

Influence of Strategic Human Resource Alignment on Organization's Performance in Selected Companies Listed in Nairobi Securities Exchange in Kenya

Njage Makanga* Dr. Erastus Thoronjo

Department of Business Administration and Management, Mount Kenya University, PO Box 342-01000, Thika, Kenya

Abstract

Competition in business is a worrying phenomenon for all managers of business organizations. There is increasing and rapidly changing business environment which is turbulent and highly competitive which requires firms to efficiently allocate resources and use such resources as sources of competitive advantage. The study adopted a mixed research methodology that allowed qualitative and quantitative data to be collected. The study employed an explanatory research design. There were 156 senior managers in the 12 selected companies who constituted the Target Population; from this a sample of 112 respondents were sampled. The data collection method constituted adapted and well-tested structured questionnaires. The Statistical Package for Social Sciences (SPSS) was applied in data analysis. Descriptive statistics were applied in analysing the data which included frequencies and percentages while inferential statistics used was majorly regression. The study found that companies listed in NSE aligned their human resource according to their strategic plan. This was evidenced by continuous training to sharpen the skills of the staff members, developed policies to ensure continuous knowledge and skills development among the staff members. Also the study found that the staff members working with those companies had enhanced their abilities, helped to generate information about the firms and creation of customer satisfaction loyalty. Further, a regression test found that human resource alignment had significant effect on the performance of the firms listed in NSE showing that human resource alignment was key to the performance of the firms listed in NSE.

Keywords: Human resource, Alignment, Resource, Performance

1. Introduction

Strategic leaders have been over and over acknowledged for their basic part in identifying chances as well as settling on choices that have an effect to business forms and organizational achievement. Researchers, for example, Elenkov (2008) place that strategic resource and innovation strategy are critical for accomplishing and keeping up vital intensity in the current worldwide economic arena. As indicated by Drucker (2002), the 21st worldwide economy will be portrayed by multifaceted rivalry, empowering and tense with focused open doors and dangers. Serfontein (2010) states that leaders and individual benefactors alike ought to have the capacity to look past their way to deal with their work and duties because of the changing conditions and needs. This is on the grounds that the worldwide economy has made another focused scene, in which occasions change frequently and erratically (Ireland and Hitt, 1999), while the general public then again, is yearning for speed and activation (Wheeler, McFarland and Kleiner, 2008). As indicated by Serfontein (2010), increased pressures on future leaders to convey more outcomes in the midst of compelled resources can make it hard to be more than the progression ahead into the future. Along these lines, leaders and individual supporters' indistinguishable working in the current hyper-unpredictable worldwide economy should dependably have the capacity to "see" the future and take a more strategic resource methodology to their work and obligations (Serfontein, 2010).

Strategic alignment focuses on senior managers overseeing an organization (Lear, 2012) and the overall top management team as well (Boal&Hooijberg, 2001). Achieving organizational competitiveness and strategic resource determines the organizations alignment of its products and or services to its environment. This translates to efficiency of the organization. Alignment unites system, procedures, individuals and clients to push authoritative accomplishment in their business and bolster units (Khadem, 2008; Kaplan and Norton, 2006; Sanders and Davey, 2011). Also, aligned organizations appreciate more prominent client and worker fulfillment and deliver prevalent returns for shareholders (Labovitz, 2004). Along these lines, powerful strategic resource can subsequently help organizations upgrade performance while contending in turbulent and unstable conditions. Subsequently, organization's prosperity relies on upon how resources are aligned by the leader.

1.1 Problem Statement

Organizations are increasingly becoming aware of the critical role human resource on performance of the organizations (Edwards &Rees, 2006). Human resource practices for instance resourcing, training and development, employee associations and reward management are concerned with how people are given jobs and managed in organizations in order to accomplish upper hand through the vital organization of a profoundly

dedicated and able workforce.

According to Cole (2004) human resource is a source of competitive advantage. Managing people, their skills, abilities and experiences has a significant contribution on organizational success (Armstrong & Baron (2004). Like other organizations, managers of firms listed in NSE must look at long term relevance of the firms and how to align their human resource to a long term winning strategies. To do so, the firms need a closer interface between its people management strategies and its overall strategic objectives. Strategic human Resource Management's emphasis is on effective management of people as a source of competitive advantage.

Several studies have been done on the link between performance of the firm and human resource of the organizations. Mkalama (2010) in her study on Strategic Human Resource Management Practices concluded that strategic human resource management was the ability of an organization to function as a resilient, strategic and autonomous entity through the development and acquisition of relevant manpower. From the review of the study, little had been done on the link between human resource, strategic alignment and organizational success of the firms listed in NSE. This study focused on bridging the gap in knowledge on the human resource alignment and organizational performance of the firms listed in NSE.

1.2 Research Objective

The purpose of the study was to analyze the influence of Human Resource Alignments' on Organization's performance in selected listed companies in Nairobi security exchange, in Kenya.

1.3 Study Hypothesis

H0: There is no significant effect of human resource alignments on organizational performance in selected companies in NSE.

Ha: There is a significant effect of human resource alignments on organizational performance in selected companies in NSE.

1.4 Conceptual Framework

The hypothesized relationship between human resource strategic alignment and the performance of the organization was as shown in figure 1.

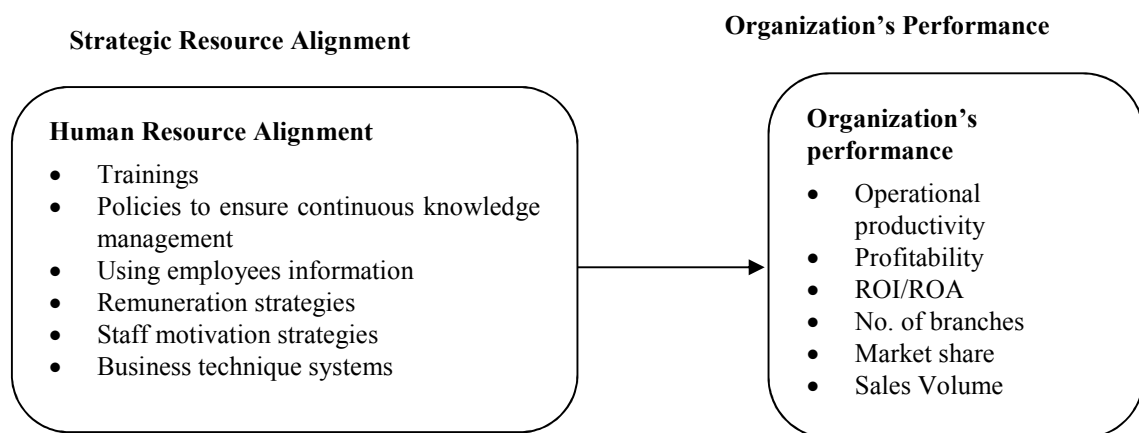


Figure 2: Conceptual Framework

2.0 Literature Review

A review of the supporting theories, concept of the human resource and empirical studies on human resource alignment are given in the following sections.

