Effect of Selected Strategic Human Resource Management Practices on Employee Performance at Equator Bottlers Limited in Kisumu

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ABSTRACT: With the development of strategy literature strategic aspect of human resource management in the organizations has been among the most remarkable subjects of research papers. The 21st century companies are keen on human resources as they are the assets for an organization. These assets play a major role towards enhancing the performance of a company. As these companies look towards optimizing their human resources practices, they evaluate solutions that provide strategic human resource/capital management. This well-developed, people-centered approach to business involves a variety of HR-related processes—such as recruiting, on-boarding, payroll, talent management, and others—working together as one, unified "team" to improve the overall health of the organization, by building upon the individual strengths of its people. This study sought to investigate the effect of selected Strategic Human Resource Management practices on employee performance in the Manufacturing Industry, a case study of Equator Bottlers Limited. More specifically the study examined the effect of strategic staffing, strategic training and strategic reward on employee performance in Equator Bottlers Limited. The research was anchored on universalistic and contingency theories. The study adopted a case study with descriptive and cross-sectional research design. The target population of this study were all the 124 employees of Equator Bottlers Limited thus a census sampling method was used. Primary data which was collected by use of questionnaires. The self-administered questionnaire employed the Drop and pick later method. Piloting was done in Rift Valley Bottlers, Eldoret Town, with a sample of 11 employees to ascertain whether the instruments would yield the required data, and to further improve on the data collection instruments. The questionnaire was also tested for validity and reliability. Descriptive (percentages and means) and inferential (correlation and regression) techniques were used to analyze the collected data with the assistance of the Statistical Package for Social Sciences. The three independent variables that were studied (strategic staffing, strategic training and strategic rewarding) explained a substantial 57% of the employee's performance in Equator Bottlers Limited as represented by adjusted R^2 (0.577). The results further indicate that strategic reward(r=.674, p=.000) indicated the highest association to employee performance, followed by strategic training(r=.459, p=.012) and lastly strategic staffing(r=.443, p=.016). Multiple linear regression analysis using the beta coefficients on the line of best fit pointed out the decision rule was to reject Ho: $\beta_i = 0$ since the regression coefficients were significantly different from zero and consequently Rejected all the null hypothesis of the study. The study recommends future research to explore these relationships by testing the causal order of employee commitment potentially that could affect perceptions of the system of SHRM practices and superior employees' performance. Therefore, the causal order needs to be investigated further

Key words: *Strategic Human Resource Management practices, performance, strategic staffing, strategic training strategic rewarding.*

Effect of Selected Strategic Human Resource Management Practices on Employee Performance at Equator.

I. INTRODUCTION

Businesses nowadays have become dynamic in a changing business environment. The once used to be conventional system of doing business slowly weakens with the advent of new and modern ways of operation with the growing demand of strategic human resource management (SHRM). Strategic human capital management is the essential backbone of all human resource related initiatives. According to Denton (2006), human resources are considered the most valued assets to the organization where people or employees operate in an integrated system. With the implementation of strong Strategic Human Resource Management through the high-performance work systems (HPWS), organizations will likely improve their performance leading to organizational success (Boselie Dietz & Boon, 2005).

The concept of strategic human resource management evolved in the 1990s with an increased emphasis on a proactive, integrative and value-driven approach to human resource management (Schuler, 2007). Strategic human resources management is best understood by comparing it to human resource management. Kaplan and Hurd (2002) define that strategic human resource management is a collection of tasks and processes shared jointly by line managers and human resources to solve business issues based on people. Michie and Sheehan (2005) define that strategic human resource management as the pattern of scheduled human resource tasks and deployment intended to enhance an organization to gain its aims.

Human Resource Management is defined as "the planning, organization, directing and controlling of the procurement, development, compensation, integration, maintenance and reproduction of human resources to the end that individual, organizational and societal objectives are accomplished" (Filippo, 2007). It can also be defined as a distinctive approach to employment which seeks to achieve competitive advantage through the strategic deployment of a highly committed and capable workforce, using an integrated array of cultural, structural and personal techniques (Storey, 1989).

