

**HUMAN RESOURCE MANAGEMENT PRACTICES AND EMPLOYEE
PERFORMANCE IN CANON CHEMICALS LTD IN KENYA**

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DECLARATION

This research project is my original work and has not been presented for a degree in any other university. No part of this research project may be reproduced without prior authority or the author and/ or Kenyatta University.

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DEDICATION

This research project is dedicated to my aunt Jane Njeri, my sisters Mary and Caroline Muchiri and Mbugua for always pushing me towards my dreams and for the emotional support throughout this journey.

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ABBREVIATIONS

FMCG- Fast-Moving Consumer Goods

GSS- General Social Survey

HCT- Human Capital Theory

HR- Human Resource

HRM- Human Resource Management

HRMPs- Human Resource Management Practices

KPLC- Kenya Power and Lighting Company

NOS- National Organization Survey

OLS- Ordinary Least Squares

RBT- Resource-Based Theory

USA- United States of America

OPERATIONAL DEFINITIONS OF TERMS

Compensation

Employee reward policies that are reasonably based on financial incentives, benefits, commissions and allowances being contributed.

Employee Performance

This is the ability of a worker to complete well at the job and indicates the achievement of objectives when it comes to efficiency, effectiveness and quality of service.

Human Resource Management Practices

The organization's planned human resources operations.

Human Resource Management

Strategic approach to the effective supervision of people in an organization to help it gain a competitive advantage.

Internal Communication Systems

This is the way information flows in an organization and could be vertical, horizontal or lateral.

Employee Security

This is the assurance that an employee does not feel threatened and denied benefits of any job that he or she is doing.

ABSTRACT

Although several studies have been done on the notion and context of HRMPs and their influence on employee performance in numerous organizations, none has been done within the cosmetic industry in Kenya. Therefore, there was a need for a study to be carried out concentrating on Kenya's cosmetic industry on what HRMPs impact on employee performance. The study was conducted at Canon Chemicals Limited in Mavoko Sub County, Kenya. The general objective of this study was to determine if employee performance was impacted by managing different aspects of human resource management practices such as compensation, workers participation, internal communication systems and employment security. The specific objectives determined the effects of compensation, workers participation, internal communication systems and employment security, while the dependent variable was employee performance. The study utilized descriptive research design. A sample of 40 participants was selected using the total census technique since the population at Canon Chemicals Limited was small. A structured questionnaire was used to collect data from the study participants, and all the distributed questionnaires were duly filled and returned. Descriptive analysis utilized frequencies and percentage distribution, while inferential analysis utilized correlations, regression and ANOVA. The findings of the current study suggest a moderate relationship between HRMPs and overall employee performance. Contrary to expected results, regression analysis did not show a significant relationship between HRMPs under consideration and employee. Therefore, HRMPs should not be generalized to enhance employee performance; rather, other confounding factors that are out of scope in this current study may play a significant role in overall employee performance. The result of this study is an indication that Canon Chemicals Limited should improve on all the aspects of human resource management practices that include employee compensation, employee participation, internal communication, and employee security to spur overall employee performance. The organization needs to carry out regular surveys and have merit employee motivation and embrace a human resource management practices policy. Of great interest is that regression analysis did not show a significant relationship between the human resource management practices in this study and the employee performance at Canon Chemicals limited. This may be attributed to the small sample size and the mode of sampling.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

In this modern era, external economic factors that affect consumer and business buying habits and the company's performance face dynamic and continuous fluctuations. This variation is due to increased competition of product market, investor demand, globalization and the occurrence of ever-changing customer needs. To gain competitive advantage, organizations invest resources into lessening costs, advancing items and measures, and working on their exhibition by working on quality, efficiency, and speed in the market. With an end goal to acquire an upper hand, it has operated human resource management as a core intensive component within the organization. (Allameh et al., 2014)

Human resources are considered to be valuable assets to an organisation. To ensure increased performance, there is need to come up with a solid human resource management system that uses the best practices to harness the maximum potential from the employees. The system is called human resource management (HRM) while the practices are called human resource management practices (HRMPs). (Roos, Fernstorm, & Pike, 2004)

Employee performance is the utilization of information, abilities, experience, and capacities to achieve the allocated assigned mission required by their managers in a productive and successful manner. (Al_Qudah et al., 2014). Employee performance is important because it helps organizations to know the costs of available resources, it helps to measure the quality and quantity of work and to compare organizational performance. In addition, it helps to ensure that firms track the achievement of their set goals; it helps employees increase their efficiency and thus improve the quality of an organization's output and general performance. (Mathis. L & Jackson. H, 2010; Bowra, Z et al., 2012).

HRM policies and procedures must be combined into business strategies for organizational success. HRMP can make organizations that are more canny, adaptable and fit than their rivals with strategies and practices that enlist, select, train talented representatives and put their earnest attempts inside the organization's asset heap of the firm. This might conceivably reinforce an organization's exhibition and give it an upper hand due to the verifiable affectability of human resources and the social intricacies of approaches and practices that contenders will most likely be unable to impersonate or repeat in their variety and profundity (Gong et al., 2013).

Organizations are motivated on attaining competitive advantage by utilizing talented human resources as a strategic asset. This means that organizations are working hard to ensure that HRMPs like job design and description, human resource planning, recruiting; selection, training and development, performance appraisal and management, compensation and employee relations are managed to perfection. This is because, the use of HRMPs geared towards the escalating commitment of an employee has been found to directly contribute to higher organizational performance. (Arthur, 1992 & 1994).

Kenya has witnessed growth in service industries and more so product-based organizations. Among these are the cosmetic distribution companies. The beauty and cosmetics industry has become Kenya's new center for investment. The industry continues to attract huge local and foreign investors who want to establish new lines of business and set up successful enterprises through multi-million-shilling acquisition deals (Mwencha, 2016). Furthermore, Kenya continues to experience growth in the middle-class that has great demand for new consumer and luxury goods. The demand for cosmetic goods has called for increased employment of staff in these companies to help in the distribution of cosmetics. This forms the basis to assess the HRMPs and their impact on the employee performance for these companies (Thakur, 2017).

1.1.1 Employee's Performance

Employee's performance can be looked at from task and adaptive performances points of view. Task performance regards cognitive abilities to execute and deliver on given tasks (Conway, 1999). For an employee to perform on a given task, they require technical expertise as well as inherent talents.

On the other hand, adaptive performance refers to the ability to adjust and provide required assistance in completing a career profile (Hesketh & Neal, 1999). Proper combinations of these dimensions of employee performance could greatly make an employee indispensable to an employer.

Employee's performance is inextricably related to the organization's growth. (Hassan, 2016). This is because; improvement of productivity of an employee is a focal issue in organizations in the 21st century (Pradhan & Jena, 2017). Employees are evaluated for how well they carry out their duties at their workstations. They are appraised based on their skills gained, output and how well they fit in the organization's goals. For this, assessing performance and management is a crucial part of effective HRM. Employee performance assessment is now a sought-after developmental intervention in many HR portfolios and their quest to grow organizations and in ensuring that they retain the best employees (Fay & Lührmann, 2004).

In today's competitive business environment, successful organizations consider employee's performance in making decisions to retain or part ways with employees. Performance of an employee is based on their ability to adapt to organizational performance requirements and producing results. According to Pradhan & Jena (2017), performance could be based on tasks, adaptability and in job context depending on the industry in which an employee works.

There are various ways to measure the performance of employees, including the use of employee characteristics to suit the organization, the conduct and behavior of employees, and the achievements of employees (Al_Qudah et al., 2014). According to Kaplan (2003), the key approaches of assessing employee performance are based on employee strengths, which affirm important traits or values to the firm, employee habits, which are commonly used for evaluating or identifying employee behaviors needed to accomplish a job effectively, and finally employee accomplishments, which demonstrate the degree to which specific targets or goals were accomplished.

In Kenya and across the globe, HRMPs and employee performance has been carried out across banking industries, hospitals, academic institutions, financial institutions, and listed firms. All the sites have had divergent views on the nature of the degree to which HRMPs and employee performance are related.

Therefore, in assessing the efficacy of HRMPs, employee's performance presents a direct link through which an employee interacts with these practices. This study will use employee's performance in assessing the importance of HRMPs practices in stimulating employee performance and organizational performance. This will be possible using cosmetic distribution companies and organizations in Kenya and focusing on Canon Chemicals Limited. To measure employee's performance, the study focused quality of work and productivity about the organization. Research shows that motivated employees are always abreast with what is happening in an organization and their quality of work will be better respectively (Podsakoff, Ahearne, & MacKenzie, 1997; Dishon-Berkovits, & Koslowsky, 2002).

1.1.2 Human Resource Management Practices (HRMPs)

HRMPs refers to the techniques and approaches used to manage people to achieve the set goals of a firm (Schuler & MacMillan, 1984; Armstrong, 2012). To get the maximum out of the many HRMPs, organizations have been found to bundle these practices together (Capelli & Neumark, 2001). Some organizations have also been found to use individual HRMPs into their management (Batt, 2002).

Numerous researchers have attempted to come up with the best HRMPs. For instance, Guest (1999) listed selection, training, job design, communication, and employee share ownership programs as the main HRMPs that organization should embrace. Redman and Mathews (1998) thought that careful recruitment, training and learning, vast remuneration system, teamwork and job flexibility, employee involvement, and performance-based appraisal systems were prerequisites practices to support organizational services.

Moreover, according to Delery and Doty (1996), the overall growth and performance of an organization required an application of internal career ladders, formal training, result-based appraisal system, and compensation based on performance, provision of job security, listening to the employee's voice, and having clearly defined jobs as the key HRMPs.

Overall, this study will investigate the HRMPs according to Pfeffer (1998). The author put forward recruiting, work security, independent groups; elite based remuneration, extensive training, and decrease in status contrast, and information sharing as the best HRMPs. This study will solely focus on compensation, workers' participation, internal communication system, and employment security as the key HRMPs that determine employees' performance.

The rewards given to workers in return for their work offered to an organization constitutes compensation. Compensation may include both monetary and non-monetary benefits offered to employees. Compensation may include flexible benefits, medical care, work-life balance, as well as employee perquisites and salaries or wages. Good compensation to an organization is key in determining staff retention, motivation, job satisfaction, high productivity, and low turnover (Gerhart & Milkovich, 1990).

Additionally, when workers participate in the decision-making process in an organization through delegation of duties, this makes them have a sense of connectedness in the firm and helps them feel in control (Noah, 2008). Proper employee participation builds their assurance and thus expanded usefulness (Chang& Lorenzi, 1983), furnishes them with the chance to apply their intellectual capabilities (Witte, 1980), increases their sense of control and trust (Chang& Lorenzi, 1983), and helps an organization with diverse perspectives on which to structure decision making (Kemelgor, 2002).

According to Titang (2013), proper internal communication is vital in enhancing cooperation among workers and provides an organization with an opportunity to work efficiently. Internal communication provides a basis for internal sharing of information, knowledge, and ideas. Internal communication is central to ensuring efficiency, effectiveness of an organization, ensuring that employees deliver as required, and clarity of their duties is guaranteed. Such a clear system promotes employees' speed in execution of tasks as well as ensuring the quality of delivery (Argenti, 2007).

Finally, employment security is a basic need for any organization that aims to grow. Such organizations must ensure that employees' feel secure and safe even as they deliver on their job descriptions (Lucky, Minai, & Rahman, 2013). Even in the wake of business, disruptions through restructuring, employees who fear job losses are prone to poor performance as their attentions are at a crossroad. Therefore, when organizations safeguard employees' jobs through contracts and permanent positions, such employees are known to do well in their jobs and hence increased productivity (Kraja, 2015).

