

**EFFECT OF DEVOLVED HUMAN RESOURCE FUNCTIONS ON EMPLOYEE
PERFORMANCE AT NAKURU COUNTY GOVERNMENT HEADQUARTERS**

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DECLARATION AND APPROVAL

Declaration

The researcher declares that this research project is his original work and has not been submitted for a degree in any other university

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DEDICATION

I dedicate this research to Flora, Justine, my sibling Alfrick and my parents who supported me in my research work and provided the moral support that I needed.

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I take this opportunity to express my deepest gratitude to God without whom I would not have made it this far. I wish to acknowledge people who have greatly influenced and facilitated the process of preparing this research project, without whose guidance it would have been difficult to accomplish on my own. I therefore appreciate my supervisors, Dr. Maina Waiganjo and Mr. Philip Ragama for their guidance through the stages of this research project.

ABSTRACT

Following the promulgation of the new constitution of Kenya in 2010, several functions previously done by the central government were devolved to the counties. County government of Nakuru has various human resource functions that have been devolved from the central government of Kenya; these include devolved recruitment and selection, devolved rewards and benefits, and devolved training and development functions. This change in and of itself is expected to affect employee performance. The researcher sought to establish the extent to which these devolved HR functions have affected employee performance given that no information was available to this end. The specific objectives were to determine the effects of devolved recruitment and selection, devolved rewards and benefits, and devolved training and development functions on employee performance. A survey was carried out within Nakuru County Government Headquarters which has a workforce of 301 permanent employees as at January 2016. The study adapted a descriptive research design. Stratified random sampling technique was employed. Sample size of 93 respondents was determined using Nassiuma's formula. A questionnaire was used to collect data and results were presented in tables and figures. Both descriptive and inferential statistics were used to analyze the data with the aid of Statistical Package for Social Sciences (SPSS). The findings showed that devolved recruitment and selection ($r = 0.441$, $\alpha = 0.000$), devolved rewards and benefit ($r = 0.331$, $\alpha = 0.001$) and devolved training and development ($r = 0.374$, $\alpha = 0.000$) were positively correlated to employee performance. Multiple linear regression analysis showed that devolved recruitment and selection ($\beta = 0.177$, p value=0.006), devolved rewards and benefit ($\beta = -0.031$, p value=0.748) and devolved training and development ($\beta = 0.131$, p -value=0.164) were all significant (p -value=0.000) when combined under multiple regression model. The study further found that all the independent variables; devolved recruitment and selection, devolved rewards and benefit and devolved training and development can explain the variation of employee performance by up to 19% when combined under multiple regression model. The study therefore recommends that devolved human resource functions striving to achieve high performance should focus on providing employee recognition programmes and awards, carrying employee satisfaction surveys, conducting exit interviews, utilizing the assessment centre and carrying out succession planning.

Keywords

Devolved Human Resource Functions, Devolved Recruitment and Selection, Devolved Training and Development, Devolved Rewards and Benefits, Employee Performance.

LIST OF ACRONYMS AND ABBREVIATIONS

AAPAM	Africa Association for Public Administration and Management.
AMO	Ability, Motivation, Opportunity Theory
CoK	Constitution of Kenya, 2010
ESOP	Employee Stock Ownership Plan
HR	Human Resource
HRM	Human Resource Management
TA	Transition Authority

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CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Devolution is a form of decentralization that entails transferring of selected functions from a central authority to the lowest feasible structure. In a governmental structure, devolution involves the ceding (legal act giving up) of power from a Central Authority to Local Authority, the state powers of revenue collection and expenditure among others. Past studies suggests that more organizations are devolving their human resource (HR) functions, either partially or fully, and line managers now have far greater responsibility on HR issues than ever before. Most of these organizations are based in various European countries and in the United States of America (Brandl, Madsen & Madsen, 2009).

The HR function provides services to its internal customers and which is constantly being challenged to improve service quality and in turn nurture further organizational development (Heskett *et al*, 1994).In Africa, the interests on devolved system of government have increased overtime. A devolved HR management function has been preferred to a centralized staff management structures and systems. Public sector reforms expected to address these challenges have achieved minimal results according to Africa Association for Public Administration and Management (AAPAM, 2005).One of the central features of ongoing debate on strategic human resource management approaches is the importance of devolving HR function (Budhwar & Khatri, 2002).

Public services in many African countries are confronted with challenges, which constrain their delivery capacities (Lienert, 2003), they include the human resource management factor, relating to shortages of the manpower in terms of numbers and key competencies, lack of appropriate mindsets, and socio- psychological dispositions. There is also the perennial problem of the shortage of financial and material logistics that are necessary to support effective service delivery. County governments have also experienced degrading in both ethics and accountability in the public sector as they deliver services to its citizen.

In the Kenyan case, the current Centralized System Government headquarter has transferred HR functions to the 47 Counties listed on the First Schedule of CoK 2010. Each of these Counties has since formed the County Governments comprising of the County Assemblies and County Executives with State powers of legislature – law making and Executive – Implementing the Laws and Policies respectively.

Nakuru County is such devolved unit and due to its ethnic diversity and cosmopolitan nature it was selected as the unit of study. Nakuru County is situated in the central part of the Great Rift Valley with a population of approximately 2 million people. Further, Schou and Haug (2005) noted that the major concerns over devolution in ethnically diverse societies are that it encourages ethnic identification, accentuates inter-group differences and fosters discrimination against local minorities.

Lankeu and Maket (2012), in their study on public service delivery in Kenya, revealed that the public service for a long time, has been characterized by corruption, low productivity, inefficiency and lack of transparency and accountability. Though there are a few studies that have reported positive outcomes of devolution of HR function (Daly, 2007) and (Cheruiyot & Kaswira, 2013), there are equally numerous inherent problems within the framework of devolution that can seriously undermine the positive outcomes reported that require to be studied. There is also overwhelming evidence showing that the success of devolution is dependent on the design and implementation of the devolution framework (Ter Minassian, 1997).

Transition Authority (T.A) is an organ of government in the devolution process tasked with identifying achievements, challenges and ways for better service delivery. Key to the devolution process is the transfer of human resources functions from the central government to the county governments. Since the adoption of devolved system of government was enacted in Kenya in the year 2010, the T.A has reported on status of HR devolution in an yearly basis. In the year 2015, the report by the transition authority indicate various achievements, challenges and lessons learned for better services delivery. Effect of devolved HR functions on employee performance

forms part of the service delivery at the county which forms the focus of my study, (Transition Authority Report 2015).

After the transfer of management of human resources for devolved functions was effected in January 2014, a number of challenges have been observed which include: Discrimination, nepotism, tribalism, cronyism patronage, victimization in the recruitment of county staff. Other challenges were glaring disparities in remuneration and promotion between the staff with the newly appointed staff and those of the defunct local authorities enjoying better remuneration and job grades. These challenges were as a result of unprofessional HR practices at the county governments that related to recruitment and selection, rewards and benefits and training and development, Transition Authority Report (2015).

Recruitment and selection practices were to follow policies, needs and strategy of the county governments as recommended by transition report while rewards, benefit programmes and satisfaction surveys were to be carried out so as to improve employee performance. Distinct career paths, internal promotion norms and succession planning were to be implemented as part of training and development practice at the County Governments so as to curd unprofessionalism,(Transition Authority Report 2015). Despite gains of these recommendations, the extent of benefits in regard to the effect they have on employee performance at Nakuru County Government is yet to be examined.

This research therefore aims at evaluating the effect of devolved human resource functions on employee performance at the county government of Nakuru. The following HR functions were selected due to the degree to which they are likely to influence employee performance as part of the expected outcome of Public Service Commission(2014) report. These functions include recruitment and selection practices, rewards and benefits practices and training and development practices. Research studies have produced compelling evidence that relate human resource functions to performance. Key to this functions are; recruitment and selection, rewards and benefits, training and development practices that greatly influence employee performance. These functions have been referred as the matching model of human resource management(Collins &

Druten 2003). In this study employee Performance was measured in terms of expected behavior and task related aspects.

1.2 Statement of the Problem

Despite the potential gains of the HR devolution strategy in the counties, little empirical work has been done to establish the effect of devolved HR functions on employee performance. One of the study conducted in Nakuru highlighted only the challenges of devolved HR functions and the possible solutions of mitigating these challenges (Cheruiyot & Kaswira,2013) but the extent to which these devolved HR functions have affected employee performance at Nakuru county has not been established. A study done by Alande (2013) in the public sector focused on the role of human resource management in devolution of counties in Kenya while Mwikali & Wafula, (2015) and Mutua, Kabare & Namusonge (2013) looked at devolution in a general sense in Mombasa and Nairobi counties respectively. More research is therefore needed to address the effect of devolution of HR functions on employee performance. The present research therefore evaluates the effect of devolved human resource functions on employee performance at Nakuru County Government Headquarters.

1.3 Objectives of the Study

1.3.1 General Objective of the Study

The main objective of this study was to assess the effect of devolved human resource functions on employee performance at Nakuru County Government Headquarters.

1.3.2 Specific Objective of the Study

- I. To evaluate the effect of devolved recruitment and selection practices on employee performance.
- II. To investigate the effect of devolved rewards and benefits practices on employee performance.
- III. To assess the effect of devolved training and development practices on employee performance.

1.4 Hypotheses of the Study

Ho1: Devolved recruitment and selection have no effect on employee performance.

Ho2: Devolved rewards and benefits have no effect on employee performance.

Ho3: Devolved training and development have no effect on employee performance.

1.5 Significance of the Study

The findings of this study will likely be useful to the County Government of Nakuru since it evaluates the extent of the benefits on HR devolution functions on employee performance. The study's findings and recommendations if well implemented will likely improve recruitment & selection, rewards & benefits and training & development practices at the county government leading to better retention of skilled employees and increased performance. The study findings can benefit management team, HR professionals, other counties and government in general that are responsible in performing human resource functions since better knowledge of HRM practices will enhance performance.

1.6 Scope of the Study

The study sort to evaluate the effect of devolved human resource functions which include; recruitment and selection, rewards and benefits and training and development on employee performance at Nakuru county government headquarters. The research was carried out at Nakuru County Government offices headquarters on August, 2016.

1.7 Justification of the Study

The study was motivated by the fact that no previous research work had yet been done in regard to the recommendations of (Transition Authority Report 2015). The recommendation sort out to establish whether HR functions specifically; recruitment and selection, rewards and benefits and training and development were carried out in a professional way to meet the challenges encountered after devolution. The Study's findings and recommendations if well implemented will likely improve employee performance since previous research work reveals that HR functions if well implemented will definitely lead to improved performance (Guest, Michie, Conway & Sheenan 2003).

1.8 Limitation and Delimitations of the Study

The respondents were not willing to give the required information likely due to fear of intimidation or negative image perceived towards them after giving the information out. This problem was handled by providing an introductory letter from the University to assure them that the information they gave was to be treated as confidential and used only for academic purpose.

1.9 Assumption of the Study

The research assumed that respondents have the necessary knowledge to answer the questions of the survey and gave accurate information.

1.10 Operational Definition of Terms.

Devolution: Devolution is a form of decentralization which is about transferring of selected functions from a central authority to the lowest feasible structure, devolution entails the ceding of power from a Central Authority to Local Authority, the state powers of revenue collection and expenditure among others, (CoK 2010).