 "The Fundamental aim of Strategic Human Resource Management is to enhance resource capability in accordance with the belief that the human capital of an organization is a major source of competitive advantage. It is therefore about ensuring that the right quality people are available to meet present and future needs. This is achieved by producing a coherent and comprehensive framework for developing people." Whereas HRM realizes the important contribution employees make to the life of the corporation but does not make a direct impact to its performance. Strategic Human Resource Management argues how an organization where employees realize new opportunities of growth and where they are able to utilize new potential represents an interrelated link with the working of the organization and its performance. Strategic human resources management argues that the role of the employees should be managed and aligned to the wider corporate objective of its management (Armstrong, 2006).

Strategic human resources management was influenced by the global competition, and the corresponding search for sources of sustainable competitive advantage, and had achieved its prominence because it provided a means by which firms could enhance the competitiveness and promote managerial efficiency and effectiveness through employee performance in the organization. By nature, Strategic Human Resource Management implied a managerial orientation which ensured that human resources were employed in a manner conducive to the attainment of organizational goals and objectives.

1.2 Statement of the problem

Globalization, technology advancement and dynamic legislations amongst other factors pose a challenge in the management of human resources. Majority of these challenges stems from a myriad of factors including their inattention to the best practices in the management of human resources, inaccurate planning and control mechanism and organizational cultural and strategic practices. A principal goal of strategic human capital management is providing a consistent, easy-to-use experience for all employees that enhances performance as happy employees leads to happy customers, which leads to positive business results (Muindi, 2017).

In most firms today, it is the employees' skills and commitment that create competitive advantage for an organization. It is, therefore, important that organizations truly leverage on the workforce as a competitive weapon to develop a competitive advantage. Equator Bottlers Limited had embarked on a process of realigning its human resource practices to competitive strategy so as to exploit the resultant financial gains and operational benefits. This study assessed the effects of strategic human resource practices on employees performance with an aim of validating prior assumptions on the relationship between the two variables. More specifically, the study focused on the drivers that provide a

strategic fit between strategic human resource practices and unionization in the firm which gives rise to improved financial and operational employees performance. The findings proved the business case for adopting strategic human resource practices of Kenyan organizations (Markhamara, 2017).

Accordingly, a better understanding of the role of Strategic Human Resource Management in creating and sustaining organizational performance and competitive advantage should be achieved through further theoretical development and empirical evidence. Most studies examining the relationship between Strategic Human Resource Management practices and organization's performance have been conducted (Muindi, 2017, Makhamara, 2017 & Kimani, 2010). Those studies have inferred that indeed a link exists between strategic human resource management practices and employee performance. Therefore the discussion in this study sought to investigate into the effect of selected strategic human resource management practices on the performance of employees, a case study of Equator Bottlers Limited.

1.3 Specific Objectives

i. To investigate the effect of strategic staffing on employee performance in Equator Bottlers Limited in the manufacturing industry.

ii. To examine the effect of strategic training on employee performance in Equator Bottlers Limited in the manufacturing industry.

iii. To examine the effect of strategic rewarding on employee performance in Equator Bottlers Limited in the manufacturing industry.

1.4 Research Hypothesis

Ho$_1$: Strategic staffing has no significant statistical effect on employee performance in Equator Bottlers Limited in the manufacturing industry.

Ho$_2$: Strategic training has no significant statistical effect on employee performance in Equator Bottlers Limited in the manufacturing industry.

Ho$_3$: Strategic rewarding has no significant statistical effect on the employee performance in Equator Bottlers Limited in the manufacturing industry.

II.   LITERATURE REVIEW

2.1 Theoretical Review

This section presents the theories on which the study is anchored. In an attempt to explain the relationship between strategic human resource management practices and employees performance, the researcher focuses on two competing normative theories as debated by numerous researchers: universalistic and contingency.

2.1.1 Universalistic theory

This theory is essentially based on two theoretical currents, the human capital theory (Schultez, 1961& Becker 1976) and the strategic resources theory (Barney, 1995). It is also referred to as the best practice model, which is based on the assumption that there is a set of superior/best strategic human resource management practices, and that adopting them will inevitably lead to superior organizational performance (Luthans & Summer, 2005). The notion of best practice was identified initially in the early US models of strategic human resource management, many of which mooted the idea that the adoption of certain 'best' human resource practices would result in enhanced organizational performance, manifested in improved employee attitudes and behaviors, lower levels of absenteeism and turnover, higher levels of skills and therefore higher productivity, enhanced quality and efficiency and of course increased profitability (Marchington & Wilkinson, 2008). Here, it is argued that all organizations will benefit and see improvements in organizational performance if they can identify, gain commitment to and implement a set of best strategic human resource management practices. Thus, universalistic perspective maintains that firms will see performance gains by identifying and implementing best practice irrespective of the product market situation, industry or location of the firm (Pfeffer, 2001).

