Role of Human Resource Management Strategy in Organizational Performance in Kenya

Gerrard Charles Mutembei[1], Ondabu Ibrahim Tirimba[2]

[*] PHD in Human Resource Management candidate, Jomo Kenyatta University of Agriculture and Technology, Nairobi, Kenya
[**] PHD Finance candidate, Jomo Kenyatta University of Agriculture and Technology, Nairobi, Kenya

Abstract- Organizations today have increasingly become aware of the importance of strategic Human Resource Management (SHRM). This awareness in a system is a critical dimension in the performance of organizations. Most organizations today are undergoing some structural, operational, and business strategic changes with the aim of improving their performance. The organization's competitive strategy may include mergers and acquisitions, downsizing to increase efficiency, internal operations, or the acquisition of automated production technology. These strategic decisions determine the demand for skills and human resource. Incompetent and unbalanced: resourcing, training, development, reward, and appraisal methods have led to poor performance. The seminar sought to establish what other researchers have done in the field of human resource and performance of organization.

Index Terms- Absenteeism, Commitment, Expectation, Job satisfaction

I. Introduction

Nowadays, in the HRM literature there is growing interest for the contribution of HRM to the organizational performance. However, the focus then is often on the performance of private sector organizations. During the last decade public sector performance has become more and more an issue. Several innovations in the field are aimed to increase the quality of public service and to reduce costs at the same time. However, the existing research about the contribution of Human Resource Management (HRM) to support these developments has been scarce.

Over the years, researchers have suggested many HRM practices that have the potential to improve and sustain organizational performance. These practices include emphasis on employee selection based on fit with the company's culture, emphasis on behavior, attitude, and necessary technical skills required by the job, compensation contingent on performance, and employee empowerment to foster team work, among others. Pfeffer, (1998) has proposed seven HRM practices that are expected to enhance organizational performance. The practices proposed by Pfeffer (1998) are: Employment security; Selective hiring of new personnel; Self-managed teams and decentralization of decision making as the basic principles of organizational design; Comparatively high compensation contingent on organizational performance; Extensive training; Reduced status distinctions and barriers, including dress, language, office arrangements, and wage differences across levels and Extensive sharing of financial and performance information throughout the organization.

This seminar paper will evaluate and critique researches on human resource management and their effect on performance of public service in Kenya. Since the inauguration of the new constitution, there has been various policy review in the public and recently most public service servants have been on strike starting with the teachers, nurses just to name a few. Under the devolved county government, some services were devolved like the ministry of health and we have seen challenges in meeting the human resource needs at the county level which has adversely affected the performance of the county government, hence the seminar will address the issue of Human Resource Management and performance of County government under devolved County governments in Kenya. Therefore, this study aims to gain insight into the relationship between HRM and the quality of public service, to support public organizations to improve their performance by means of better HRM policies.

II. CONTENT ANALYSIS

1.1 Prior Studies on Human Resource Management

Ferris et al., (1990) made one of the first major attempts to examine how effective management of human resources might contribute to positive organizational performance. In their study of 2,236 firms from the U.S. construction industry, the Ferris group addressed the roles played by three important organizational functions and activities on firm performance: the status and importance of the HRM function, the role of unions and strategic planning. They found that firms that had HRM departments were generally high performers (i.e., larger total sales volume), firms that had a higher percentage of their workforce unionized also performed better than firms with a lower percentage and, finally, firms performed better when they engaged in more formalized strategic planning.

Past researchers such as Noe et al., (2000) contended that human resource management (HRM) is known as the central business concern, that shapes the behavior, attitudes, and performance of the employees, hence, HR practices are important tools for organizational performance. Hom and Griffeth, (1995) posited that when employees are not committed to their firms, this would lead to reduction in productivity, poor service quality provided, lost business opportunities, and subsequently increased administrative burden to the companies.

In a comparative study of strategic HRM practices among American-owned, Taiwan-owned and Japanese-owned firms, Huang (1998) examines the strategic level of HRM at 315 Taiwanese business firms. Using the General Linear Model (GLM) and Scheffe multi-range test as methods of statistical analysis, the findings indicate that American owned businesses were discovered to engage in strategic human resource management (SHRM) more frequently than Japanese- or Taiwan-owned enterprises. A positive relationship was also found between the amount of capital resources available to firms and the extent to which they practiced SHRM. Huang also reported that firms engaging in SHRM received a higher rating than other firms on the indices of organizational morale, financial performance, and overall performance.