In this study, this term entails the transfer of various HR functions from the Central National government to the county government, specifically Nakuru county government.

Recruitment and Selection: According to Huselid (1995) recruitment is defined as searching for candidates with the desired knowledge, skills and experience to allow an organization to select the most appropriate people to fill job vacancies against defined position descriptions and specifications. In this study, recruitment and selection process at the county government of Nakuru was examined on how it is carried out in regard to human resource needs of the county, long term objectives of the county and strategies used to get the best employees in terms of quality and types of skills required.

Rewards and Benefits: Armstrong (2006), defined rewards and benefits as an HR function that is concerned with strategies and policies formulation and implementation, for the aim of rewarding people in fair, equitably and consistent manner according to their value addition in the organization in order to meet the set objectives. In this study, employee rewards and benefits

system adopted by the county government of Nakuru was examined on whether employees were satisfied with their pay, whether the county government had the practice of carrying out employee satisfaction surveys and reward programmes and whether provision for negotiation, administration and interpretation of written agreement between employees and management were available.

Training and development: According to Armstrong (2006), Training and development is defined as a process through which employees go through various activities for the purpose of increasing skills and knowledge while improving and enhancing the right attitude to perform. Training and development is therefore concerned with procedures used that instills knowledge, skills and attitude which interns helps employees gain the necessary skills that enables them to improve performance. In this study, training and development was examined on whether employees are developed to carry out their duties and fill hire position(succession planning), and whether career development and opportunities available within the county for training and development of employees to perform their job satisfactorily.

Performance: Performance is the results of activities of an organization or investment over a given period of time. Performance involves accomplishment of a given task measured against preset known standards of accuracy, completeness, cost, and speed. In a contract, performance is deemed to be the fulfillment of an obligation, in a manner that releases the performer from all liabilities under the contract, (Franco-Santos, Lucianetti & Bourne, 2012). In this study, employee performance is measured on expected behavior and task-related aspects.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter contains relevant theories and findings of past studies related to human resource practices. The literature review is divided into two parts namely; theoretical review and empirical review.

2.2.0 Theoretical Review

The relationship and influence of Human resource functions and how its policies and practices affect individual employee performance and corporate performance has over the years been the centre stage of research and development in various fields including; organization psychology, human resource management and industrial relations (Boudreau, 1991; Jones & Wright, 1992; Kleiner, 1990). According to Jones & Wright (1992) argue that performance can be improved through effective and efficient practices of human resource functions. Also, U. S Department of labour (1993) reveals the important roles of acquiring and retaining quality employees through human resource functions of recruitment and selection procedures, enhancement of employees abilities and potentials through the process vigorous training and development practices while compensating and rewarding employees according to merit in accordance to performance appraisal systems that seeks to meet organization objectives in order to encourage and motivate employees to perform better while discouraging non performers to improve or quit.

In order to achieve competitive advantage, employees play a vital role in organization performance without whom it will be entirely difficult for firms to be competitive (Bohlander, Snell & Sherman, 2001). They agree to the fact that organization performance is directly linked to organization's employees ability, knowledge and skills. Schuler and Macmillan (1984),noted that organizations who are equipped to meet emerging challenge are those that are in a capacity to utilize after acquiring valuable human capital. Human resources, especially if they are effectively and efficiently deployed and managed leads to improved performance. Research in Human Resource Management (HRM) has proved that organizations effectiveness and efficiency

is determined by the type of employees at the organization and how they are managed which leads to success as a result of improved performance.

HR functions play a vital role in the performance of employees; be it public or private ones. Past studies suggests that in the current labour market, success is less dependent on capital and more on innovation, speed and acceptability. In the last two decades, there have been several attempts to show the connection between HR functions and performance of firms (Qureshi, Marwat & Ramay,2010). Human Resource Management is interlinked with all the managerial functions involved in the practices of recruitment & selection, training, developmental resources, reward and compensation. These practices increase the potential of employees in different sectors of a country's economy. Past studies shows that in recent years, the focus of research on HRM has shifted from study and relationship of individual HRM practices on business performance to entire HRM system and its influence on organizational performance(Khan, 2010). As a result the evaluation of the entire devolved HR functions on performance instead of individual function was adopted.

2.3.0 Theories Guiding the Study

2.3.1 Resource Based Theory of the Firm.

According to the resource-based theory of the firm, performance differences across firms can be attributed to the variance in the firms strategic resources and capabilities. Resources that are valuable, unique, and difficult to imitate can provide the basis for firms' competitive advantages (Garud & Kumaraswamy, 2005) In order to explore the usefulness of the resource-based theory for information technology resources, it is necessary to explicitly recognize the characteristics and attributes of resources that lead them to become strategically important. Although firms possess many resources, only a few of these have the potential to lead the firm to a position of sustained competitive advantage (Wade & Hulland, 2004).

The believe that individual employees has implication for firms level outcomes has been prevalent among academics and practitioners. It has been noted that corporate employee performance leads to a firms competitive advantage that other firms cannot replicate easily. Wright and McMahan (1992) drawing on Barney's (1991) for example in their theory of

resource based argue that humans can provide a source of competitive advantage competitors to replicate for example Wright and McMahan (1992) drawing on Barney's First, they must add value to the firm's production process: levels of individual performance must matter. Second, the skills the firms seeks must be rare. These authors further found that human resource are usually distributed and they always meet this criteria. Thirdly is the combined human resource capital that an organization has that cannot be easily matched with the competitors. Although human resource are not a subject to the same degree of imitability as equipment or facilities, investment in firm-specific human capital can further decrease the probability of such imitation by qualitatively differentiating a firm's employees from those of its competitors.

It is also important that organizations human resources remain instead of being replaced by advanced technologies or other substitution so as to achieve a competitive advantage. Although labor-saving technologies may limit the return of some forms of investment in human capital, the continuing shift towards a service economy and the already high levels of automation in many industries make such forms of substitution increasingly less probable.

Wright and McMahan's pointed out the value of human resources in the development of organizations competitive advantage. At issue, then, is whether, or how, firms can capitalize on this potential form of profitability. Bailey (1993) argued that employees of a firm are often underutilized since they often perform below their maximum potential and that firms effort to elicit discretionary effort from employees are usually for providence of returns in excess at any cost. Bailey found that human resource functions can affect such discretionary effort through their influence on employee skills and motivation and also through organizational structures that give avenues for employees to be more in control of how their roles are performed.

Human resource functions impact on employees ability to perform through recruitment, selection and development of organization's employees. recruitment involves search for candidates with the desired knowledge, skills and experience to allow an organization to select the most appropriate people to fill job vacancies against defined position descriptions and specifications. After the recruitment process the candidates are identified through a selection process that includes interviews, reference checking and testing before they are consequently trained and

developed to achieve a competitive advantage as a result of improved performance (Huselid, 1995)

Efficiency and effectiveness of even highly skilled employees will always be minimal if they are not motivated to perform, however, employees however can be motivated through the practices of human resources so as to make them more productive and efficient at their work place. Examples of organizations efforts to motivate and direct employee behavior include the use of performance appraisals that evaluates individual and corporate performance, by linking these appraisals with structured incentive compensation systems, availability of promotion systems that are internal and focused on employee performance, together with other forms of incentives intended to align interest of employees with those of shareholders e.g. the use of ESOPS and profit- and gain- sharing plans (katou,2008).

Finally, bailey (1993) noted that a contribution of even a highly skilled motivated workforce will be limited if jobs are structured, or programmed, in such a way that employees, who presumably know their work better than anyone else, do not have the opportunity to use their skills and abilities to design new and better ways of performing their roles. Thus, HRM practices can influence firm performance through provision of organizational structures that encourage participation among employees and allow them to improve how their jobs are performed. Cross-functional teams, job rotation, and quality circles are examples of such structures. Thus, the theoretical literature clearly suggest that the behavior of employees within firms has important implications for organizational performance, and that HRM practices can affect individual employee performance which in turn affects the corporate performance of the firm. A return on the investment of HRM practices should therefore result in increased productivity of the firm which in turn enhance corporate performance(Huselid, 1995)

2.3.2 Human Capital Theory

Resick (2007) states that human capital signifies the combined intelligence and experience of staff as a source of competitive advantage that cannot be imitated by rivals. This theory has implications thus for attracting, engaging, reward and developing people in organizations. The theory has cross cutting significance in HRM practices. In the context of public sector, because

some of the HRM practices in this research are meant to ensure that the performance of employees at County Government. The theory has criticized as not addressing other underlying components of employee performance. Scholars have argued that ultimately, it's only the characteristics that enhance employee performance that should be used to address HRM practices. The theory is relevant in this study. This is because it considers intelligence and experience of staff. This means that those with desired intelligence and experience are able to develop in an organization with much ease.

2.3.3 Ability, Motivation, Opportunity Theory (AMO Theory)

Expectancy theory of motivation explains the link between motivation and performance. The theory proposes that performance at individual level depends on high motivation, possession of the necessary skills and abilities and an appropriate role and understanding of that role (Savaneviciene & Stankeviciute, 2010). It is a short step to specify the HRM practices that encourage high skills and abilities, for example careful selection and high investment in training; high motivation, for example employee involvement and performance-related pay; and an appropriate role structure and role perception, for example job design and extensive communication and feedback. Different HR practices/policies have many effects on ability, motivation, and to some degree, ability requirements/opportunity (Katou, 2008). Recruitment and selection, training and development policies are expected to have their primary effect on ability (and related expectancy motivation perceptions). Job design and job analysis primarily determine ability requirements/opportunity and to some degree, (intrinsic) rewards offered. Compensation has its primary effect on rewards offered and instrumentality perceptions (motivation).

The AMO theory claims, there will be enhanced performance if the work environment provides the necessary support (for example through functioning technology) (Musah, 2008). Whitener (2001) argued that the organization may adopt a high-commitment strategy, including employment practices, appraisal, competitiveness, fair compensation, and comprehensive training and development in order for employees to have high commitment and motivation. This theory implies that an organization's HRM practices should speed up development for those staffs with high ability and motivation whenever an opportunity arises. This means that those

with high ability and motivation should be given priority over those with lower ability and motivation.

2.3.4 Expectancy Theory

According to Armstrong (2010), in the expectancy theory, motivation is likely to be when there is a perceived and usable relationship between and outcome, with the outcome being seen as a means of satisfying needs. In other words, there must be a link between a certain reward and what has to be done to achieve it. This theory is very important in the context of this research. It is instrumental especially when designing performance-based employee welfare programmes. In the Kenyan context, the public sector in particular the County Government depends entirely on civil servants to provide services to the public. Balancing competitive rewards and improved employee performance must be of key significance to the County Governments. The latter need to design performance performance-based employee welfare programmes so as to ensure civil servants continue. This theory argues that there must be clear procedure for development. It is this procedure that employees will compare against their qualifications to see if they can develop in an organization or not.

This theory helps explain why an organization's staff would feel confident that they can grow in the same organization, hence remain there, or seek development elsewhere by going there leading to exit of staff.