2.1.2 Contingency theory

For the contingency theory, otherwise known as best fit human resource management, there are no universal prescription of HR policies and practices. It is all contingent on the organization's context, culture and its business strategy (Wright & Snell, 2005). Contingency scholars have argued that HR strategy would be more effective only when

appropriately integrated with a specific organizational and environmental context. The best fit theory emphasizes the importance of ensuring that HR strategies are appropriate to the circumstances of the organization, including the culture, operational processes and external environment. HR strategies have to take account of the particular needs of both the organization and its people. It explores the close link between strategic management and human resource management by assessing the extent to which there is vertical integration between an organization's business strategy and its human resource management policies and practices (Schuler & Jackson, 1987; Dyer, 2005; Mahoney & Decktop, 2006).

This theory is limited by the impossibility of modeling all the contingent variables, the difficult of showing their interconnection, and the way in which changes in one variable have an impact on others(Purcell, 2001). Boxall and Purcell (2003) further emphasize the complexity of matching HR and business strategy by stating the need to keep up with ongoing environmental change. They bring attention to a model by Wright (2005) asserting that SHRM should simultaneously promote fit and flexibility to cope with the future. However, responding to those external demands may undermine the possibility of achieving internal fit (Legge, 2005).

2.2 Conceptual framework

According to (Kombo and Tromp, 2009) a conceptual framework consists of broad ideas and principles that are taken from relevant fields of enquiry and used to structure a subsequent presentation. This conceptual framework shows the dependent and independent variables of the study which are correlated. The independent variable intended for this study indicates strategic training, staffing and reward. The dependent variable is the employees' performance which is indicated by, work quantity, work quality, dependability and accountability.

Conceptual Framework

Independent variables   **Intervening Variable**   **Dependent Variable**

Figure 1: Conceptual Framework

III. RESEARCH DESIGN AND METHODOLOGY

3.1. Research Design

The research design is defined as the blueprint for fulfilling research objectives and answering questions (Mugenda & Mugenda, 1999). The research design has also been defined as the arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to research purpose with economy in the perspective (Ondiek, 2008). Research design can be defined as a road-map one uses in answering the research questions. Descriptive research design will be used in this study. The purpose of a descriptive research design is the accurate portrayal of the characteristics of persons, situations, or groups, and/or the frequency with which certain phenomena occur.

The current study was conducted within the confines or paradigm of a case study, which investigated and made a detailed examination of selected phenomena. The research design was advantageous too and relevant for the study because it permits research to go beyond the statistical data it has gathered. The design provided data that is made to explain the phenomena under investigation more deeply and exhaustively, than plainly quantitative research that present data only by numbers. Finally, concerning time dimension, the study was purely cross-sectional. It was carried

out once and presented via a snapshot of one point in time as opposed to longitudinal study carried out repeatedly over an extended period of time.

3.2 Target Population

The target population defines those units for which the findings of the study are meant to generalize. The population is a well-defined or set of people, services, elements and events, group of things or households that are being investigated (Mugenda & Mugenda, 1999). Population refers to the set of all elements, units, objects or subjects in the universe of interest for a particular study and when the population is clearly defined it is often referred to as the target population (Sekaran & Bougie, 2011). The target population of this study were all the 124 employees of Equator Bottlers Limited, census sampling method was used.

3.3 Data Collection Instruments

The main type of data used in the research was primary data which was collected by use of questionnaires. A questionnaire is a data collection tool, designed by the researcher and whose main purpose is to communicate to the respondents what is intended and to elicit desired responses in terms of empirical data from the respondents in order to achieve research objectives (Mugenda & Mugenda, 2008).

The questionnaire enabled the researcher to generate data on study variables. Closed-ended structured questionnaire were used in line with the study objectives. Structured questionnaires provided the researcher with an opportunity to get uniform responses from data for ease of reliability and consistency from various responses (Sekaran, 2009). Closed-ended questions are practical since all individuals answer the question using the response options provided (Creswell, 2012). This enabled the researcher to conveniently compare responses. To optimize objectivity, the questionnaires were filled by individual respondents. According to Mugenda and Mugenda, (2003), this method provides a means for coding responses or assigning a numeric value and statistically analyzing the data. It also facilitated the work of tabulation and analysis after data classification through coding. According to Kothari (2007), using questionnaires is beneficial as they are low in cost even when the universe is large and is widely spread geographically, they are free from the bias and respondents have adequate time to give their views.

