

Relationship Between Employee Relations and Performance in Technical Training Institutes in Kenya

Rose Syombua Matolo

Jomo Kenyatta University of Agriculture and Technology
College of Human Resource & Development
P.O. Box 62000-00200. Nairobi, Kenya

Prof. Mike Iravo

Jomo Kenyatta University of Agriculture and Technology
College of Human Resource & Development
P.O. Box 62000-00200. Nairobi, Kenya

Prof. Gichuhi A. Waititu

Jomo Kenyatta University of Agriculture and Technology
College of Human Resource & Development
P.O. Box 62000-00200. Nairobi, Kenya

ABSTRACT

The aim of the research was to find out the relationship between employee relations and the employee performance in technical training institutes in Kenya. One of the HRM practice that is key to overall performance of an employee and at large the employer is employee relations. This consists of all those areas of human resource that involve relationships with employees directly or through collective agreements where trade unions are recognized. It embraces interrelationships, both formal and informal between managers and those they manage (Armstrong, 2009). Technical Institutes contribute to the development of any given country. The technical training institutes have in the recent past, faced transformation, expansion, conversions/upgrading and competition from other service delivery organizations. This means that the performance of the employees therein will also be affected in one way or the other. The research adopted both descriptive and correlational research designs. It also used a mixture of methods approach consisting of both qualitative and quantitative research methods, applied to a sample of the technical training institutes in Kenya. A sample size of 3 Technical Institutes in Kenya and 137 respondents was used. A linear regression analysis was used to explain the relationship between independent and dependent variable. The data was analyzed through Statistical package for social sciences and presented using the statistical methods. The results were used test and determine the relationship of the variables. The findings revealed that employee relations respectively had a positive relationship on their performance.

Keywords: Human Resource Management, Employee Relations, Performance, Employee Performance, Technical Institutes in Kenya.

BACKGROUND OF THE STUDY

Institutions including technical training institutes need to attract, retain and develop their employees. One way of achieving this is through good and healthy employee relations. Research literature has shown that effective application of some human resources management (HRM) practices like employee relations enable employees to be committed to their work for good performance (Chen et al., 2009; Shahzad et al., 2008). Technical training institutes have a lot to sell, which makes them uniquely dependent on their employees' and volunteers' attitudes and motivations and on good HRM practices (Gibson, 2010).

OBJECTIVES OF THE STUDY

The general objective of the research was to assess the relationship between employee relations and employee performance in technical training institutes in Kenya.

LITERATURE REVIEW

Theoretical Review

The section will dwell on various theories and also address the conceptual framework of the study. There are several theories that exist to support this research. On employee relations and their performance. They are all relevant to the research and the most notable and related are: Hierarchy of Needs Theory (1954), Human Capital Theory (1961), Equity theory (1965), Participative Decision Making Theory (1967) and Motivation Theory (1950). They are as discussed below:

HIERARCHY OF NEEDS THEORY

The most famous classification of needs is the one formulated by Maslow (1954). He suggested that there are five major need categories that apply to people in general, starting from the fundamental physiological needs, then safety, social, esteem and self-fulfilment. Needs at a higher level only emerge when a lower need is satisfied. The notion here was that a satisfied need is no longer a motivator. Maslow's hierarchy of needs model helps us understand how to motivate and relate with workers to strive for more and improve their job performance in the organization. When the need hierarchy concept is applied to work organizations, managers have the responsibility to create proper practices in which employees can develop to their fullest potential. Failure to provide such practices would theoretically decrease employee satisfaction and could result in poor performance, lower job satisfaction and increased withdrawal from the organization (Steers & Porter, 1983).

CONCEPTUAL FRAMEWORK

A conceptual framework refers to an organized way of thinking about how and why a project takes place and how we understand its activities. Kothari (2008) explains that a framework can help us to explain why we are doing a project in a particular way. It can also help us to understand and use the ideas of others who have conducted similar studies. Mugenda (2006) argues that a conceptual framework can also be used like a travel map. The scale on a map tells us how far apart different places are. It is therefore, possible to get an idea on how long it might take to move from one point to the next. According to Kothari (2008), a concept which can take on different qualities of qualitative values is called a variable. If one variable depends on or is a consequence of another variable, it is dependent variable. The variable that is antecedent to the dependent or that makes it to change is called independent variable. A conceptual framework consists of independent variables which cause changes in the dependent variable. Independent variables are factors that cause, change, affect or influence the outcomes while dependent variables are factors that depend on the independent variables. They are also called outcome, effect variables and criterion. The independent variables in this study are Recruitment and Selection, Training and Development, Reward System, Employee Relations and employee welfare, all of which are the standard HRM practices.