2.3.5 Attraction Selection Attrition Theory

This theory explains why people are attracted to organizations or institutions(Schneider, 1987). In most cases, recruitment and selection practices are carried out after initial attraction of employees to the organization or institution. Also, it must be stated that attraction is bidirectional. This is to say that the organization before recruiting and selecting candidates for positions also gets attracted to a pool of talent with specific attributes that might be existent outside the organization or institution. The attraction selection theory is relevant to this research as it explains attraction, selection and retentions of employees by organizations as a basis for job security. In the Kenyan context, the public sector in particular the County Government though the human resource used at County Governments in some cases are highly unskilled, tendencies

are that such institutions will tend to retain the high performers and as such, the theory can be useful in understanding HRM practices and their impact on civil servants

Thus, the theoretical literature clearly suggest that the behavior of employees within firms has important implications for organizational performance, and that HRM practices can affect individual employee performance which in turn affects the corporate performance of the firm. A return on the investment of HRM practices should therefore result in increased productivity of the firm which in turn enhance corporate performance. Researcher's review on empirical literature therefore concentrated on prior work examining the effect of devolved HRM practices on employee performance.

2.3.6 Goal Setting Theory

Goal setting theory had been proposed by Edwin Locke in the year 1968. Individuals always set goals that they need to achieve over a specific period of time therefore motivating them to perform. Organization employees always strive to meet both individual and organization goals which interns leads to satisfaction. These goals are flexibly modified and evaluated so as to ensure they are both achievable within a specific time frame in order to avoid frustrations and demoralization in the process. If employees improve on their performance a system is developed to manage the employees as well as individuals (Salaman, Storey & Billsberry 2005).

2.4 Empirical Review

Review on empirical literature concentrated on prior work examining the effect of HRM practices on the corporate performance of the firm. The following empirical review briefly addresses issues regarding the devolution of HR function. Cascon- Pereira *et al.* (2006), defines devolution as “the reallocation of personnel tasks or activities, and the related decision making power, financial power and expertise power required to carry out these tasks, from other agents to line managers”. Literature on devolution of HR function has produced mixed findings of either positive or negative outcomes. Some of the common reasons behind devolution include: to improve efficiency and effectiveness of the HR function (Heraty & Morley,1995), to leverage line managers' proximity to employees (Purcell & Hutchinson, 2007), to achieve a more

strategic approach to HR (Delmotte & Sels, 2008), to make line managers more responsible (Renwick, 2000) and to cut HR related costs (Budhwar, 2000).

The positive outcomes of devolvement reported in most past studies include more problems being solved at a lower level, better change management, more responsible line managers, improved efficiency of employees and greater freedom for specialists to move away from routine activities (Budhwar, 2000; Resnick, 2000). Although some scholars promote HR devolution in a positive light, the devolution literature is replete with evidence that show devolution of HR function faces a number of challenges. Some even state that transferring HR responsibilities to line managers is 'problematic' (McGovern *et al.*, 1997; Heraty & Morley, 1995). Moreover, those who report the success stories of devolution, are quick to note that the rate and extent of success is not at the desired level and there are a lot of issues still unresolved.

According to McGovern *et al.*, (1997), a number of challenges have been identified in devolution of HR function that include the problem of managerial short-termism, inconsistencies in delivering HR function, increased workload, lack of HR skills, increased costs, inadequate training and lack of employee development. Similarly, Thornhill and Saunders (1998) found that there was failure to achieve effectiveness in an organization where the specialist HR function was completely devolved. Brewster and Holt-Larsen (2000) noted that though the devolution of HR functions has received much attention by both academicians and practitioners in the UK and Europe over the last decade, the actual degree of involvement is not so extensive.

In Kenya, Devolved Government provides for the development of legislative frameworks that guide State Organs of Kenya transition to the devolved system. The new constitution introduced major changes in governance with a clear shift from a highly centralized to a decentralized or devolved system. Devolution, as envisaged in the Constitution of Kenya entails sharing of political, administrative and fiscal responsibilities between the national and county governments. One of the main resources to be devolved is the human resources (Transition Authority Report 2015).

Compelling research work has established the impact of human resource management practices on both employee and corporate performance, these practices include recruitment and selection, rewards and benefits, training and development which provides policies and structures through which performance is realized and improved (Delaney & Huselid, 1996; Noe, et al., 2004). In developing economies, various challenges have hindered effective and efficient human resource management practices to an extent of affecting performance in a negative way. Considerable studies conducted across the globe has touched on human resource management practices and their interlink to employee performance but few of these studies have been generally done in Kenya especially at the county level.

Armstrong (2006) identifies employees as a key and vital resource in the organization who need to be managed effectively and efficiently through human resource practices, policies, procedures and structures which ultimately leads to improved performance. Guest, Michie, Conway & Sheenan (2003) observes that human resource management practices are closely associated with high performance at the workplace in a two distinct way. They found out that human resource functions have a direct bearing to corporate performance. Secondly, they argue that when human resource practices and procedures are efficiently and effectively combined in a unique and distinct it will lead to improve performance.

Additionally, Guest et al observes that effective and efficient human resource practices should be interlinked with the overall and specific strategies of the organization in order to improve both employee and organization performance. Collins & Druten (2003) also argues that employees when well managed through effective human resource practices will always perform better than when they are not. Schuler and Macmillan (1984) also affirms that employees tend to perform better and retained in the organization as a result of effective and efficient human resource management practices which motivates them to do so. Employees are therefore motivated through rewards and benefit programmes as other human resource functions like training and development provides the right caliber of skilled and talented employees who in the long run improve organizations performance to match the competitive market and enhance competitive advantage of the firm.

Lundy and Cowling (2004) reiterate that education, learning, training and development are interrelated in a special and unique way. All these share common programmes and procedures that improves the ability and potentials of employees to perform maximally. The development process always take a long period of time and result to increased ability and skills to perform tasks while education facilitates employees attainment of character, mental powers and ability to interact with other employee of the organization, while developing learning skills, right attitude and knowledge (Lundy and Cowling, 2004).

Huselid (1995) observes the need to train employees at their work place and develop them through various training programmes while subjecting them to job rotation and job enrichment in order to add value and motivate performance. Training and development when done well will reduce operation costs and other expenses e.g. accidents costs that could otherwise be incurred as employees work in the organization. Lastly, Dessler (2003) concludes that when done in a professional manner, training and development ultimately leads to improved performance at both individual and organization level.

Although research in Human Resource Management (HRM) is a decade old phenomenon for local industry, research about HR functions (Ali & Jadoon, 2012) and HRM Practices (Qureshi, 2010) provide reasonable insight on HRM and its implications for business environment in any country. The latter author points out that the gap between stated policies and real practices of HRM are the cause of employees “frustrations”. The main reason for the latter statement is that the application of international HRM models may not be imported because of their alien nature. According to Huselid (1995), HRM universal Practices bundle has included selection, training and development, rewards and compensation in international setting where the HRM has already tested and adopted for achieving competitive advantage with and through people. The realization of HR functions and their strategic use is increasing gradually and visionary firms are using these practices in competing with other firms (Ali & Jadoon, 2012).

Organizational citizenship behavior is the technical psychological term for what can be simply defined as the compilation of individual behaviors in a group setting. Organizational citizenship behavior was first defined by Dennis Organ in 1988 as "an individual behavior which is not

rewarded by a formal reward system ... but that, when combined with the same behavior in a group, results in effectiveness." In the business world, organizational citizenship behavior has been linked to work productivity, employee effectiveness, and other factors which can impact a business in the short or long term. Common examples of business organizational citizenship behavior occur when employees are grouped together, which may occur on a regular basis or a part of a special or temporary assignment. For example, employees in the marketing department will display organizational citizenship behavior on a regular basis because of they are co-workers in the same department; employees who are put together for a temporary work assignment will also display organizational citizenship behavior, albeit on a temporary basis(Organ 1988).

Dennis Organ's major 1988 study on organizational citizenship behavior defined the concept into five common behaviors. Organ's study suggested that, when these common behaviors are exhibited in a group setting, it will lead to effectiveness. In the context of business, this means that the five most common organizational citizenship behaviors will lead to more productivity and more effective work. Although today psychologists recognize dozens of other common positive organizational citizenship behaviors, the five defined by Organ in 1988 are still considered to be the most significant. The five most common behaviors, as defined by Dennis Organ, are: altruism, courtesy, sportsmanship, conscientiousness, and civic virtue(Organ 1988).

Examples of civic virtue in a business setting include speaking positively about the business to friends, family and acquaintances; signing up for business events, such as charity walking events or fundraiser parties; and generally supporting the business by always representing the business to the best of their ability even when they are not working. Civic virtue encourages a sense of community within a business setting, which has been shown to be linked to job performance and job satisfaction in employees. Employees who feel a stronger connection with their place of employment are more likely to be productive and effective workers, when compared to those who do not share a sense of community(Organ 1988).

In the developing economies, HR practitioners are struggling to meet the emerging challenges of new values of knowledge workers who have necessitated a new paradigm of practices for attraction and retention of talent for organizational sustainability (Khilji, 2002). Performance in

the past has been measured in various ways. Research has shown that employee performance can be measured using expected behavior and task related aspects as opposed to financial figures (Motowidlo, 2003).

Schmitt and Chan, in Motowidlo (2003) also notes that employee performance can be categorized into two; will and can do. Will do is indicated by employees knowledge, skills and ability that is essential for completing specific tasks while can do represents the level of employee motivation to perform well or better. In the past, human resource management functions has been greatly ignored by both organizations and individuals, only in the modern business world has human resource practice been seen as a vital and one of the most important field in both practice and theory for effective and efficient performance of employees and organizations as well as in strategic management and other human resource related fields.

In Kenya, private owned firms has been seen to perform well as compared to the state owned firms. The Public Service Commission in Kenya has always been mandated to close the gaps between these two sectors of the economy so as to harmonize performance by ensuring state owned entities improve on their performance. Existing research shows that improving performance in the public sector requires more research work, increased training and development practices, better rewards and benefit programmes and professionalism in the process of recruitment and selection processes. Michie & Oughton (2003) notes that if organizations and firms gets into the habit of practicing effective and efficient human resource management practices especially recruitment and selection, rewards and benefit and training and development in a professional manner, both employee and corporate performance at the public sector of the economy will be realized. Guest, Michie, Conway & Sheenan (2003) additionally states the need to improve performance through human resource practices so as to gain competitive advantage .

Due to unprofessionalism as a result of lack of essential skills, knowledge and competence at human resource management in the civil service, the public service commission (2014) formulated a new approach to management of HR functions which include redesigning HR to ensure that employees are answerable to a single authority at the national level and in the

counties with regard to national government functions. A decentralization policy model of HRM was introduced to address the challenges and the expected outcomes. The commission pointed out the need of professional human resource management to secure a functional public service through application of uniform norms and standards by encouraging mobility of staff within and across ministries, thus exposes staff to varied experiences and transfer of skills, knowledge and competences. Employees were to be trained and developed to overcome the challenges and meet their expectation in terms of behavior and task related aspects while experiencing Protection from unfair treatment. Although these are the merits of public service commission, the extent at which these standards of training and development has affected employee performance at the county level is yet to be examined

2.4.1 Recruitment and Selection and Employee Performance

According to Huselid (1995) recruitment is defined as searching for candidates with the desired knowledge, skills and experience to allow an organization to select the most appropriate people to fill job vacancies against defined position descriptions and specifications. Once a pool of candidates has been identified through the recruitment process the most appropriate candidate, or candidates are identified through a selection process including but not limited to interviewing, reference checking and testing (Huselid, 1995). The purpose of the selection process is to ensure that the best person or people are appointed to the role or roles using effective, fair and equitable assessment activities,. In this study, recruitment and selection process at the county government of Nakuru was examined on how it is carried out in regard to human resource needs of the county, long term objectives of the county and strategies used to get the best employees in terms of quality and types of skills required.

