

Effect of Employee Management Practices on Employee Performance in Trans Nzoia County Government, Kenya

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ABSTRACT

This paper examines the relationship between human resource management practices and employee performance in Trans Nzoia County government. Despite receiving considerable funds from the National Treasury and other local revenue, underperformance as a problem among employees characterizes most of the county governments in the country; underperformance in the county is depicted by failure to meet set targets, late coming, unjustified absenteeism, and unsatisfactory revenue collection. The paper specifically focused on the influence of compensation and career management practices on employee performance. The paper is an output of a study that was carried out on “human resource management practices and employee performance” in Trans Nzoia County. The study was guided by Human Capital Theory advanced by Theodore Schultz. It employed a correlational survey design. The target population comprised all the 102 employees attached to the Department of Public Service Management in Trans Nzoia County. A questionnaire was used to collect primary data. Both descriptive and inferential statistics were used to analyse the collected data. The regression analysis results indicated that both compensation and career management practices ($\beta_1 = 0.462$, $P \text{ value} = 0.000 < 0.05$ and $\beta_4 = 0.579$, $P \text{ value} = 0.000 < 0.05$) respectively had a significant positive effect on employee performance. It was concluded that both compensation and career planning affect employee performance. The paper thus, makes contribution to the extant literature regarding relationship between HRM practices and employee performance by establishing that compensation and career management practices are essential in predicting employee performance specifically in Trans Nzoia County government since a similar study had not been conducted in the area. Furthermore, the study recommends that county governments in Kenya should design effective compensation policy that will ensure employees are compensated according to the value they bring to the organization and the market standards, additionally employees should be allowed to embrace career planning prospects in fast tracking their career goal progress, self-management and professional abilities.

Keywords: Employee management practices, Compensation, Career Management, Employee Performance, Trans Nzoia County, Kenya

INTRODUCTION

Employee performance is a major concern in the contemporary organizations for sustainability and competitiveness (Akinyi, 2014). Human force of each organization plays an important role to realize the goals of an organization through performance; human resources is the personnel of a business or institution, regarded as a significant asset in terms of skills and ability towards improvement of the performance (Alnaqbi, 2011). Employee performance signifies the ability of an individual's work achievement after exerting required effort on the job. Underperformance among employees on the other hand is associated with poor attitude towards work, failure to meet set targets, tendencies of conflicts, absenteeism, and persistent client's complaints (Chew & Chan, 2011). According to Maina & Kwasira (2011), county governments in Kenya have continued to experience poor performance among employees despite, receiving substantial funds from the National Treasury and local sources of revenue. The county governments have been unable to adequately manage their human resources thereby leading to underperformance (Maina &

Kwasira, 2015). A report by Institute of Economic Affairs (IEA) (2016) revealed that Trans Nzoia County emerged position 23 out of the 47 counties with a total revenue of only Sh301 million. The underperformance has been blamed not only on egocentricity, nepotism, political interests of the governing class, but also on incompetence of the current employees as a result of existing inadequate human resource management practices in the county (Maina & Kwasira, 2015).

According to Katou and Gachunga (2014), Human Resource Management (HRM) practices can be grouped into two: those practices aiming at attracting and developing human resources, and those aiming at retaining human resources. Among the HRM practices aimed at attracting and developing employees are: Recruitment and selection; training and development. Those aimed at retaining employees are performance appraisals, reward and compensation systems. Such activities have been linked to organizational competitiveness, increased productivity, higher quality of work life and greater profitability (Chew & Chan, 2011). HRM practices, such as workforce planning, job analysis, training and development, recruitment and selection, compensation and reward, performance appraisal, career management, human resource information system, and quality of work-life, affect the performance of a firm (Alnaqbi, 2011).

Babbie & Mouton (2006) postulate that employee performance plays a critical role in the survival of organizations in the ever-competitive world; despite the role of employee performance in the success of an organization, recruitment and retention of competent employees is a challenge to many organizations; maintaining workers who are skilled and dedicated to duty is also a challenge in the country's county governments hence, underperformance among employees has been the order of the day. Chew and Chan (2011), argued that the level of employee performance is determined by the quality of HRM practices in an organization, employees tend to underperform as a result of inability on the management side to streamline HRM practices such as compensation, work life balance practices, and employee engagement. Dei (2014) alludes that HRM practices encompasses measures such as attractive compensation package, streamlining working environment, career management and participatory management.