1.1.3 Canon Chemicals Limited

Canon Chemicals Limited a family owned business took over the operation of United Chemical Industries Limited from 1st January 2010. (FMCG connect.net, n.d). In 2016, the Godrej Group of companies from India acquired Canon Chemicals Limited. It is currently a private manufacturing company, a subsidiary of Godrej Consumer Limited, which manufactures and distributes household products. The company provides personal care and home care products, catering for individuals and corporates, through online and offline stores. Canon Chemicals limited has 200 employees and earns \$13.91 million in sales. Canon Chemicals Limited has two companies in its corporate family. (Pitch Book, n.d, Dun & Bradstreet, n.d)

In Kenya, the major drivers of the economy include strong government growth, a growing middle class, an educated workforce, a good and livable business environment, and good government policies with incentives for investors and entrepreneurs. Kenya has attracted many international brands with growth in the beauty and personal care market, combined with the fact that Kenya is recognized as a sales and distribution center for the larger East African market. With the changing lifestyle and consumers becoming more conscious of their looks, the cosmetic industry has evolved. By the end of 2017, Kenya's color cosmetics market was estimated at 5.4 billion shillings. By the end of 2018, it was estimated that the cosmetic industry was worth 6.6 billion shillings (KNBS, 2017).

The growth in the cosmetic sector in Kenya can be attributed to many factors. With the growing demand for cosmetic products means growth in sales, income and need for solid HRM. Demand for proper HRM is occasioned by the need to recruit and train strong human resource to manage sales and distribution of cosmetic products. Such human resources need to be strong to ensure huge sales and growth in cosmetic organizations.

Performance of these individual organizations has translated into the growth of the cosmetic industry. This performance has been attributed to only the growth in revenue and profitability, but also proper use application of HRMPs. This study thus endeavors to establish how proper use of HRMPs can translate into a well-performing organization using Canon Chemicals limited in Kenya as the case study.

1.2 Statement of the Problem

For the intent of augmenting performance, organizations must acquire and utilize human resources effectively. According to Noe et al., (2011), HRM is basic to the achievement of organizations since human resources has extraordinary potential that make it important. Depending on the organization's strategy, the organization can be successful if it has a competitive advantage; therefore, organizations need to come up with policies and practices for their human resources that are aligned with organizational structures because this will help in achieving their goals and objectives (Bulla, 2016).

There has been rigorous research on the impact of HRMPs on the performance of organizations in both developed and developing countries. The results from these studies indicate that HRMPs have impacts on organizational performance. Organizational performance is key, as it is the mirror of the organization. To enhance performance, many organizations in the 21st century are moving away from looking at the balance sheet as a true reflection of performance. Instead, the focus is now on investing in human resource and intellectual capital to offer a competitive edge in the market today. Investment in human resource entails to employing qualified and skilled human resource. These are the employees.

Employees assume a vital part in the development and functioning of the organization (Riordan et al., 2005). Employees build valuable human resources that need to be managed responsibly. In this regard, proper HRMPs are fundamental to guarantee that representatives are all around oversight, spurred and compensated to guarantee the accomplishment of the organization. In order for organizations to be sustainable in the medium to long haul, employees must be encouraged to ensure that they value any work they do, and to get as much information as possible about the skills to do any job to the best of their ability.

Observation by the researcher in Canon Chemicals Limited indicates that employees are not content with their prosperity as far as pay rates for example their benefits and entitlements. As a result, there has been a high degree of workforce attrition, with top performing employees going on to other firms. Since top management seldom charts a deliberate potential path, weak governance results in a lack of consistent guidance. Management has failed to communicate a coherent message about the strategy to all members of the organization. Employees feel a lack of awareness in the organization. They are not motivated as the managers take their eyes off the teamwork ball. Leaders have become premeditated and have failed to recognize their subordinates, failed to involve them in decision-making, and failed to better invest in the processes, practices, and actions of reviewing time. Some employees have then been displaced; feeling marginalized, and lost focus and commitment.

The study leverages on the fact that past research work on the impact of HRMPs on employee performance has been carried out in various fields. Below is an overview of related studies. The study by Singh, and Kassa, (2016) measured the impact of human resource management practices on organizational performance at Debre Brahan University. The findings showed that HR practices: recruitment and selection, training and development, performance evaluation and compensation have a critical relationship with university performance.

Nancy Quansah (2013) studied the impact of HRM practices in the turbulent region of Ghana on the organizational performance of selected rural banks. The study revealed that HR practices were ill conceived, carried out and oversight by non-HR specialists, and that their employees had poor perceptions about the practices, programs and policies of these rural banks. The study also showed that these rural banks are missing

substantial benefits of managing human resources effectively. Rural banks were recommended to dedicate a department for human resources for proper management of human resources through which to generate competitive advantage.

Meanwhile, the study by Abu-Mowgli and Abo-Rumman (2012) brought about the relationship between the management of human resource practices and the organizational performance of five-star hotels in Jordan's hotel and service industry. The research concluded that a huge part of the change in performance is attributed to the human resource management practices of Jordan's hotels. The most persuasive measurements in organizational performance were selection and appointment policy, performance evaluation and teamwork policy.

A similar case has been observed in Kenya where studies have focused on HRMP and performance on a similar scale across regions. Vidiya et al. (2016) study, dealt with the impact of HRMP on employee outcomes on firms listed on the Nairobi Securities Exchange. The study concluded that human resource management practices were an important link to employee outcomes and recommended firms to ensure that they create HRMPs that advance employee outcomes that enhance employee commitment, competence, and empowerment.

Kajira (2014) conducted a study to analyze the relationship between human resource management practices and employee commitment in retail banking at Standard Chartered Bank Kenya. Mbugua (2014) designed a descriptive survey research on employees' perception about the impact of human resource management practices on Menon's performance. Kefa (2014) conducted a study on the impact of human resource management practices on the performance of employees in research institutes in Kenya.

None of the previous studies focused on the cosmetic industry and in the Kenyan context in particular. One thing for some is that these studies found significant and positive effects of HRMP on employee performance in related industries. The study expects that the impact of these practices on the performance of employees in the cosmetic industry will also be positive in the case of Canon Chemicals Limited. It is this gap that the research attempts to fill by using the impact of compensation, workers' participation, internal communication, and employment security as the key HRMPs.

1.3 General Objectives

The general objective of the study was to determine the effect of human resource management practices on employee performance in Canon Chemicals Limited.

1.4 Specific Objectives

- i. To establish the effect of compensation on employee performance of Canon Chemicals Limited
- ii. To determine the effect of workers' participation, on employee performance of Canon Chemicals Limited
- iii. To investigate the effect of internal communication systems on employee performance of Canon Chemicals Limited
- iv. To evaluate the effect of employment security on employee performance of Canon Chemicals Limited.

1.5 Research Questions

The study sought answers to the following questions:

- i. How does compensation affect employee performance Canon Chemicals Limited?
- ii. How does workers' participation influence employee performance of Canon Chemicals Limited?
- iii. How do internal communication systems affect employee performance of Canon Chemicals Limited?
- iv. How does employment security influence employee performance of Canon Chemicals Limited?

1.6 Significance of the Research

The findings of this research will be useful to the management of the cosmetic industry in Kenya. The research endeavors to be a reminder that investing in assets and putting more stock is not a pre-requisite for good performance. Instead, management must focus on employing skilled workers, treating them well and applying HRMPs that commensurate to the employees. This will serve to motivate the human resource capital and the result will be increased organizational performance.

Since cosmetic goods are among the fast-moving consumer goods (FMCG) in Kenya, the study findings can be replicated to advise the general FMCG sector. The study also serves to add to the existing literature and debates on the relationship between HRMPs and organizational performance.

1.7 The Scope of the Study

The focus of the study was to determine the impact of human resource management practices and employee-performance of Canon Chemicals Limited. Primary data of the research was used to make a final analysis. The study focused on Canon Chemicals Limited, which is a private manufacturing company, subsidiary of Godrej Consumer Limited as a case study.

1.8 Limitations of the Study

Although a number of limitations were experienced in the course of this study, it did not significantly interfere with the outcome of the overall study. For instance, the study population size was relatively small and it was therefore difficult to statistically generalize the results as indicative of the HRM practices and employee performance at Canon Chemicals Limited.

Secondly, considering that this was a census study, reaching other participants proved to be difficult due to individual commitments and limited personal time to complete the questionnaire, this led to delay in receiving their responses. However, all the questionnaires were fully filled and submitted within reasonable time to the researcher.

In addition, the study used a structured questionnaire that greatly relied on the integrity of the respondent; therefore, the results may be highly subjective. As such, there is a big challenge on whether the employees accurately represented the intended human resource management practice. Nonetheless, the study believed that respondents were true and realistic in their response.

Finally, it is important to consider that a substantial amount of resources have been dedicated to human resource management practices research; there is little that has been done to come up with reliable and valid universally accepted standard HRM practices to be followed in research. As such, the performance measures and definition of the HRM practices employed in this study were purely perceptual.

1.9 Organization of the Study

Chapter one was predominantly the ground work for the research conducted. It introduced the problem statement, research objectives and questions, significance of the research, scope of the research, the constraints and the study organization. Chapter two consisted of literature review and the different study-related theories, an empiric review and a conceptual framework. Chapter three was organized into the following structure: research design, target population, data collection tool, data collection methods, validity and reliability, research procedures, data analysis methods and research ethics. Chapter four describes the results and findings of the research, while chapter five offers the discussions, decisions, and recommendations of the paper.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter provides a review of theories of human resource management, empirical literature and the overview of the literature and conceptual framework concludes the chapter.

2.2 Theoretical Review

2.2.1 Human Capital Theory (HCT)

This theory as pointed out by Schultz (1961), offers the view that the appreciation of the expansion of individuals within an association can add to the more likely presentation of the firm. The hypothesis of human resources perceives individuals as resources and not as an expense within an association. As per Bontis (2008), HCT refers to the human factor in the association. These are common abilities, insights and skills that give the association its unique character. It accentuates the extra worth that people can add to an association. Human resources are an inescapable resource. In addition to the absence of real responsibility for human accounts, firms can and do profit from the undeniable degrees of training and information on their workers through strategies such as building a learning culture to create unity.

The theory is divided into categories of capital such as the symbolic, economic, social and cultural capital. Economic activity is measured by the ability to perform a function that generates income. Education, job training and appealing skills are ascribes that increase the capacity of individuals to obtain information and to create higher wages. The human resources hypothesis is that the higher education, the higher the pay. This is accomplished by going to the classroom; obtaining instruction that builds skills, increases in skills, increases in profitability and increases in efficiency is equally remunerated through a higher salary. (Becker, 1964; Mincer, 1974). It represented the view that education and training would bring future profitability, not only in the use of assets. From this point of view, firms and employees rely on the same human resource interests to be increased.

Boxall (1996), places that social, symbolic and cultural capital alludes to the connections and impact that people have on society. Social, cultural and symbolic capital is difficult to gage, but it is essential to understand its value. Suspicion of the HCT hypothesis is based on the limitless idea of a number of structures that are largely fundamental to including human resources.

2.2.2 Resource Based View Theory (RBV)

The hypothesis is established by the major works published by Penrose (1959). There is strong evidence that the RBV vision shows that organizations are struggling in a dynamic business environment. Barney, (2001), a supported upper hand can be achieved by associations through their workers. This can be refined if the company acquires a large number of personal assets that can be imitated by its competitors or competitors. As a competitive profit system, RBV is actually based on the use of a number of valuable company assets. Galbreath, (2005) the firm must decide on potential assets that can satisfy the volatility of value, unusual, immeasurable and unchanging competing organizations in the positions in which the company operates.

The central issues of the RBV hypothesis are that organizations must be constrained to decide on their potential key assets and to assess whether these assets meet the resulting standards identified as valuable, rare, inimitable and non-substitutable (VRIN). An asset should be significant in adjusting a firm to use a value-added methodology, either by beating its rivals or by reducing its own shortcoming. Rare – to be significant, an asset, by definition, should be uncommon. In an appropriate competitive and vital issue, the asset market, the estimation of the asset was a reflection of the normal limited future on top of normal returns. Inimitable – if a significant asset is constrained by just one firm, it can be a source of competitive profit. (Barney, 1986; Barney, 2001; Amit and Schoemaker, 1993). Within the long-standing period, this favorable position could likely be property if contenders are unable to easily copy this essential quality (Peteraf, 1993; Barney, 1986).