In order to achieve competitive advantage, employees play a vital role in organization performance without whom it will be entirely difficult for firms to be competitive (Bohlander, Snell & Sherman, 2001). They agree to the fact that organization performance is directly linked to organization's employees ability, knowledge and skills. Schuler and Macmillan (1984),noted that organizations who are equipped to meet emerging challenge are those that are in a capacity to utilize after acquiring valuable human capital. Human resources, especially if they are effectively and efficiently deployed and managed leads to improved performance. Research in

Human Resource Management (HRM) has proved that organizations effectiveness and efficiency is determined by the type of employees at the organization and how they are managed which leads to success as a result of improved performance.

Huselid (1995) observes the need to train employees at their work place and develop them through various training programmes while subjecting them to job rotation and job enrichment in order to add value and motivate performance. Training and development when done well will reduce operation costs and other expenses e.g. accidents costs that could otherwise be incurred as employees work in the organization. Lastly, Dessler (2003) concludes that when done in a professional manner, training and development ultimately leads to improved performance at both individual and organization level.

2.4.2 Rewards and Benefits and Employee Performance

According to Armstrong (2006), Training and development is defined as a process through which employees go through various activities for the purpose of increasing skills and knowledge while improving and enhancing the right attitude to perform. Training and development is therefore concerned with procedures used that instills knowledge, skills and attitude which interns helps employees gain the necessary skills that enables them to improve performance. In this study, training and development was examined on whether employees are developed to carry out their duties and fill hire position(succession planning), and whether career development and opportunities available within the county for training and development of employees to perform their job satisfactorily.

Organization strategy must always be in line with reward and benefit strategy so as to improve organization performance. Strategy and policy developers at the organization are thereby key human resource employees who make decisions at the top level management of the organization. These top level management employees are responsible in formulation of polices and strategies that must be tied to rewards and benefit practices of the firm . Researchers argue that rewards and benefits should be equitably and fairly distributed according to merit by tying them to organization strategies which defines the desired outcome of both individual and organization objectives. Practices like internal promotions and incentives are directly related to organization

strategies and they all improve performance when well managed (Armstrong, 2006). A good rewards and benefit strategy should be both in long and short term basis so as to systematically evaluate the progress of organization objective achievement.

Employee performance can be improved through rewards and benefit practices that are strategically implemented for the purpose of motivating employees to perform. Such incentives include both financial and non financial rewards; this will cause employees to strive and achieve more (Maund, 2001). It is evidence that employees tend to improve on performance when they are well compensated and rewarded for their good work hence the need to reward them and give them fringe benefits whenever they perform well. Praise could be shown in the organization newsletter or in meetings. When managers take time to meet and recognize employees who have performed well, it plays a big role in enhancing employees' performance (Torrington, Hall & Stephen, 2008).

Hafiz(2014) concurred with the fact that employees who are more satisfied with their jobs pay are more committed and perform more excellently than those who are not. Additionally, Allen and Helm's (2002) research confirmed the importance of regular expressions of appreciation by managers and leaders to encourage behavior of employees to reach strategic goals thus improving performance. Rewards and benefit programmes should therefore be carried out on a continuous basis so as to motivate employees to perform on a systematic and continuous basis rather than on certain occasions only (Thomson & Rampton, 2003).

Another way through which organizations can use reward systems to increase output is by personalizing the reward. Rewards and benefit should always be unique and desirable for any employee to obtain so as to make it more valuable and precious to acquire thus leading to improved performance. Managers should be on the lookout for employees who perform well.

Waal (2007) observes that employee have personal goals, ambitions and carrier development plans that when well synchronized with organization objectives always motivates employees to perform well. Consequently, when employees know what to expect in terms of rewards and benefit provided for those who perform well they at specific periods of time they tend to

inconsistently perform well overtime as opposed to those who have aligned their personal ambitions and goals to those of the organization. Organizations objectives and long term strategies will ultimately attract and retain skilled and performing employees who view the organization as an avenue of achieving their personal ambitions and dreams as they work in the organization. Lastly, employees will be able to develop an ever increasing culture of improved performance as they work towards achieving both individual and organization objectives simultaneously.

In discipline of human resource management, different writers suggest the following indicators for measuring performance and they include: completion of tasks assigned on a daily or hourly basis; customer satisfaction that can be measured by the number of royal customers and customer feedback; ability to volunteer in tasks not stipulated in the agreement terms; ability to keep confidential documents and portray traits of an organization citizenship behavior; abilities to suggest procedure changes to improve performance; absenteeism/tardiness observed when employees absent themselves from work; and achievements of objectives measured when an employee has surpassed his/her set targets, he/she is then considered to have performed well to achieve objectives (Hakala, 2008; Armstrong, 2006).

Both organization corporate performance and individual performance can therefore be easily measured in terms of task related aspects and expected behavior and rewarded accordingly on how well they have performed . It is increasingly being recognized that planning and an enabling environment have a critical effect on individual performance, with performance goals and standards, appropriate resources, guidance and support from managers all being central (Torrington, Hall & Stephen, 2008).

In conclusion, rewards and benefits significantly affects employee performance if it is geared towards motivating workers at the workplace. Employees are therefore likely to perform better and even excellently when they are motivated with desirable and valuable rewards and benefits that is treasonable on continuous basis. In addition researchers have also indentified motivation as the mediating mechanism and some indentify trust and morale. Motivation therefore has greater influence on employee performance than other variables and leads to job satisfaction

when combined with effective and efficient rewards and benefit practices (Torrington et al, 2008).

2.4.3 Training and Development and Employee Performance

According to Armstrong (2006), Training and development is defined as a process through which employees go through various activities for the purpose of increasing skills and knowledge while improving and enhancing the right attitude to perform. Training and development is therefore concerned with procedures used that instills knowledge, skills and attitude which interns helps employees gain the necessary skills that enables them to improve performance. In this study, training and development was examined on whether employees are developed to carry out their duties and fill hire position(succession planning), and whether career development and opportunities available within the county for training and development of employees to perform their job satisfactorily.

Noe, Hollenbeck, Gerhart & Wright (2004), defined development as a continuous process acquiring knowledge, skills and attitude that enable an employee to perform tasks that are not practiced within the organization. Development therefore increases the learning abilities of employee and consequently helps them to solve problems that are not stipulated in the usual procedures at the workplace. Development essentially equips employees to explore untapped potentials at the workplace hence improve performance. Employees are consequently equipped with better ways of carrying out their daily duties in a more effective and efficient way through the aid of advanced technological changes and in an always business changing environment. Developed employees are therefore more equipped to handle both organization and environmental changes and manage it in a more prudent way thus overcoming challenges and improving performance.

Lundy and Cowling (2004) reiterate that education, learning, training and development are interrelated in a special and unique way. All these share common programmes and procedures that improves the ability and potentials of employees to perform maximally. The development process always take a long period of time and result to increased ability and skills to perform tasks while education facilitates employees attainment of character, mental powers and ability to

interact with other employee of the organization, while developing learning skills, right attitude and knowledge (Lundy and Cowling, 2004).

Huselid (1995) observes the need to train employees at their work place and develop them through various training programmes while subjecting them to job rotation and job enrichment in order to add value and motivate performance. Training and development when done well will reduce operation costs and other expenses e.g. accidents costs that could otherwise be incurred as employees work in the organization. Lastly, Dessler (2003) concludes that when done in a professional manner, training and development ultimately leads to improved performance at both individual and organization level.

In conclusion, in order to achieve competitive advantage, employees play a vital role in organization performance without whom it will be entirely difficult for firms to be competitive (Bohlander, Snell & Sherman, 2001). They agree to the fact that organization performance is directly linked to organization's employees ability, knowledge and skills. Schuler and Macmillan (1984), noted that organizations who are equipped to meet emerging challenge are those that are in a capacity to utilize after acquiring valuable human capital. Human resources, especially if they are effectively and efficiently deployed and managed leads to improved performance. Research in Human Resource Management (HRM) has proved that organizations effectiveness and efficiency is determined by the type of employees at the organization and how they are managed which leads to success as a result of improved performance.

2.5 Research Gaps

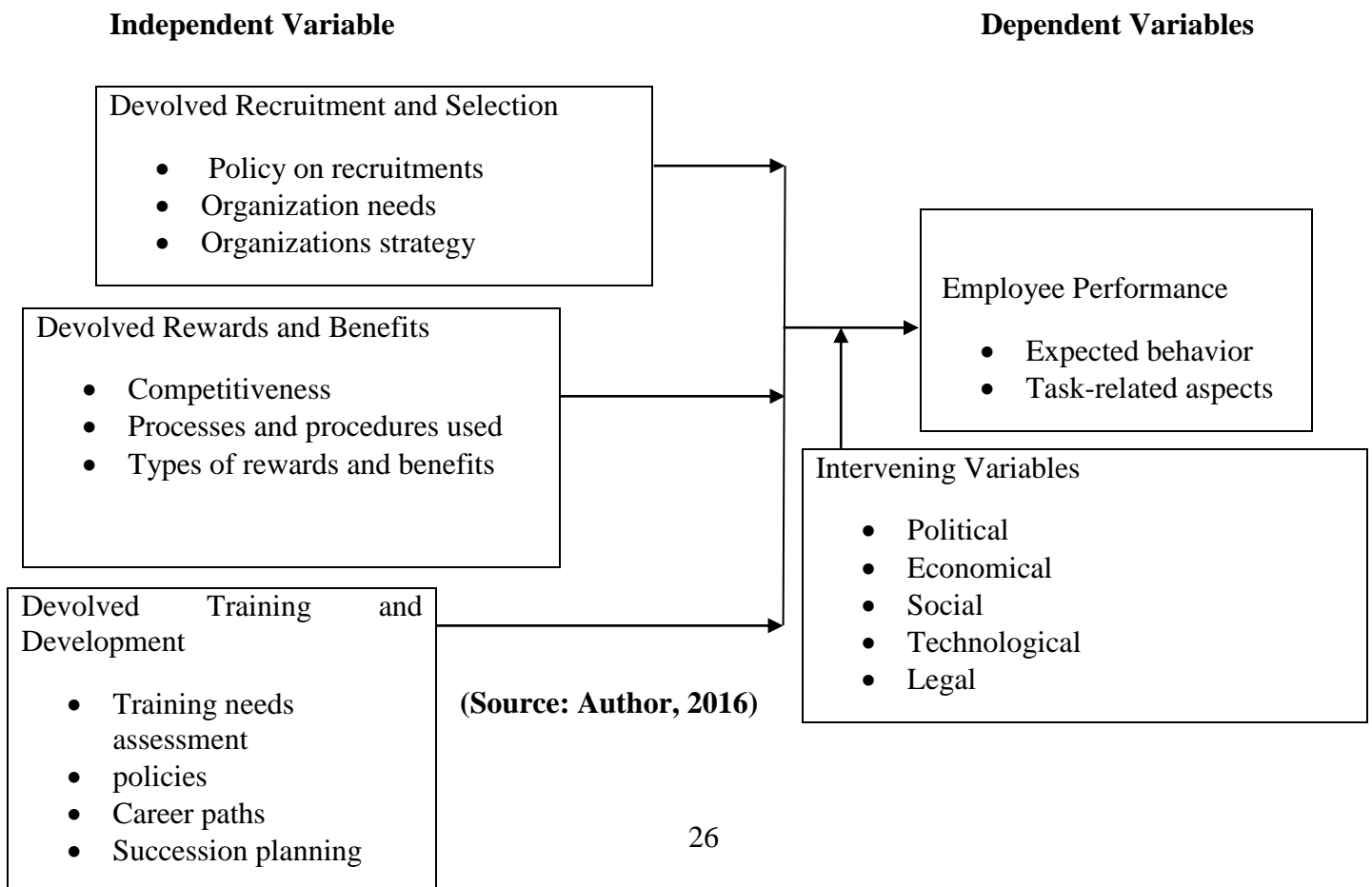
Existing studies have illustrated how HR practices played an important role in the performance of organizations, particularly in banking industry. Effect of human resource management on firm performance has received considerable importance in last 25 years showing effective connection between HR practices and firm performance (Qureshi, et al., 2010). Thus, there is a need to show how HR is interlinked with all the managerial functions involved in the practices of coaching and mentoring, training & development, development resources and compensation and these practices increase the potential of employees in the public sector.