Becker & Gerhart (2011) noted that, developed countries like the USA has reported an immense development in the health sector, delivery of healthcare services by competent employees has been secured by both public, private and nongovernmental organizations with streamlined HRM practices. In Austria, the official reasons for underperformance in private manufacturing companies were found to be poor compensation offered to employees and lack of opportunity to progress career wise (Chew and Chan, 2011). In India, a study by Dessler (2013) observed that the main causes of underperformance in private factories were; absence of career management support, poor pay and lack of employee participation.

In a study carried out by Kok & Ulhaner (2011) in Ghana, it was established that career management initiatives played an imperative role in determining the levels of employee performance. In South Africa, Babbie & Mouton (2006) unraveled an association between compensation and low employee performance. The main causes of the low employee performance in the country were wages, bonus and other compensations. Opu carried out a study in local government, Uganda and pointed out that employee performance was a function of HRM practices, reflected in terms of compensation management and working environment. According to Opu (2011) local governments in East African Countries are significantly under-resourced in most countries and as a result are unable to respond effectively to their duties. These countries thus, grapple with severe shortages of well-trained staff, owing to poor remuneration, internal and external migration of health workers, and inadequately implemented employment schemes locally (Opu, 2011).

In line with the current constitutional dispensation, county governments were created in Kenya after the 2013 general elections. These governments inherited the employees of now defunct local authorities in addition to other staff who were initially under the national government. Essentially, county governments have the power to make legislation pertinent to their area of jurisdiction. As exemplified in the Kenya's

context, devolved governments have power over almost all the human resources working in the 47 counties (Republic of Kenya, 2010). Unfortunately, according to evaluation reports (Mukanzi, 2013) Kenyan county governments have proved to be unable to adequately manage their human resources thereby leading to underperformance.

Kumar (2012) infers that HRM practices can enhance performance of a firm. According to his findings, he recommends that, firms ought to develop and document strategies for human resource management practices with the objective of enhancing both employee and organizational performance. This seem to be contrary to the practice in county governments in Kenya. This notwithstanding, little has been studied on the same, thus, the reason as to why a study was undertaken on the relationship between human resource management practices and employee performance in Trans Nzoia County.

Statement of the Problem

A major concern in the country's public sector has been noted as the inability to get competent employees who can discharge their roles diligently with minimal supervision (Dei, 2014). According to Katou & Gachunga (2014), optimum employee performance tends to contribute immensely towards the success of organizations, since competent employees don't rely on close supervision to execute assigned tasks. Furthermore, Masinde & Kwasira (2013) articulate that competent employees tend to add significant returns to the organization including; enhanced commitment and improved productivity among employees.

Contemporary organizations continue to experience dynamic changes precipitated by new information, technologies, communication coupled with demographic changes triggered by globalization; these have led to new challenges to employees necessitating them to be more productive at work so as to remain relevant in today's competitive job market (Dei, 2014). Masinde & Kwasira (2013) opine that most contemporary workplaces are alarmingly characterized with high labour turnover, low commitment and care free attitude; the situation has in turn lowered performance levels among workers to the detriment of organizational performance.

Despite the fact that devolved units in the county governments play a vital role in the country's economy, most of them struggle with poor performance among employees (Maxwell, 2012). As stipulated by Mukanzi (2013), unfair labour practices such as poor compensation, and inability to support employee career development lead to low employee productivity at work place. Wambui (2013) sought to establish motivational factors and employee performance; the findings showed that poor motivational factors including mishandled rewards and promotion predicted employee performance in Kenyatta University, Kenya. Omolo & Otengah (2013) explored career development and performance of SMEs in Kisumu Municipality; they established that performance levels among employees had deteriorated as a result of absence of career development measures in the SMEs. Mutua & Namusonge (2012) assessed employee engagement and performance of Financial Cooperatives based in Nairobi County; the study too confirmed that performance was a function of employee engagement.