Apart from the fact that an asset is rare, which may be worth making and may be improperly imitated, an equally important factor is the lack of exchange. Organizations need to be prohibited from bringing care and security to the table with assets that have this test, as doing so will improve the performance of the framework. (Dierickx and Cool, 1989; Barney, 2001). The indicated features of VRIN are

important independently, but there are not sufficient competent profitability conditions (Dierickx and Cool, 1989; Priem and Butler, 2001). Human resources practices affect the competitive edge of the organization. Employees are considered the most valuable assets an organization can have. As a result, companies should provide these resources with incentives, motivation, and training to ensure that they have a stronger competitive advantage than their competitors do. (Wright & McMahan, 1992)

2.2.3 Expectancy Theory

Victor Vroom suggested the expectation principle of performance management in 1965. According to him, people act in a particular way because the desired result of such actions motivates them. An individual's performance should always be in line with the organization's expectations regarding the achievement of future goals (Salaman et al. 2005). An incentive for people to act in a certain way in certain types of actions is their expectation. This expectation is related to the effect of the selected action. Anticipation is determined by the individual's expectation that the performance of a particular type of behavior will definitely help the person achieve the desired performance objectives. This property therefore enables individuals to assess if they have the requisite skill sets to effectively perform a job. However, the resulting motivation often decreases when success targets are beyond accomplishment. (Bhattacharya, 2016)

The expectancy concept is used in almost all types of organizations. This is applied extensively to all aspects of employment relations, with a particular focus on employee performance management (Eisenberger et al. 1990). In organizational processes such as the hiring of employees for a specific task, the application of this principle is clear. It is additionally used to investigate the results of organizational training and to assess the routine of employees according to organizational objectives. This concept is also used for dynamic identification that motivates workers in the firm. Particularly in the context of the hiring process, this vision assists to identify the motivational factors contributing in terms of past needs, goals and experience of the people joining the organization. (Bhattacharya, 2016).

In organizational performance appraisal, this concept works to interpret a particular characteristic of an employee's performance in terms of individual expectations.

It should be noted here that the doctrine of waiting often suggests that different people want different things in their organization. This ranges from a good salary to job security to professional advice. As a result, in terms of organizational training, this perspective contributes to the results of the behavioral map. In other words, this view helps to identify specific decisions on the consequences of student behavior (Lunenburg 2011; Bhattacharya, 2016).

Expectancy theory is more beneficial in various ways than other theories. It helps, for example, to identify employees in an organization who are willing to perform at a higher level. These employees can achieve maximum job satisfaction if they are provided with the right facilitator. Therefore, theory helps to interpret the minds of the individual. It helps to identify individual influences that influence people to make decisions based on their expectations (Kanfer 1990; Ramlall 2004). In addition, this perspective focuses on people's expectations and organizational ideas about their ethical behavior. It is therefore helpful to make each employee aware of the organizations' conduct and the outcomes expected by the organization. Therefore, it is helpful in making each employee aware of the conduct of the organizations and the results expected by the business.

Firms using this concept can discern the actual outcome of their employees. Therefore, this idea helps them to retain employees who augment a big significance to their company by identifying internal and external facilitators. (Ramlall 2004; Samuel and Chipunza 2009). According to Robbins and Judge (2013), expectancy theory is more relevant for organizations with appropriate infrastructure than other theories such as the idea of establishing goal theory. In this regard, infrastructure refers to an appropriate way to measure employee efforts, results, and rewards. However, this idea may not work well in some organizations where there is no such infrastructure. (Bhattacharya, 2016)

2.3 Empirical Literature Review

2.3.1 Compensation and Employee Performance

Compensation refers to what is paid to an employee in return for their services (Deckop et. al. 1999). While investigating the impact of compensation on employee performance using the banking sector in Pakistan, Hameed et al., (2014), concluded that compensation had a statistically significant positive effect on employee performance. This was in agreement with other several studies (Abdullah et. al., 2009; Mangale, 2017). Therefore, good compensation improves employees' performance (Milkovich, 2002).

In Kenya, Jean et al. (2017) investigated the effect of compensation strategies on the performance of employees in using a case study of Mombasa Cement Limited. Using stratified sampling, the study used 153 employees and administered questionnaires on them. The study focused on salary and benefits on the performance of employees. Using quantitative methods, the study found that recognition through benefits and rewards in terms of fair pay, allowances, has a positive impact on employees' performance. The study was carried out with Bishop (1987) and Bowen (2015) who found that recognizing and rewarding employees improves their performance.

In the United States of America (USA), Delelaney and Huselid (1996) investigated the impact of human resource management practices on corporate performance ideas using 590 for-profit and non-profit firms. They used data from the 1991 National Organization Survey (NOS, a special module for the General Social Survey (GSS). The independent variables were the HRMPs such as staffing selectivity, training, incentive competition, and grievance procedures. Complaints Investigators found positive and important relationships between HRMPs such as training, staff selection and robust performance flexibility.

In another study, Hameed (2014) investigated the impact of wage increases on employee performance. The researcher found that a fixed salary has a positive effect on job satisfaction, regardless of the risk. The study also revealed that employers have an expectation that employees will commit on a long-term basis through regular and consistent pay.

In his study, Khan (2010) vigorously investigated the effects of human resource management practices on organizational performance in the oil and gas industry in

Pakistan. His focus was on the five HRMP standards namely recruitment and selection, training and development, performance appraisal, wages and incentives, and staff participation. To evaluate the effectiveness of the institution, the author used the perceived quality of products and services, production costs, market share, competitive performance, and industry-related performance as key proxies. The study found a positive relationship between HRMPs and organizational performance.

A similar study in Jordan, by Abou-Moghli et. al. (2012) investigated the relationship between HRMPs and organizational performance using 13 five-star hotels in the capital city of Amman. They sampled 170 from hotels. The HRMPs included, as independent variables were selection and placement, training and development, performance appraisal, reward and incentives, employee participation, internal communication systems, and work groups. Their diversity was based on organizational performance that was strongly influenced by employee-related performance, market-related performance, and performance-related performance. The study used linear regression analysis and descriptive statistics to draw conclusions. Research has found that HRMPs have a positive impact on the performance of these hotels. The most influential HRMPs were policy selection and placement, performance evaluation, and finally performance groups.

2.3.2 Workers' Participation and Employee Performance

In France, using a set of French cooperatives, Defourney and Jones (1985) investigated the effects of employee involvement on business performance. The value-added function of participation in profits, collective membership and ownership was observed to be increasing, even when a wide range of business-specific and ecological conditions are considered. Their findings suggested that policy makers should investigate ways to increase employee participation in fundraising and revenue sharing as this improves their performance. They thus advocate that companies or organizations that want to bring the best to employees should not forget the participation of employees as the HRMP improves employee performance (Gupta and Shaw, 2014).

In Kenya, Kubaison (2015) examined the extent to which organizational employee participation practices contribute to organizational performance. Its main purpose was

to investigate the extent to which direct, indirect and financial participation schemes affect performance in the public sector. The study used a sample framework consisting of 86,878 employees from a list of 178 state-owned companies that participated in the 2010/2011 performance agreement. The study collected data from managers, supervisors and general staff using a questionnaire. The study found that, unlike indirect involvement, direct participation in the team significantly affected employee performance.

Kees et al. (2011), tried to understand the impact of workers' participation on organizational performance using an integrated model in Western European countries and specifically the Netherlands. According to them, current investigations were lacking an integrated model in which to investigate the impact of both direct participation and indirect participation by workers on organizational performance. They found that direct employee participation did not only enhance their skills and improved their performance, but also improved the overall organizational performance.

Odero and Makori (2018) used a sample of sixty freelance lecturers from four public campuses in Western part of Kenya to look at the impact of involvement in policymaking on performance by part-time lecturers. The research established that participation in decision-making accounted for inequality within the work of freelance staff and had a big impact on their performance.

2.3.3 Internal Communication System and Employee Performance

Communication is the data provided to its customers by a company. Customers can be within staff and stakeholders; can be outside agencies, channel partners; the media; government; field bodies and institutions: educational and social in general (Riel & Fombrun, 2012). Communication plays an important role in determining whether employees work well or not.

In Kenya, Atambo and Momanyi (2016) investigated the effects of internal communication on employee performance through a study by the Kenya Power and Lighting Company (KPLC) in South Nyanza. Using a random sample, the study used 256 KPLC staff and managed questionnaires to collect the required data. The study found that downward communication was timelier and appreciated by many employees and hence improved their performance. The upward communication was

found conducive as it helped employees in giving feedback and raising any complaints that they had and improved their performance.

Additionally, lateral communication was found to be essential since it enabled social interactions within departments, team building and proper work coordination. This was in line with a similar study by Karimi (2013), whose findings showed that communication had a positive impact on the staff of the Kenya Postal Corporation thus translating this stimulus into job satisfaction and improving performance.

Internal Communication Strategy and Performance-Evidence from the Nigerian Service and the Alternative Manufacturing Industry et al. (2014) established an investigation into the impact of internal communication strategy on increasing organizational performance in the services and manufacturing industry in Nigeria. Using data from sample management executives and using multivariate integration analysis the study found that appropriate internal communication is related to organizational performance. This was consistent with Femi's (2014) findings in Nigeria using 120 respondents from sample organizations; that effective communication and performance of employees was closely related to productivity.

2.3.4 Employment Security and Employee Performance

According to Kraja (2015), the security of being employed in simple language is defined as knowing that your job is permanent as long as you want it to be. Employees need to be certain that they will not wake up tomorrow and their jobs are gone. Pfeffer, J, (1998) cites that when workers have job security, they are motivated to contribute their knowledge and efforts to increases the productivity of an organization, and they are encouraged to plan long-term in line with the organization's goals.

Maintaining employment security helps to build trust between employees and their employer. This in turn leads improved cooperation, increased confidence in bargaining for better wages, and fosters greatly the spirit in the organization. Employment security must be accompanied by consistent and good performance from employees. This is because performance is vital.

Organizations hire employees, offer them good job securities and they must in return perform so that the organization can recoup back their investments. Overall, proper investment in securing employees' jobs has been found to boost organizational performance (Delery & Doty, 1996; Bjookman & Fey, 2000).

Using a case study of the Albanian public administration, Kraja (2015) used primary data by conducting 500 interviews of the employees in the public administration. With employment security as the independent variable and public administrator's performance as the dependent variable, the study applied ordinary least squares (OLS) method, the study concluded that job security was the most important factor in explaining employees' performance.

In Iran, Jandaghi, et al. (2011) conducted descriptive research on the impact of job security on employees' commitment and job satisfaction. They employed 158 employees from Qom Municipality. By analyzing systematic reviews and the use of integration, their study showed that there was a statistically significant relationship between employed and contract employees in defining commitment and their overall outcome. They found that job satisfaction was consistent with employee commitment but was not essential for final decision-making. Their overall results showed that salary satisfaction with colleagues was significantly affected by commitment.

In their study in Kenya, Vidija, Peter and Ogutu, (2016) investigated the impact of HRMPs on the performance of firms listed on the Nairobi Securities Exchange (NSE). The study used research that described specific components. Using a self-help questionnaire, the survey was conducted on 60 listed firms. The study focused on HRMPs such as employment security, elective employment, self-governing groups, work-related earnings, staff training, classification and information sharing.

To measure solid performance, the study used a measure of sales growth, market share, productivity and profitability. With a simple line analysis, the study found that HRMPs are statistically significant in determining the performance of listed firms. These findings were consistent with other studies such as Huselid (1995), Singh, and Kassa (2016)

2.4 Summary of Literature and Research Gaps

From the literature, it is evident that HRMPs are key in determining the employee-performance of organizations. The literature shows that HRMPs determines employee-performance across all industries and sectors as depicted by the empirical literature above. Therefore, research across the various industries has been on the rise in both developed and developing countries.