3.4 Data Collection Procedure

The data collection is defined as the precise, systematic gathering of information relevant to the research sub-problems. The researcher obtained permission from Kabarak University on approval of the proposal to proceed on data collection. And in conformity with the government policy, the researcher obtained a permit from the National Council for Science and Technology (NACOSTI), and also from the relevant county government where the study was carried out. An introductory letter was also prepared before proceeding to the field for data collection. Equipped with these, the researcher then proceeded to administer the questionnaires that had been dropped for picking later. The respondents were given ample time to respondent to the questions.

3.5 Pilot Test

A pilot study is the process of carrying out a preliminary study, and it involved going through the entire research process with a small sample. The comprehensive pilot study was necessary since the pre-testing was simply to be a trial of the questionnaire instrument that helped in refining the questionnaire and determining the reliability of the instrument. According to Mugenda and Mugenda (2003), once a questionnaire is finalized, it is imperative for the researcher to test it in the field before the actual data collection exercise. Kaifeng et al. (2008), explains that a pilot study should preferably be carried out using subjects that will not be recruited for the main study. This is because the experience gained by subjects in the pilot study may bias the results of the main study if the same subjects are included.

Preliminary analysis using the pilot test data was undertaken in Rift Valley Bottlers Limited, Eldoret town: Uasin Gishu County, with a sample population of 11 employees since it has similar characteristics with those of Kisumu County and thus ensured that the data collected would enable investigative questions to be answered. The main purpose of the pilot study was to ascertain whether the instruments would yield the required data, and to further improve on the data collection instruments. That was check face and content validity of the instrument (questionnaire and interview schedule). Estimate the average time taken by the respondents to complete the questionnaires. The pilot study addressed several key issues. With regard to instruments, the pilot study helped the researcher to check whether; (i) the instruments adequately generate the required information, (ii) the instruments contain proper wording of questions, (iii) the items are logically arranged to facilitate response, (iv) any redundancies and repetitions that calls for elimination of some questions. .

3.5.1 Validity of the Instruments

Data validity is the degree to which a test measures that which it is supposed to measure (Porter, 2010). Mugenda and Mugenda define validity as the degree to which the research results obtained from the analysis of the data represent the phenomenon under study. Validity is concerned with the study's success at measuring what it seeks to measure. Three types of validity Will be applicable to this study i.e. content validity, construct validity and face validity. Bless et al. (2006), states that in order to properly measure the complex topics presented by social science research, the researcher must ensure that information is provided on all the different components. This then implies that, if one component is ignored, the researcher cannot claim to measure whatever it is that they want to measure in the study.

The researcher continue to explain that in most cases, content validity of an original instrument is achieved by referring to literature theory. The more the instrument measures all the various components of the variable, the greater the confidence in its content validity. Expert opinions was some of the measures that was used in making sure the instrument yielded validity data. To enhance the content validity, expert opinion from Professionals in this field, researcher's thesis supervisors was sought. Their comments were incorporated to improve the instrument. The face validity also enhanced the instruments review. According to Bless et al (2006), face validity is concerned with the way the instrument appears to the participant. I.e. an instrument may appear insultingly simplistic, far too difficult, or too repetitive. Such flaws affect the respondent's willingness to complete the questionnaire. In the case of construct validity, a five point Likert scale was used. The Likert scale is where respondents will give their opinions or views that will enable the researcher collect data that will be objective. Construct validity involves generalizing from that program or measures to the concept of your program or measures. There is need to develop sound evidence to demonstrate that the test interpretation (of scores about the concept or construct that the test is assumed to measure) matches its proposed use (Creswell, 2012).

3.5.2 Reliability of Research Instrument

Reliability of an instrument being the consistency of an instrument in measuring what it is intended to measure was established by first ensuring internal constancy approach followed by carrying out a pilot study. A questionnaire is considered reliable if the Cronbach's Alpha coefficient is greater than 0.70 (Katou, 2008). The three independent variables and the dependent variable were subjected to reliability test using SPSS.

