication. The study also concluded that the role of strategic HRP is maintaining and improving the organizations capability to attain its goals and objectives by

advancing strategies that shall primarily lead into optimal influence of human resources.

Further, the study concluded that there existed internal and external factors which influenced the HR planning process. The internal factors included organization structure, attrition, and change in technology while the external factors included government policy and availability of skills.

### 5.4 Recommendations for the study

Based on the study findings the study recommends that companies in the telecommunications industry should embrace HRP. This is due to the fact that HRP impacts organization performance positively. This would thus result into improved performance through articulate recruitment and selection of employees and improved employee productivity.

The study also recommended that the government of Kenya increase surveillance in both public and private institutions on the quality of education provided. This would help to ensure that graduates from these institutions possess the right set of skills required in the job market. This would thus make the process of HRP easier as the human resource managers have faith in the employees who come asking for job opportunities.

Further, the study recommends that human resource managers should keep in step with the various changes that are happening in the human resource management. This may entail considering some practices obsolete and adopting new ones, adopting new HR systems that make their work easier and even retrain to gain new skills necessary for effective human resource planning. This would thus translate to successful human resource planning process and thereby improved organization performance.

### 5.5 Limitations of the Study

This study experienced various limitations. To begin with, due to sensitivity nature of the information, the study was disadvantaged by obtaining the correct information from the employees of Safaricom Limited. Further, the suspicion normally associated with research was experienced and was resolved through assurance to the respondent that the information is purely for academic purposes and the intent of the study. Secondly, there was trouble in accessing the targeted respondent. The limitation was moderated by booking appointments with the respondents and conducting the interviews at their time of choice. This helped improve the response rate. Additionally, some respondents were biased in giving the right information to the researcher which may have resulted to inaccurate information that could not be relied on by the study. To counter this challenge, the researcher compared the responses with past literature related to this study, although the area of study is unique.

The researcher also experienced hesitance by respondents to give their feedback as they feared it would be used against them. To mitigate this, the researcher acquired a letter of introduction from the university that guaranteed the respondents that the feedback would be utilized for scholarly purposes and would be held in confidence. The researcher also sought permission from the management of Safaricom PLC before conducting the interviews.

### 5.6 Recommendations for Further Research

Since this study was qualitative, the study recommends that a similar study be conducted but adopt a quantitative approach. This would help to clearly express the magnitude of effect of hrp on organization performance. This would thus help

companies that participate in HRP to make informed decisions on what aspects they should put more emphasis on.

Since this study only focused on Safaricom, the study recommends that a similar study should be replicated among other companies in the telecommunication industry. This would help to establish whether there is a variance on the relationship between human resource planning and organization performance of various telecommunication companies.

Further, the study recommends that a similar research focusing on companies in different industries other that the telecommunication industry should be conducted. This would help to establish whether there is a variance on the relationship between HRP and organization performance of companies in different industries.

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### **APPENDICES**

**APPENDIX: Interview Guide** 

1. What is your position?

2. What has been the extent of your involvement with human resource planning in

Safaricom Company?

3. What extent does the organizational strategy guide human resource planning?

4. What is the role of strategic human resource planning within the organization's

planning strategy? What are the expected outcomes?

5. Describe the process of conducting human resource planning at Safaricom?

6. What techniques are used in human resource planning process?

7. How does senior management support the human resource planning?

8. What internal factors influence human resource planning in the organization? In

what ways do they affect the human resource planning?

9. What external factors influence human resource planning in the organization? In

what ways do they affect the human resource planning process?

10. Is there a linkage between the human resource planning strategy and

Organizational performance?

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- 11. Do you think it is possible to measure the outcomes of human resource planning with regards to organizational performance? If yes how?
- 12. Does Safaricom try to measure the outcomes of human resource planning? If so how?
- 13. How frequently, if at all, do you review and make changes to human resource planning process?