Furthermore, a report by the Institute of Economic Affairs (IEA) (2018) revealed that only 9 out of the 47 counties surpassed the national average revenue of Sh718 million in 2015. The IEA further inferred that this placed a heavy burden on the national government, which had to provide top-ups to enable the poor performing counties to pay salaries, allowances and operational costs, thus leaving a small margin for developmental projects. Further, figures provided by the IEA showed that Trans Nzoia County emerged position 23 out of the 47 counties with a total revenue of only Sh301 million. This was a clear indication that Trans Nzoia County has a problem with the productivity of its human resources; this is because revenue generated in a county depends directly on the productivity of the employees. Nonetheless, no known studies have explored how HRM practices can impact on employee performance in Trans Nzoia County Government. It is on this background that the researcher conducted a study on the relationship between

human resource management practices and employee performance in Trans Nzoia County.

LITERATURE REVIEW

Relationship between Compensation and Employee Performance

Employee compensation includes all forms of pay and rewards received by employees for the performance of their jobs (Snell & Bolander, 2007). Direct compensation includes employee wages and salaries, incentive-payments, bonuses and commissions. On the other hand, indirect compensation comprises many fringe benefits including health care, life insurance, and subsidized lunch, leave policy, pension plan and transportation policies. Several studies have addressed the relationship between employee compensation and employee performance.

Chew and Chan (2011) conducted a study on relationship between human resource practices and employee performance in Australian organizations. The study used descriptive survey design with a sample size of 600. The researchers used mail questionnaires to collect data; both descriptive and inferential statistics were used to analyse data. They found that remuneration or compensation positively predicted organizational performance, the findings further showed that compensation offers employees some level of security, autonomy, and recognition which consequently increases their sense of self-worth thus leading to effective commitment and eventually increased job performance. The results of their study can be generalized to Australia and perhaps Europe because it involved nine large organizations from both private and public sectors and had about 475 respondents. However, the results could differ with respect to Africa and especially in the Kenyan county governments because of the rigid nature of these county governments.

Kumar (2012) carried out a study on the effect of human resource management strategies on employee performance in the Malaysian education sector. The study used a cross-sectional survey design with a sample size of 200. Questionnaires were used as data collection instruments; data was analysed using both descriptive and inferential statistics. The researchers tested the hypotheses via multiple regression analysis. The study showed that money can influence behaviour; hence, a fair remuneration is understood to be the cornerstone of the contractual and implied agreement between employees and employers in the sector. This result could hold true for other similar sectors in Malaysia but probably not for the Kenyan county governments. This is because the businesses of the two organizations are not similar.

Despite the fact that compensation plays a great role in enhancing job performance, some studies have also found that compensation in the form of base or variable pay may not be sufficient to enhance employee performance. For instance, Milman and Ricci (2013) sought to understand the impact of rewards and compensation strategies on employee performance in small and medium sized businesses in Italy. The study adopted a historical research design with a sample size of 620. Secondary data was used as an instrument of data collection. The collected data was then analysed using regression analysis. The two researchers found that the most significant predictors of enhancing employee performance included intrinsic fulfilment and working conditions rather than monetary rewards.

Relationship between Career Management Practices and Employee Performance

Career management is defined as ongoing process of preparing, implementing and monitoring career plans undertaken by individuals alone or in concert with the organization's career systems (Hall, 1986). It may include activities that help individuals to develop and carry out career plans, however, the focus is on taking actions that increase the chances that the organizations anticipated HR needs are met. Knowledgeable and highly skilled employees improve productivity, enhance quality of products and services, effect positive changes in processes, and deliver quality service to customers (Khan, 2012). By providing opportunities for training and career development forms part of career management, organizations are supporting their