3.6: Data Analysis and Presentation

Quantitative data from the study was analyzed through descriptive and inferential statistics by the help of Statistical Packages for Social Scientists (SPSS) software. Descriptive statistics made use of the frequency, percentages and mean to describe the variables in the study. The effect of selected strategic human resource practices covering three major human resource functional areas of staffing, training and, reward management was measured using a five-point scale ranging from strongly agree assigned a value of 1 to strongly disagree with a value of 5 (Likert Scale). Mean score was calculated. The lower the mean score the higher the tendency for the respondents to agree and the higher the mean score the higher the tendency for respondents to disagree. Similar scale has been used successfully in strategic human resource management studies (Huselid, 1996, Schuler 1992, Ulrich 1999).

Multiple linear regressions was undertaken in the study. The multiple linear regressions was used in the prediction of the response variables (dependent variables) based on the predictor (independent variables). This type of regression assisted in gaining knowledge on the metrics for the independent variable in relations to the ability to affect (predict) the dependent variable.

The regression model used in the study is shown below:

$y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \varepsilon$

Where; Y= Employees Performance

β_0 = constant

$\beta_{1....} \beta_3 \beta_1 .... \beta_{5d}$ = Coeffeicients of estimates

$X_{1....}$ Strategic staffing

X_2 ... Strategic training

X_3 .. Strategic rewarding

ε.................is the estimated error of the model

IV.   DATA ANALYSIS, PRESENTATION AND DISCUSSION

4.1 Questionnaire Response Rate

The researcher issued out one-hundred and twenty four (124) questionnaires. Of which 116 were returned, yielding a response rate of 93.5%. According to Mugenda and Mugenda (2003), who reports that a response rate of 50% and above is acceptable. Five (5) questionnaires were eliminated because of incomplete responses; therefore, one hundred and eleven (111) questionnaires yielding a response rate of 90% were used for data analysis.

4.2 Inferential Statistics

This section presents correlation and multiple regression analysis results to evaluate the relationship between independent variables and the dependent variable (employee's performance). Three independent variables namely; strategic staffing, strategic training and strategic rewarding were analyzed in this study to establish their effect on strategy implementation.

4.2.1: Correlation Analysis

The study sought to establish the relationship between the independent variables and the dependent variable. The composite mean scores of each variable were computed to enable the inferential analysis. The composite scores for the independent variables were correlated with the composite scores for the dependent variable. Pearson product moment correlation coefficient was used for the analysis. The findings from the analysis were presented as shown in table 1.

Table 1: Correlations

		Strategic staffing	Strategic training	Strategic reward	Employees performance
Strategic staffing	Pearson Correlation	1			
	Sig. (2-tailed)	.001			
	N	111			
Strategic training	Pearson Correlation	.464*	1		
	Sig. (2-tailed)	.011			
	N	111	111		
Strategic reward	Pearson Correlation	.508**	.395*	1	
	Sig. (2-tailed)	.005	.034		
	N	111	111	111	
Employees Performance	Pearson Correlation	.443*	.459*	.674**	.1
	Sig. (2-tailed)	.016	.012	.000	.005
	N	111	111	111	111

The findings on correlation analysis indicated that the independent variables were on average correlated with each other. Strategic staffing was shown to have an average positive significant (r=.443, p=.016) relationship with employees performance at p<.05 level of significance. This showed that strategic staffing have a direct relationship with employees' performance of manufacturing companies in Kisumu, Kenya. As such, Strategic staffing has a significant role in improving the employees' performance of manufacturing industries companies.

Further findings indicated that strategic training has an average but positive significant relationship (r=.459, p=.012) with the employees performance. The p-value for the relationship was at p<.05 level of significance. Therefore, the study concluded that strategic training has a statistically significant relationship with the employee's performance of manufacturing companies in Kisumu.

In addition, the findings indicated that strategic rewarding has a very strong positive relationship (r=.674, p=.000) with employees performance in manufacturing companies in Kisumu. As such, the relationship was found to be significant at p<.05 level of significance. Therefore the study concluded that strategic rewarding has a statistically significant

relationship with the employees' performance of manufacturing companies in Kisumu. The results further indicate that strategic reward(r=.674, p=.000) indicated the highest association to employee performance, followed by strategic training(r=.459, p=.012) and lastly strategic staffing(r=.443, p=.016).