However, the literature shows that there exists a gap because studies have focused more on hotels; banking industries leaving out manufacturing industry were cosmetic industry lies. Furthermore, the literature indicated that the vast majority of studies have focused on employment security and compensation as the main HRMPs that determine employee performance. Studies across developed and developing economies found these two variables to have had the largest significant impact on the employee and organizational performances. This study bridges this gap by including two more HRMPs that have not been widely researched on in Kenya. These include worker's participation and internal communication system. This study intends to bridge these gaps especially in the Kenyan context and investigate employee-performance using Canon Chemicals Limited.

2.5 Conceptual Framework

The relationship between the independent and dependent variable is depicted in the framework below. From the review of the literature, the study has identified the six key variables on which will anchor this study. These variables will form the model of the study. The model will have both the dependent and independent variables. The diagram above simplifies the study variables. The dependent variables represent the HRMPs that determine the employee's performance, which will be the dependent variable of the study.

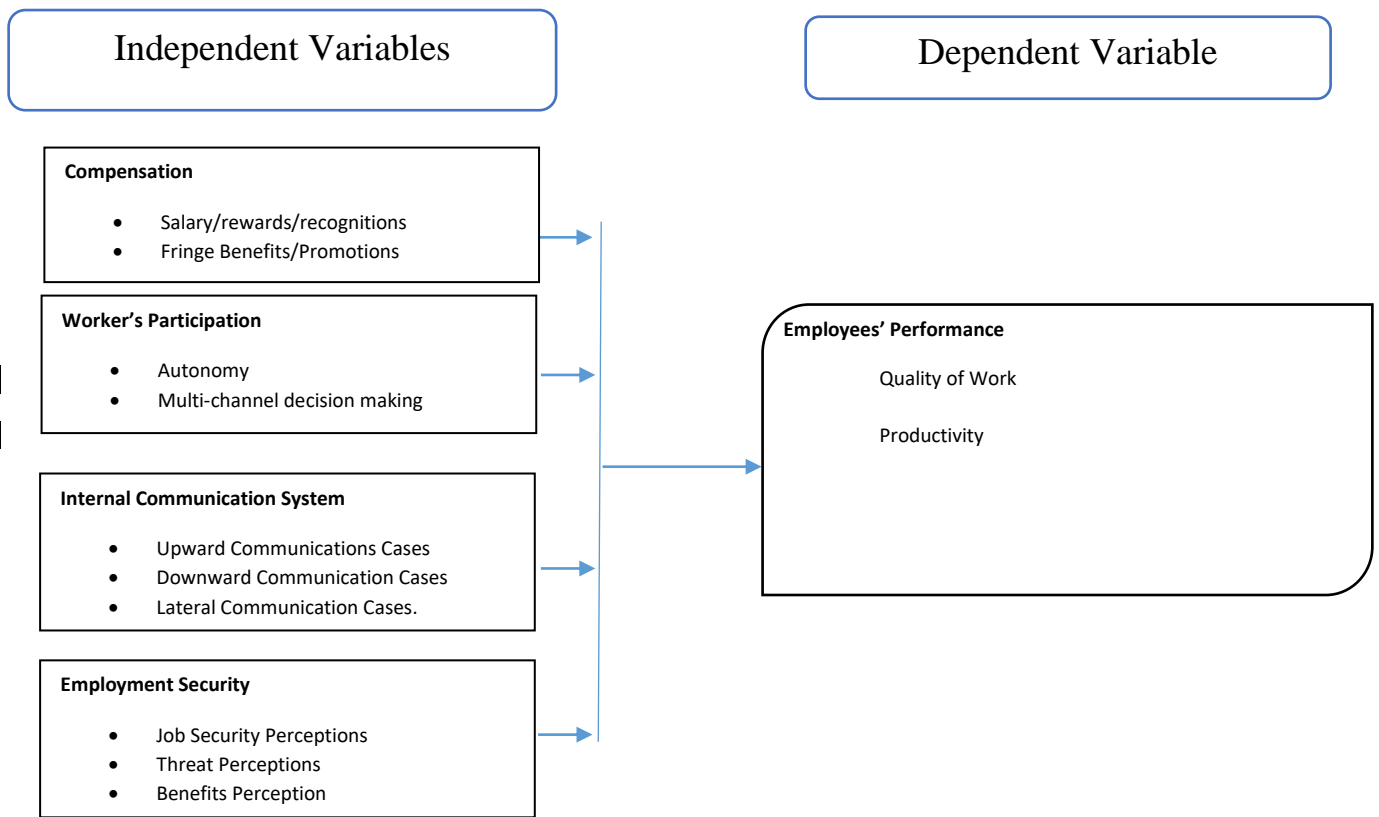


Figure 2.1 Conceptual Framework (Source: Author (2021))

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This section sets out the research methodology utilized by the study. This includes methods concerned with collection of data, statistical techniques used to establish relationship between the data and the unknowns, and accuracy of the methods used to evaluate the accuracy of the results obtained (Kothari & Garg, 2014). It expounds on the research and sampling design, data collection and data analysis method applied in this research.

3.2 Research Design

This is the plan and strategy adopted to obtain effective answers to the research questions and explanatory variables (Creswell & Clark, 2006). It is a system or framework used to create responses to research problems (Orodho, 2003). This study used descriptive research as it describes a phenomenon. By definition, it implies considering essential inquiries like what, how, when and where in a specific circumstance. In this study, a descriptive research design was utilized. A scientific method involves looking at and interpreting the workings of topics without touching them in any way. Descriptive design will include data measurement, classification, analysis, comparison and translation. (Kombo & Trop, 2006).

This study employed a descriptive research design to assist with portraying employee performance in connection to human resource management practices at Canon chemicals limited. The independent variables that guided the research design were compensation, workers participation, internal communication systems and employment security on employee performance.

3.3 Target Population

The target population was the whole aggregation of respondents that met the designated set of criteria and thus was considered in research (Burns & Grove, 1997). The target population for this study was Canon chemicals Limited and the respondents were employees from the HR and Industrial relations departments who would have the requisite knowledge of what was required by the study.

The respondents at Canon chemicals Limited consisted of 6 senior and middle management personnel, who made up 15% of the employees, ten supervisory management personnel, which was 25% of the employees, and 24 general staff (60% of all the employees) .

Table 3.1 Population Size

Department	Target Respondents	Percentage (%)
Senior & middle management	6	15%
Supervisory managers	10	25%
General staff	24	60%
Total	40	100%

(Source: Canon Chemicals HRO, 2021).

3.4 Sample Size and Sampling Procedure

As the population was small, census study was implemented and the total number of employees in the department of HR and Industrial relations were considered. The complete enumeration was considered a befitting study as it takes place when the populace is little and recommended when the components are altogether dissimilar from one another (Cooper & Schindler, 2007). In addition, HR managers and industrial relations workers at all levels were in a superior situation to give the important data that might be associated in human resource management practices and employee performance.

3.5 Data Collection Methods

The study used a semi-structured questionnaire designed on 5-point Likert scales varying from strongly disagree to strongly agree to obtain data. Questionnaires were administered to employees in the Human resource and Industrial relations departments in Canon Chemicals Limited on a one-on-one basis.

The questionnaire had two sections; one on demographic information and the other contained the human resource management practices that were considered for this study.

3.6 Validity

Pretesting, according to Mugenda and Mugenda (2003), allows for the detection of errors that require editing, correction, and reframing of those that are ambiguous. The degree to which evidence and theory support the interpretation of test scores associated with the use of the tests is referred to as validity. The validity is the extent to which the instrument measures what it is to assess, which ensures that inferences are also credible.

Validation of the research instrument will be in terms of content, construct, and face validities. The content related technique measures the degree to which the study is representative the study population. This will be tested through a pilot study with a few employees in a selected company to ensure its workability and understandability. For construct validity, the study will aim to stick to its objectives and the data analysis will remain relevant to the study objectives. To ensure face validity the study aims to ensure that its aims are achieved. The panel of reviewers, and discussants will verify this when the results are presented.

3.7 Reliability

The Reliability is the ability of the research instrument to measure the characteristics of interest consistently over time. In order to make certain that the questionnaire for this study is accurate and effective, the structure will be simple and the respondents will easily understand the language. The Cronbach's coefficient ($\alpha=0.7$) will also be used to measure the questionnaire's reliability.

3.8 Data Analysis

All correctly filled questionnaires will be subjected to coding and organization to ensure that all data is readily available for analysis. The resultant data of the study will be subjected to qualitative analysis where the relationship between the dependent variable (Employee's Performance) and the independent variables (selected HRM practices) will be assessed through correlation analysis. Other descriptive summary statistics and measures of association will be determined through tabulation to strengthen inferential interpretation. The resultant data will be presented in terms of tables and graph.

The Study will run the following linear regression model:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \varepsilon$$

Where:

Y=Employee Performance

X_1 =Compensation

X_2 =Worker's Participation

X_3 =Internal Communication System

X_4 =Employment Security

β_s = coefficients of the variable in the regression equation/Model Parameters to be estimated.

ε =Error term

3.9 Ethical Considerations

This study involved interactions with people at different levels and across the cosmetic industry and hence ethical considerations were key. This helped guarantee discipline in data collection and honesty in dealing with the respondents. Furthermore, all the information provided was treated with objectivity and confidentiality and the research findings reported without alteration and bias. The study gave credits to all references through proper citations to ensure that no work was plagiarized to fit the objectives of this study.

CHAPTER FOUR

RESULTS, DATA ANALYSIS AND DISCUSSION

4.1 Introduction

This chapter indicates the results of the study based on the collected data. The purpose of this study was to evaluate the impact of human resource management practices on employee performance in Canon Chemicals Limited. The study enrolled forty participants from the Human Resource and Industrial relations departments in Canon Chemicals Limited. The respondents at Canon chemicals Limited were made up of 6 senior and middle management personnel, making up 15% of the employees, 10 supervisory management personnel, which is 25% of the employees, and 24 (60% of all the employees) general staff. The first, second, and third sections represent the demographic data, descriptive statistics, and inferential statistics respectively.

4.2 Response Rate

In this study, 40 questionnaires were distributed to the employees in Canon Chemicals Limited to gather appropriate data for the study. All the dispersed questionnaires were properly filled and returned, the project attained 100% response rate. Thus, the response rate was excellent according to Mugenda and Mugenda (2003).

4.3 Demographic Data

The section presents interviewers' data based on their gender, age, management level, department of work, and length of service.

4.3.1 Gender

This study reveals that there were more female participants 52.5% than male 47.5% (Figure 4.1). Therefore, the result of this study shows that both genders participated actively in this study.

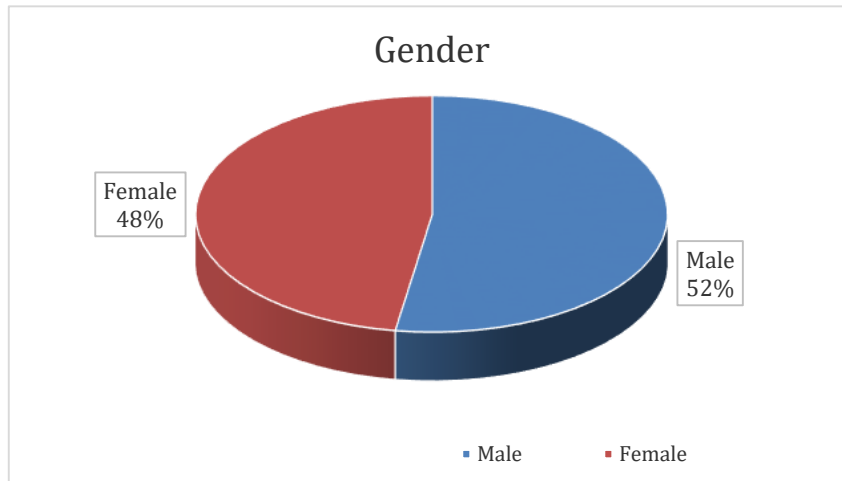


Figure 4.1: Employee distribution by gender at Canon Chemicals Limited

Source: Author (2021)

4.3.2 Age of the Respondent

In this study, the participant age ranged from 20 years to over 41 years. The results of this study indicate a high number of the respondents were youths since 75% of the participants fall below the age of 35 years. Besides, a majority (32.5%) of the participants in the current study were between 26 to 30 years (Figure 4.2).