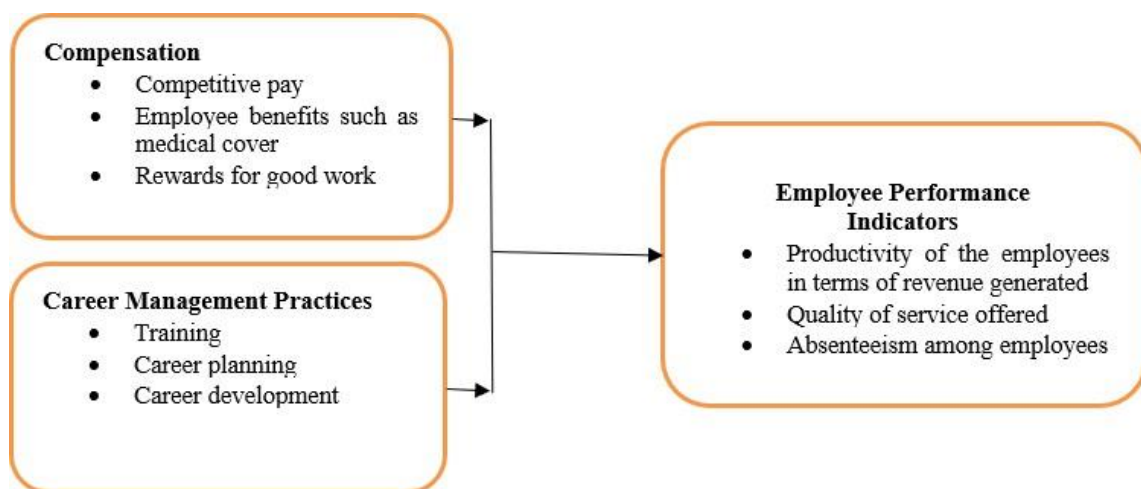
employees to be more knowledgeable as well as achieve their personal career goals.

Kipyegon and Cheruiyot (2012) conducted a study on the relationship between human resource management practices and employee performance in large scale tea farms of Kuresoi South District, Kenya. The study employed a descriptive case study research design with a sample size of 46 employees. The researchers used interview schedule and focused group discussion guide to collect data for the study; since the study was qualitative, data was analysed using thematic analysis. The findings of this study indicated that there was a strong positive relationship between career management practices and employee performance. The findings further showed that career management generate tangible outcomes such as: Improved productivity; quality products and services, and resource optimization as well as intangible outcomes such as enhanced self-esteem, high morale, and satisfaction of employees due to acquisition of additional knowledge, skills and abilities. The findings of the study may hold true for Kuresoi District but may not be considered representative of the prevailing situations in other areas in the country because of its small sample size.

Alnaqbi (2011) sought to find out the relationship between human resource management strategies and employee performance in public organizations in the United Arab Emirates. Since the study employed both quantitative and qualitative research approaches, the first phase involved a survey of Sharjah’s and Dubai’s governmental organizations. Among the 300 targeted respondents, 154 completed the survey questionnaires thus making a 51.33% response rate. In the second phase, in-depth interviews with 7 HR professionals were conducted. The study adopted both quantitative and qualitative approaches to data analysis. The findings of Alnaqbi’s study revealed that there is a positive relationship between career management practices and employee performance. This result may not be held true, to a greater extent, since the research suffered from inadequate response rate from the respondents.

Masinde and Kwasira (2013) conducted a study on the impact of career management practices on employee performance in private secondary schools in Nakuru town, Kenya. The study adopted a descriptive research design with a sample size of 80 teachers. Both closed- and open-ended questionnaires were used as instruments of data collection. Data was analysed with the aid of Statistical Package for Social Sciences. The research findings indicated that there was a negative relationship between employee development through career management practices and employee performance. The credibility of this study is questionable because the authors employed only one type of research instruments (questionnaire) to collect primary data.

Conceptual Framework



Source Researcher, 2018

THEORETICAL REVIEW

Adams Equity Theory

The equity theory by Adams (1965) recognizes that individuals are concerned not only with the rewards they receive for their efforts, but also compare their rewards with what others receive. The theory is founded on other people's perception of fairness or equity which is usually subjective. The equity theory posits that employees seek to maintain equity between the input that they bring in to a job such as education, time, experience, commitment and effort; and the outcome they receive such as promotion, recognition and increased pay against the perceived inputs and outcomes of other employees (Spector, 2012). Equity theory proposes that individuals who perceive themselves as either under-rewarded or over-rewarded will experience distress thereby underperforming at work, and that this calls for efforts to restore equity within the organization. Failing to find equity may make employees behave in ways that will harm the organization (Hellriegel et al. 2011).