2.1 Human Capital Theory

Human Capital hypothesis was offered by Schultz (1961) and grew widely by Becker (1964) who characterized uses on human capital as speculation as opposed to utilization. Human capital can be characterized as information, abilities, and states of mind, aptitudes, and other gained qualities adding to creation. Human capital hypothesis proposes that instruction or preparing raises the profitability of specialists by conferring helpful learning and aptitudes, henceforth increasing laborers' future pay by growing all their income (Becker, 1964).

Human capital hypothesis exhibits the idea that workers are viewed as human capital and in keeping up significant capital, associations choose whether or not to pay the venture for preparing, basically putting resources into representative training. Strangely, training is straightforwardly connected with representative's salary and pay potential as said in the human capital venture writing (Strobler, 1990). The at work preparing

speculation is another type of training that builds aptitudes which, thus, expands worker's esteem and efficiency, consequently higher profitability is remunerated through higher income (Becker, 1964).

Managers instruct representatives by means of at work preparing if the outside cost of a similar preparing is higher. This sort of preparing creates human aptitudes however is just (of utilization at a specific organization) unless the preparation is particular, not at all like nonexclusive preparing. Human capital hypothesis is a supply-side hypothesis that keeps running against the request side work drive which eventually manages to the degree representatives get preparing connected to worker turnover; which reduces the company's upper hand (Stroblor, 1990).

In a similar vein, Hatch and Dyer (2011) expressed that, organizations with high turnover will endure a noteworthy focused inconvenience in respect to firms with more steady workforces where human capital can be created and sent. Irving Fisher In his book "The Nature of Capital and Income" (1906) he expressed that an idea of capital ought to include: arrive and other common assets, objects possessed by family unit and government..., the groups of people –perhaps theirs brain as well and additionally non-human items (it was utilized "Analysis on Irving Fisher, The Nature of Capital and Income" (1906) by James Tobin, 1991). In any case, monetary schools were not concurred with such deviation from established hypothesis for generation factors grouping: work, arrive, capital. Furthermore, maybe as a result of Irving Fisher's medical issue (he had tuberculosis) he called attention to one of the principle factor of financial advancement is a human wellbeing: "A huge piece of our subjective wage is because of our state of wellbeing or illness. A man with a decent constitution has a more pleasing continuous flow than one without... sound body is significant for accepting and getting a charge out of the wage from outside wealth Economists, by settling consideration by physical marvels forget the most basic component of all, the force of human life.

The genuine "abundance of countries" is the strength of its people" (1906, p. 176). Accordingly, Fisher made a critical commitment into the inquiry regarding human wellbeing as a piece of human capital which has noteworthy effect on profitability of the nation. Interestingly, Mincer did not specify any of wellbeing trademarks, nonetheless, the model made in an approach to incorporate all expenses in human capital speculation. Schultz (1961) precisely portrayed human capital and offered clarification to human capital interest. He characterized a human capital as a determinant of subjective qualities of HR, which incorporates information, aptitude and comparative traits that influence specific human abilities to do profitable work. In addition, a speculation into the human capital are spends which are disseminated between such human exercises which expands profitability. Schultz focused on five classifications: wellbeing, instruction, on the-work preparing, ponder programs for grown-ups and relocation of people and families. In any case, the creator underlined that there is underinvestment into human capital. For example, a few nations put training on a level of culture; consequently, individuals expend it as a non-material great. Nonetheless, Schultz expressed that there are no models which can appraise human capital speculation. Organizations deformities and blunders increments when turnover increments because of the absence of human capital venture. This affirms because of the diminished measure of human capital venture, worker turnover can be credited to the level of human speculation.

2.2 Concept of Human Resource Alignment

Most affiliation sees the branch of Human Resources (HR) as a regulatory farthest point and carelessness the need and chance to transform it to its key outlines. For conditions where human resource is solidified into the procedure of an alliance, its course of action fail to go past a gauging limit. The focal reason that human resource is not concurred with the arrangement of an affiliation is that it doesn't hold a seat at the key planning table. The equivocalness with HR being let of okay alone for approach planning is that by its penchant, HR is about individuals, which is the point of convergence of an affiliation and its imperative course of action. It is hard to evaluate HR accomplishment and thus it is seen as "sensitive" and not fundamental in the framework progression. What finishes measured gets and in addition gets the master to add to an affiliation's method. HR is routinely observed as the affiliation's "cop", ensuring that favorable circumstances are honestly overseen and obtaining/ending is managed to the letter of the law. Instead of the HR definitive limit, crucial HR sharpens are more contemporary thoughts. In this manner, associations are less disposed to envision that these practices will influence primary concern business happens (Huselid, Jackson and Schuler, 2007). An importance of imperative HR organization is the arrangement and use of a plan of inside solid practices that assurance an affiliation's human capital adds to the achievement of its business targets (Huselid, Jackson, and Schuler, 2007).

