THE INFLUENCE OF SELECTED HUMAN RESOURCE MANAGEMENT PRACTICES ON EMPLOYEE SATISFACTION IN THE TECHNICAL UNIVERSITY OF KENYA

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ABSTRACT

Universities globally are affected by a number of human resource management practices in achieving employee job satisfaction. There has been need for universities to understand the role of human resource management practices in achieving organizations success by viewing employees as partners to an organization. By viewing employees as the organization's most valuable asset and treating them as internal customers, the organization will gain a competitive advantage and achieve its objectives. The purpose of the study was to determine the effects of selected human resource management practices on employee satisfaction in The Technical University of Kenya. The specific human resource management practices presupposed to have an effect on employee satisfaction as postulated in the study were training and development, and reward systems. The study adopted a case study research design, covering a stratified sample of 200 respondents drawn from a population of 2000 employees of The Technical University of Kenya. The data collected through questionnaires and interviews was analyzed using both descriptive and inferential statistics. Correlation and multiple regression analysis was undertaken to determine and explain the relationship between the variables. The study revealed a positive and significant relationship between the human resource management practices covered and employee job satisfaction; training and development (Pearson's r=0.510, p<0.000), reward system (Pearson's r=0.742, p<0.000. Regression test revealed that all the independent variables accounts for 63.3% of the employee job satisfaction. From the study findings, it is clear that training and development, and reward systems are key human resource management practices that influence employee job satisfaction. The study recommends that public universities should lay emphasis on various human resource management practices that are responsible for employee satisfaction. They should lay emphasis on employee training and development and adequate reward systems that are equitable and fair to all employee.

Keywords: Training and development, reward system, employee satisfaction.

Introduction:

Human resource management practices are vital elements in achievement of organizational objectives as they contribute towards the achievement of high level of employee satisfaction and organizational performance (Armstrong, 2007). Human capital is an important and strategic resource for any organization. Retaining the best talents and keeping employees satisfied requires strengthening of corporate strategies, ensuring

dynamic work groups for sustainable development and growth in the increasingly competitive global environment. Efficiency and productivity of any organization is dependent on its human capital. The organization must hire the right people who can translate the organizational opportunities into productivity. Organizational capability relates to hiring and retaining competent employees and developing competencies through effective human resource management practices (Ulrich & Lake, 1991). Indeed, developing a talented workforce and keeping them satisfies is essential to sustainable competitive advantage (Kundu & Vora, 2004).

In order to create an environment for employee satisfaction and engagement, it is vitally important to know which factors most affect them (Heartfield, 2012). Organizations must therefore invest in human resource management practices that will have positive effects on employee satisfaction. Employee satisfaction is a measure of how happy workers are with their job and working environment. Keeping morale high among workers can be of tremendous benefit to any company, as happy workers will be more likely to produce more and stay loyal to an organization. Companies that encourage or engage their employees to provide ideas and suggestions have consistently higher employee retention rates, productivity, and job satisfaction (Mokaya *et al.,* 2013).

Job satisfaction is considered as a strong predictor of overall individual wellbeing and a good predictor of intentions or decisions of employees to leave a job (Gazioglu & Tansel, 2002). Employees are the moral fiber of any business success, that is why, they need to be educated, motivated and maintained in organizations at all cost to support the organizations to be globally competitive. In Kenya, universities develop human resource management practices to enable them seize employee efforts and maintain a competitive edge as supported by Porter (2005).

Statement of the Problem:

In a global economy that has become increasingly competitive, there is need for efficient development of products that can quickly satisfy a more demanding customer and employee base and build long-term customer and employee trust. It must optimize its HRM practices, while seeking operational excellence at all levels. Meeting these challenges requires human resource management practices that boost morale, improve operational efficiency, cut costs, and enhance the overall employees' satisfaction and management of business.