The County Governments have had a huge labour workforce as a result of hiring of new staff without consulting the relevant departments at national or central government offices. While some investigations have been initiated in different countries, the available literature highlights that most of the studies examining the relationship between HRM and performance have been conducted on the organizational performance mostly in the developed countries. Few of these studies have been done in Kenya, particularly in the public sector touching on devolution of HR functions and employee performance. There is, therefore, a great need for additional evidence to support the devolved HR functions and performance relationship from different sectors and contexts.

2.6 Conceptual Framework

This section assesses the research variables derived from the literature to test whether there are significant relationships between the independent variable and dependent variable. It focuses on the determinant variables identified in the study, which would be associated with employee performance at Nakuru County Government headquarters.

Figure 2.1 Conceptual Framework



CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

In this chapter the following were discussed; research design, target population, sampling design and procedure, data collection procedures, piloting and data analysis.

3.2 Research Design

The study adopted descriptive survey design. This type of research design attempted to describe systematically, a situation, problem, phenomenon, provide information about an issue and describe attitudes towards an issue (Kumar, 2005). The design was applicable to the study since it enabled the researcher to study the relationship between devolved human resource functions and their effect on employee performance.

A case study method was also used in the study. According to Kumeopor (2002), case study method is essential especially when the research is of a unique and peculiar in nature and where additional evidence are required for specific research done. Case study method is also used to detect issues and circumstances that may be skipped or ignored that may actually influence the research results. Complicated issues and factors can also be detected and solved in the process of data analysis.

Case study method was chosen and was also found to be more practical as a result of both the unique nature and special research case of Nakuru county government headquarters. Case study was therefore chosen as a study method in this research project as result of the cosmopolitan nature of Nakuru county with its governing headquarter system serving the heart of rift valley province. The uniqueness of how devolved recruitment and selection, devolved rewards and benefits and devolved training and development practices effect on employee performance as they are carried out in comparison to other counties in Kenya makes case study method of collecting data more appropriate.

3.3 Study Area

The study was conducted in Nakuru County Government offices with 301 permanent employees.

3.4 Target Population

The term population means the total number or an aggregate of individuals, objects, or any other subject of concern which by virtue of a common characteristic is of interest to the researcher and may lead to the obtaining of relevant information regarding a phenomenon under study (Oso and Onen, 2009). The target population for the present study comprised the Top management, middle level management and non managerial staff.

Table 3.1

Distribution of population

Employees	Number	Percentage
Top management	21	7
Middle level management	181	60
Non managerial staff	99	33
Total	301	100

3.5 Sampling Design

Sampling is the process of selecting a member of individuals selected to represent the larger group. There are 301 permanent workers at Nakuru Headquarters offices, made up of Top management, middle level management and non managerial staff. Simple random sampling method was used to select respondents from each category of employees.

Sampling Technique

The sample size, n, was fixed through Nassiuma Coefficient of Variation formula (Nassiuma, 2000).

$$n = \frac{NC^2}{C^2 + (N - 1)e^2}$$

Where:

- N is the population size (total number of employees)
- C is the coefficient of variation $21\% \leq C \leq 30\%$
- e is the probability α – level $0.02 < e < 0.05$

Then the sample size was allocated proportional to population using stratified formula;

$$n_h = (n/N)N_h$$

Where:

- N_h is the sample size of strata h (total number of employees per strata)

The results are as shown in Table 3.2

Table 3.2

Distribution of Sample Size

Employees	Number	percentage(%) of Population	Required sample size $n_h = (n/N)N_h$
Top level management	21	7	7
Middle level management	181	60	60
Non managerial staff	99	33	33
Total	301	100	100

Source: Nakuru County Government

3.6 Data Collection Instruments and Procedures

A questionnaire was used to collect the data from the respondents. According to (Kothari, 2009), questionnaires provide a method through which data expressed in numerical terms can be collected. The advantage of using a questionnaire is that it enables the researcher to reach large numbers of people more easily, as they can leave them to fill in the questionnaire and send it back. Data were collected at the beginning to the end of the month of August, 2016. Research authority letter from Kabarak University was issued to the county government headquarters with an aim of obtaining permission to carry out the research in a confidential manner and strictly for academic purpose.

3.7. Validity of the Instrument

The content Validity refers to the appropriateness of the instrument for the purpose of study (Saunders, Lewis & Thornhill, 2007). The questionnaire validity was being determined by getting the relevant items divided by the total number of items, if the construct validity index is 0.7 and above then the instrument is valid (Amin,2005).

3.8 Reliability of Instrument

In this context reliability is the extent to which a test or procedure of data collection yields similar results under constant conditions in all occasions. According to Cronbach (1951), reliability is a coefficient of internal consistency and commonly used as an estimate of the reliability of a psychometric test for a sample of examinee. The study used Cronbach's statistics due to the nature of the research instrument. A level for the reliability coefficient of 0.70 or higher is considered "acceptable" in most social science applications (Kothari, 2009). The reliability statistics reveals a reliability coefficient that exceeds 0.7 (.777) which is acceptable.

A pilot study of the instruments was conducted to further confirm the construct validity as well as reliability. Fifteen questionnaires were administered and analyzed. The piloting was conducted at Kenya Power and Lighting Company main office Nakuru because it has a devolved HR system and delivers public service to Kenyans like the county government . The preliminary result from piloting determined changes to be made on the questionnaire, mostly wording to improve clarity.

3.9 Data Analysis and Presentation.

Data analysis is a process of bringing order, structure and meaning to mass of information collected. Collected data was recorded on a scale of 1 to 5 as; strongly disagree = 1, disagree = 2, neutral = 3, agree = 4 and strongly agree = 5. Data was then exported to Statistical Package for Social Sciences(SPSS) Version 20. Data were analyzed by the use of descriptive statistics using SPSS to generate percentages, means, standard deviations, Chi square distributions and frequencies. Inferential statistics used include correlation analysis to access the nature and strength of relationship between dependent and independent variables (Kothari, 2009), and

multiple linear regression analysis to assess the predictive nature of the independent variables of the dependent variable using the formula below. The findings were presented using tables.

A multiple linear regression model was used to estimate the parameters of the variable so as to establish the significance difference using the formula below;

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \mathcal{E}$$

Whereby Y= Employee performance

β_0 = Constant

$\beta_1, \beta_2, \beta_3$ = Parameter of the model

X_1 = Recruitment and selection

X_2 = Rewards and benefits

X_3 = Training and development

\mathcal{E} = Error term.

Additionally, the regression analysis model was used to determine the ranking of the most contributor dependent variable to the least contributor dependent variable of employee performance in the model.

CHAPTER FOUR
DATA ANALYSIS, PRESENTATION AND DISCUSSION

4.1 Introduction

This chapter provides data analysis, presents the key findings of the study together with contextual interpretation of such findings. It is organized with description of the respondents coming first, followed by descriptive statistics of the study variables. Inferential statistics are then used to test the study hypotheses, whereupon discussions of key findings are made to contextualize the study.

4.1.1 Response Rate

Table 4.1 shows the response rate of the questionnaires

Table 4.1

Response Rate

Questionnaires issued	No. of questionnaires Returned	Response Rate (%)
100	93	93

Source, Researcher (2016)

A high questionnaire response rate of 93% was obtained as shown in Table 4.1. This response rate was acceptable according to Kothari (2004) and resulted from the researcher administered approach used to administer the instruments. This method also ensured the respondent's queries concerning clarity were addressed at the point of data collection; however, caution was excised so as not to introduce bias in the process.

4.2 Descriptive Statistics

The aim of the descriptive statistics was to describe the general distributional properties of the data, to identify any unusual observations (outliers) or any unusual patterns of observations that may cause problems for later analysis to be carried out on the data. Thus initial exploration of the data using simple descriptive tools was provided to describe the study respondents as well as

summarize the data generated for the study. This section provides the descriptive statistics as per the objectives of the study.

4.2.1 Demographic Information

The background information that was retained for analysis relating to the respondents include gender and the official position of the respondent. The other respondent information initially sought in the questionnaire was not used due to missing values in certain cases. The results on the gender and position of the respondent are summarized in table 4.2

Table 4.2(a)

Gender of the Respondents

Gender	Number of respondents	Percent(%)	χ^2	P > χ^2
Male	43	46	0.53	0.47
Female	50	54		
Total	93	100		

Source, Researcher (2016)

The findings in Table 4.2(a) show that 46% of the respondent were male while majority 54% of the respondent were female. The proportion of male to female were not significantly different ($\chi^2 = 0.53$, P = 0.47). The result therefore means that Nakuru County Government have equal employment opportunity for both male and female employees.

The findings in Table 4.2(b) show that 5% of the respondent were in Top level management, 35% of the respondents were Non Managerial staff while majority of the respondents (60%) were in Middle level management position. The findings revealed that the proportion of distribution of respondents over position was significantly different ($\chi^2 = 42$, P =.0). These result shows that few employees who are at the top position are responsible for formulating policies and strategies which are implemented by middle level managerial staff who form the majority of the employees at Nakuru County Government Headquarters.

Table 4.2(b)

Position of the Respondents

position	Number of respondents	Percent(%)	χ^2	P > χ^2
Top Level Management	5	5%	42	.000
Middle Level Management	56	60%		
Non Managerial Staff	32	35%		
Total	93	100		

Source, Researcher (2016)

4.2.2 Effects of Devolved Recruitment and Selection on Employee Performance

The findings in table 4.3 suggest that the respondents strongly disagreed ($\chi^2=17.02$, $P=0.002$) that the County conducts exit interviews. The finding also asserts that the respondents agreed ($\chi^2=27.38$, $P<0.0001$) that the organization’s HR executives are fully aware of the business needs and strategies. The findings also show majority of the respondents agreed ($\chi^2=10.81$, $P=0.029$) that all major jobs are subject to formal job analysis. The finding also suggests that the respondents agree ($\chi^2=7.38$, $P=0.117$) that the organization has a structured policy for management of attrition and turnover. It was also evident that the respondent agreed ($\chi^2=11.14$, $P=0.025$) that the organization’s human resource requirements are systematically ascertained and an appropriate plan is formulated for satisfying the requirements. These findings reveals that the County doesn’t conduct exit interviews to ascertain causes of labour turnover.