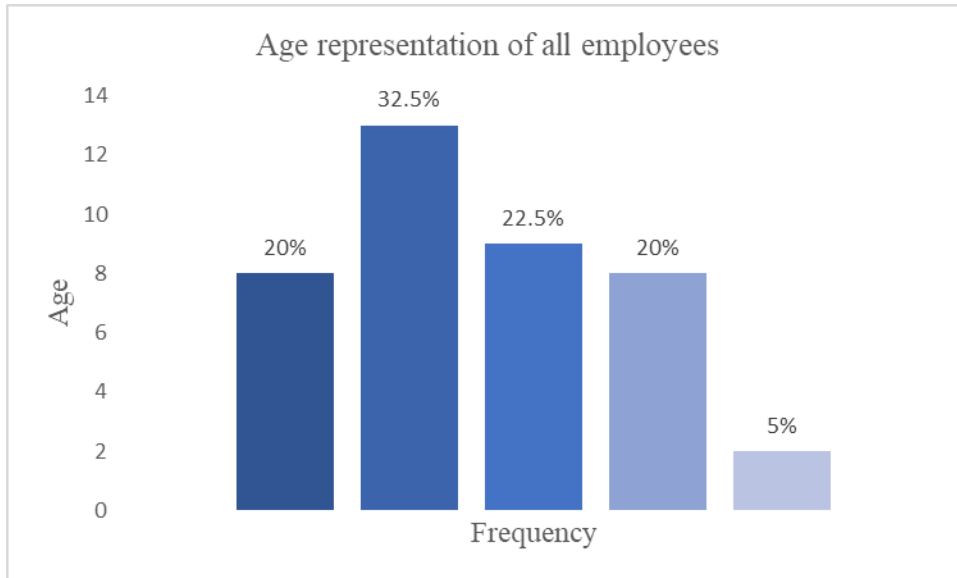


Figure 4.2: Employee distribution by age at Canon Chemicals Limited

Source: Author (2021)

4.3.3 Length of Service

The current study reveals that the majority (77.5%) of workers had served the industry for not more than 10 years. Out of the total participant, 45% of the respondent had work experience of between 6 to 10 years. In addition, the results indicate that 22.5% had work experience of more than 11 years (Table 4.1). The findings imply that majority of the respondent had moderate experience in the running of the company.

Table 4.1: Respondent years of service at Canon Chemicals Limited

Years of Experience	Frequency	Percent	Valid Percent	Cumulative Percent
1-5	13	32.5	32.5	32.5
6-10	18	45.0	45.0	77.5
11-15	8	20.0	20.0	97.5
16-20	1	2.5	2.5	100.0
Total	40	100.0	100.0	

Source: Author (2021)

4.3.4 Management Level

The result of this study demonstrates that the general staff formed the majority of participants (40%); followed by supervisory management (27.5%), then middle-level management (17.5%), and finally, 15.0% of the participants belong to the senior level management group (Figure 4.3). Therefore, the findings indicate that this study allowed all cadre of management level to participate equally.

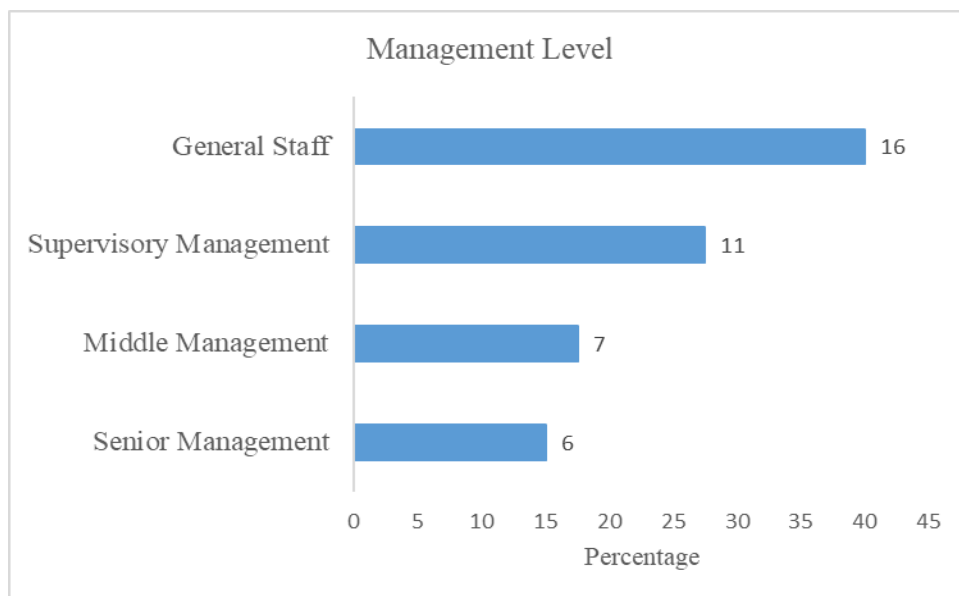


Figure 4.3: Managerial level of the respondents

Source: Author (2021)

4.3.4 Departments

Generally, most of the study participants (65%) were from the human resource department whereas the remaining 35% came from the department of industrial relationship (Figure 4.4). This is an indication that since most of the respondent were from the human resource departments, they are expected to have knowledge in handling human resource.

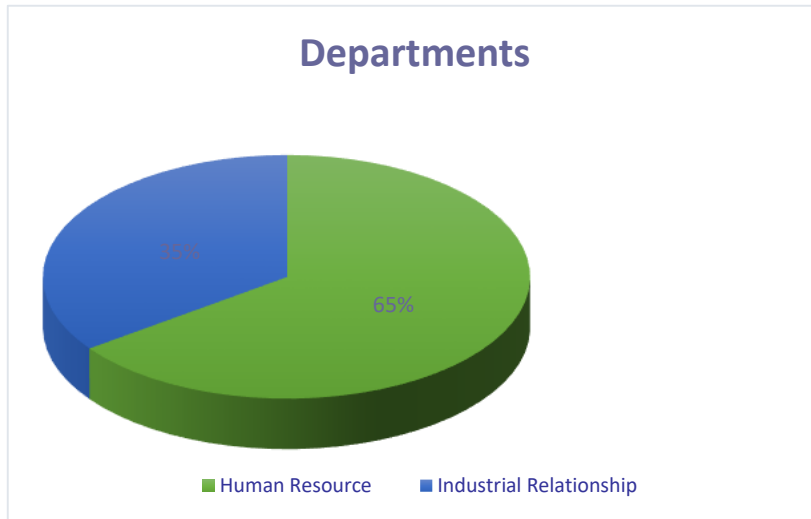


Figure 4.4: Respondents designation

Source: Author (2021)

4.4 Test of Reliability

The Cronbach's Alpha coefficient used to test for reliability and to evaluate for the internal consistency of measurement scale showed that available data is reliable ($p = 0.750$) (table 4.3). On the same note, the main variables were also reliable registering Cronbach's Alpha score of 0.712 to 0.811 (table 4.4). Thus, the data collected was reliable for analysis.

Table 4.3: Cronbach's Alpha Reliability Statistics at $p = 0.700$

Cronbach's Alpha	Cronbach's Alpha Based on Standardized	
	Items	N of Items
.750	.784	24

Source: Author (2021)

Table 4.4: Summary of Cronbach's Alpha Reliability Coefficients for the Variables in the Study ($p = 0.700$)

Predictors/ Variables	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
Compensation enhances employee performance at your organization	.688	.761
Overall, to what extent does proper compensation influence employee performance in Canon chemicals limited	.845	.758
My team leaders include all members in problem-solving and decision making	.785	.721
Employees in all departments are valued equally and fairly	.855	.720
The organization accepts employees' ideas and opinions and implement them	.803	.811
Employees have a lot of input on how decisions are made in the organization	.817	.736
Do you think workers participation affects his/her performance at work in Canon Chemicals ltd	.812	.748
Employees can transfer information to senior management	.856	.717
Employees have easy access to restricted knowledge	.886	.725
The flow of information is clear	.909	.733
Information sharing improves performance	.473	.748
The perception of employee security positively affects job performance	.619	.753
Management Communicates redundant in time before executing	.553	.724
Employees are terminated with just cause or valid reason	.858	.712
Performance appraisals are fairly done, and performance improvement plans given before termination	.852	.724
Employees work better when there is employment security	.682	.753
Overall, to what extent do you feel employment security at canon chemicals ltd	.559	.742
There is an increased employee performance at your organization	.823	.727
Increased quality outcomes determine employee performance	.808	.739
An increase in internal communication determines employee performance	.805	.750
An increase in an employee's knowledge of the organization determines employee performance	.749	.752
Improvement in employee motivation is a sign of employee performance	.876	.753
Predicted Response Category	.893	.754
Predicted Response Category	.869	.722

4.5 Effect of Human Resource Management Practices on Employee Performance

This section is mainly concerned with the findings of the different human resource management practices examined in the course of this study, and how these managerial practices effect the employees' performance in Canon Chemicals Limited. The human resource practices under consideration were compensation, workers participation, internal communication, employment security, and employee performance in Canon Chemicals Limited. This study was in accordance with the factors applied by Abou-Moghli et al. (2012), who investigated the relationship between HRMPs and organizational performance using 13 five-star hotels in the capital city of Amman. They sampled 170 from hotels. The HRMPs included, as independent variables were selection and placement, training and development, performance appraisal, reward and incentives, employee participation, internal communication systems, and workgroups. Twenty-four statements were used for all the managerial practices under investigation. A Likert scale in which 5,4,3,2 and 1 indicated the continuum scores was used.

4.5.1 Effect of Employee Compensation on Employee Performance

In this study, the participants were required to point out the level in which they agree with the statements under-compensation and how compensation affects employee performance. Respondents agreed to all aspects of compensation with the highest mean being compensation enhances employee performance at Canon Chemicals Limited organization (mean=4.28 \pm 1.086) while the least being compensation package of the organization is efficient to meet your basic needs (mean=2.55 \pm 1.209). However, from the results, it was observed that most respondents were not in agreement with the statements that in Canon Chemicals Limited, the rules of minimum wage policy are followed (mean=2.68 \pm 1.228), and that the compensation package of the organization is efficient to meet your basic needs (mean=2.55 \pm 1.209). To a moderate extend, participants agreed that proper compensation influences

employee performance in Canon chemicals limited (3.36 ± 1.173). This was in tandem with the research study carried out by Hameed et al. (2014) on the effect of compensation on employee performance using the banking sector in Pakistan, which concluded that compensation had a statistically significant positive effect on employee performance. This was in agreement with several other studies (Abdullah et al., 2009; Mangale, 2017). Therefore, reasonable compensation improves employees' performance (Milkovich, 2002) to a certain extent. However, the higher standard deviation value implies that most of the participants had varied opinions on this aspect (Table 4.6).

Table 4.6: Compensation towards employee performance

Statements	Mean	Std. Deviation
There is a difference in salary between employees in the organization	3.97	1.250
The rules of minimum wage policy are followed	2.68	1.228
The organization offers non-financial incentives e.g. employee recognition programs, job security, employees participation	3.02	1.209
The compensation package of the organization is efficient to meet your basic needs	2.55	1.260
Compensation enhances employee performance at your organization	4.28	1.086
Overall, to what extent does proper compensation influence employee performance in Canon chemicals limited	3.63	1.005
Overall	3.36	1.173

Source: Author (2021)

4.5.2 Workers Participation

Participants from Canon Chemicals Limited were required to point out how they agree with the statements on how workers' participation in the company's decision affects employees' job performance. Most respondents opined that employees in Canon Chemicals Limited do not have a lot of input on how decisions are made in the organization (mean= 2.28 ± 1.320). In addition, the respondents agreed that neither does their team leaders include all members in problem solving and in decision

making 2.95 ± 1.377), or employees in all departments are valued equally and fairly (mean= 2.57 ± 1.196). Generally, largely the findings strongly extent that Canon Chemicals Limited rarely accepts employees' ideas and opinions and hardly implements them (mean= 2.74 ± 1.791) (table 4.7). However, the large standard deviation from the mean is a pointer that respondents had a diverse opinion on this matter. It was observed from these results that although most participants agreed that workers participants largely affects their work performance since it makes them feel that their efforts are recognized and are part of the organization, in Canon Chemicals Limited. This agrees with the findings of Defourney and Jones (1985) investigated the effects of employee involvement on business performance. The value-added function of participation in profits, collective membership, and ownership was observed to be increasing, even when a wide range of business-specific and ecological conditions are considered; thus, workers' participation alone is broadly not recognized as a means to improve employee performance.