It has been observed that public universities in Kenya and The Technical University of Kenya in particular have experienced poor service delivery, organizational ineffectiveness, poor public relations, customer dissatisfactions, and some of these institutions have posted decline in employee's satisfaction. In the same universities there is lack of clear communication with customers and employees; long procedures; intrusive documentation and lack of flexibility. All this have been attributed to poor human resource management practices where senior staff (top management) in the University have failed to balance the needs of the employees and those of the University. Research on how implement the human resource management practices has also not been well explored; creating a gap between practice and theory in terms of employing the right practices to enhance employee satisfactions. It is against this background that the study sought to assess the influence of selected human resource management practices on employee satisfaction.

Purpose of the study:

The purpose of the study was to determine the perceived effects of human resource management practices on employee satisfaction in public universities in Kenya, covering The Technical University of Kenya as a case. Specifically, the study sought to establish the effect of training and development, and reward system on employee satisfaction.

Research Methodology:

The study adopted a case study research design, focusing on one particular phenomenon with an intention of providing an in depth account of events, relationships, experiences. The design provided an opportunity to gain insights by investigating an individual case that permitted detailed study and analysis for conclusive generalizations. The study covered a stratified sample of 2oo respondents drawn from a target population of 2000 employees. The use of stratified simple random sampling technique enabled provision of an equal chance and opportunity to each member of the target population to be included in the sample.

The study used questionnaires and interview guides to collect data from the respondents. Questionnaires were used to collect information from the employees whereas interviews were used to collect data from top management. Data collection was done at the respondents' work stations. Before administration of the research instruments, they were tested for reliability using Cronbach Alpha. The research instruments were administered to 10 respondents with similar characteristics as those of the actual respondents; twice at an interval of two weeks in line with the test-retest method of determining reliability. According to reliability test results, training and development had a coefficient of 0.797, reward system 0.807. Both constructs had reliability

coefficients above the recommended minimum of 0.70, demonstrating high reliability (Table 1).

Table 1: Reliability Test of the Study Constructs

Human Resource Management Practices	Reliability Coefficient	Comments
Training and development	0.797	Acceptable
Reward System	0.807	Acceptable

The data collected was analyzed by the use of descriptive (frequencies, percentages, mean and standard deviation) and inferential statistics (correlation and regression). The descriptive analysis was appropriate for this study because it involved the description, analysis and interpretation of circumstances prevailing whereas inferential statistics were used to determine and explain variable relationships.

Results and Analysis:

The achieved a response rate of 67.3 which was considered adequate for analysis.

Level of Employee Satisfaction:

The study found out that majority of the staff, 66(40.7%) are not satisfied with their current status of employment, while 54(33.3%) feel highly satisfied, 30(18.5%) showed low satisfaction, while few 12(7.4%) are very highly satisfied as indicated in Table 4.2.

Table 2: Level of Employee Satisfaction

Level of Satisfaction	Frequency	Percentage %
Very High	12	7.4
High	54	33.3
Low	30	18.5
Very Low	66	40.7
Total	**162**	**100.0**

Descriptive Analysis of Human Resource Management Practices:
The Influence of Training and Development on Employee Satisfaction

The study sought to establish the effects of training and development on employee job satisfaction. It was revealed that majority of the staff consider training and development as a key factor in their job satisfaction (Mean =2.3, Std. dev =1.2); and that training facilitate the career planning of the employees and assist them to achieve the objectives that result to employee satisfaction (Mean =1.5, Std. dev =0.5); again it was asserted that training empowers

employees with the required skills and knowledge hence leading to their satisfaction (Mean = 1.5, Std. dev =0.5) and that through training and development, employees will be retained by the organization and the quicker performance results can be achieved within the organization (Mean = 2.0, Std. dev =0.5) as illustrated in Table 2.