Som (2008) sampled 69 Indian companies with a view to examining the impact of innovative SHRM practices on firm performance. Using descriptive statistics and regression analysis, results indicate innovative recruitment and compensation practices have a positive significant relationship with firm performance. Their results also show that recruitment, role of the HR department and compensation practices seem to be significantly changing within the Indian firms in the context of Indian economic liberalization. The synergy between innovative HRM practices was not found to be significant in enhancing performance during the liberalization process.

Okpara and Pamela (2008) examined the extent to which organizations in Nigeria use various HRM practice and the perceived challenges and prospects of these practices. Data was collected from 253 managers in 12 selected companies in 10 cities. Their findings reveal that HRM practices, such as training, recruitment, compensation, performance Appraisal and reward systems are still in place and those issues of tribalism, AIDS, training and development and corruption are some of the challenges facing HRM in Nigeria

1.2 Training and Development

Past researchers have found evidence on the impact of training on productivity and where employees and employers were able to share the benefits from training. Lynch and Black (1995) whose research focused on the generality of training to organizational performance revealed that only off-the job (general) training improves on the performance whereas on the job training does not. This is further concurred by Barrett and O'Connell (2001) that general training has positive impact on firm performance whereas firm-specific training does not.

On the other hand, Nankervis, Compton and McCarthy (1999) were of the opinion that effective training would not only equip employee with most of the knowledge and skills needed to accomplish jobs, it would also help to achieve overall organization objectives by contributing to the satisfaction and productivity of employee. Past researchers such as Drummond (2000) revealed that training provides adequate criteria to an individual to perform better in a given task and subsequently contributes to the firm performance (Rothwell, Sullivan & McLean, 1995). However, Drucker (1999) commented that Training is an expensive way of attempting to enhance human productivity.

1.3 Staff Reward

Reward system provides financial reward, promotion and other recognition, in order to motivate employees to take risk, develop successful new products and generate newer ideas (Guptal and Singhal, 1993). Reward system encourages employee to become motivated, thereby increase their participation in contributing innovation ideas, which leading to high organizational innovation. Moreover, it is argued that in order to bring lasting and better results and to significantly contribute to the success of their organization, employees must be motivated, committed, and satisfied (Paul and Anantharaman, 2003; Paauwe, 2004). Additionally, it is accepted that unless the organization is able to retain its employees, it will not be able to capitalize on the human assets developed within the organization. Thus, employee retention and employee presence may have a positive impact on organizational effectiveness (Boselie, Paauwe, & Jansen, 2001).

Firms can affect the motivation of employees in several ways. They can use performance-based compensation to provide rewards to employees for achieving the specific goals and objectives of the firm. A substantial body of work has provided evidence that incentive-based compensation has an impact on firm performance (Milkovich and Boudreau, 1998). According to Wang (2005), innovative firms treat HRM practices as the organization's strategy to encourage team responsibilities, enhance organizational culture, and build up customer relationships through participation and empowerment. In turn, it will help to create and market new products and services (Gupta & Singhal, 1993).

Employees compare their rewards with the rewards of relevant others (Bloom & Michel, 2002). Unequal reward may cause competitive and undesired behavior. Equal and fair treatment will consequently remove an important cause of envy and competition among co-workers. So when the practices are better aligned, co-workers will be more inclined to cooperate than when practices are not well aligned.

1.4 Staff Appraisal

Comprehensive performance appraisal system forms the basic yardstick for assessing an individual's performance, highlight potential for future career advancement, most importantly to improve the performance (Mullins, 2002). Lecky (1999) defined performance appraisal system as a benchmark which is set against a specific task or performance. It requires the input and output such as remuneration, pay rise, level of expectation, promotion and managerial planning. In addition, it is a merit rating which should be beneficial to both parties and must be constantly reviewed to suit the requirement.