The retaliatory measures by employees who think they are unfairly rewarded may include withholding effort and reducing work inputs, displaying feelings of hostility to co-workers and the organization itself, and seeking salary increases, challenging superiors about tasks assigned as well as quitting the job and seeking the alternative elsewhere. All these options have implications for an organization. It can impair the overall performance of an organization and lower productivity. If high performers leave an organization, the organization is likely to lose its productive talent and competitive advantage.

Maslow's Hierarchy of Needs Theory

Maslow (1943) proposed a hierarchy of needs theory and according to Maslow, motivation is a function of a sequence of five basic needs which are physiological, safety, social needs, esteem and self-actualization. Maslow's theory was based on the premise that higher-level needs are not important and is not manifested until lower level needs are satisfied. Once a worker's basic need for food, clothing and shelter are satisfied he or she becomes increasingly concerned with ego, esteem and self-actualization. Thus, the most basic needs of individuals are labeled as physiological needs and include items like food, water, sex, sleep and other bodily needs. This is followed by safety needs which include security and protection from physical and emotional harm. The third level of needs is social needs such as affection, love and belongingness; this is followed by the esteem needs and it includes self-respect, status, prestige and recognition. The highest level of need is self-actualization which is the drive to become what one is capable of becoming and achieving one's highest potential (Robbins and Judge, 2013).

The challenge for organizations is that, when formulating a reward strategy, the varied needs of employees must be well considered. Ramlall (2010) contends that; the implications of Maslow's theory provide useful insights for managers and other organizational leaders. Firstly, it directs managers to find ways of motivating employees by devising programmes and practices aimed at satisfying emerging or unmet needs. Secondly, it implies that management has the responsibility to create a work climate that enables employees to develop their fullest potentials. Failure to provide such a climate can increase employee frustration and could result in poor performance (Steers and Porter, 2010). Thus, if employees' needs at the various levels of the hierarchy are not met in time, they are likely to underperform.

Organizational Practices that Motivate and Improve Employees’ Performance

| Levels in the hierarchy of needs | Needs associated with each level of the hierarchy | Organizational measures for each level of the hierarchy |
|---|--|---|
| Physiological | Air Food Shelter Sex | Basic salary Heat and cold Canteen facilities Working conditions |
| Safety and security | Safety Security Competence Stability | General salary increases Job security Fringe benefits Safe working conditions |
| Social | Companionship Affection Friendship | Ensure work-life balance Employee engagement Professional friendship |
| Ego Status and Esteem | Recognition Status Self-Esteem Self-Respect | Design challenging jobs Appraisal and rewards Give training Employee engagement Responsibility Merit pay increase Job title Peer/Supervisory recognition |
| Self-actualization | Growth Achievement Advancement | Challenging job Creative opportunities, Advancement in the organization |

Source: Blunt and Jones, 1991.

From the table above, it is assumed that our behavior and actions are driven by a “hierarchy” of needs where lower level needs such as survival must be satisfied before we are motivated to meet higher level needs, such as “feeling connected” and self-actualization.

Theory of Work Adjustment

Theory of work adjustment was propagated by Dawis and Lloyd, (1984). This theory seeks to describe the relationship of the individual to his or her work environment. The proponents of this theory postulate that the work environment in any organization requires that certain tasks be performed; and for these tasks to be performed, human resource skills must be available. In exchange, the individual requires compensation for work performance and certain preferred conditions, such as a safe and comfortable place to work. The environment and the individual must continue to meet each other’s requirements for the interaction to be maintained. The degree to which the requirements of both are met may be called correspondence. Work adjustment is the process of achieving and maintaining correspondence between the employer and the employees. Work adjustment is indicated by the satisfaction of the individual with the work environment and with the individual by the individual’s satisfactoriness. Satisfaction and satisfactoriness result in job performance and tenure (Opu, 2011).