The essence of HR is critical. Right when genuinely balanced, HR adds to a profitable structure and the budgetary fundamental concern. HR needs to keep up a solid authoritative establishment and utilize this regard to help get a seat at the procedure table. To get to the full thought with strategy progress, HR needs to see what it does now, with what it needs to do to offer some helper to the connection's fundamental concern. Once the separated is seen, HR needs to assess itself to manage itself, and display its motivation as a constant basic unit. Consistent checking and assessment of HR key part change will wind up being outstanding or not as great position to the essential issue (Lengnick-Hall, 2008). HR is seen as the comprehensive group division and

moreover asset. The alliance's family at last pick the attainability of technique movement, use, and following intense achievement. A key approach that is concurred with HR guarantees that an association's workers, aptitudes, and limits add to the accomplishment of its business objectives (Huselid, Jackson, and Schuler, 2007).

There being two unmistakable components of HR. One is HR key feasibility, which is the HR limit and change of an affiliation's specialists to help its business destinations. In any case, it is the second HR limit of administrative amplexness on which most HR workplaces contribute their vitality. These administrative limits are the activities generally associated with HR, for instance, enlistment, decision, getting ready, execution assessment, and compensation outlines (Huselid, Jackson, and Schuler, 2007).

The imperviousness to focus on training has been present in as of not long ago as a result of the assumption that representatives procured under a legitimacy framework are qualified and prepared for their employments (Okotoni and Erero, 2005). It was additionally accepted that if that was definitely not the case then it implies that underlying choice of work force was flawed (Stahl, 2015). This presumption never again holds as the requirement for preparing ended up plainly obvious in all areas (Okotoni what's more, Erero, 2005). Training aids in making aptitudes, redesigning productivity and nature of work, and building labour dedication to the company.

Training has transformed into the Holy Grail to a couple of affiliations, an affirmation of how much the organization truly contemplates its workforce (Hamid, 2011). Hamid (2011) went further to state that the feasibility with which affiliations regulate, make, induce, incorporate and attract the prepared duty of the general population working in the firms is paramount on their performance.

The significance of preparing has turned out to be more clear given the developing multifaceted nature of the workplace, the fast change in associations and innovative progression which additionally requires the requirement for preparing and advancement of representatives to meet the challenges Kozlowski, et al., (2000). Employee training guarantees that hierarchical individuals have the learning and abilities they have to play out their occupations viably, go up against new obligations, and adjust to evolving conditions (Jones, George and Hill, 2000). Also, employee training and development enhances quality, consumer loyalty, efficiency, spirit, administration progression, business advancement, gainfulness and authoritative execution.

Ordinarily, before preparing programs are sorted out endeavors are made through people and association's examinations to recognize the preparation needs (Olaniyan and Ojo, 2008:327). After the preparing programs, an assessment is completed to determine the adequacy of the program in accordance with the need, which had been recognized (Olaniyan and Ojo, 2008). The pith of assessment is to know the degree to which the preparation has emphatically influenced the worker's efficiency. Association's advancement takes after the improvement of person who frames the association. It in this way takes after that no association winds up plainly compelling and proficient until the point when the representative has gained and connected the required abilities and information (Kozlowski & Salas, 2009).

Human Resource experts additionally trust that an association is just in the same class as its workers, and this understanding recommends that preparation ought to be all the more particularly receptive to representatives' preparation needs (Noe, 2008). Contending in a similar line, Bratton and Gold (2000) confirm that effective corporate pioneers perceive that their aggressive edge in the present commercial center is their kin. They likewise recognize that few associations know how to oversee HR successfully, basically in light of the fact that conventional administration models are unseemly in the present dynamic workplace.

To deal with an organization both expansive and little requires staffing them with skillful workers. The formal instructive framework in Nigeria does not satisfactorily show particular occupation aptitudes for a position in a specific association and couples of representatives have the essential information, capacities, abilities and skills expected to work. Therefore, numerous representatives require broad preparing at work to procure the essential learning, capacities, abilities and capabilities expected to make substantive commitment towards the association's development (Okanya, 2008).

According to Thang, et al., (2010), the viability and accomplishment of an association lies on the overall public who casing and work inside the affiliation. It takes after subsequently that for the agents in a relationship to have the ability to play out their commitments and make imperative duties regarding the achievement of the various leveled goals, they need to get the critical capacities and learning (Ospina and Watad, 2012). In the valuation for this reality in this manner, it winds up plainly basic for associations to determine the preparation and improvement needs of its workers, through its preparation require investigation and adjust such needs to the authoritative general needs and destinations keeping in mind the end goal to realize the hierarchical vision and mission.

According to Smith (2010) preparations rouses representative and influence them to be extra gainful and inventive. Smith attests encourage that the motives of preparing bodes well incorporate, well-trained workers are more fit and willing to accept more control over their occupations; they require less direction, with free organization for various endeavors; agents are more gifted to answer request from customers which enhances customer commitment. Moreover, laborers who fathom their occupation, protest less are more satisfied and the

sky is the limit from there roused and along these lines enhances administration representative connections. Heath field contending a similar way opines that the chance to proceed to develop and create through preparing and improvement is a standout amongst the most essential factors in representative inspiration (Stolovtich& Keeps, 2015).

Staff training and improvement is a vital determinant of hierarchical execution. As per Noe (2006) progression insinuates formal guideline, work experiences, associations and evaluations of character and limits that assistance representatives perform viably in their present or future occupations and association. It regularly comes about because of work encounters and includes discovering that is not really identified with a representative's present place of employment. HollenBeck, Gerhart and Wright (2006) contend that worker advancement is a key supporter of a business procedure in view of creating scholarly capital. It creates administrative ability and enables workers to assume liability for their vocations. It is a fundamental segment of an organization's push to contend in the new economy, to address the difficulties of worldwide rivalry and social change, and to join mechanical advances and changes in work outline. It is the way to guaranteeing that representatives have the abilities important to serve client arrangements. It guarantees organizations have the administrative ability expected to effectively execute a development procedure. As indicated by Nzube (2009) preparing is the procedure that empowers individuals to gain new information, learn new aptitudes and perform assignments better than anyone might have expected. As indicated by Barker (2000) preparing is the arranged arrangement of discovering that outfits us with abilities. It varies from instructing in that it underscores change in conduct or execution as opposed to expanding learning.