Table 2: Training and Development

Training and Development practices	Mean	Std. Dev	Min	Max	Sample (N)
I consider training and development as a key factor in my satisfaction.	2.3	1.2	1.0	4.0	195
Through training, management strives to have the right number and the right kinds of employees in the organization.	1.7	.5	1.0	2.0	195
Training facilitate the career planning of the employees and assist them to achieve the objectives hence employee satisfaction.	1.5	.5	1.0	2.0	195
Training empowers employees with the required skills and knowledge hence leading to satisfaction.	1.5	.5	1.0	2.0	195
Employees will be retained by the organization and the quicker performance results can be achieved.	2.0	.5	1.0	3.0	195

Training and development has proved to offer employees the opportunity to understand their roles and develop the needed skills and abilities to perform in their job. This finding is consistent with Gellatly *et al.,* (2009) who argue that training opportunities allow for autonomy satisfaction by increasing feelings of internal control by employees. Further, Rue and Byars (2006) who found that staff training is a learning process that involves the acquisition of knowledge, skills and abilities necessary to successfully perform the job.

Rewards and Employee Satisfaction:

The other objective was to establish how reward system affects employee satisfaction. The study revealed that reward system is a key factor in employees' job satisfaction (Mean = 2.4, Std. dev =0.9); and that employees need recognition and promotion from the employer as a reward in order to satisfy them (Mean =2.3, Std. dev =1.1). More so, it was found that employees require good pay

to satisfy their needs (Mean =1.4, Std. dev =0.5) and again employees need good remuneration strategies to satisfy their needs (Mean = 1.9, Std. dev =0.5) as shown in Table 3.

Table 3: Employee Reward

Employee reward system practices	Mean	Std. Dev	Min	Max	Sample (N)
The reward system is a key factor in my job satisfaction	2.4	.9	1.0	4.0	195
Employees need recognition and promotion from the employer as a reward in order to satisfy them	2.3	1.1	1.0	4.0	194
Employees require good pay to satisfy their needs	1.4	.5	1.0	2.0	195
Employees need good remuneration strategies to satisfy their needs	1.9	.5	1.0	3.0	196
My organization has well established reward strategies	2.3	.8	1.0	4.0	195
Average (Mean & std dev.)	2.1	.8			

Provision of rewards by an organization has been shown to be a major factor that strengthens the psychological contract between the employee and employer. This fact is echoed by Zobal (1998) who asserts that reward and compensation are very valuable tools for retention and turnover. Vicki (1994) found reward as motivator for an employee in commitment with the organization which in result enhances attraction and retention. The results agree with those of a study by Mokaya *et al.* (2013), which established a strong and positive correlation between remuneration and job satisfaction in the hotel industry in Kenya.

Correlation Analysis:

The first step was to construct correlation matrix for various possible combinations of dependent and independent variables. Relationship measurement is shown by the Pearson Product-Moment Correlation Coefficient (r), or correlation coefficient which is a measure of the degree of linear relationship between variables (for this case employee training and development, and reward system, and employee job satisfaction). The outcome of the correlation test was the understated correlation matrix as shown in Table 6.

Table 6: Correlation Matrix

		Employee job satisfaction	Training & Development	Reward system
Employee job satisfaction	Pearson Correlation	1		
	Sig. (2-tailed)			
	N	156		
Training & Development	Pearson Correlation	.510**	1	
	Sig. (2-tailed)	.000		
	N	150	156	
Reward system	Pearson Correlation	.742**	.234	1
	Sig. (2-tailed)	.000	.004	
	N	150	150	156

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

From the analysis, all the predictors showed a positive relationship with employee satisfaction. The following variables showed a positive and significant relationship with employee job satisfaction; training and development (Pearson's r=0.510, p<0.000), reward system, (Pearson's r=0.742, p<0.000). Among the two variables studied, the reward system had the strongest and most significance relationship with employee satisfaction.

Regression Analysis:

As shown in Table 7, adjusted R square is 0.633 showing a relationship between the observed and predicted values of the dependent variable. This indicates that all the independent variables account for 63.3% of the employee job satisfaction.