4.2.2 Multiple Regression

The study went further and performed a multiple regression analysis to assist the researcher in fitting the regression model. The findings from the analysis were as shown on Table 2.

Table 2: Multiple Regression Analysis

R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
				R Square Change	F Change	df1	df2	Sig. F Change
.759[a]	.577	.550	.31447	.577	21.556	6	95	.000

The model is significant (R^2=.577, F (6, 95) =21.556, p<0.05) and accounts for 57.7% of the variance in selected Strategic Human Resource Management Practices, which implies that there are other variables not included in this study that account for 42.3% of the variance in selected Strategic Human Resource Management Practices accounted by other factors not in the present study. This implies that there are other variables that explain the remaining 42.3%, of the variation in the selection of Strategic Human Resource Management Practices. The Anova were as presented in Table 3.

Table 3: ANOVA[b]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1.657	3	.414	7.577	.000[a]
	Residual	1.312	107	.055		
	Total	2.968	110			

a. Predictors: (Constant), Strategic Staffing, Strategic Training And Strategic Reward

b. Dependent Variable: Employee Performance

The analysis of variance gave an F-value ($F_{(3, 107)}$ = 7.577, p=.000) which was significant at p<0.05 level of significance. This demonstrated that all the independent variables taken together significantly influence the employees' performance of manufacturing companies in Kisumu, Kenya. As such, independent variables determine the level of employees' performance in manufacturing companies. The coefficient model gave the following results as shown in Table 4.

Table 4: Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.275	.725		.379	.708
	Strategic staffing	.231	.119	.228	1.941	.036
	Strategic training	.338	.138	.335	2.449	.004
	Strategic reward	.534	.163	.530	3.270	.003

a. Dependent Variable: Employees Performance

Based on the findings from the model summary Table 4.15, the following regression model was fitted;

$Y = (0.275) + (0.231) X_1 + (0.338) X_2 + (0.534) X_3$

From the coefficient model, the model constant was 0.275 for employees' performance of manufacturing companies in Kisumu. This revealed that the autonomous Y (value of the dependent variable with all other factors held constant) is a constant of 0.275 units. Further, with all other factors held constant a unit change in strategic staffing would significantly

lead to a variance in employees' performance by a factor of 0.231 multiple units. On the other hand a unit change in the strategic training would lead to a change in employee's performance by a factor of 0.338 multiple units. In addition, a unit change in strategic reward leads to a change in employees' performance by a factor of 0.534 multiple units.

4.3 Summary of Test of Hypothesis

The research used multiple linear regression analysis to determine the linear statistical relationship between the independent and dependent variables for this study. All the three null hypotheses were tested using the multiple regression models. For each hypothesis, the regression equations were first obtained using the beta coefficients on the line of best fit. The decision rule was to reject Ho: $\beta i = 0$ if the regression coefficients are significantly different from zero and consequently accept the alternate hypothesis Ha: $\beta i \neq 0$.

Table 5: Summary of Test of Hypothesis

Hypotheses	Findings	Decision
Ho₁: There is no statistically significant relationship between Strategic staffing and employee performance in Equator Bottlers Limited.	s a statistically significant relationship between Strategic staffing and employee performance in Equator Bottlers Limited.	Rejected the null hypothesis
Ho₂: There is no statistically significant relationship between Strategic training and employee performance in Equator Bottlers Limited.	There is a statistically significant relationship between Strategic training and employee performance in Equator Bottlers Limited	Rejected the null Hypothesis
ere is no statistically significant relationship between Strategic rewarding and employee performance in Equator Bottlers Limited.	There is a statistically significant relationship between Strategic reward and employee performance in Equator Bottlers Limited.	Rejected the null hypothesis

V. CONCLUSIONS AND RECOMMENDATIONS

5.1 Conclusion of the Study

The purpose of this chapter was to provide in a holistic and integrated manner the methodological framework adopted for examining the relationship of the system of SHRM practices and employees' performance .The study arrived at pertinent conclusions drawn from the findings of the study. The study concluded that top management had the responsibility to introduce indicators that could attract and retain new staff that were talented. Internal promotion especially for employees who were qualified could be enhanced to improve and boost employee morale. When selecting new staff, transparency, several tests like aptitude, cognitive and skill tests, behavioural tests could be included in the recruitment and selection criteria. The study also concluded that policy on recruitment and selection could be enhanced and adhered to for a clean process. Aptitude and cognitive tests that included behaviour tests were very important as the manufacturing sector was a very sensitive sector that handled the quality products.