Preparing and improvement enables the organization to make a workforce that can adapt to change, meet the expanding requests of purchasers and set up the future authority of the organization (Noe, 2008). Barker (2000) contends that preparation causes representatives to keep up gauges or enhance their ability henceforth their execution. An assortment of human asset administration rehearses are identified with the improvement of human asset of the association. For key purposes it is imperative to target considerably more particularly on the advancement of capabilities which can give an upper hand (Johnson et al, 2006). It keeps up the social procedures inside an association. It additionally gives a typical reference guide (standards) toward which individuals can relate their own particular work and needs and a typical dialect with which to speak with different parts of the association.

Barker (2000) contends that building up some individual's aptitudes empowers an association to accomplish more prominent profitability, enhanced employment execution, more noteworthy strengthening, more palatable enrollment and choice and diminished work turnover. The chief and the representative will distinguish holes in past involvement, preparing or learning that should be spanned to make the veteran worker useful in the new part. Organization interest in both specific and non-particular planning are most likely going to emphatically influence how much the firm truly wins with respect to working up the abilities/learning of its workers. To add to an organization's prosperity preparing exercises should enable the association to accomplish its business procedure.

A business technique is an arrangement that incorporates the organization's objectives, strategies and activities (Noe, 2008). Research by Huselid, (1995); Koch and McGrath (2016) recommend that preparation is an elite human asset hone. A positive relationship has been set up between worker preparing and authoritative execution (Delaney and Huselid 2012; Koch and McGrath 2016). As per Noe (2008) there is both an immediate and aberrant connection amongst preparing and business system and objectives. Preparing can enable representatives to create abilities expected to play out their employments, which straightforwardly influences the business execution. Giving representatives opportunities to learn and make makes a positive work environment which reinforces the business framework by attracting gifted delegates and convincing and holding current workers. As per Johnson et al (2006) formal projects are diminished and more accentuation is on instructing and coaching to help self-advancement. Ivancevich, (2007) contends that preparation and advancement of HR includes change in aptitudes, learning, states of mind and additionally social conduct so as to stay focused. Associations that stress quality do preparing in critical thinking, issue examination, quality estimation, input and group building.

Staff training can likewise be utilized to get ready representatives for expanded obligations in their present human asset design, Johnson et al (2006). As indicated by Ivancevic et al (2007) key administration of representatives expects administrators to devote time, cash and thoughtfulness regarding preparing and improvement. This builds laborers esteem and upgrades their ability for ceaseless change. Representatives must see an incentive in the preparation they get. The preparation should help the worker's advance in their professions. Preparing varies from learning in that preparation is a gathering of exercises while learning is more powerful as an individual action. Directors who give both preparing and learning condition for workers will make more advancement, better administration and more effective operations than contenders. Business system majorly affects the sort and measure of preparing that happens and whether assets (cash, mentors' chance and program improvement) ought to be given to preparing. Additionally methodology impacts the sort, level and blend of aptitudes required in the organization (Noe, 2008). As per Hitt, Ireland, Hoskisson, Sheppard and Rowe

(2006) human asset directors should be all around prepared to guarantee legitimate staffing abilities, change administration, guiding, extend administration and authoritative outline.

The knowledge and abilities of employees obtained through employee training have turned out to be vital in the face of the irrefutably fast changes in advancement, things, and structures (Thang, Quang&Buyens, 2010). Most affiliations place assets into getting ready in light of the way that they assume that higher execution will come to fruition (Alliger, et al. 2014). Devanna, Formbrun and Tichy (2014) proposed the Michigan School display otherwise called the "delicate" Human Asset Management (HRM). This current model's accentuation is on regarding workers as a method to accomplishing the association's methodology. Its supposition is that 'what is useful for the association is similarly useful for the worker'. As indicated by Devanna et al., (2014), preparing and other HRM exercises plan to build singular execution, which is accepted to prompt higher hierarchical execution. In spite of the fact that the Michigan School display recognizes the significance of inspiring and remunerating individuals, it focuses most on overseeing human advantages for accomplish key objectives (Pinnington& Edwards, 2000).

A moment "delicate" HRM hypothetical model to indicate how Human Resource Management (HRM) arrangements can influence representatives and authoritative results was created by Guest. The focal theory of Guest's model is that if a coordinated arrangement of HRM hones is connected with a view to accomplishing the set up objectives, representatives' execution will progress. It moreover expects that this will mean increment in authoritative execution. The quality of Visitor's model is that it is a valuable investigative system for concentrate the connection between HRM approaches and hierarchical execution. This is on account of it communicates pathways for more watchful, clear and simplicity of observational testing. Visitor likewise observed the objectives of connecting workers with authoritative execution as critical to guarantee the high caliber of items and administrations. He accordingly opines that preparation arrangement assume a critical part in HRM and adds to enhanced key joining, representative duty, adaptability and quality. He additionally declares that HRM results can prompt high occupation execution, high issue fathoming movement, high cost viability, and low turnover, decreased nonattendances and fewer grievances.

Also, Khan and Khan (2011) offered a brilliant expository structure, which employments a multi-level way to deal with preparing. This model traverses any boundary between theoretical models of getting ready needs examination, framework, and evaluation, and the more raised sums at which preparing must have an effect on the off chance that it is to add to hierarchical adequacy (Kozlowski and Salas 2009). The model concentrates on preparing exchange. There are two sorts of preparing exchange specifically flat and vertical exchange. Flat exchange focuses on conventional models of preparing viability, while the vertical exchange inspects the connection between person preparing results and hierarchical results. The vertical exchange forms are piece and assemblage. Structure focuses on singular commitment at a similar substance, while assemblage concentrates on singular commitment at the extraordinary or assorted content (Chukwunye&Igbokwe, 2011). Thang, Quang and Buyens (2010) fight that likenesses exist between the regulating (hard furthermore, delicate) models of HRM. As per these creators, preparing has been put on a course of action of HRM procedures and it is considered as a basic and basic arrangement for enhancing information, aptitudes, state of mind and inspiration of representatives.

This audit of hypothetical models connecting preparing to hierarchical execution proposes that it unequivocally perceived that no association can accomplish its objectives or hierarchical system without representatives that have the correct learning, aptitudes, capacities, conduct, and states of mind. In this way, preparing assumes a vital part in enhancing the nature of representatives specifically and influencing authoritative execution through HR results (Thang, Quang and Buyens, 2010). According to Graeme and McGoldrick, (2009) there are many models of preparing and advancement that have altogether affected into hierarchical settings. These models began from inquire about in the zone of hierarchical advancement.