In relation to this study, employees who are highly motivated through conducive work environment are able to pay attention thus leading to increased performance in an organization; similarly, the low self-motivated employees in a non-conducive environment will lead to diminished performance.

MATERIALS AND METHODS

This study employed a correlational survey design. Correlation survey design establishes relationship between variables conceptualized to address the research problem without their (Creswell & Creswell, 2017). The choice of the research design is informed by the cause-effect relationships underlying the linkage between HR practices and employee performance. In addition, the design is deemed ideal because the study was nonexperimental and that data collected was only used once at one point in time. Thus, the design was well structured to offer information as to how HR practices relate to employee performance. Furthermore, the design takes care of the use of statistical analysis approaches that showed variations in employee performance as occasioned by variations in HR practices.

The target population of this study was all the employees attached to the Department of Public Service Management at the headquarters of Trans Nzoia County government. Therefore, the target population for this study was 102 employees (IPPD Payroll for Trans Nzoia County November, 2015). The researcher studied all the units that were contained in the target population. The researcher, therefore, studied 102 employees who were attached to the Department of Public Service Management. The said employees belonged to four different sections, namely the governance, human resource management, finance and revenue collection sections. Both structured and unstructured questionnaires were used to collect primary data from the respondents.

With the help of SPSS version 21, descriptive and inferential statistics were used to analyse data. The statistical significance of the relationships in the hypotheses was determined using simple linear regressions analysis, the level of significance was set at 0.05. Descriptive statistical techniques were used to analyse the characteristics of the collected data. This involved the use of means, percentages, frequencies and standard deviations. The processed data were presented in tables and explanations provided.

RESULTS

Relationship between Compensation and Employee Performance

Compensation was measured based on both intrinsic and extrinsic rewards or pay and benefits. It is not only in the form of money, but also in non-cash form. Respondents were asked to indicate the extent to which they agreed or disagreed with the statements relating to HRM practices undertaken by the county government on a five-point Likert scale (1=strongly agree – 5=strongly disagree). The results of the responses are presented in Table 1 below.

Table 1: Relationship between Compensation and Employee Performance

| Statement | Strongly agree | Agree | Neither agree nor disagree | Disagree | Strongly disagree | Mean | Std. Dev |
|--|----------------|-------|----------------------------|----------|-------------------|------|----------|
| The salary I receive is commensurate with my responsibilities and to the market standards. | 21% | 37% | 24% | 12% | 6% | 2.45 | 1.139 |
| The non-monetary benefits such as vacation time and medical insurance I receive are commensurate to the market standards. | 44% | 30% | 16% | 5% | 5% | 1.71 | .793 |
| The compensation offered by my organization leads to increase in job performance. | 43% | 35% | 16% | 4% | 2% | 1.81 | 1.039 |

Source: Fieldwork (2016)

The mean scores for the responses suggest respondents’ agreement to the statements on compensation by the county government. It appears that the respondents had knowledge on how employees of other organization besides county governments were compensated. The mean of 2.45 implied that employees agreed with the statement “The salary I receive is commensurate with my responsibilities and to the market standards”. Also, the mean of 1.80 means that the respondents agreed to the statement “The compensation offered leads to increase in job performance.”

To establish the link between employee compensation and performance, the first hypothesis was tested. It stated that (H01)-*There is no significant relationship between compensation and employee performance in Trans Nzoia County government.* The statistical test results (regression and correlation analyses) of each null hypothesis were set at 95% confidence level as shown in the tables below. The results were as shown in Table 2 below.

Table 2: Model Summary Showing the Relationship between Compensation and Employee Performance

| Model Summary | | | | |
|--|-------------------|----------|-------------------|----------------------------|
| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
| 1 | .462 ^a | .214 | .211 | .69025 |
| a. Predictors: (Constant), Compensation | | | | |

Source: Fieldwork (2016)

As indicated above, R-squared of 21.1% was obtained. This implied that the simple linear model with compensation as the independent variable explained 21.1% of the variations in employee performance. This meant that when compensation was used the performance of the county government changed by 21.1%. Below are the ANOVA results for compensation and employee performance.