Dave and Wayne (2005) argued that performance appraisal is an instrument whereby an individual was retaliated by the assessment due to certain personal dissatisfaction, and it has adversely affected future performance. Nonetheless, study by Hassan (2007) has discovered that in Malaysia, the focus on employee development has yet to be the centre stage in organizations.

1.5 Organization Innovation

Organizational innovation has been widely defined as the creation of new idea and new behavior to the organization

(Damanpour & Gopalakrishnan, 2001). The dimensions of organizational innovation are extremely complex and multiple; it can be reviewed from two aspects: (1) breadth of innovation, which includes policies, system, administrative, processes, products, services, and others; (2) depth of innovation, which includes the importance, the degree of influence, effect on long term profitability, and others (Chuang, 2005). Fundamentally, there are two distinctive types of organizational innovation have been classified in most literature, namely technological innovation, and administrative innovation (Tan et al, 2010).

Chuang (2005) has further categorized technological innovation into secondary dimensions: product innovation and process innovation; while administrative innovation remains distinct from the other two. Under Mavondo, Chimhanzi and Stewart's (2003) study, organizational innovation was distinctively classified into three dimensions, namely: product innovation, process innovation and administrative innovation.

Product innovation is defined as the development and commercialization of new product to create value and meet the needs of the external user or the needs of the market (Damanpour & Gopalakrishnan, 2001). Product innovation is a systematic work process which drawing upon existing knowledge gained from research and practical experiences directed towards the production of new materials, products and devices, including prototypes. On the other hand, process innovation is viewed as a creation of new process or improvement to existing process (Leonard & Waldman, 2007).

Process innovation involves the implementation of a new significantly improved production or delivery method, which includes changes in techniques, equipment and/or software. Administrative innovation is viewed as performance derived from the changes to organizational structure and administrative process, reward and information system, and it encompasses basic work activities within the organization which is directly related to management (Chew, 2000; Damanpour and Evan, 1984).

Administrative innovation requires organizations to have verifiable routines and procedures in place for product design, manufacture, delivery, service and support (Sahlin-Andersson et al, 2000). Technological innovation was found to have strong impact and influence on firm performance (Lin et al, 2007). As stated by Hassan (2007), globalization and technological advancement are moving organizations to develop new business strategy and future directions.

According to Pratali (2003), technological innovation helps to improve the competitiveness of the companies and subsequently increase company value. Hitt, Hoskisson, and Kim (1997) further elucidated that the technology capabilities of the firms has vital influence on long-term performance of the firms. In addition, Dave and Wayne (2005) concluded that human resources regularly find new application of technology to improve their efficiency and their effectiveness in an effort to influence firm performance. Some scholars commented that innovation has mixed results. Some said that innovation leads to long-term growth for the companies (Li et al,2007), while others commented that innovation will result in resource inefficiencies (Foster, 1986).

1.6 Organizational Performance

Organizational performance refers to both short term and long term measurable outcomes which contribute to the sustainability of the organization. These outcomes could include financial, human/social and environmental outcomes. However, the emphasis is on the way these outcomes contribute to the long term financial survival and adaptation of the organization. A study done by (Anastasia,2008) on Measuring the impact of HRM on organizational performance, observes that there is a serious limitation that recent reviews of the literature points out is that the link between HRM and organizational performance is considered like a 'black box', i.e., lack of clarity regarding 'what exactly leads to what.

The HRM policies (or systems) may influence organizational performance indirectly through HRM outcomes. However, a direct effect of HRM policies on organizational performance may also be present (Katou and Budhwar, 2007), implicitly accepting the arguments of Huselid and Becker (1996), who support that a causal relationship exists from HRM policies to organizational performance, and of Delery and Doty (1996), who further assume that the relationship between HRM policies and organizational performance is linear, thus implying that there is no synergic interdependence of the different HRM policies, but the effect of the HRM policies on organizational performance is additive (Becker and Gerhart, 1996).

III. THEORETICAL FRAMEWORK

2.1 Resource Based View

RBV argues that Human Resource is one of the organization's resources, a subset of which enable them to achieve a competitive advantage, and a subset of those that lead to superior long-term performance (Barney, 1986; 1991). HRM policies may play an important role in building the organization's human capital pool by developing its rare, inimitable and non-substitutable internal resources (resource-based view). According to the resource-based view, HRM policies have a direct impact on employee attributes such as skills, attitudes and behavior, the so-called HRM outcomes, which are subsequently translated into improved organizational performance (Boxal and Steeneveld, 1999).