2.3 Empirical Review on Human Resource Alignment

As indicated by Thang, Quang and Buyens (2010), the learning and abilities of workers procured through preparing have turned out to be critical despite the inexorably fast changes in innovation, items, and frameworks. In spite of the connection amongst preparing and firm performance over years has been a subject to significant level headed discussion (Thang et al., 2010), analysts, for example, Kozlowski, Brown, Weissbein, Cannon-Bowers and Salas (2000) have expressed that numerous organizations put resources into preparing in light of the fact that they trust that higher performance will come about. An organization's assets (physical, human and hierarchical capital) decide the quality of a firm in the long haul. The previously mentioned assets empower the firm to enhance its productivity and viability. One of a kind among the assets is human capital, is an essential wellspring of managed upper hand to a firm since it can't be copied or purchased in the market by contenders (Thang et al., 2010). Rehkopf (2006) watched that extraordinary organizations understand that representatives are their most vital asset. Armstrong (2006) states that the human asset (HR) capacity is to empower the organizations to achieve their set objectives. While propelling comprehension of the impacts of preparing on

firm performance through a survey of theories and past exact studies on the connection amongst preparing and firm performance, Thang et al. (2010) looked into 14 contextual investigations and reasoned that there was a huge contrast between sorts of preparing, sorts of money related performance markers and effects of preparing on monetary performance pointers in these studies. Then again while assessing the impact on non-money related performance, the creators set up that some non-monetary performance pointers additionally assume an imperative part in organizational strategy.

Katou (2008) investigated the effect of human asset administration (HRM) approaches on organizational performance among 178 Greek organizations utilizing the 'basic condition demonstrating technique. Comes about because of her study demonstrated that connection amongst HRM and hierarchical performance is halfway interceded through abilities, states of mind and conduct, and it is affected by business strategy's like cost, quality and development. Different past studies have analyzed the impact of preparing on monetary performance pointers, for example, rate of venture (ROI), Rate on Assets (ROA), piece of the pie among others (Bernthal and Wellins, 2006) while some have inspected non-money related measures, for example, Katou and Budhwar (2007) found that preparation positively affects quality, though Ely (2004) prove that preparation has a critical and constructive outcome on consumer loyalty.

3.0 Research Methodology

In the study, a mixed method approached of both qualitative and quantitative data was adopted. The research design of the study was exploratory in nature. Exploratory research design helps in explaining situations or problems found in the form of causal relationships and seeks to find out the existing relationships between a set of variables. The study targeted the top managers of the firms listed in NSE who had information on the human resource and strategic directions of their firms. The study used stratified random sampling to select 112 respondents for the study. The data was then collected from the managers using semi-structured questionnaires and analyzed using descriptive and inferential statistics. The results from the analysis were presented in tables while summarized result and conclusions were obtained were made based on the study findings.

4.0 Results of the Study

4.1 Role of the Respondents in the Organization

The study was undertaken by respondents in management who had information about their organization by the nature of the position in the organization.

Table 4.1 Role of the respondents in the organization

Position	Percent
HOD	57.7%
Supervisor	32.1%
CEO's and top management	10.2%
Total	100

Table 4.1 shows the position of respondents who took part in this study. The results shows that 57.7% were heads of various departments in their organizations, 32.1% held supervisory roles and 10.2% held senior management roles. This shows that the study enjoyed participation from top management to the head of functional leadership. This encompasses a range of skills and competencies.

4.2 Organizational Performance

This part discusses the results on the performance of the organizations as indicated by the respondents who took part in the study.

Table 4.2 Organizational Performance

Aspect of performance	SA	D	NA/D	A	SA	MD	M	SKW
The organization has great improvement in return on investment	0%	2%	10%	72%	16%	4	4	-0.7
The organization has great improvement in return on assets	0%	8%	25%	49%	17%	4	4	-0.4
The firm has better return on equity than industry's average	0%	7%	29%	49%	15%	4	4	-0.3
The firm has better return on assets than industry's average	0%	10%	18%	55%	17%	4	4	-0.6
Profit and loss has greatly improved	0%	0%	15%	64%	22%	4	4	0.0
There is larger market share as compared to previous years	0%	10%	27%	53%	11%	4	4	-0.4
The company has adequate revenue	0%	2%	12%	40%	46%	4	5	-0.9
Net profit margin (profitability) has improved significantly	0%	5%	6%	42%	48%	4	5	-1.2
The composition and changes in assets has grown tremendously	0%	10%	12%	45%	34%	4	4	-0.8
Level of customer satisfaction is far much better in the industry	0%	5%	0%	49%	46%	4	4	-1.5
The quality of service is superior than industry average	0%	2%	15%	55%	28%	4	4	-0.5
The company has grown in terms of employees	0%	10%	19%	47%	24%	4	4	-0.5
The quality of products produced surpasses those in the industry	0%	0%	7%	59%	34%	4	4	-0.1
The quality of products manufactured/produced has grown significantly	0%	0%	5%	70%	25%	4	4	0.3

KEY: SA=Strongly Agree, D=Disagree, NAD=Neither Agree nor Disagree, A=Agree, SA=Strongly Agree

Table 4.2 shows that approximately 72% of the respondents agreed that their organizations had improved

their Return on Investment (ROI). The median and the modal values were both 4 indicating that the popular response was an approval of ROI from the respondents. Assessing the performance of the firms through other aspects, majority of the respondents (49% agreed and 17% strongly agreed) indicated that their firms had reported improvement in return on assets (ROA). Further the results shows that 49% of the respondents agreed that their firms had made better return on equity (ROE) than average values in their respective industries. Similarly majority of the respondents (55%) agreed that their firms' ROA was above the average values in the industry. The value of the median and the mode were 4 indicating that central or common stance of the respondents was 4 representing agree. The value of the skewness was between the normal range of -1 and 1.