Table 7: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.838	.702	.633	.35154

a. Predictors: (Constant), training & development, Reward system, Job security, communication strategy

On the other hand, ANOVA test results (Table 8), revealed a mean square of 9.686. The F static which is regression mean square divided by the residual mean was 78.382 and the degree of freedom (df) was 4.00.

Table 8: ANOVA

ANOVA[b]						
	Model	**Sum of Squares**	**df**	**Mean Square**	**F**	**Sig.**
1	Regression	38.746	4	9.686	78.382	.000[a]
	Residual	16.436	133	.124		
	Total	**55.182**	**137**			

Table 4. 1: Regression Coefficients

Coefficients[a]								
Model		**Unstandardized Coefficients**		**Standardized Coefficients**	**t**	**Sig.**	**Collinearity Statistics**	
		B	**Std. Error**	**Beta**			**Tolerance**	**VIF**
1	(Constant)	-.234	.187		-1.256	.211		
	Training & Development	.213	.033	.325	6.488	.000	.892	1.121
	Reward system	.683	.064	.581	10.706	.000	.760	1.316
	a. Dependent Variable: Employee job satisfaction							

Statistically, the overall relationship was very significant with a P-value = 0.000, (P < 0.05).
a. Predictors: (Constant), training & development, Reward system, Job security, communication strategy
b. Dependent Variable: Employee job satisfaction

As shown in Table 4.10, the first variable (constant) represents the constant, also referred as the Y intercept, the height of the regression line when it crosses the Y axis. In other words, this is the predicted value of employee satisfaction when all other variables are 0. The Beta values (β) are the values for the regression equation for predicting the dependent variable from the independent variable. In this case, interpretation of beta coefficients means that holding all other independent variables constant, every unit change on training and development shall increase employee job satisfaction by 0.325, while an improve on reward system shall increase on the employee job satisfaction by 0.581, Therefore, all the two variables are positive predictors of employee job satisfaction as shown in Table 4.10.

To ascertain for multi-collinearity, a test was carried out and variance inflation factor (VIF) and Tolerance value were checked. If VIF value is below 10 and Tolerance value is above 0.1, it means there is no multi-collinearity among independent variables. From the findings, VIF value was less than 10 and tolerance value greater than 0.1, so multi-colinearity did not exist in the independent variables.

Conclusions:

There is no doubt that human resource management practices adopted in organizations are directly related to their satisfaction. The both of the variables

postulated to influence employee satisfaction, rewards seems to have been valued more by employees more than training and development. Employees contribute at the highest level possible by enhancing employee's satisfaction. In helping employees improve their skills, attitudes, behaviours and decrease turnover, an organization meets its ultimate goals, including productivity quality and customer satisfaction. The various human resource management practices from which an organization chooses can also be thought of as principles for managing workforce. As an HR professional, it is possible to translate these principles into specific policies and practices for building the right skills, eliciting the right behaviors and achieving the right outcomes for the firm. When an organization creates coherent HRMP they are likely to demonstrate how HR can add value to the firm in this transforming, globalizing marketplace.

This study tested HR management practices that influence job satisfaction at the Technical University of Kenya. The results suggest that the given HR management practices had satisfactorily explained job satisfaction and that the policy makers and managers should focus on them if they want to enhance their staff conditions. Based on the results for the standardized values, we are able to see that training and development, reward system, communication strategy, and slightly job security, are the main HR management practices that influences employees' job satisfaction.

Recommendations:

Based on the findings, the study makes the following recommendations to policy makers and the management of the Technical University of Kenya in particular and other public universities. There is need

to formulate attractive compensation and reward system to employees. All public Universities should improve the overall salary packages of employees at all levels; on the other hand, two shifts or three shifts to be introduced for departments that are running for long hours as a way to reduce the workload of employees. Secondly, training and development should be given special emphasis with adequate budgetary allocations to ensure employees acquire and upgrade their working skills and competencies on regular basis in tandem with the dynamics of the workplace and work itself.

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