Table 3: ANOVA Results Showing the Relationship between Compensation and Employee Performance

| ANOVA ^a | | | | | | |
|--|--------------|----------------|------------|-------------|--------|-------------------|
| Model | | Sum of Squares | Df | Mean Square | F | Sig. |
| 1 | Regression | 40.439 | 1 | 40.439 | 84.876 | .000 ^b |
| | Residual | 148.652 | 312 | .476 | | |
| | Total | 189.091 | 313 | | | |
| a. Dependent Variable: Employee performance | | | | | | |
| b. Predictors: (Constant), Compensation | | | | | | |

Source: Fieldwork (2016)

As shown in Table 3 above, p-value of less than 0.05 (p-value=0.000) was obtained. This implied that the simple linear model with compensation earned as independent variable is significant. Therefore, as compensation is used the performance of employees in the county government improves.

Table 4: Coefficient Results Showing the Relationship between Compensation and Employee Performance

| Coefficients ^a | | | | | | |
|--|--------------|-----------------------------|------------|---------------------------|-------|------|
| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | .964 | .159 | | 6.053 | .000 |
| | Compensation | .593 | .064 | .462 | 9.213 | .000 |
| a. Dependent Variable: Employee performance | | | | | | |

Source: Fieldwork (2016)

In the table above, correlation coefficients show that compensation earned (X1) is significant (p-value = 0.000) in influencing employee performance (Y). The fitted model from this analysis is shown as follows: $Y = 0.964 + 0.593X1$.

Hypothesis tests results suggest that compensation has a positive effect on employee performance. This finding indicates that the higher and timely the compensation provided by the county government the higher the performance will be among the employees. Therefore, the null hypothesis is rejected.

Relationship between Career Management Practices and Employee Performance

Career management practices were measured based on training and career development.

The responses to the statements are shown in the table below.

Table 5: Relationship between Career management Practices and Employee Performance

| Statement | Strongly agree | Agree | Neither agree nor disagree | Disagree | Strongly disagree | Mean | Std. Dev |
|--|----------------|-------|----------------------------|----------|-------------------|------|----------|
| I have received sufficient training to enable me do my job effectively. | 43% | 32% | 16% | 7% | 3% | 1.94 | 1.047 |
| There are opportunities for me to advance my career. | 45% | 24% | 6% | 20% | 5% | 2.16 | 1.313 |
| Career management practices lead to increase in job performance. | 25% | 50% | 18% | 7% | 0% | 2.06 | .842 |

Source: Fieldwork (2016)

The mean scores of 1.94, 2.16 and 2.06, respectively, meant the respondents agreed to the statements: “I have received sufficient training to enable me do my job effectively”, “There are opportunities for me to advance my career” and to whether career management practices lead to increase in job performance.

To establish the link between employee compensation and performance, the first hypothesis was tested. It stated that *(H02)-There is no significant relationship between Career Management Practices and employee performance in Trans Nzoia County government.* The statistical test results (regression and correlation analyses) of the above null hypothesis were as presented in the tables below.

Table 6: Model Summary Showing the Relationship between Career Management Practices and Employee Performance

| Model Summary | | | | |
|---|-------------------|----------|-------------------|----------------------------|
| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
| 1 | .579 ^a | .336 | .334 | .63453 |
| a. Predictors: (Constant), Career management practices | | | | |

Source: Fieldwork (2016)

As shown above, R squared of 33.4% was obtained in the above analysis. This implied that the simple linear model with career management practices as the independent variable explained 33.4% of the variations in employee performance. This meant that when career management practices were used the performance of the county government changed by 33.4%.

Table 6: ANOVA Results Showing the Relationship between Career Management Practices and Employee Performance

| ANOVA ^a | | | | | | |
|---|--------------|----------------|------------|-------------|---------|-------------------|
| Model | | Sum of Squares | Df | Mean Square | F | Sig. |
| 1 | Regression | 63.470 | 1 | 63.470 | 157.636 | .000 ^b |
| | Residual | 125.621 | 312 | .403 | | |
| | Total | 189.091 | 313 | | | |
| a. Dependent Variable: Employee performance | | | | | | |
| b. Predictors: (Constant), Career management practices | | | | | | |

Source: Fieldwork (2016)

A p-value of less than 0.05 (p-value=0.000) was obtained. This implied that the simple linear model with career management practices as independent variables was significant. Therefore, as career management practices facility is enhanced the performance of employees in the county government improves.