Further results from the respondents' shows that 64% agreed that they had improved their profits while 54% indicated that they had acquired more market share than they had the previous year. The modal values were 4 indicating that common rating and response among the respondents was positive. In terms of revenue, the study the modal value was 5 indicating that respondents strongly agreed that their firm revenue amounts was adequate. Looking at the net profit margin (profitability), most of the respondents (48%) strongly agreed that their firms had improved on their profitability. Also most of the respondents (45%) agreed that composition and change in assets had grown tremendously. The median value was 4 indicating that was the central position of the commonest point of view of the respondents. The level of customer satisfaction was better in most of the firms targeted compared to the rest of the players in the industry. The value of skewness was -1.5 indicating that it was not normally distributed and that in some, the level of customer satisfaction was not satisfactory. Majority of the respondents (55%) agreed that the quality of services in their firms was superior when compared to the rest in the industry. Similarly, most of the participants agreed that the company had grown in terms of the number of employees, quality of products and the number of products produced they had produced.

4.3 Human Resource Alignment and Performance

The objective of the study was to determine the influence of human resource alignment on the performance of the firms listed in NSE.

4.3.1 Descriptive Tests

The respondents provided information on how their firms had aligned human resource into their activities.

Table 4.3 Descriptive tests-Human Resource Alignment

Human Resource aspects	SD	D	NAD	A	SA	Md	M	SK
There are frequent and continuous training in this company	0%	0%	13%	48%	39%	4	4	-0.4
The company has strategies (policy) to ensure continuous knowledge and skills acquisition among employees	0%	2%	16%	46%	36%	4	4	-0.6
Our employees have possessed the capacity to enhance new abilities and ways to deal with work viably	0%	0%	28%	41%	31%	4	4	-0.1
Our employees have indicated little imperviousness to constant trainings	13%	11%	36%	31%	9%	3	3	-0.4
Your organization gathers data from employees about how well things function	7%	16%	17%	40%	21%	4	4	-0.6
Remuneration for our performance as a group is done by the organization	0%	16%	34%	36%	15%	4	4	0.0
Groups in the organization are prepared well to ensure consumer satisfaction and loyalty	0%	0%	21%	49%	31%	4	4	-0.1
When procedures are changed, the effect on staff fulfillment is measured	0%	7%	35%	34%	24%	4	3	-0.1

Key: SD=Strongly Disagree, D=Disagree, NAD=Neither Agree nor Disagree, A=Agree, SA=Strongly Agree, Md=Median, M=Mode, SK=Skewness

Table 4.3 shows that most of the respondents (48%) agreed that there was frequent and continuous training in their companies. This shows that the firms continuously engaged in building the capacity of the workforce. The results also show that most of the respondents (46%) agreed that their companies had policies guiding acquisition of knowledge and skills among the employees. The values of the median and mode were 4 indicating that the popular that main segment of the population approved the same views.

The results further shows that most of the respondents (41%) felt that their companies possessed capacity to enhance new abilities and ways to deal with work viably. The value of the median was 4 implying that it was the central position of most of the companies. The value of the skewness was within the range of the -1 to 1. A substantial proportion of the respondents (36%) did not agree nor disagree whether the employees were impervious to trainings implying that either they wanted to hide or they did know the reaction of the employees about constant trainings.

On information gathering, most of the respondents (40%) indicated that their companies gathered

information from employees on how things functioned in their companies. Similarly, remuneration for a performance for the group was done by the organization. The groups in the organization were prepared well to ensure there was consumer satisfaction and loyalty according to most of the respondents (49%). This shows that in most of the companies, the employees were used to provide information on the progress of the companies, remuneration was done collectively and groups were well prepared to enhance satisfaction to the consumers. Most of the respondents (35%) could not explain whether when procedures were changed, the effect on staff fulfillment was measured.

4.3.2 Hypothesis Testing

The hypothesis of the study was between human resource alignment and the performance of the firms listed in NSE. The hypothesis was stated as follows:

H0-3: There is no significant relationship between Human Resource alignment organization performances at the NSE.

Ha-3: There is a significant relationship between Human Resource alignment organization performances at the NSE.

Similar to previous sections, the test was done at a 95% level of confidence and the alpha value for making the decision rule on the hypothesis was 0.05. The hypothesis was tested through a simple linear regression discussed in the following sub-sections.

Table 4.4 Model Summary-Human Resource Alignment

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.445	.198	.188	.42515

Table 4.4 shows that the R value was 0.445 and the value of the R square was 0.198. This implies that alignment of the human resource and the performance of the firms had a positive correlation. The R square shows the proportion or percentage of the dependent variable explained by the independent variable. In this case, it shows that human resource alignment accounts for 19.8% of the total variations. The remaining 80.2% was accounted for by other variables which are not in the model.

Table 4.5 ANOVA-Human Resource Alignment

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	3.613	1	3.613	19.991	.000b
Residual	14.641	81	.181		
Total	18.254	82			

Table 4.5 shows that the F statistic $F(1, 81) = 19.991, p < 0.001$. This implies that human resource alignment has significant effect on the dependent variable and also confirms that the data fits the models. The actual influence is reported in table 4.6.

Table 4.6 Coefficients-Human Resource Alignment

Model		Unstandardized Coefficients		Standardized	t	Sig.
		B	Std. Error	Coefficients		
1	(Constant)	2.486	.348		7.141	.000
	HRM1	.396	.088	.445	4.471	.000

Table 4.6 shows that the influence Human Resource Alignment had on the performance of the firms listed in the NSE was significant ($p < 0.001$). The resulting regression equation was given as:

$$P = 2.486 + 0.396HRA$$

Where p = performance and HRA represents Human Resource Alignment

The result shows that when other factors are held constant, the actual performance is 2.486 units. Inclusion of one unit of HRM activities increased the performance of the firms by 0.396 units. This shows that HRA had significant effect on the performance of the firms listed in NSE. Thus, the study rejects the null hypothesis and adopts the alternative hypothesis that there is a significant effect of the human resource alignment on the performance of the firms listed in NSE.