2.2 Universalistic Theory

It is also referred to as the best practice model, which is based on the assumption that there is a set of superior/best HRM practices, and that adopting them will inevitably lead to superior organizational performance (Luthans and Summer, 2005). The notion of best practice was identified initially in the early US models of HRM, many of which mooted the idea that the adoption of certain 'best' human resource practices would result in enhanced organizational performance, manifested in improved employee attitudes and behaviors, lower levels of absenteeism and turnover, higher levels of skills and therefore higher productivity, enhanced quality and efficiency and of course increased profitability (Marchington and Wilkinson, 2008).

Here, it is argued that all organizations will benefit and see improvements in organizational performance if they can identify, gain commitment to and implement a set of best HRM practices. Thus, universalistic perspective maintains that firms will see performance gains by identifying and implementing best practice irrespective of the product market situation, industry or location of the firm (Pfeffer, 1998). However, the notion of a single set of best HRM practices has been overstated. There are examples in every industry of firms that have very distinctive management practices, distinctive human resources practices which shape the core competences that determine how firms compete. What works well in one organization will not necessarily work well in another because it may not fit its strategy, technology or working practices.

According to Becker et al (2001), organizational high performance work systems are highly idiosyncratic and must be tailored carefully to each firm's individual situation and specific context in order to provide maximum performance. These high performance work practices will only have a strategic impact therefore, if they are aligned and integrated with each other and if the total HRM system supports key business priorities. This approach therefore ignores potentially significant differences between organizations, industries, sectors and countries.

2.3 Duality Theory of Job Satisfaction by Herzberg

The debate on job satisfaction started when Herzberg published his book "The Motivation to Work" (1959). This book was based on interviews conducted with engineers and accountants. The respondents were asked to narrate a story about the event when they went exceptionally bad or exceptionally good. According to those situations he divided work dimensions in two elements Motivators and Hygiene factors. All those factors that caused exceptionally good feelings were motivators and satisfying factors; achievement, recognition, work itself, responsibility, advancement, and growth. While recalling about the exceptionally bad events, they responded the following points, administration of the company and its policy, supervisory behavior, relationship with superiors, working environment, salary, and relationship with coworkers, relationships with subordinates, status, personal life, and safety measures.

Herzberg (1959) narrated the above as Hygiene factors and related these events with external context of the work, and the motivators are going to deal with internal mind state. He compared his theory with traditional approach in motivation that assumes that salary, supervision or company policy leads employees towards higher job satisfaction. According to Herzberg job satisfaction is not through improving these 10 hygiene factors but by escalating the six motivators. Moreover, an absence of the motivator factors will not cause job satisfaction e.g. when employees were not offered recognition or achievement or any other motivator for their work this will not cause the dissatisfaction of job yet they are not going to be motivated. The concept parallel to job satisfaction is not job dissatisfaction but no job satisfaction, and similarly opposite of job dissatisfaction is not job satisfaction but no job dissatisfaction.

Herzberg's theory was severely criticized and pointed out by various researchers, as Vroom (1964) this theory was making people uncovering themselves and making them good by attributing positive events to internal factors and negative events to external events. Even (1964) also criticized his work as he said that this theory was based on a limited job range and examined only one aspect of the job attitude, but if critical incident method of interviewing is followed and used findings support the duality(Herzberg's) theory of job satisfaction.

2.4 Expectancy Theory

Vroom (1974) developed this theory on the assertion that tendency to act in a certain way depends on the expectation that the act will be followed by a given outcome and on the attractiveness of that outcome to the individual. There are three variables here: Attractiveness; importance that individual employee attaches to the potential outcome or reward that goes with the achievement of that job. Performance reward linkage is the degree to which the individual believes that performing at that level will lead to attainment of a particular desired outcome. Effort performance linkage is the perceive probability by the individual that exerting a given amount of effort will lead to performance.

