

**ANALYSIS OF THE EFFECTS OF RECRUITMENT AND SELECTION PROCESS
ON THE PERFORMANCE OF FINANCIAL DEVELOPMENT INSTITUTIONS: A
CASE STUDY OF KENYA INDUSTRIAL ESTATES LIMITED.**

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**RESEARCH PROJECT SUBMITTED TO MOUNT KENYA UNIVERSITY IN
PARTIAL FULFILLMENT FOR THE REQUIREMENT OF THE AWARD OF
DEGREE IN BUSINESS MANAGEMENT – HUMAN RESOURCE MANAGEMENT
OPTION OF MOUNT KENYA UNIVERSITY**

APRIL 2016

ABSTRACT

During the last decade, the Human Resource Management (HRM) field has shifted from a micro focus on individual HRM practices to a debate on how HRM as a more holistic management approach may contribute to the competitive advantage of the organization. The shift from examining single HRM practices to systems of practices entails focusing on the interrelationship between the various elements of the HRM system. This has created a lot of interest on the specific effect of human resources management strategies on performance. However, review of available literature indicates a serious lack of empirical studies designed to investigate whether a good alignment between human resources management and firm strategy has a positive or negative effect on performance of organizations. This has led to a high desire by managers to know the contribution of human resource strategies to performance. This study, therefore, sought to investigate the effect of employee recruitment strategies on the performance of organization in KIE. The research adopted a mixed method approach which consisted of both qualitative and quantitative approaches. The study targeted a population of 80 employees who included: the managers, Operations managers and other employees. To ensure representation of the various subgroups in the population a sample of 40 employees was selected using stratified random sampling. Data was collected using self-administered questionnaires. Statistical data analysis involved first editing and coding the questionnaire. Analyzed data was then presented using tables, pie charts and percentages. Analyzed data was interpreted to get the meanings. From this study it was found that employee recruitment, selection and human resource planning strategies have a significant positive effect on performance of commercial banks in Kenya. The study established that KIE is currently emphasizing on the recruitment of people with high academic qualifications. From this study it is concluded that recruitment, selection and human resource planning strategies can combine to enhance firm performance. Based on the findings, it is also concluded that there is a positive relationship between strategic employee sourcing and employee performance among organizations in Kenya. The study recommends that companies should embrace the use of employee sourcing strategies that are linked with the overall company strategy. KIE also need to develop and document strategies for recruiting, selection and human resource planning in order to enhance employee and organizational performance.