5.0 Discussion of the Findings

The respondents pointed out that there was frequent and continuous training in their companies and that there were strategies (policies) to ensure continuous knowledge and skills acquisition among employees. HollenBeck, Gerhart and Wright (2006) argued that staff development is a major supporter to an enterprise strategy based on creating intellectual capital. Thus continuous training and development of employees was a big milestone in competing in the new economy, meeting the challenges of global competition and unpredictable business environment. The employees working in most of the companies had overtime, were developed and had experience to carry out their work viably. According to Barker (2000) training helped workers to keep up benchmarks or enhance their ability subsequently their execution through more prominent efficiency, more

noteworthy strengthening, more acceptable enrollment and determination and diminished work turnover.

However, regardless of the frequency of trainings to the employees, some of them were impervious to the trainings done constant. This shows that although training was done routinely, some of the trainings have had no impact on the employee productivity and thus it may be costly to the companies with low returns. Yazdani (2009) argued that strategic management is a noticeable resource style that has an effective role in making competitive advantage and thus if it does not have any impact on the employees then it is not effective.

Most of the respondents indicated that their firms gathered data from the employees on the progress of the company activities and remuneration for our performance as a group was done by the companies. Also the respondents indicated that groups in the organization prepared well to ensure consumer satisfaction and loyalty. The results could be inferred to indicate that most of the firms listed in NSE had invested in employees as sources of data for decision making and monitoring of the company progress and as agents of ensuring consumer satisfaction and attraction. The results agree with the views of Narayanan and Zane (2009) that strategic resource is progressively becoming the main focus for business to and serves as a means to enhance greater employee and customer satisfaction.

Also the respondents indicated that in most of their companies when change of procedures was done, the effect on staff fulfillment was measured. However some of the companies indicated that they did not measure the effect of changes on staff motivation and satisfaction. According to Karen Legge (1978) an investigation, ideally including the development of an element procession model, of the setting in which such an option is to apply.

Regression test further showed that aligning human resources influenced the performance of the companies. Alignment of the human resources such as training, developing training and capacity building policies, use of staff feedback, restructuring of the remuneration and close monitoring of changes on employees influenced how the companies performed in terms of profitability, gains on assets, equity and customer satisfaction among others. The study results resonates with the views of Safarzadeh et al. (2015) that strategic resource effect on financial performance concludes that strategic resource has significant impact on financial performance.

6.0 Conclusions

Managing human resource is a key aspect towards realization of a company's objectives. Building the capacity of the employees through continuous training and enacting policies and strategies to ensure employees continuously acquire knowledge and skills contribute highly towards their performance and the general performance of the company. Human resource is as well important source of data for the company as the employees can provide information to the management on company progress. Employees deserve better remuneration and motivation to ensure they serve customers well which in turn may increase turn over and sales volume.

References

- Alliger, G. M., Tannenbaum, S. I., Bennett, W., Traver, H., and Shortland, A. (2014). Ameta-analysis on the relations among training criteria. *Personnel Psychology*, 50, 341-358
- Bernthal, P., and Wellins, Ur. (2006). Slope inclines in master change and development. *Human Resource manager planning*, 29(2), 31-40.
- Boal, K. B. in addition, R. Hooijberg (2001). Enter asset examine: proceeding ahead. *Asset Quarterly*, 11(4): 515-549.
- Bratton, J. and Gold, J. (2000), *Human Resource Management: Theory and Practice*, New Jersey: Lawrence Erlbaum Associates, Inc.
- Chukwunenye, I.O., and Igbokwe, B.N. (2011), Training, manpower development and job performance: perception and relevance among civil servants in Ebonyi State, Nigeria. *Journal of Economics and International Finance*, 3(6), 399-406, available at <http://www.academicjournals.org/JEIF>
- Devanna, M. A., Fombrun, C. J., and Tichy, N. M. (2014). A framework for strategic human resource management. In Fombrun, C.J., Tichy, N.M. and Devanna, M.A. (Eds.), *Strategic human resource management* (33-55). New York, NY: Wiley.
- Edwards, T., & Rees, C. (2006). *International Human Resource Management: Globalization, National Systems and Multinational Companies*. Harlow: Prentice Hall.
- Elenkov, D. S. (2008). Effects of benefit at key level and their mediators on headway: a worldwide correct audit. *All inclusive Journal of Company Strategy*, 8(2): 37-47.
- Ely, R. (2004). A field evaluation of social occasion different qualities, participation in contrasts guideline activities, and execution. *Journal of Organizational Conduct*, 25(6), 755-780.
- Fisher, I. (1906). *Nature of capital and income*. New York. Maximillan.
- Graeme, M., Pate, J and McGoldrick, J (2009), Do HRD investment strategies pay? Exploring the relationship between lifelong learning and psychological contracts, *International Journal of Training and Development* 3(3): 200-214.