The findings concur with research done by Al Qudah, Osman & HamzahEdris,(2014) that confirms a significant association between recruitment & selection and employee performance with a positive relationship effect. Compelling research work has established the impact of human resource management practices on both employee and corporate performance, these practices include recruitment and selection which provides policies and structures through which performance is realized and improved (Delaney & Huselid, 1996; Noe, et al., 2004).

Robbins (1991) also established that there exists a significant relationship between recruitment and selection and employee performance. He reiterates that recruitment policies and procedures determines the caliber of employees acquired by the organization. Highly qualified and

competent employees are therefore employed which it turns lead to improved performance. Mullins (1999) also points out the key role of planning prior to recruiting and selecting employees for various positions in the organization so as to ensure that the most qualified applicants get the job which ultimately improve performance.

According to Jones & Wright (1992) argue that performance can be improved through effective and efficient practices of human resource functions especially recruitment and selection practices. Also, U. S Department of labour (1993) reveals the important roles of acquiring and retaining quality employees through human resource functions of recruitment and selection procedures, enhancement of employees abilities and potentials through the process vigorous training and development practices while compensating and rewarding employees according to merit in accordance to performance appraisal systems that seeks to meet organization objectives in order to encourage and motivate employees to perform better while discouraging non performers to improve or quit.

Schuler and Macmillan (1984),noted that organizations who are equipped to meet emerging challenge are those that are in a capacity to utilize after acquiring valuable human capital. Human resources, especially if they are effectively and efficiently deployed and managed leads to improved performance. Research in Human Resource Management (HRM) has proved that organizations effectiveness and efficiency is determined by the type of employees at the organization and how they are managed which leads to success as a result of improved performance.

4.2.2 Effects of Devolved Recruitment and Selection on Employee Performance

Table 4.3

Effects of Devolved recruitment and selection on employee performance

	SD	D	N	A	SA		
Statement	Freq(%)	Freq(%)	Freq(%)	Freq(%)	Freq(%)	χ²	p-value
The county							
conducts exit	30(32.6)	15(16.3)	22(23.9)	19(20.6)	6(6.5)	17.02	0.002
Interviews							
County's HR							
executives are fully							
aware of the business							
needs and strategies	7(7.5)	10(10.8)	29(31.2)	32(34.4)	15(16.1)	27.38	0.000
All major jobs are							
subject to formal							
job analysis	11(11.8)	15(16.1)	19(20.4)	30(32.3)	18 (19.4)	10.81	0.029
The County has							
a structured policy							
for management of							
attrition and turnover	11 (11.8)	21 (22.6)	22(23.7)	25(26.9)	14(15.1)	7.38	0.117
The county's							
human resource							

requirements are

systematically ascertained

and an appropriate plan is

formulated for

satisfying the requirements 12 (12.9) 18(19.4) 20(21.5) 30(32.3) 13(14.0) 11.14 0.025

Source, Researcher (2016)

Items are on 5-point Linkert scale where;

Strongly agree = SA, Agree = A, Neutral = N, Disagree = D, Strongly Disagree = SD

4.2.3 Effects of Devolved Rewards and Benefits on Employee Performance

The findings in table 4.4 suggest that the respondents agree ($\chi^2=9.53, P= 0.049$) that the pay they receive is competitive compared to that of employees doing similar work in other counties . The finding also asserts that the respondents disagreed ($\chi^2=16.62, P= 0.002$) that the county has the practice of carrying employee attitude/employee satisfaction surveys. The findings also show majority of the respondents strongly disagreed ($\chi^2=8.99, P= 0.061$) that the county has provision for employee recognition programs and awards . Lastly, the finding also suggests that the respondents agree ($\chi^2=17.05, P=0.002$) that the county has provision for negotiation, administration and interpretation of written agreement between employees and management.

These findings agree with Hafiz et al(2014) who concurred with the fact that employees who are more satisfied with their jobs pay are more committed and perform more excellently than those who are not. Additionally, Allen and Helm's (2002) research confirmed the importance of regular expressions of appreciation by managers and leaders to encourage behavior of employees to reach strategic goals thus improving performance. It is evidence that employees tend to improve on performance when they are well compensated and rewarded for their good work hence the need to reward them and give them fringe and other benefits whenever they perform well. Praise could be shown in the organization newsletter or in meetings. When managers take time to meet and recognize employees who have performed well, it plays a big role in enhancing

employees' performance (Torrington, Hall & Stephen, 2008). Nakuru's county government rewards and benefit programmes should therefore be carried out on a continuous basis so as to motivate employees to perform on a systematic and continuous basis rather than on certain occasions only (Thomson & Rampton, 2003).

Organization strategy must always be in line with reward and benefit strategy so as to improve organization performance. Strategy and policy developers at the organization are thereby key human resource employees who make decisions at the top level management of the organization. These top level management employees are responsible in formulation of policies and strategies that must be tied to rewards and benefit practices of the firm . Researchers argue that rewards and benefits should be equitably and fairly distributed according to merit by tying them to organization strategies which defines the desired outcome of both individual and organization objectives. Practices like internal promotions and incentives are directly related to organization strategies and they all improve performance when well managed (Armstrong, 2006). A good rewards and benefit strategy should be both in long and short term basis so as to systematically evaluate to progress of organization objective achievement.

Waal (2007) also observes that employee have personal goals, ambitions and carrier development plans that when well synchronized with organization objectives always motivates employees to perform well. Consequently, when employees know what to expect in terms of rewards and benefit provided for those who perform well they at specific periods of time they tend to inconsistently perform well overtime as opposed to those who have aligned their personal ambitions and goals to those of the organization. organizations objectives and long term strategies will ultimately attract and retain skilled and performing employees who view the organization as an avenue of achieving their personal ambitions and dreams as they work in the organization. lastly, employees will be able to develop an ever increasing culture of improved performance as they work towards achieving both individual and organization objectives simultaneously.

Odunlade (2012) Conducted research and indentified the relationship between benefits enjoyed by academic staff but denied by librarians and its effect professional librarian's job performance.

His findings showed unfairness and biasness in the distribution of benefits within the organizations which resulted in low job satisfaction and employee performance. These findings further confirms the existence of a relationship between benefits and employee performance.

4.2.3 Effects of Devolved Rewards and Benefits on Employee Performance

Table 4.4

Effects of Devolved rewards and benefits on employee performance

	SA	A	N	D	SD		
Statement	Freq(%)	Freq(%)	Freq(%)	Freq(%)	Freq(%)	χ^2	p-value
The pay I receive is competitive compared to that of employees doing similar work in other counties	9(9.7)	26(28.0)	22(23.7)	21 (28.0)	15(9.7)	9.53	0.049
The county has the practice of carrying employee attitude/ employee satisfaction surveys	3(3.2)	22(23.7)	21(22.6)	24(25.8)	23(24.7)	16.62	0.002
The county has provision for employee recognition programs							

and awards	8(8.6)	22(23.7)	17(18.3)	22(23.7)	24(25.8)	8.99	0.061
There is provision							
for negotiation,							
administration							
and interpretation							
of written agreement							
between							
employees and							
management	19(5.4)	30(32.3)	20(21.5)	19(20.4)	5(20.4)	17.05	0.002

Source, Researcher (2016)

4.2.4 Effects of Devolved Training and Development on Employee Performance

The findings in table 4.5 suggest that the respondents agreed ($\chi^2=12.65$, $P=0.013$) that the county has a formal policy of career planning and development . The finding also asserts that the respondents agreed ($\chi^2=9.85$, $P=0.043$) that there are distinct career paths and internal promotion norms within the county. The findings also show majority of the respondents were neutral ($\chi^2=15.44$, $P=0.004$) that the county utilizes the assessment centre/development centre for identification and development of management potential. The finding also suggests that the majority of the respondents were neutral ($\chi^2=30.17$, $P<0.0001$) that the county carries out succession planning in order to ensure that executives are available to fill gaps in key managerial positions .

Huselid (1995) observes the need to train employees at their work place and develop them through various training programmes while subjecting them to job rotation and job enrichment always leads to a significant employee performance associated with value addition and motivation that improve employee performance. These findings also agree with the fact that training and development when done well ultimately reduce on cost and other expenses e.g.

accidents costs that could have been otherwise incurred as employees work in the organization. Lastly, Dessler (2003) concludes that when done in a professional manner, training and development ultimately leads to improved performance at both individual and organization level.

These findings are also consisted with previous research which also confirmed that a relationship between training & development and employee performance both exists and is positive Patel, Messersmith and Lepak(2013)

4.2.4 Effects of Devolved Training and Development on Employee Performance

Table 4.5

Effects of Devolved training and development on employee performance

	SA	A	N	D	SD		
Statement	Freq(%)	Freq(%)	Freq(%)	Freq(%)	Freq(%)	χ^2	p-value
The county has a formal policy of career planning and development	9(9.68)	27(29.03)	25(26.88)	19(20.43)	13(13.98)	12.65	0.013
There are distinct career paths and internal promotion norms within the county	9(9.68)	26(28.0)	16(17.2)	24(25.8)	18(19.4)	9.85	0.043
The county utilizes the assessment							

centre/development							
centre for identification							
and development							
of management							
potential	5(5.4)	22(23.7)	28(30.1)	20(21.5)	18(19.4)	15.44	0.004
The county							
carries out succession							
planning in order							
to ensure that executives							
are available to fill gaps							
in key managerial							
positions	4(4.3)	25(26.9)	35(37.6)	16(17.2)	13(14.0)	30.17	0.0001

Source, Researcher (2016)

4.2.5 Employee Performance

The findings from table 4.6 indicate that majority of the respondents agreed ($\chi^2=80.28$, $P<0.0001$) that whenever the county requires, they were willing to stay at work till late. The finding also asserts that the respondents strongly agreed ($\chi^2=103.51$, $P<0.0001$) that they always do all their duties assigned to them on time. The findings also show majority of the respondents agreed ($\chi^2=53.94$, $P<0.0001$) that they make suggestions for improvement. The finding also suggests that the respondents agree ($\chi^2=60.25$, $P<0.0001$) that they help new workers, even when not asked to do so.

The relationship and influence of Human resource functions and how its policies and practices affect individual employee performance and corporate performance has over the years been the centre stage of research and development in various fields including; organization psychology, human resource management and industrial relations (Boudreau, 1991; Jones & Wright, 1992; Kleiner, 1990). Thus the findings of this research project agrees with the literature review

Jones & Wright (1992) also argue that performance can be improved through effective and efficient practices of human resource functions. Also, U. S Department of labour (1993) reveals the important roles of acquiring and retaining quality employees through human resource functions of recruitment and selection procedures, enhancement of employees abilities and potentials through the process vigorous training and development practices while compensating and rewarding employees according to merit in accordance to performance appraisal systems that seeks to meet organization objectives in order to encourage and motivate employees to perform better while discouraging non performers to improve or quit.