Table 4.7: Workers participation towards employee performance

Statements	Mean	Std. Deviation
My team leaders include all members in problem-solving and decision making	2.95	1.377
Employees in all departments are valued equally and fairly	2.57	1.196
The organization accepts employees' ideas and opinions and implement them	3.15	3.270
Employees have a lot of input on how decisions are made in the organization	2.28	1.320
Overall	2.738	1.791

Source: Author (2021)

4.5.3 Internal Communication

The findings on internal communication revealed that most respondents agreed that information sharing improves work performance (mean=4.37 \pm 0.807) while some of the respondents were neutral on aspects on whether the flow of information is clear (mean=3.00 \pm 1.132). Generally, most participants did not agree on whether employees could transfer information to senior management (mean=2.93 \pm 1.328) or have easy access to restricted knowledge (mean=2.23 \pm 1.143). Although, to a moderate extent the overall agreement among the respondents was that internal communication systems affect the employee's performance at work in Canon Chemicals ltd (mean=3.13 \pm 1.1025), and strongly agreed that information sharing improves work performance. On overall, respondents had varied opinions on this matter, which is reflected on the higher standard deviation (Table 4.8).

The result implies that internal communication is key towards employee performance since it gives employees a sense of belonging. The findings of this study agree with the study by Karimi (2013), whose findings showed that communication had a positive impact on the staff of the Kenya Postal Corporation, thus translating this stimulus into job satisfaction and improving performance. Internal Communication Strategy and Performance-Evidence from the Nigerian Service and the Alternative Manufacturing Industry et al. (2014) established an investigation into the impact of internal communication strategy on increasing organizational performance in Nigeria's services and manufacturing industry. Therefore, the company needs to embrace mechanisms of timely workers' participation and free flow of information across the different managerial levels.

Table 4.8: Internal communication towards employee performance

Statements	Mean	Std. Deviation
Employees can transfer information to senior management	2.93	1.328
Employees have easy access to restricted knowledge	2.23	1.143
The flow of information is clear	3.00	1.132
Information sharing improves performance	4.37	.807
Overall	3.13	1.1025

Source: Author (2021)

4.5.4 Employment Security

The study finding shows that most of the study participants agree that the perception of employee security positively affects job performance (mean=4.48 \pm 0.716) and that employees work better when there is employment security (mean=4.65 \pm 0.736). To a moderate extent, the study participant chose to remain neutral on whether the company's performance appraisals are fairly done, and performance improvement plans given before termination (mean=3.32 \pm 1.118). On the other hand, the study participants were not in agreement on whether the management communicates redundancy in time before executing (mean=2.85 \pm 1.805) or employees are terminated with just cause or valid reason (mean=2.85 \pm 1.189). Overall, the respondents agreed to a moderate extent that employee' security relatively affects employees' performance (mean=3.63 \pm 1.1128) (table 4.9).

These findings support the outcomes of a research study carried out by Pfeffer, J, (1998), who cites that when workers have job security, they are motivated to contribute their knowledge and efforts to increase an organization's productivity. They are encouraged to plan long-term in line with the organization's goals. However, the high standard deviation indicates that respondents had diverse opinions on job security (mean=2.50 \pm 0.906). The result signifies that job security at Canon Chemicals Limited is not guaranteed.

Table 4.9: Employment security and employee performance

Statements	Mean	Std. Deviation
The perception of employee security positively affects job performance	4.48	.716
Management Communicates redundant in time before executing	2.85	1.805
Employees are terminated with just cause or valid reason	2.85	1.189
Performance appraisals are fairly done, and performance improvement plans given before termination	3.32	1.118
Employees work better when there is employment security	4.65	.736
Overall, to what extent do you feel employment security at Canon Chemicals Limited	2.50	.906
Overall	3.63	1.1128

Source: Author (2021)

4.5.4 Employee Performance

In the current study, it was observed that an increase in human resource management practices would lead to an eventual increase in employment performance (mean=4.14 \pm 0.8284). This is in tandem according to Hassan (2016) who stated that employee's performance is inextricably related to the organization's growth. This is because; improvement of productivity of an employee is a focal issue in organizations in the 21st century (Pradhan & Jena, 2017).

Employee performance assessment is now a sought-after developmental intervention in many HR portfolios and their quest to grow organizations and in ensuring that they retain the best employees (Fay & Lührmann, 2004). Generally, respondents agreed to a moderate extent on the aspects that there is increased employee performance at their organization (mean=3.30 \pm 1.324). However, the large standard deviation implied that the respondent had varied opinions on the matter.

On the other hand, most of the study participants agreed that an increase in quality outcome determines employee performance (mean=4.23 ±0.768). Besides, employees of Canon Chemicals Limited agreed that internal communication (mean=4.33 ±0.656), increase of an employee's knowledge of the organization (mean=4.32 ±0.888), and improvement in employee motivation (mean=4.50 ±0.506) greatly impacts on employee performance (table 4.10). The study implies that most of the employees of Canon Chemicals limited believe that the organization should improve on its human resource management practices to promote employee performance and efficiency.

Table 4.10: Employment performance

Statements	Mean	Std. Deviation
There is an increased employee performance at your organization	3.30	1.324
Increased quality outcomes determine employee performance	4.23	.768
An increase in internal communication determines employee performance	4.33	.656
An increase in an employee's knowledge of the organization determines employee performance	4.32	.888
Improvement in employee motivation is a sign of employee performance	4.50	.506
Overall	4.14	0.8284

Source: Author (2021)

4.6 Correlations between Human Management Practices and Employment

Performance at Canon Chemicals Limited

Pearson product-moment correlation analysis was run to determine the relationship between employee performance and human resource management practices. The result was found to be largely consistent with the descriptive statistics and it showed a moderate, positive correlation between employee performance to quality outcome ($r =$

.361, $n = 40$, $p = 0.022$) and between employee performance and increase of internal communication ($r = .329$, $n = 40$, $p = 0.038$) (appendix 1.5). Similarly, Pearson correlations showed an insignificant correlation between internal communication and employee performance ($r = .180$, $n = 40$, $p = 0.266$). This was consistent with Femi's (2014) findings in Nigeria using 120 respondents from sample organizations; that effective communication and performance of employees is closely related to productivity.

Table 4.11: Correlation results on Employment performance to the HRMPs in Canon Chemicals Limited

Factors		Increase in Employee Performance
Increased quality outcomes determine employee performance	Pearson Correlation	.361*
	Sig. (2-tailed)	.022
An increase in internal communication determines employee performance	Pearson Correlation	.180
	Sig. (2-tailed)	.266
An increase in the employees' knowledge of the organization determines employee performance	Pearson Correlation	.329*
	Sig. (2-tailed)	.038

* Correlation is significant at the 0.05 level (2-tailed).

Source: Author (2021)

4.7 Linear Regression Analysis

Further analysis was performed using linear regression analysis to determine how the different human resource management practices examined in the course of this study relate to the overall employee job performance at Canon Chemicals Limited.

4.7.1 Relationship between Employee Compensation and Employee Performance

Interestingly, further analysis using regression analysis to test the hypothesis that the regression model on compensation cannot reliably predict workers' performance. The regression analysis results showed that the groups of the predictor variables on compensation do not reliably predict employee performance in Canon Chemical Limited, $F(5, 34) = 1.952$, $p = 0.111$ (Table 4.12). However, the model explains 22% (R square) of the observed variation on compensation and employee performance (Table 4.13). Besides, slope coefficients that inform on whether a change in the independent may affect the dependent variable indicated that for every increase of employee compensation by 1 unit, it would lead to an increment of employee performance by 4.37 units (employee performance predicted= $4.334+0.292+0.043+0.264+0.107$) (Table 4.14).

Therefore, from the logistic regression results, it can be deduced that as much as employee compensation is only responsible for 22% of the total performance, it does not solely predict the overall employee performance in Canon Chemical Limited, the interaction of other factors associated with human resource management practice may determine the overall employee performance. This research finding is supported by the findings of Bulla (2016), which states that depending on the organization's strategy, the organization can be successful if it has a competitive advantage; therefore, organizations need to come up with policies and practices for their human resources that are aligned with organizational structures because this will help in achieving their goals and objectives.

Table 4.12: Regression results on the Relationship between Compensation and Employee Performance (ANOVA)

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	8.782	5	1.756	1.952	.111 ^a
	Residual	30.593	34	.900		
	Total	39.375	39			

Source: Author (2021)

Table 4.13: Model summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.472 ^a	.223	.109	.949

Source: Author (2021)

Table 4.14: Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.334	1.137		3.811	.001
	There is a difference in salary between employees in the organization	-.292	.155	-.363	-1.879	.069
	The rules of minimum wage policy are followed	-.043	.153	-.053	-.283	.779
	The organization offers non-financial incentives e.g. employee recognition programs, job security, employees participation	.259	.190	.312	1.367	.181
	The compensation package of the organization is efficient to meet your basic needs	-.264	.139	-.332	-1.903	.066
	Compensation enhances employee performance at your organization	.107	.173	.116	.619	.540

Source: Author (2021)

4.7.2 Relationship between Workers Participation and Employee Performance

To expound further on the impact of workers' participation on employee performance at Canon Chemicals Limited, regression analysis was performed to test the hypothesis of whether there is a relationship between workers' participation and employee performance in Canon Chemicals Limited. The regression analysis showed that the group of the variable on workers participation does not show any statistically significant relationship to employee performance in Canon Chemical Limited $F(4, 35) = 2.992, p = 0.032$ (Table 4.15). The model could only explain 25.5% (R square) of the observed variation on compensation and employee performance (Table 4.16). However, the slope coefficient on whether a change in the predictor variable leads to a change independent variable showed that for every increase in workers participation by one unit, there is a positive increase in employee performance by 1.38 units (employee performance predicted = $0.929 + 0.32 + 0.141 + 0.005 + 0.108$) (Table 4.17). Therefore, contrary to the human resource management practices at Canon Chemicals Limited, it was observed that workers' participation might play a significant role in the overall employee performance.

This is supported by the findings of Odero and Makori (2018). They used a sample of sixty freelance lecturers from four public campuses in the Western part of Kenya to look at the impact of involvement in policymaking on performance by part-time lecturers. The research established that participation in decision-making accounted for inequality within the work of freelance staff and significantly influenced their performance. Therefore, there is a need for Canon Chemicals Limited to incorporate workers' participation in their HRMPs as a way to motivate their staff and improve employee performance.

Table 4.15: Regression results on Workers Participation and Employee Performance (ANOVA)

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1.115	4	.279	2.992	.032 ^a
	Residual	3.260	35	.093		
	Total	4.375	39			

Source: Author (2021)

Table 4.16: Model summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.505 ^a	.255	.170	.305

Source: Author (2021)

Table 4.17: Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.929	.143		6.485	.000
	My team leaders include all members in problem-solving and decision making	.032	.040	.133	.817	.419
	Employees in all departments are valued equally and fairly	.141	.052	.504	2.706	.010
	The organization accepts employees' ideas and opinions and implement them	-.005	.016	-.052	-.346	.731
	Employees have a lot of input on how decisions are made in the organization	-.108	.043	-.425	-2.495	.017

Source: Author (2021)

4.7.3 Relationship between Internal Communication and Employee Performance

An interesting finding was obtained when regression analysis was carried out to test the hypothesis that there is no relationship between internal communication and employee performance, the results showed that the group of predictor variables does not reliably predict the dependent variable (worker performance) at Canon Chemical Limited $F(4, 35) = 0.223$, $p = 0.924$ (Table 4.18). The model could not explain 97.5% (R square) of the observed variation on internal communication and employee performance (Table 4.19).