The study established that the implementation of strategic training wholly influenced employee performance. It was therefore concluded that, there was need for training and needs assessment programs that could ascertain those employees that required to be trained. There was also need for a well-planned training program as it enhanced capacity. There was need for training programs to be emphasized for all employees because it improved their skills and attitudes. This was to be followed with continuous review and evaluation to ascertain the relevance of the training. It made employees to be in tandem with the changing environment. It was also concluded that staff could be given opportunity develop themselves by offering them study leave, that would be paid for. The training budget and policy to be followed and adhered to. In regard to the budget and policy, it was concluded that manufacturing sector needed to implement budget policy and adhere to it, this would discourage misuse or misallocation of funds.

It was therefore concluded that having a strong reward system retained talented staff and improved performance. It was also concluded that bonus payments and incentives were based on individual employee performance but most were

lacking. Though the salaries were comparable to other manufacturing firms, there were staff who worked long hours and yet they were never compensated, rewarded nor given any bonuses. It was concluded that the EBL could ensure that bonus payments were made to individual employees and that they could be proportionate to their work performance. It was also concluded that the facility should have well-structured and effective employee reward and compensation systems that could be all inclusive. The study established the influence of human resource management professional's Act on the relationship between strategic human resource management practices and employee performance in the manufacturing sector in Kenya.

5.2 Recommendations of the Study

Deriving from the study's findings, the study came up with various recommendations geared towards improving the employees' performance of manufacturing firms in Kisumu, Kenya. The researcher has suggested pertinent recommendation citing information from theoretical review and the study findings in line with specific objectives of the study. The main objectives were influence of strategic staffing, strategic training, and strategic reward and compensation systems on employee performance in the manufacturing sector in Kenya. The study recommends that the strategic human resource management practices that the study carried out be adopted and this will improve performance of employees not only in the studied Firms but the entire manufacturing sector. For example, employees with qualifications can be subjected to internal promotion to improve employee work performance. Competency tests that include aptitude, skills tests, cognitive should be included in the criteria for recruitment and selection where the policy could be adhered to the later. Policy and criteria to be enforced. Employees who were hired on contractual and or casual basis, they should be considered for fixed term/permanent employment. The study recommends that the manufacturing sector streamlines the area of contractual, casual staff and employee them people on a permanent basis.

Strategic training was a key factor that influenced employee performance in the EBL. The study recommends that the EBL should offer employee training based on long term needs, audit employees by using job analysis and evaluation programmes which could help them understand and train relevant staff that would improve the manufacturing sector performance not forgetting staff development too. Training needs assessment could be carried out before any training programs began. An annual budget on training should be included in the training policy. Training could include for example; on the job training, specific training and vocational training. Training was very important as it retained talent. Training presents a good opportunity to increase the knowledge base of staff, but most employers generally find this expensive. Staff usually miss out on work while attending training which resulted in delaying timeline projects. EBL could consider offering talented staff scholarships to develop themselves for the purposes of performing better at their work. Finally the study recommends that the health sector puts in place a sound reward system that could attract and retain competent doctors, nurses and other administrative staff.

5.3 Suggestions for Further Studies

The results of this study identify opportunities for more comprehensive future research in light of the model tested in this study, which will facilitate the implication of human capital and employee commitment within manufacturing companies, opening the way for additional support validity and construct stability over time. In addition, given that employee performance focused on aggregate behaviours at the EBL of Future research could further explore these relationships by testing the causal order, as human capital and employee commitment potentially affect perceptions of the system of SHRM practices and superior employees' performance may affect the system of SHRM practices. Therefore, the causal order needs to be investigated further.

The scope of this study was covering manufacturing firms in Kisumu town Kenya which is a negligible area to represent the whole country. As such the findings of this study may not reflect the situation of manufacturing firms in the whole country. Therefore the researcher recommends that the study be replicated in manufacturing firms in other towns in Kenya to enable generalization of the findings. On the other hand, the study recommends that future scholars examine the influence of other factors on employees' performance. This will go a long way in augmenting the results of this study given that the considered issues in SHRM could account for less than 50% of the total variation in employees' performance.

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