- Hamid, S. (2011), a study of effectiveness of training and development programmes of UPSTDG, India – An Analysis, *South Asian Journal of Tourism and Heritage* 4(1) 74-82.
- Hatch, N. W., & Dyer, J. H. (2011). Human capital and learning as a source of sustainable competitive advantage. *Strategic management journal*, 25, (12), 1155-1178.
- Hitt, M.A., Ireland, R.D., Hoskin, R.E., Sheppard, J.P., & Rowe, G. (2006). *Strategic Management Competitiveness and Globalization-Cases*. (2nd Ed.). London: Thomson Nelson Publishers.
- Hollenbeck, J., Gerhart, N., & Wright, K. (2006). A Conceptual Review of Human Resource Management Systems in Strategic Human Resource Management Research. *Personnel and Human Resource Management*, 25(5), 217-271.
- Huselid, M, Jackson, S & Schuler, R. (2007). Technical and Strategic Human Resource Management Effectiveness as Determinants of Firm Performance. *Academy of Management Journal*, Vol. 40, No. 1, 171-188
- Huselid, M.A. (1995). The impact of human resource management practices on turnover, productivity and corporate financial performance. *Academy of Management Journal*, 38 (4), 635-670.
- Ireland, R. Deb. in addition, Hitt, M. A new. (1999). Completing and keeping up basic forcefulness in the 21st century: the bit of key advantage. *Foundation of Management Professional*, 13(1): 43-57.
- Ivancevich, J.M. (2007). *Human Resource Management*, (10th Ed.). New Delhi: Tata McGraw– Hill Publishing Company Ltd.
- Johnson, G., Scholes K., & Whittington, R. (2006). *Exploring Corporate Strategy* (7th Ed.). London: Prentice Hall.
- Delaney, J. T., & Huselid, M. A. (1996). The impact of human resource management practices on perceptions of organizational performance. *Academy of Management Journal*, 39(2), 949- 969.
- Jones, G.R., George, J.M., and Hill, C.W.L. (2000), *Contemporary Management*, New York: Irwin and McGraw Hills.
- Kaplan, R. S., Norton, D. P. (2006). *Game-plan: utilizing the altered scorecard to try corporate constructed endeavors*. Boston: Harvard Company School.
- Katou, A. (2008). Measuring the effect of HRM on powerful execution. *Diary of Industrial Engineering and Management*, 1(2): 119 - 142. doi: 10. 3926/jiem. 2008. V1n2. p119-142
- Katou, An., and Budhwar, P. (2007). The particular impact of HRM procedures on genuine execution in Greek accumulating firms. *Thunderbird International Business Review*, 49(1), 1-35.
- Khadem, R. (2008). Plan and improvement: dares to platform execution. *Journal of Company Strategy*, 29(6): 29-35.
- Khan, R.A.G., and Khan, M.A. (2011), Impact of Training and Development on Organizational Performance, *Global Journal of Management and Business Research*, 11(7). Global Journals Inc. (USA). http://globaljournals.org/GJMBR_Volume11/8-Impact-of-Training-and-Development-on-Organizational-Performance.pdf [accessed 3 October, 2012]
- Koch, M. J., & McGrath, R. J. (2016). Improving labor productivity: human resource management policies do matter. *Strategic Management Journal*, 17(5), 335- 354.
- Kozlowski, S., Brown, K., Weissbein, D., Cannon-Bowers, J., and Salas, E. (2000). A multilevel approach to training effectiveness, In Klein, K. and Kozlowski, S. (Eds.), *Multilevel theory, research, and methods in organizations: Foundations, extensions, and new directions* (157-210). San Francisco, CA: Jossey-Bass Publishers.
- Kozlowski, S.W.J. and Salas, E. (2009). An organizational systems approach for the implementation and transfer of training, In Ford, J.K, Kozlowski, S. W. J. Kraiger, K. Salas, E. and Teachout, M. (Eds.), *Improving training effectiveness in work organizations* (247-287). Mahwah, NJ: Erlbaum.
- Labovitz, G. H. (2004). The vitality of route of action: how the proper gadgets circulate ahead
- Lear, L.W. (2012) The relationship between strategic leadership and strategic alignment in high-performing companies in South Africa. Available at http://uir.unisa.ac.za/bitstream/handle/10500/5847/Dissertation_lear.pdf?Sequence=1
- Lengnick-Hall, C. (2008). *Strategic Human Resource Management: A Review of the Literature and a Proposed Typology*. *Academy of Management Journal*, Vol. 12, No. 3, 454-47 www.bls.gov/oco/ocos021.htm
- Narayanan, Sixth is v. K., and Zane, D. J. (2009). Coming upwards with a future for fundamental resource: uncommon grouping and epistemic open entryways. *Journal of Strategy and Management*, 2(4): 380-404.
- Noe, R.A. (2008). *Employee Training and Development*, Irwin: McGraw-Hill.
- Okanya, S.P. (2008), *Reconciling Organizational Performance and Employee Satisfaction through Training: The case of Soroti District Local Government*, A Research Paper presented for the award of Masters of Arts in Development Studies, at the Institute of Social Studies, Hague
- Okotoni, O. and Erero, J. (Jan., 2005), Manpower training and development in the Nigerian public service, *African Journal of Public Administration and Management* (AJPAM) 16 (1)
- Olaniyan, D.A. and Ojo, L.B. (2008), Staff training and development: a vital tool for organizational effectiveness,

- European Journal of Scientific Research, 24(3).Euro Journals Publishing
- Ospina, S. and Watad, M. (2012), integrated Managerial Training: A Program for Strategic Management, Review of Public Personnel Management, 28(2) pp.185-195.
- Pinnington, A. and Edwards, T. (2000), Introduction to Human Resource Management, USA: Oxford University Press.
- Rehkopf, E. (2006). Resource on hold: helpful tips for front line manager, business visionaries, and creating pioneers (2nd Ed.)
- Sanders, T. J. furthermore, Davey, K. S. (2011). Away of the benefit principle wild: a proposed meta-model of key resource. Techniques of the Academy of Strategic Management, 10(1): 41-46.
- Schultz, T.W. (1961). Investment in Human Capital. American Economic Review, 51(1), 1-17.
- Serfontein, L. J. (2010). The effect of essential asset at the operational method and execution of business relationship in South Africa. PhD provides, college of Stellenbosch, Stellenbosch.
- Smith, G. (2010), How to Increase Job Satisfaction and Improve Employee Engagement, www.chartcourse.com/articlepride.htm.
- Stahl, O.G. (2015), Public Personnel Administration (4th ed), New York: Harper and Row Publishers.
- Stolovtich, H. D., and Keeps, E. J. (2015), Handbook of human performance technology: A comprehensive guide for analyzing and solving performance problems in organizations, San Francisco, CA: Jossey-Bass Publications.
- Thang, N. N., Quang, T. Additionally, Buyens, D. (2010).The Partnership between training and employer performance: A Literature evaluation, research and practice in Human useful resource control, 18(1), 28-45. Recovered on March 9, 2015 from <http://rphrm.Curtin.Edu.Au/2010/issue1/training.Html>
- Thang, N. N., Quang, T. Additionally, Buyens, D. (2010).The Partnership between training and employer performance: A Literature evaluation, research and practice in Human useful resource control, 18(1), 28-45. Recovered on March 9, 2015 from <http://rphrm.Curtin.Edu.Au/2010/issue1/training.Html>
- Wheeler, S., McFarland, Watts. Also, Kleiner, A. (2008). An arrangement for essential resource. Adaptability Report.Booz, Allen and Hamilton in Strategy business journal.
- Yazdani, M. (2009). Offering process model to application of knowledge management, based on organizational learning. Journal of IT management, 1, 6-86.