Table 8: Coefficient Results Showing the Relationship between Career Management Practices and Employee Performance

| Coefficients ^a | | | | | | |
|--|-----------------------------|-----------------------------|------------|---------------------------|--------|------|
| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | .672 | .141 | | 4.760 | .000 |
| | Career management practices | .837 | .067 | .579 | 12.555 | .000 |
| a. Dependent Variable: Employee performance | | | | | | |

Source: Fieldwork (2016)

Correlation coefficients show that career management practices offered (X2) is significant (p-value = 0.000) in influencing employee performance (Y). The fitted model from this analysis is shown as follows: $Y = 0.672 + 0.837X_2$.

Hypothesis tests results suggest that career management practices have a positive impact to employee performance. This finding indicates that the higher the career management practices provided by the county government the higher the performance will be among the employees. Therefore, the null hypothesis is rejected.

DISCUSSION

Correlation coefficient analysis revealed that there is positive and statistically significant relationship between compensation and employee performance of Trans Nzoia County government. The findings showed that compensation had coefficients of estimate which was significant basing on $\beta_1 = 0.462$ (p-value = $0.000 < \alpha = 0.05$). This indicates that for an increase in each unit of compensation, there was 0.462 units increase in employee performance. The findings of the study were counter to previous study of Milman and Ricci (2013) but in agreement with those of Chew and Chan (2011). Chew and Chan found that compensation positively predicted organizational performance; the findings further showed that compensation offers employees

some level of security, autonomy, and recognition which consequently increases their sense of self-worth thus leading to effective commitment and eventually increased job performance.

The study further found that there is a significant relationship between career management practices and employee performance in the county. The findings showed that career management practices had a coefficient estimate which was significant basing on $\beta_2 = 0.579$ ($p\text{-value} = 0.000 < \alpha = 0.05$). The results were consistent with those of a survey by Alnaqbi (2011) on the relationship between human resource management strategies and employee performance in public organizations in the United Arab Emirates. Alnaqbi found that career management practices were ranked high at influencing the performance in the public organizations. These findings, however, were opposed to the previous findings of Masinde and Kwasira (2013) which indicated that there was a negative relationship between career management practices and employee performance. The study found that training in the county government includes role orientation courses, seminars, and workshops. Career development, on the other hand, was enhanced through sponsorship of employees to pursue further studies. It was established that training and career development led to increased skills among the employees which in turn led to improved quality of service to clients.

CONCLUSION

The researcher concludes that human resource management practices particularly, compensation and career management have a significant positive relationship with the employee performance of the county government. When these practices were used, there was a great significant variance in employee performance in Trans Nzoia County government. The researcher further concludes that the county government had implemented a set of HRM practices but not to the required standards. There is need for the county to put more effort into enhancing more strategic HRM practices to enable the county government gain strategic organizational outcomes in terms of flexibility, productivity and quality customer service.

RECOMMENDATIONS

The county governments in the country should design effective compensation policy that offer competitive pay that is commensurate with the responsibilities executed by employees. The policies should also ensure that the compensation offered matches the market standards. There is equally a need for the county governments to conduct a more strategic human resources management training programmes, including total quality management training programmes. The training should be carried out on employees at all levels and should also expand to include training in other areas in readiness for other jobs in the future. Furthermore, as regards career development, there is need for the county governments in the country to put measures in place to ensure employee have an opportunity to advance career wise. This way they will be able to enhance their knowledge, skills, abilities and competencies hence, enabling them to deliver optimally at work.

The researcher further recommends that the human resource managers in the Kenyan county governments should ensure that training need analysis is conducted regularly in order to establish the training needs of the employees. Scholars and practitioners in HRM should actively engage in joint research that will be used to assist human resource managers and other top officials in the government to effectively ensure proper link between human resource management practices and organizational performance. The academic research needs to go a long way in ensuring that there is consistency between theory and practice.

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