In order to achieve competitive advantage, employees play a vital role in organization performance without whom it will be entirely difficult for firms to be competitive (Bohlander, Snell & Sherman, 2001). They agree to the fact that organization performance is directly linked to organization's employees ability, knowledge and skills. Schuler and Macmillan (1984), noted that organizations who are equipped to meet emerging challenge are those that are in a capacity to utilize after acquiring valuable human capital.

In discipline of human resource management, different writers suggest the following indicators for measuring performance and they include: completion of tasks assigned on a daily or hourly basis; customer satisfaction that can be measured by the number of royal customers and customer feedback; ability to volunteer in tasks not stipulated in the agreement terms; ability to keep confidential documents and portray traits of an organization citizenship behavior; abilities to suggest procedure changes to improve performance; absenteeism/tardiness observed when employees absent themselves from work; and achievements of objectives measured when an employee has surpassed his/her set targets, he/she is then considered to have performed well to achieve objectives (Hakala, 2008; Armstrong, 2006).

It is increasingly being recognized that planning and an enabling environment have a critical effect on individual performance, with performance goals and standards, appropriate resources, guidance and support from managers all being central (Torrington, Hall & Stephen, 2008).

Table 4.6

Employee Performance

	SA	A	N	D	SD		
Statement	Freq(%)	Freq(%)	Freq(%)	Freq(%)	Freq(%)	χ²	p-value
Whenever the County requires, I willingly stay at work till late.	1(34.4)	45(48.4)	13(14.0)	2(2.2)	32(1.1)	80.28	0.0001
I always do all my Duties assigned to Me on time	45(48.4)	40(43.0)	5(5.4)	2(2.1)	1(1.1)	103.51	0.0001
I make suggestions for improvement	7(30.1)	42(45.2)	10(10.8)	6(6.5)	28(7.5)	53.94	0.0001
I help new workers, even when not asked to do so.	36(38.7)	46(50.5)	7(7.5)	2(1.1)	2(3.2)	60.25	0.0001

Source, Researcher (2016)

4.3 Inferential Statistics

Inferential statistics make inferences about populations using data drawn from the population in an effort to reach conclusions that extend beyond the immediate data alone.

4.3.1 Correlation Analysis

Correlation coefficients measure the strength of association between two variables. A positive correlation indicates the extent to which those variables increase or decrease in parallel; a negative correlation indicates the extent to which one variable increases as the other decreases. Pearson’s correlation analysis was therefore performed to determine the existence, significance and degree of association of the variables. These results were summarized in table 4.8.

Table 4.8

Summary of Correlation

		Recruitment & Selection	Rewards & Benefits	Training & Development	Employee Performance
Recruitment & Selection	pearson’s sig. (2-tailed)	1.00			
	N	93			
Rewards & Benefits	pearson’s sig. (2-tailed)	.649**	1.00		
	N	93	93		
Training & Development	pearson’s sig. (2-tailed)	.590**	.747**	1.00	
	N	93	93	93	

Employee	pearson's	.441**	.331**	.374**	1.00
Performance	sig. (2-tailed)	.000	.001	.000	
	N	93	93	93	93

** Correlation significant at the 0.01 level (2-tailed)

Source, Researcher (2016)

The correlation results shown in Table 4.8 revealed that devolved recruitment and selection has significant influence on employee performance at Nakuru County Government Headquarters ($r = 0.441$, $\alpha = 0.000$). It was also found that devolved rewards and benefit has a significant influence on employee performance ($r = 0.331$, $\alpha = 0.001$) and finally the correlation result found that devolved training and development has significant influence on employee performance at Nakuru county government headquarters ($r = 0.374$, $\alpha = 0.000$).

According to the correlation results, devolved recruitment and selection was the greatest contributor of employee performance followed by devolved training & development and devolved rewards & benefits in that order as shown in table 4.8.

4.3.2 Regression Results

Regression analysis is statistical measure that attempts to determine the strength of the relationship between one dependent variable(usually denoted by Y) and a series of other changing variables (known as independent variables). Multiple regressions use two or more independent variables to predict the outcome. Multiple linear regressions demonstrated that indeed employee performance to human resource management practices was dependent on recruitment and selection, rewards and benefits, training and development for an improved performance.

Table 4.9

Multiple Linear Regression Analysis Model Summary

Model	R	R Square	Adjusted R	
			Square	Std. Error of the Estimate
1	0.464 ^a	0.215	0.189	2.244

a. Predictors: (Constant), Recruitment & Selection, Rewards and Benefits, Training & Development.

Source, Researcher (2016)

From the model summary, adjusted r^2 was 19% implying that the regression model was able to explain 19% of the variability in the data meaning only 19% of variation in employee performance can be explained by the three independent variables that were devolved recruitment and selection, devolved rewards and benefits and devolved training and development. The rest, 81% can be explained by other factors not included in the model.

4.3.3 ANOVA and Regression Results

Table 4.10

ANOVA^a model

Source of Difference	Sum of Squares	df	Mean Square	F	sig.
Regression	122.883	3	40.961	8.13	0.000 ^b
Residual	448.235	89	5.0364		
Total	571.118	92			

a. Dependent variable: Employee performance

b. Predictors: (Constant), Devolved Recruitment & Selection, Devolved Rewards and Benefits, Devolved Training & Development. **Source, Researcher (2016)**

The ANOVA model in table 4.10 show that there was a significant difference between means of factors influencing employee performance at Nakuru county government (F-value 8.13; df=3; p=0.000). Colliearity statistics obtained VIF values between 1 and 10, indicating that collinearity is not a problem between the independent variables.

Table 4.11 summaries the results of the model

$$Y = 12.627 + 0.177X_1 - 0.031X_2 + 0.131X_3$$

Where independent variables are; X_1 , X_2 and X_3 are devolved recruitment & selection, devolved rewards & benefits and devolved training & development respectively.

According to the regression analysis model the most contributor of employee performance was devolved recruitment & selection, followed by devolved training and development. Devolved Rewards and benefit was found to be the last.

In table 4.11, the results shows that all the independent variables have a positive influence on employee performance except devolved rewards & benefits. ($\beta_1=0.177$, $\beta_2=-0.031$ and $\beta_3=0.131$) and they were all significant at $p<0.05$. This shows that positive 0.177 of recruitment & selection practices influenced the dependent variable while negative 0.031 rewards & benefit practices influenced the dependent variable and finally positive 0.131 of training & development practices at the Nakuru County Government influenced the dependent variable as per the model ($Y = 12.627 + 0.1774X_1 - 0.031X_2 + 0.1314X_3$).

Table 4.11

Multiple linear regression analysis correlation coefficients

Variable	Unstandardized		Standardized		Collinearity statistics	
	B	Std. Error	Beta	t	sig	VIF
(Constant)	12.627	0.836		15.102	.000	

Recruitment

& Selection	0.177	0.063	.353	2.801	.006	.554	1.805
Rewards							
& Benefits	-0.031	0.097	-.049	-0.322	.748	.376	2.660
Training							
& Development	0.131	0.094	.202	1.403	.164	.423	2.363

Source, Researcher (2016)

4.4 Hypothesis Testing

To test the hypothesis, a combined multiple regression analysis were performed on devolved HR functions and employee performance at 0.05 significant level. Results were shown in table 4.12

Table 4.12

Results of Hypothesis Test

Hypothesis	Hypothesis Statement	p-value	Remarks
H0 ₁	No significant effect of Devolved Recruitment & Selection on Employee performance.	.000	Reject
H0 ₂	No significant effect of Devolved Rewards &		

	Benefits on Employee		
	performance	.000	Reject
H0 ₃	No significant effect of		
	Devolved Training &		
	Development on Employee		
	performance	.000	Reject

H0₁: Devolved recruitment and selection have no effect on employee performance.

According to the results, the p-value .000 is less than 0.05 ($p < 0.05$). The null hypothesis was that devolved recruitment and selection practices have no effect on employee performance. The null hypothesis was therefore rejected and concluded that devolved recruitment and selection practices have significant effect on employee performance.

The findings concur with research done by Al Qudah, Osman, & HamzahEdris (2014) that confirms a significant association between recruitment & selection and employee performance with a positive relationship effect. Other related studies show that performance differences across firms can be attributed to the variance in the firms strategic resources and capabilities. Resources that are unique, valuable, difficult to find or copied by other firms can provide a good foundation for organizations to have a competitive advantages (Garud & Kumaraswamy, 2005). This implies that recruitment and selection practices should be given first priority by the human resource practitioners.

Robbins (1991) also established that there exists a significant relationship between recruitment and selection and employee performance. He reiterates that recruitment policies and procedures determines the caliber of employees acquired by the organization. highly qualified and competent employees are therefore employed which it turns lead to improved performance. Mullins (1999) also points out the key role of planning prior to recruiting and selecting employees for various positions in the organization so as to ensure that the most qualified applicants get the job which ultimately improve performance.

Human resources are unique resources obtained through the process of recruitment and selection procedures. Resick (2007) states that human capital signifies the combined intelligence and experience of staff as a source of competitive advantage that cannot be imitated by rivals. Such work force can only be acquired through effective recruitment and selection procedures.

Ho₂: Devolved rewards and benefits have no effect on employee performance.

The second hypothesis was to test if devolved rewards and benefits practices have effect on employee performance. The null hypothesis was that devolved rewards and benefit practices have no effect on employee performance. The results reveals a p-value of .001 which is less than 0.05 ($p < 0.05$). The hypothesis was therefore rejected and concluded that devolved rewards and benefits practices have significant effect on employee performance.

These findings agree with research by Hafiz (2014) that concurred with the fact that rewards and benefits is related to employee performance and that employees who are more satisfied with their jobs pay are more committed and perform more excellently than those who are not. Research shows that in the last two decades, there have been several attempts to show the connection between HR functions and performance of firms (Qureshi, Marwat & Ramay, 2010), these shows a significant relationship between rewards and benefits and employee performance. Another way through which organizations can use reward systems to increase output is by personalizing the reward. Rewards and benefit should always be unique and desirable for any employee to obtain so as to make it more valuable and precious to acquire thus leading to improved performance. Managers should be on the lookout for employees who perform well.

Organization strategy must always be in line with reward and benefit strategy so as to improve organization performance. Strategy and policy developers at the organization are thereby key human resource employees who make decisions at the top level management of the organization. Practices like internal promotions and incentives are directly related to organization strategies and they all improve performance when well managed (Armstrong, 2006). A good rewards and benefit strategy should be both in long and short term basis so as to systematically evaluate the progress of organization objective achievement.

Employee performance can be improved through rewards and benefit practices that are strategically implemented for the purpose of motivating employees to perform. Such incentives include both financial and non financial rewards; this will cause employees to strive and achieve more (Maund, 2001). It is evidence that employees tend to improve on performance when they are well compensated and rewarded for their good work hence the need to reward them and give them fringe benefits whenever they perform well. Praise could be shown in the organization newsletter or in meetings. When managers take time to meet and recognize employees who have performed well, it plays a big role in enhancing employees' performance (Torrington, Hall & Stephen, 2008).

H₀₃: Devolved training and development have no effect on employee performance.

The third hypothesis was to test if devolved training and development practices have effect on employee performance. According to the results, the p-value .000 is less than 0.05 ($p < 0.05$). The null hypothesis was therefore rejected and concluded that devolved training and development practices have significant effect on employee performance.