The expectancy theory recognizes that there is no universal principle that explains what can motivate everyone. However the county management can motivate staff for good performance with the reward that employee's desire. They should also facilitate an atmosphere of good performance and good employee/employer relationship. This theory actually forms the theoretical framework of this seminar. For the contingency theory, there are no universal prescription of HR policies and practices. It is all contingent on the organization's context, culture and its business strategy (Wright and Snell, 2005).

IV. CONCEPTUAL FRAMEWORK

As Sammy (2013) asserts, a conceptual framework refers to a group of concepts that are systematically organized in providing a focus, rationale and a tool for interpretation and integration of information (Balachander and Soy, 2003). This is usually achieved in pictorial illustrations. A Conceptual Framework in this Seminar identifies both independent variables and dependent variable. The independent variables refer to the conceptualized factors or variables that may influence the outcome in the dependent variable. In this study, organization performance is hypothesized to be affected by training and development, staff reward, staff appraisal and information technology.

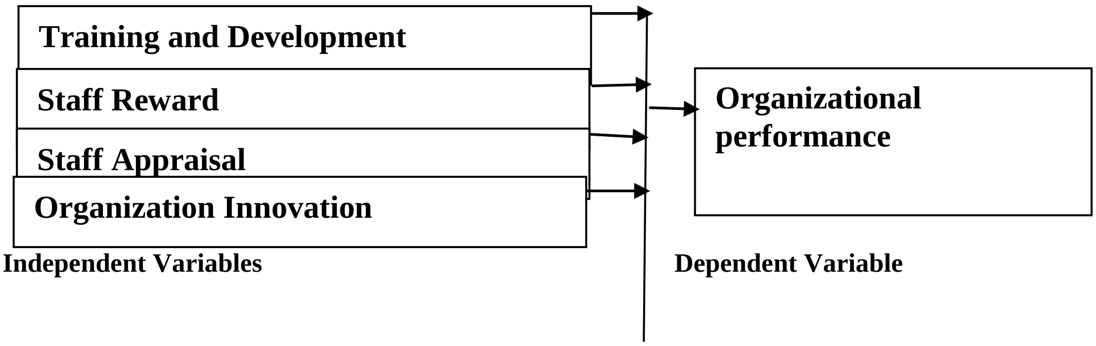

Figure 1: Conceptual framework

V. CONCLUSIONS AND RECOMMENDATION

There is a specific component in the ministry of devolution that addresses the public servant performance contracting where the specific senior staff in the Ministry is held accountable on the performance of the specific ministries. Hence this shows that adoption of human resource practices in the public sector has greatly improved. In an effort to address such theoretical developments in this area, researchers have proposed further studies to consider intermediate linkages between Strategic HRM and organizational performance .

Accordingly, a better understanding of the role of Strategic HRM in creating and sustaining organizational performance and competitive advantage should be achieved through further theoretical development and empirical evidence. The researchers have examined the way in which HR policies and practices may be used to provide coherent and comprehensive HR bundles. This has led to suggestions that there is one best way in which HRM should be delivered and moreover that this has a positive impact on organizational performance. Review examining how HR strategies can be aligned with wider organizational goals has also been examined.

Best fit HRM is the idea that HR practice should and does vary between organizations depending on business strategy or product market circumstances. This approach is useful not only for countering the more simplistic versions to reflect organizational reality-at least at a broad level. The approaches view HR as having an important role in supporting organizational strategy and still play an important role in developing SHRM. Generic HR processes can benefit from best practice theories while best fit should be applied when context matters to align management and employee interests.

Key recommendation of this seminar on human resource strategies in public sector are that: there is need for more discussion on the policies of Human Resource with the staff in the public service to improve of organizational performance, more public servants should sign the performance contract and reviews to be done on quarterly basis, more training and development to the specific ministry should be enhanced especially where specialized technical knowledge is needed for better performance of the ministry, there should be a review of reward policies to ensure the gap between the remuneration is on standards that are accepted by the Human Resource practitioners and there should be quick adoption of Human Resource strategies in the devolved system and separation of politics and performance of the specific county function in order to improve the performance of the counties

REFERENCES

[1] Barney, J. B. 1986. Organizational culture: Can it be a source of sustained competitive advantage? Academy of Management Review, 11: 656-665.

