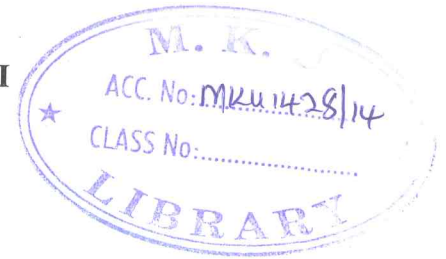


**AN ASSESSMENT OF HUMAN RESOURCE MANAGEMENT PRACTISES ON
ORGANIZATIONAL PERFORMANCE IN STATE-OWNED ENTITIES IN KENYA: A
CASE OF KENYA ELECTRICITY GENERATING COMPANY.**

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ABSTRACT

In developing economies such as Kenya, the influence of governments in state-owned entities renders many human resource management practices principles ineffectual. Kenya Electricity Generating Company (KenGen) is a state-owned entity. Its human resource practices can be crucial to its performance. The purpose of this study therefore was to assess whether Kenya Electricity Generating Company's human resource management practices, particularly recruitment and selection, employee relations, remuneration, and training and development practices influence its performance. A population of 245 respondents was sampled using random stratified method from the target population. Data was collected using a structured questionnaire and analyzed using descriptive statistics comprising of mean scores, standard deviation and percentages.

The recruitment and selection in KenGen contributes to providing the appropriate human capital for delivery of organization goals especially from the fact that a comprehensive recruitment and selection policy exists and that recruitment and selection process always aims at acquiring highly skilled employees. Acquisition of skills and competencies contributes to performance; however the training and development policy and procedures do not provide training opportunities and initiatives focused on increasing the competency levels of the employees which would contribute to the performance of KenGen. The results of the study also revealed that performance targets of employees are linked to the overall corporate objectives.

The study revealed that the reward management policy framework, bonuses, promotions and employee recognition schemes do not enhance employee performance, motivation and retention to drive organization performance in KenGen. In addition the study revealed that employee and industrial relations have direct impact on the performance and that there is an established framework to facilitate good employee and industrial relations to reduce disruption and enhance productivity in KenGen. Similarly a comprehensive health and safety policy is established and the initiatives enhance productivity and performance. To achieve the organization's strategic objectives and influence performance the study recommends that human resource plans are linked to the organization's strategy and subsequent implementation of these plans should facilitate achievement of the overall goals of KenGen. The training and development policy

framework and initiatives are reviewed and implemented to ensure they are comprehensive to provide training opportunities for employees that are focused on skill and competency development that will enable them meet the organizational goals and impact the performance of KenGen.

A comprehensive review of the reward management policy to ensure that the bonuses, promotions, employee recognition schemes enhance motivation, retention and performance of employees and ultimately drive performance of the organization. It is also recommended that the human resource management practices incorporate complimentary practices such as mentoring and coaching, team building, knowledge sharing and change management so as to influence performance of KenGSen Also, provided, are suggestions for further studies.