These findings are consisted with previous research which also confirmed that a relationship between training & development and employee performance both exists and is positive Patel, Messersmith and Lepak(2013). In order to achieve competitive advantage, employees play a vital role in organization performance without whom it will be entirely difficult for firms to be competitive (Bohlander, Snell & Sherman, 2001). They agree to the fact that organization performance is directly linked to organization's employees ability, knowledge and skills.

Schuler and Macmillan (1984),noted that organizations who are equipped to meet emerging challenge are those that are in a capacity to utilize after acquiring valuable human capital. Human resources, especially if they are effectively and efficiently deployed and managed leads to improved performance. Research in Human Resource Management (HRM) has proved that organizations effectiveness and efficiency is determined by the type of employees at the organization and how they are managed which leads to success as a result of improved performance.

Lundy and Cowling (2004) reiterate that education, learning, training and development are interrelated in a special and unique way. All these share common programmes and procedures that improves the ability and potentials of employees to perform maximally. The development process always take a long period of time and result to increased ability and skills to perform tasks while education facilitates employees attainment of character, mental powers and ability to interact with other employee of the organization, while developing learning skills, right attitude and knowledge (Lundy and Cowling, 2004).

Huselid (1995) observes the need to train employees at their work place and develop them through various training programmes while subjecting them to job rotation and job enrichment in order to add value and motivate performance. Training and development when done well will reduce operation costs and other expenses e.g. accidents costs that could otherwise be incurred as employees work in the organization. Lastly, Dessler (2003) concludes that when done in a professional manner, training and development ultimately leads to improved performance at both individual and organization level.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATION

5.1 Introduction

In this chapter, summary of the findings, recommendations and subsequent conclusions are discussed as per the results. Furthermore, suggestions for further research are also given. The overall objective of this study was to determine the effect of human resource management practices on employee performance at Nakuru County Government Headquarters. The specific objectives were to assess the effect of devolved recruitment and selection practices on employee performance, to assess the effect of devolved rewards and benefits practices on employee performance and to assess the effect of devolved training and development practices on employee performance.

5.2 Summary of the Major Findings

This study sought to fulfill three objectives, these were:

- I. To assess the effect of devolved recruitment and selection on employee performance.
- II. To assess the effect of devolved rewards and benefits on employee performance.
- III. To assess the effect of devolved training and development on employee performance.

The results confirmed that employee performance is directly affected by devolved recruitment & Selection, devolved rewards & benefits and devolved training & development at Nakuru County Government Headquarters. In respect to the study objectives, the findings were summarized as follows;

Devolved recruitment and selection at Nakuru county government were found having an effect on employee performance according to the data analyzed. Regression results revealed that it was the major influence in regression model ($\beta=0.177$), hence positive relationship with employee performance. The finding also reveals that majority of the respondents were of the opinion that County's HR executives are fully aware of the business needs and strategies and that all major jobs are subject to formal job analysis. It was also revealed that the respondents were of the opinion that the county has a structured policy for management of attrition and turnover and that the county's human resource requirements are systematically ascertained and an appropriate plan

is formulated for satisfying the requirements . All these factors had a positive effect on employee performance.

Secondly the study analyzed the extent to which devolved rewards and benefit affects employee performance at Nakuru county government headquarters. Regression result shows there was a negative relationship with employee performance ($\beta=-0.031$), this implies that, there was significant association between rewards & benefits and employee performance. The findings also revealed that majority of the respondents strongly disagreed that the county has provision for employee recognition programmes and awards. It was also revealed that majority of the respondents disagree that the county has the practice of carrying employee attitude/employee satisfaction surveys.

The study was to assess the effect of devolved training and development on employee performance at Nakuru county government headquarters. The regression analysis revealed that devolved training and development was totally significant to employee performance ($\beta=0.131$) this shows that there was a positive relationship with employee performance. The findings indicated that majority of the respondents agreed that the county has a formal policy of career planning and development and that there are distinct career paths and internal promotion norms within the organization.

Findings also revealed that majority of the respondents strongly agreed that they always do all their duties assigned to them on time while they also agreed that whenever the county requires, they were willingly to stay at work till late, make suggestions for improvement and help new workers, even when not asked to do so. It was also revealed that the working conditions at Nakuru county government headquarters (volume of assigned duties per day, time management, availability of training chances, relationship with supervisors, relationship with juniors, love for your work and Job security) were all much better for the respondents than jobs they had previously held which in turn lead to increased employee performance.

5.3 Conclusion

According to the findings from the study, it was revealed that devolved recruitment and selection practices at Nakuru county government headquarters had a strong effect on employee performance than the rest of the variable. In particular most of the employees were of opinion

that County's HR executives are fully aware of the business needs and strategies and that all major jobs are subject to formal job analysis. The findings concur with research done by Al Qudah, Osman, & HamzahEdris (2014) that confirms a significant association between recruitment & selection and employee performance with a positive relationship effect.

The findings also revealed that devolved rewards and benefits affect employee performance. In addition to this, it was realized that majority of the respondents strongly disagreed that the county has provision for employee recognition programmes and awards while the rest of them disagreed that the county has the practice of carrying employee attitude/employee satisfaction surveys. This shows that limitations of these affect employee performance. These findings agree with Hafiz (2014) who concurred with the fact that employees who are more satisfied with their jobs pay are more committed and perform more excellently than those who are not. Nakuru's county government rewards and benefit programmes should therefore be carried out on a continuous basis so as to motivate employees to perform on a systematic and continuous basis rather than on certain occasions only (Thomson & Rampton, 2003). Additionally the county should have the practice of carrying out employee attitude/ satisfaction surveys since the majority of the respondents disagreed that they actually do so as a habit.

The findings revealed that devolved training and development significantly affects employee performance. It was found that majority of the respondents had the opinion that the county has a formal policy of career planning and development and that there are distinct career paths and internal promotion norms within the organization. These findings are consisted with previous research which also confirmed that a relationship between training & development and employee performance both exists and is positive Patel, Messersmith and Lepak(2013)

5.4 Recommendation

The following recommendations were with regards to the findings:

Nakuru county Government should carry out its recruitment and selection practices in a professional way. In order to achieve competitive advantage, employees play a vital role in organization performance without whom it will be entirely difficult for firms to be competitive (Bohlander, Snell & Sherman, 2001). They agree to the fact that organization performance is directly linked to organization's employees ability, knowledge and skills. The county should

therefore carries out succession planning in order to ensure that executives are available to fill gaps in key managerial positions and conduct exit interviews in order to determine causes of employee turnover since majority of the respondents disagreed that the county actually does so.

Also, since the findings concur with research done by Al Qudah, Osman & HamzahEdris (2014) that confirms a significant association between recruitment & selection and employee performance with a positive relationship effect together with other related studies that shows performance differences across firms which can be attributed to the variance in the firms strategic resources and capabilities. Resources that are valuable, unique, and difficult to imitate at Nakuru county government can provide the basis for firms' competitive advantages (Garud & Kumaraswamy, 2005). This implies that recruitment and selection practices should be given first priority by the human resource practitioners at the county.

With regard to devolved rewards and benefits at Nakuru county government, the county should provide employee recognition programmes and awards. Additionally, the county should have the practice of carrying employee attitude/employee satisfaction surveys since majority of respondents disagreed that the county have a habit of doing so .

The county should also continue to train and develop their employees so as to improve performance. Huselid (1995) observes the need to train employees at their work place and develop them through various training programmes while subjecting them to job rotation and job enrichment in order to add value and motivate performance. The cost of training and development can be reduced by cutting expenses and other costs through effective and efficient raining and development practices. Also, Dessler (2003) concludes that when done in a professional manner, training and development ultimately leads to improved performance at both individual and organization level. Lastly, the county should utilize the assessment centre/development centre for identification and development of management potential since majority of the respondents disagreed that they actually do so.

5.5 Suggestions for Further Research

The study was only based on Nakuru county government. it is therefore recommended that a similar study be carried out at the National government and at other devolved counties in Kenya so as to ascertain whether the findings would be the same.

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APPENDICES

APPENDIX 1

RESEARCH AUTHORITY LETTER

KABARAK UNIVERSITY

10th August, 2016.

The County Secretary,

Nakuru County Government Headquarters,

P.O Box 2870-20100,

NAKURU.

Dear Sir/Madam,

RE: REQUEST FOR AUTHORIZATION TO CONDUCT RESEARCH

I am a student at Kabarak University undertaking a study on the effect of Devolved Human Resource Functions on employee performance at Nakuru County Government. I am therefore requesting for permission to conduct research in the above mentioned area of study. A questionnaire to be filled in by the staff based in Nakuru main office will be used to assess the influence of Human Resource Management Practices on employee performance. A research project report is a university requirement for the award of MBA degree.

The information given will be confidential and strictly used for academic purpose.

Yours faithfully,

Cheboror Allan Kibet

APPENDIX 2

QUESTIONNAIRE

SECTION A: Personal information

1. What is your gender? Male [] Female []
2. How old are you? _____
3. What is your highest level of education? Tick where appropriate.
 - a) Secondary []
 - b) Tertiary(certIFICATE) []
 - c) Diploma []
 - d) Undergraduate Degree []
 - e) Masters Degree []
 - f) PhD degree []
 - g) Other(s) – Specify _____
4. In what capacity(position) are you employed?
 - a) Top management []
 - b) Middle level management []
 - b) non managerial staff []

SECTION B

You are kindly requested to state your degree of agreement or disagreement to each of the given items on a 5-point Likert scale. Insert a cross(x) or tick in the most appropriate column where:

Strongly agree	(SA)	[5]
Agree	(A)	[4]
Neutral	(N)	[3]
Disagree	(D)	[2]
Strongly Disagree	(SD)	[1]

Part 1: Recruitment and selection practices at the Nakuru County Headquarters.

To what extent do you agree about the following statements:

Recruitment & selection	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
The county conducts exit interviews	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
County's HR executives are fully aware of the business needs and strategies	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
All major jobs are subject to formal job analysis (job description and job specification)	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
The county has a structured policy for management of attrition and turnover	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
The county's human resource requirements are systematically ascertained and an appropriate plan is formulated for satisfying the requirements	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5

Part 2: Rewards and benefits management practices at the Nakuru county headquarters.

To what extent do you agree about the following statements:

Rewards and Benefits management	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
The pay I receive is competitive compared to that of employees doing similar work in other counties.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
The county has the practice of carrying employee attitude/employee satisfaction surveys	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
The county has provision for employee recognition programmes and awards	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
There is provision for negotiation, administration and interpretation of written agreement between employees and management	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5

Part 3: Training and development practices at the Nakuru county headquarters .

To what extent do you agree about the following statements:

Training and Development	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
The county has a formal policy of career planning and development	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
There are distinct career paths and internal promotion norms within the organization	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
The county utilizes the assessment centre/development centre for identification and development of management potential	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
The county carries out succession planning in order to ensure that executives are available to fill gaps in key managerial positions	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5

Part 4: Employee Performance

To what extent do you agree about the following statements:

Employee Performance	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
Whenever my organization requires, I willingly stay at work till late.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
I always do all my duties assigned to me on time(efficiently)	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
I make suggestions for improvement	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5
I help new workers, even when not asked to do so.	<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4	<input type="checkbox"/> 5

Thank You