[2] Barney, J. 1991. Firm resources and sustained competitive advantage. Journal of Management, 17: 99-120.

[3] Barrett & L. M. O'connell 2001. On the nature of organizational effectiveness. In P. Goodman & J. M. Pennings (Eds.), ATewperspectives on organizational effectiveness: 13-55. San Francisco: Jossey-Bass.

[4] Boselie, G., Paouwe, M., & Jensen, C. K. 2001. Competing for the future. Boston, MA: Harvard Business School Press.

[5] Bloom, M. A., & Michael, B. 2002. High performance worksystems and organizational performance. Paper presented at the annual meeting of the Academy of Management, Vancouver.

[6] Becker, A. A., & Gerhart, M. C. 1996. Human resource systems and sustained competitive advantage: A competency-based perspective. Academy of Management Review, 19: 699-727.

[7] Boxal , T., & Steenevald, W. 1999. Managerial models of organizational effectiveness. Administrative Science Quarterly, 14: 357-365.

[8] Balachander, D, E, Soy, E,], 1993, The relationship of staffing practices to organizational level measures of performance. Personnel Psychology, 46: 27-48,

[9] Chuang, J, W, 2005, Analyzing data: Sanctification or detective work? American Psychologist,24: 83-91

[10] Chew, G. 2000. Gonstraints on the adoption of psychology-based personnel practices: Lessons from organizational innovation. Personnel Psychology, 46: 569-592.

[11] Damanpour, S. E., & Evan, R. S. 1984. Understanding human resource management in the context of organizations and their environments. In M. R. Rosenzweig & L. W. Porter (Eds.), Annual review of psychology, vol. 46: 237-264. Palo Alto: Annual Reviews.

[12] Delery, J., & Doty, H. (2000). Modes of theorizing in Strategic Human Resource Management: Tests of universalistic, contingency and configurationally performance predictions. Academy of Management Journal. 39(4), 802-835.

[13] Drummond, A. 2000. Distinctive human resources are firms' core competencies. Organizational Dynamics, 24(3): 7-22.

[14] Damanpour, L., & Gopalakrishnan, T. 2001. HR strategies and firm performance: What do we know and where do we need to go? International Journal of Human Resource Management, 6: 656-670.

[15] Drucker, W. F. 1999. Costing human resources: The financial impact of behavior in organizations. Boston: PWS-Kent.

[16] Dave Ulrich and Wayne Brockbank, the HR value proposition ISBN 1 59139 707 3; 316 pages; Boston, MA: Harvard Business School Press

[17] Even, E. (2010). The Relationships among Organizational Performance, Environmental Uncertainty, and Employees' Perceptions of CEO Charisma. Journal of Management Development, 29(1), pp. 28-37.