This suggests that there are other factors associated with human resource management practices that were not explained by the regression model. Besides, the slope coefficient, employee performance predicted = $0.043 + 0.012 + 0.029 + 0.032$ (Table 4.20), shows that, for every increase in internal communication by one unit, there will be an increase in performance by 0.03 units, which is quite small. Thus, it can be deduced that in line with the observed descriptive statistics results, workers' participation in decision-making at Canon Chemicals industries does not predict employee performance. However, from the coefficient results, an improvement in internal communication is shown to lead to improvement in performance by a relatively small margin in Canon Chemical Limited. This was consistent with Femi's (2014) findings in Nigeria using 120 respondents from sample organizations; that effective communication and performance of employees is closely related to productivity.

Table 4.18: Regression results on Internal Communication and Employee Performance (ANOVA)

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.047	4	.012	.223	.924 ^a
	Residual	1.853	35	.053		
	Total	1.900	39			

Source: Author (2021)

Table 4.19: Model summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.158 ^a	.025	-.087	.230

Source: Author (2021)

Table 4.20: Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.120	.222		5.046	.000
	Employees can transfer information to senior management	.004	.034	.023	.114	.910
	Employees have easy access to restricted knowledge	-.012	.055	-.064	-.222	.825
	Flow of information is clear	.029	.050	.150	.584	.563
	Information sharing improves performance	-.032	.047	-.118	-.691	.494

Source: Author (2021)

4.7.3 Relationship between Employee Security and Employee Performance

A regression analysis was performed to ascertain whether employment security could reliably predict workers' performance. The regression analysis results showed that the groups of the predictor variables do not show a statistically significant relationship with the employee performance in Canon Chemical Limited $F(5, 34) = 0.920$, $p = 0.480$ (Table 4.21). The model could only explain 12% (R square) of the observed variation on compensation and employee performance (Table 4.22).

Besides, slope coefficients, employee performance predicted = $1.785 + 0.214 + 0.007 + 0.55 + 0.234 + 0.162$ (Table 4.23), show that for every improvement of employment security by one unit, it is predicted to be accompanied by an increase in performance by 2.52 units. Therefore, as much as the regression model did not explain the relationship between employment security and employment performance, the coefficient results indicate that improvement in employment security will translate to positive employee performance in Canon Chemicals Limited.

This is consistent with the findings of Jandaghi et al. (2011), who conducted descriptive research on the impact of job security on employees' commitment and job satisfaction. They employed 158 employees from Qom Municipality. By analyzing systematic reviews and the use of integration, their study showed that there was a statistically significant relationship between employed and contract employees in defining commitment and their overall outcome. They found that job satisfaction was consistent with employee commitment but was not essential for final decision-making. Their overall results showed that salary satisfaction with colleagues was significantly affected by commitment.

Table 4.21: Regression results on Employment Security towards Employee Performance ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	3.814	5	.763	.920	.480 ^a
	Residual	28.186	34	.829		
	Total	32.000	39			

Source: Author (2021)

Table 4.22: Model summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.345 ^a	.119	-.010	.910

Source: Author (2021)

Table 4.23: Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.785	1.393		1.282	.209
	The perception of employee security positively affects job performance	-.214	.229	-.169	-.931	.358
	Management Communicates redundant in time before executing	-.007	.095	-.013	-.071	.944
	Employees are terminated with just cause or valid reason	.055	.154	.072	.356	.724
	Performance appraisals are fairly done, and performance improvement plans given before termination	.234	.166	.289	1.414	.166
	Employees work better when there is employment security	.162	.201	.132	.806	.426

Source: Author (2021)

4.8 Chapter Summary

The current study showed that there is a moderate link between the human resource management practices (HRMPs) under investigation and the overall employee performance at Canon Chemicals Limited. The correlation analysis and the descriptive statistics results clearly showed that the human resource management practices such as employee compensation; employee participation, internal communication, and job security, positively influence the overall employee performance. These results are in agreement with previous work done by Omayya (2016) who concluded that, at Jeff Hamilton Organization in Kenya there was a significant connection between human resource management practices and employee job performance.

A similar study by Arthur (1994), (Pfeffer and Viega, 1998) showed that dedication to human resource management practices was connected to improved performance, punctuality, and higher retention rate and collectively lead to higher job performance. Similarly, Abou-Moghli *et al.*, (2012) examined the connection between HRMPs and organization performance of thirteen, five-star hotels demonstrated that HRMPs did have a positive impact on the performance of these organizations; his findings are in line with the findings of the current study.

It is observed that although, a general feeling among the employees of Canon Chemicals Limited was that proper compensation positively influences employee performance. Interestingly, this study reveals that a positive increase in compensation would have an overall positive effect on employee performance and explains about 22% of the total improvement in employee performance. The result of the current study is in line with previous studies, which demonstrated that employee compensation has a positive impact on employee performance as observed in the

banking sector in Pakistan (Hameed *et al.*, 1999), and in Mombasa Cement Limited, Kenya (Jean *et al.*, 2017). In addition, employee reward and recognition have been shown to impact positively in their performance (Bishop, 1987; Bowen, 2015). Other studies (Abdullah *et. al.*, 2009; Mangale, 2017; Delelaney and Huselid, 1996) have come up with a similar conclusion that employee compensation has an overall positive impact on employee performance.

Workers' participation is another major factor that has been shown to improve employee performance (Gupta and Shaw, 2014). Generally, the current study is in agreement with the previous studies in human resource management practices. Employees ought to be permitted to take an interest in the running of the organization as was demonstrated in French cooperatives (Defourney and Jones, 1985). A similar study in Kenya concluded that direct involvement of employees affects employee performance (Kubaison, 2015). In investigating the employee participation in some of organizations in Western European Countries, Kees *et al.*, (2011) found out that direct employee performance not only improves employees' skills and performance but also positively affects the overall organization performance. However, Kees and associates (2011) also concluded that, the current investigations were lacking on the integrated model to investigate the impact of direct and indirect employee participation in an organization.

On further consideration of HRMPs, the study found out that internal communication affects workers' participation to a very small extent. The finding is interesting since several authors had contrary results. For instance, Atambo and Momanyi (2016) showed that internal communication plays a significant role in employee performance at Kenya Power and Lighting Company (KPLC). In KPLC, the employee showed great satisfaction and appreciated both downward and upward communication. If

downward communication is done in a timelier manner, it gives employees easy time in performing their duties whereas upward communication provides employees with a mechanism to give feedback and raise complaints; on the other hand, lateral communication enables social interactions within departments, team building, and proper work coordination (Atambo and Momanyi, 2016). As such, open communication channels translate to job satisfaction and improved performance.

In the current study, it was demonstrated that employee security did not significantly affect employee performance at Canon Chemicals Limited. This is not in accordance with a few investigations that demonstrated that employer stability significantly further develops employee execution. Employees are certain that their jobs are guaranteed therefore contribute their knowledge and efforts to improve the productivity of an organization (Kraja, 2015; Pfeffer, J, 1998).

A study done by Kraja (2015) on Albanian public administration concluded that job security is significant in explaining employee performance. On a similar note, studies were done in firms listed in Nairobi Security Exchange, Kenya (Vidija, *et al.*, 2016) and those that compared the commitment of employees on contract and those on permanent terms in Iran (Jandaghi, *et al.*, 2011) concluded that job security is consistent with employee performance in these firms. Therefore, proper investment in securing employees' jobs has been shown to boost employee performance in an organization (Delery & Doty, 1996; Bjookman & Fey, 2000).

The current study and several other studies have demonstrated that improved employee compensation and motivation, workers participation, improved and timely internal communication, and job security make employees be abreast with the happenings in an organization and results in higher employee performance (Podsakoff, Ahearne, & MacKenzie, 1997; Dishon-Berkovits, & Koslowsky, 2002).

However, promising results from this study are the results from the regression analysis that indicates that HRMPs under consideration explain to a minimal extend the observed variation on employee performance. Therefore, this study brings forth an interesting aspect that human resource management practices should not be generalized that they will lead to employee performance rather; other factors, which are out of scope in this current study, may play a critical role in overall employee performance. This is contrary to the universal model of human resource management practices, which theorized that the human resource management practices are universally applicable.

For instance, in a rather unanticipated outcome, employees may sometimes notice HRMP rewards only during the day the increase is communicated and when they receive their first increased incentive. As such, Canon Chemicals Limited managers should not blindly enforce the human resource management principles and practices and expect improved employee performance, thus need to understand their employees better and enforce the HRMPs that will work well in their setup.

CHAPTER FIVE

SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

5.1 Introduction

This chapter presents the summary of the findings, conclusion based on the research objective, and recommendations on the effects of human resource management practices on employee performance at Canon Chemicals Limited.

5.2 Summary

This study purposed to determine the effect of human resource management practices on employee performance in Canon Chemicals Limited. The study was guided by four specific objectives: to establish the effect of compensation on employee performance of Canon Chemicals Limited, to determine the effect of workers' participation, on employee performance of Canon Chemicals Limited, to investigate the effect of internal communication systems on employee performance of Canon Chemicals Limited and to evaluate the effect of employment security on employee performance of Canon Chemicals Limited.

A sample of 40 participants was selected using the total census technique since the population at Canon Chemicals Limited was small. The respondents at Canon Chemicals Limited were made up of 6 senior and middle management personnel (15% of the employees), 10 supervisory management personnel, which is 25% of the employees, and 24 general staff who are 60% of all the employees. A structured questionnaire was used to collect data from the study participants and all the distributed questionnaires were duly filled and returned. The study employed descriptive, correlation, and regression analysis using the Statistical Package for Social Science (SPSS) package.

The study finding revealed that more females participants 52.5% than male 47.5%. Therefore, the result of this study shows that both genders participated actively in this study. In this study, most of the respondents were youths since 75% of the participants not only fall below the age of 35 years but also the majority (32.5%) of the respondents in the current study were between 26 to 30 years. A larger part of the respondent had served the industry for not more than 10 years. Out of the total participant, 45% of the respondent had work experience of between 6 to 10 years. Besides, the results also indicate that 22.5% had work experience of more than 11 years. The findings imply that the majority of the respondent had moderate experience in the running of the company and this allowed them to have vast experience in the area of study.

a) Human management Practices

According to the findings of the current study, there is a moderate relationship between the human resource management practices (HRMPs) under consideration and overall employee performance at Canon Chemicals Limited. The findings of the correlation analysis and descriptive statistics clearly demonstrated that human resource management techniques such as employee remuneration, employee involvement, internal communication, and job security had a beneficial impact on overall employee performance.

Results on human management practices were in agreement that an increase in human resource management practices would lead to an eventual increase in employment performance (mean=4.14 \pm 0.8284). However, the respondents agreed to a moderate extend on the aspects that there is increased employee performance at Canon Chemicals Limited (mean=3.30 \pm 1.324). The standard deviation was more than one, which indicates that the employees of Canon Chemicals Limited had varied opinions

on this matter. Correlation analysis gave similar results as descriptive analysis since it demonstrated a moderate positive correlation between the different HRM practices to employee performance (employee motivation to employee performance ($r = .361$, $n = 40$, $p = 0.022$) and employee performance and increase of internal communication ($r = .329$, $n = 40$, $p = 0.038$)). Therefore, most of the employees of Canon Chemicals limited believe that the organization should improve on its human resource management practices to promote employee performance and efficiency.