[18] Hassan, N, R, 2007, On the battlefields of business, millions of casualties. New York Times, March 3: Al
[19] Huselid, R. S., & Becker, D. P. 1996. The balanced scorecard: Measures that drive performance. Harvard Business Review, 70(1): 71-79.
[20] Hilt, G. P., Hoskisson, W.W., & Kim, G. 1997. The futility of utility analysis. Personnel Psychology, 47:31-46.
[21] Hom, R., & Griffeth, J. H. 1993. Strategic assets and organizational rents. Strategic Management Journal, 14: 33-46.
[22] Ferris, W.M., Joan, A., Victor, M and Wycliff,M., 1990. Organizational differences in managerial compensation and firm performance. Academy of Management Journal, 33: 663-691.
[23] Foster, J, F, 1986, Organizational capital: The path to higher productivity and vtrell-being. New York: Praeger
[24] Guptal, D. J., & Singhal, C. A. 1993. Competing on resources: Strategy for the 1990s. Harvard Business Review, 73(4): 118-128.
[25] Herzberg, F., Mausner, B., & Snyderman, B. B. (1959). The motivation to work. New York: John Wiley & Sons.
[26] Huang, B. J. 1998. The link between business strategy and industrial relations systems in American steel minimills. Industrial and Labor Relations Review, 45: 488-506.
[27] In G. R. Ferris (Ed.), Research in personnel and human resources management, vol. 14:143-203. Greenwich, CT: JAI Press.
[28] Katou, T. A., & Budhwar, P. 2007. The mutual gains enterprise: Forging a winning partnership among labor, management, and government. Boston: Harvard Business School Press.
[29] Lin, A.F, Jacklyin, E.T, Lengnick-Hall, G. A., & Lengnick-Hall, M. L. 2007. Strategic human resource management: A review of the literature and a proposed typology. Academy of Management Review, 13:454-470.
[30] Lathans, J. D., & Summer, K. E. 2005. Loosely coupled systems: A reconceptualization. Academy of Management Review, 15: 203-223.
[31] Lynch, L., & Black, I. 1995. Managing two fits of strategic human resource management. Academy of Management Review, 13: 116-128.
[32] Lecky, G. K. 1999. Measurement error in the analysis of interaction effects between continuous predictors using multiple regression: Multiple indicator and structural equation approaches. Psychological Bulletin, 117: 348-357.
[33] Milkovich, M. T., & Boudreau, J. 1998. Obstacles to comparative studies. In P. Goodman & J. M.
[34] Mullins, H. 2002. Mobilizing invisible assets. Boston: Harvard University Press.
[35] Mavondo, A. D., Chimhanzi, A. S., & Stewart's, G. R. 2003. Guest co-editors' introduction: Gonfigurational approaches to organizational analysis. Academy of Management Journal, 36:1175-1195.
[36] Marchington G. K., & Wilkinson, G. 2008. The core competence of the corporation. Harvard Business Review, 68(3): 79-89.
[37] Nankervis, C, Compton, K., & Mc Carthy, G. 1999. The effects of human resource management practices on productivity. Working paper, Columbia University Graduate School of Business, New York.
[38] Noe, B., Hollenbeck, C. GerhartH, & Wright, M. 2000. New directions in employee compensation research.
[39] Okpara, E., & Pamela, R. 2008. The new American workplace: Transforming work systems in the United States. Ithaca, NY: ILR Press.
[40] Pfeffer, J. 1993. Barriers to the advance of organizational science: Paradigm development as a dependent variable. Academy of Management Review, 18: 599-620.
[41] Paul, L. R., & Anantharaman, D. B. 2003. Compensation, organizational strategy, and firm performance. Cincinnati: South-Western.
[42] Paauwe, D. C. 2004. What if the Academy actually mattered? Academy of Management Journal, 19: 11-16.
[43] Pennings (Eds.), New perspectives on organizational effectiveness: 106-131. San Francisco: Jossey-Bass.
[44] Pratali, R. L. 2003. Organizational effectiveness: An overview. In P. Goodman & J. M. Pennings (Eds.), New perspectives on organizational effectiveness: 235-248. San Francisco: Jossey-Bass.
[45] Som, J. W. 2008. Utility analysis for decisions in human resource management. In M. D.
[46] Sammy, M. T. 1996. On a proper meta-analytic model for correlations:New approaches to situational specificity and validity generalization. Personnel Psychology:In press.
[47] Sahlin-A., Joe,K., Fred, W., Milgrom, P., & Roberts, J. 1995. Complementarities and fit: Strategy, structure, and organizational change in manufacturing. Journal of Accounting and Economics, 19(2): 179-208.
[48] Tan, D. H., Click, W. H., & Huber, C. P. 2010. Fit, equifinality, and organizational effectiveness: A test of two configurational theories. Academy of Management Journal, 36: 1196-1250.
[49] Vroom, V. H. (1964). Work and motivation. New York: Wiley.
[50] Vroom, V.H. (1974). Human Motivation. London:Cambridge University Press.
[51] Wang, M. A. 2005. The impact of human resource management practices on turnover, productivity, and corporate financial performance. Academy of Management Journal, 38: 635-672.
[52] Wright, P, M,, & Snekk, G. G, 2005, Theoretical perspectives for strategic human resource management. Journal of Management, 18: 295-320,

AUTHORS

First Author – Gerrard Charles Mutembei, PHD in Human Resource Management candidate, Jomo Kenyatta University of Agriculture and Technology, Nairobi, Kenya
Second Author – Ondabu Ibrahim Tirimba, PHD Finance candidate, Jomo Kenyatta University of Agriculture and Technology, Nairobi, Kenya