On the HRM practice of employee compensation, most of the respondents agreed to a moderate extent that proper compensation influences employee performance at Canon chemicals limited (3.36 ± 1.173) and that the model explains 22% of the observed variation on compensation and employee performance. However, the higher standard deviation value implies that most of the participants had varied opinions on this aspect. On a similar note, most respondents had a strong opinion that at Canon Chemicals Limited the HRM practice on workers participation is largely not upheld as a means to improve employee performance (mean= 2.74 ± 1.791), and the model could only explain 25.5% of the observed variation on compensation and employee performance. However, the large standard deviation from the mean is a pointer that respondents had a diverse opinion on this matter.

The practices on internal communication and employment security were found to have a moderate reception within Canon Chemicals Limited with a mean of 3.13 ± 1.1025 and 3.63 ± 1.1128 respectively, and the model was shown to explain only 2.5% and 12% of the total variation in employee performance at Canon Chemicals Limited. The result implies that internal communication and job security is key towards employee performance since it gives employees a sense of belonging. The greater standard deviation was an indicator that respondents had diverse opinions.

The result of this study is an indication that Canon Chemicals Limited should improve on all the aspects of human resource management practices that include employee compensation, employee participation, internal communication, and employee security to spur overall employee performance.

The organization needs to carry out regular surveys as well as have merit employee motivation and embrace a human resource management practices policy. Of great interest is that regression analysis did not show a significant relationship between the human resource management practices in this study and the employee performance at Canon Chemicals limited. This may be attributed to the small sample size and the mode of sampling.

5.3 Conclusions

The following conclusions were drawn based on the findings of the current study:

The fact that the respondents agreed that the human resource management practice on employee compensation was not being upheld largely. Additionally that neither does the company follow the rule of minimum wage or the compensation package of the organization is efficient to meet your basic needs, means that Canon Chemicals Limited employees are demotivated and cannot give all that they have to meet the company's goal and objectives. This, therefore, calls for transformation in how the company runs its human resource management practices.

The overwhelming strong response that at Canon Chemicals Limited workers participation was largely not recognized, as a means to improve employee performance and that employees are not valued equally across all the departments could mean that the practice is neither communicated nor not upheld. This makes the

employees feel that they have no sense of belonging in the organization and their opinion does not matter, as such, it negatively affects their overall performance and productivity.

The overall feeling among the employees of Canon Chemicals Limited is that the organization upholds internal communication to a moderate extent. This means that there is some degree of communication within the different cadre in the organization. However, respondents pointed out that the communication might be one way; from senior managers to junior staff and that, employees cannot freely access restricted information. Therefore, this implies that Canon Chemicals Limited employees feel that internal communication is key towards employee performance since it gives them a sense of belonging. Therefore, the company needs to embrace mechanisms of the timely flow of information across the different managerial levels.

The strong overall feelings among the employees that their job security at Canon Chemicals Limited is not guaranteed and that employee can be terminated with no justified reasons shows a high degree of job insecurity among the employees. The constant feeling of insecurity will make the employee be on the continuous lookout for other favorable employment opportunities hence divert critical resources such as time and energy that would otherwise be channeled in improving the company's productivity. As such, job security is key towards employee performance since it gives employees a sense of a secured future and makes them channel their energies and skills in improving their performance.

5.4 Recommendations

Based on the research findings and conclusion of this study, it seems that Canon Chemicals Limited does not uphold employee compensation as one of their human resource management practices as a means to improve employee performance. It is

with this information that the investigator endorsed that the human resource managers should embrace proper employee compensation-supported job evaluation and salary surveys.

The current study has highlighted to a larger extent that at Canon Chemicals Limited, employees strongly believe that the HRM practice on workers participation is largely not upheld as a means to improve employee performance. In addition, neither do employees have a lot of input on how decisions are made in the organization nor do team leaders include all members in problem solving and decision making. The researcher thus recommends that Canon Chemicals Limited should adopt human resource management policies that encourage teamwork and workers participation. This will make employees feel part of the organization and that their opinions do matter in running the organization.

To a larger extent, the current study has demonstrated that at Canon Chemicals Limited, there is some degree of communication within the different cadre in the organization. However, respondents pointed out that the communication is mostly one-way. Employees can neither transfer information to senior management or do they have access to restricted information. It is, therefore, the researcher's recommendation that internal communication, both downwards and upwards, is key in employee performance. A timely downward communication gives employees easy time in performing their duties whereas upward communication provides employees with a mechanism to give feedback and raise complaints. On the other hand, horizontal correspondence empowers social connections inside offices, group building, and appropriate work coordination. As such, open communication channels translate to job satisfaction and improved performance. Therefore, there is a need for the company to embrace mechanisms of the timely flow of information across the

different cadre of employment to enhance employee performance.

The regression analysis results showed that the groups of the predictor variables on compensation do not reliably predict employee performance in Canon Chemical Limited, $F(5, 34) = 1.952$, $p = 0.111$ (Table 4.12). However, the model explains 22% (R square) of the observed variation on compensation and employee performance (Table 4.13). Besides, slope coefficients that inform on whether a change in the independent may affect the dependent variable indicated that for every increase of employee compensation by 1 unit, it would lead to an increment of employee performance by 4.37 units (employee performance predicted = $4.334 + 0.292 + 0.043 + 0.264 + 0.107$) (Table 4.14).

On further consideration of HRMPs, the study found out that internal communication affects workers' participation to a very small extent. An interesting finding was obtained when regression analysis was carried out to test the hypothesis that there is no relationship between internal communication and employee performance, the results showed that the group of predictor variables does not reliably predict the dependent variable (worker performance) at Canon Chemical Limited $F(4, 35) = 0.223$, $p = 0.924$ (Table 4.18). The model could not explain 97.5% (R square) of the observed variation on internal communication and employee performance (Table 4.19).

The finding is interesting since several authors had contrary results. For instance, Atambo and Momanyi (2016) showed that internal communication plays a significant role in employee performance at Kenya Power and Lighting Company (KPLC). In KPLC, the employee showed great satisfaction and appreciated both downward and upward communication.

In the current study, it was demonstrated that employee security did not significantly

affect employee performance at Canon Chemicals Limited. This is not in accordance with a few investigations that demonstrated that employer stability significantly further develops employee execution. A regression analysis was performed to ascertain whether employment security could reliably predict workers' performance. The regression analysis results showed that the groups of the predictor variables do not show a statistically significant relationship with the employee performance in Canon Chemical Limited $F(5, 34) = 0.920, p = 0.480$ (Table 4.21). The model could only explain 12% (R square) of the observed variation on compensation and employee performance (Table 4.22). The current study and several other studies have demonstrated that improved employee compensation and motivation, workers participation, improved and timely internal communication, and job security make employees be abreast with the happenings in an organization and results in higher employee performance.

The research participants seemed quite aware of the benefits of employment security and the company's policy on job security practice. Largely, the employees feel that at Canon Chemicals Limited employee security is not guaranteed and that employees can be terminated with no justified reasons. This shows a high degree of job insecurity among the employees. It is in light of this finding that the researcher recommends the management of Canon Chemicals Limited to take initiative in the perception of job security give employees a sense of a secured future. It makes them channel their energies and skills in improving their performance that will translate to the overall increase in the company's output.

5.5 Recommendations for Future Studies

To add value to this study, the researcher recommends that further studies be done on similar cosmetic companies to elucidate the significance of human resource

management practices to employee performance.

Since the human resource management practices considered in this study could only explain variation in employee performance, the researcher recommends that further studies need to be done to look into other HRMPs other than the those considered in this studies and their effect on employee performance.

It will also be interesting to investigate if different socio-cultural and economic activities may influence human resource management practices and employee job performance and satisfaction.

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APPENDICES

APPENDIX 1: TRANSMITTAL LETTER

Roselyn Nyaguthii Muchiri,

P.O. Box 15005 -00400,

Nairobi, Kenya.

Email: roselyn.muchiri@gmail.com

Dear Respondent,

RE: INTRODUCTION LETTER

I am a scholar at Kenyatta University currently undertaking Masters in Business Administration - Human Resource Management option. I am conducting a study entitled “Human resource management practices and employee performance in Canon Chemicals Ltd.” This survey is a component of an academic exercise to assist the researcher to collect data on the subject.

Your participation in this survey is voluntary. I humbly request your assistance in conducting this analysis by genuinely responding to all the questions in this questionnaire. This study is very confidential, the information given is to assist in the outcomes’ of the research and enhance employee performance.

Yours Sincerely,

R.N.M

Roselyn Nyaguthii Muchiri

Registration Number: D53/CTY/PT/29842/2014

APPENDIX 2: QUESTIONNAIRE

Dear Respondent,

I am a Masters Student at Kenyatta University, school of business. In order to fulfill one of the prerequisite for the award of the degree I am conducting an academic study entitled “Human resource management practices and employee performance in Canon Chemicals Ltd.” This survey is a component of an academic exercise to assist the researcher to collect data on the subject.

Your participation in this survey is voluntary. I humbly request your assistance in conducting this analysis by genuinely responding to all the questions in this questionnaire. The information that you will give will be confidential and solely used for this academic research.

SECTION I: EMPLOYEE PROFILE

1. Gender

Male

Female

2. Age (in Years)

20-25

26-30

31-35

36-40

41 and above

3. Length of Service (in Years)

1-5

6-10

11-15

16-20

21 and above

4. Management level

Senior Management []

Middle management []

Supervisory Manager []

General staff []

5. Department of work

Human Resource []

Industrial relations []

6. Duties and Responsibilities

.....

.....

.....

.....

SECTION II: Data to research the Impact of Human Resource Management Practices on Employee-Performance

Please indicate how strongly you agree or disagree by ticking the box against the statement that best describes your views.

Key: (1) **Strongly Disagree** (2) **Disagree** (3) **Neutral** (4) **Agree** (5) **Strongly agree**

1. COMPENSATION

(Tick marks the applicable answer)

No.	Compensation Towards Employee performance	1	2	3	4	5
1.	There is a difference in salary between employees in the organization					
2.	The rules on minimum wage policy are followed.					
3.	The organization offers non-financial incentives e.g. employee recognition programmes, job security, employees participation etc.					
4.	The compensation package of the organization is efficient to meet your basic needs					
5.	Compensation enhances employee performance at your organization					

2. Overall, to what extent does proper compensation influence employee performance in Canon Chemicals Limited?

Not at all Small level Moderate level Great level Very great level

3. Do you think compensation affect employees output at work in Canon Chemicals Limited?

Yes No

b). If yes, explain.....

.....

4. WORKERS PARTICIPATION

No.	Workers Participation Towards Employee performance	1	2	3	4	5
1.	My team leaders include all members in problem solving and decision making					
2.	Employees in all departments are valued equally and fairly					
3.	The organization accepts employees' ideas and opinions and implements them					
4.	Employees have a lot of input on how decisions are made in the organization					

5. Do you think workers participation affect his/her performance at work in Canon Chemicals Limited?

Yes No

b). If yes, explain.....

6. INTERNAL COMMUNICATION

No.	Internal Communication Towards Employee performance	1	2	3	4	5
1.	Employees can transfer information to senior management					
2.	Employees have easy access to restricted knowledge.					
3.	Flow of information is clear					
4.	Information sharing improves performance					

7. Do you think internal communication systems affect the employee's performance at work in Canon Chemicals Limited?

Yes No

b). If yes, explain.....

8. EMPLOYMENT SECURITY

No.	Employment Security Towards Employee performance	1	2	3	4	5
1.	The perception of employment security positively affects job performance.					
2.	Management communicates redundancy in time before executing					
3.	Employees are only terminated with just cause or valid reason					
4	Performance appraisals are fairly done, and performance improvement plans given before termination					
5.	Employees work better when there is employment security					

9. On overall, to what extent do you feel employment security at Canon Chemicals limited?

Not at all Small level Moderate level Great level Very great level

10. EMPLOYEE PERFORMANCE

No.	Employee performance	1	2	3	4	5
1.	There is an increased employee performance at your organization					
2.	Increased quality outcomes determine Employee performance					
3.	Increase of internal communication determines employee performance					
4	Increase of an employee's knowledge of the organization determines employee performance					
5.	Improvement in employee motivation is a sign of employee performance					

Thank you for taking time to provide the study with your valuable feedback. We value your input, and all the responses shall remain confidential.