According to Aneshensel (2002), the specification of an intervening variable means that the connection between the independent and dependent variables is thought to be indirect, transmitted by means of an intermediary. In this situation, the focal (crucial) relationship exists because the independent variable influences the intervening variable, which, in turn, influences the dependent variable. The effect of the independent variable is transmitted through the intervening variables. Thus, intervening variables are often referred to as mediating variables. It is a bridge connecting the end points of the focal relationship. This

connection, independent-intervening-dependent variable, explains how the focal independent variable affects the dependent variable. The mediating variables help in avoiding errors in logic that might justify questions about the validity of the final conclusions. In this study the mediating variable is motivation and the dependent variable in this study is employee job performance as illustrated in Figure 1 below. The research sought to establish the effect of the independent variables on the dependent variable in technical training institutes in Kenya.

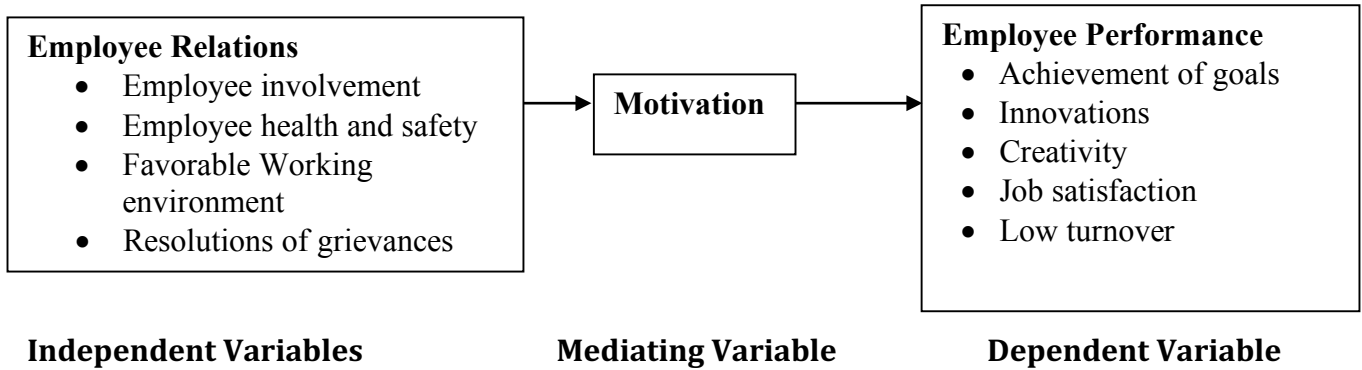


Figure 1: Conceptual Framework

EMPLOYEE RELATIONS AND EMPLOYEE PERFORMANCE

The value-added outcomes that can result from good employee relations include productivity increase, improved morale and commitment and fewer grievances as stated by Armstrong (2009). Itika (2011) observes that the most effective employee relations practices will be seen as legitimate and accepted by employees, but will also be designed to support corporate strategy and structure, have the commitment of line management, and be flexible enough to adapt to constantly changing business environments. The relationship between the employee and the management as well as the relationships between employees themselves also depends on business strategy. In this relationship, employee voice is considered important. Foot & Hook (2008) have stipulated important rights of the employer and employee in the employment relationship. In this regard, the employer has the right to control work performance, integrate employees in the organisation's structure and management system, and create an environment of mutual trust, confidence and supply of enough and reasonable work.

Research done by Ghebregiorgis and Karsten (2007), found out that because managers clearly recognise employees work, that the employee grievance process adequately protects the rights of employees, employees morale was high in their firms and they tended to agree that management had a good attitude towards the employees thus consequently the employees liked working in the organisation and that they were satisfied with their current job. In addition, they stated that their job made good use of their abilities. Thus, it appeared that management was efficiently utilising the available human resources with the required skills, abilities and experiences for the maximum achievement of organisational goals and objectives. Employees also indicated that their respective firms were effective in achieving their objectives that they had trust in management and managers strived to achieve organisational objectives. Furthermore, they reported that managers clearly recognised employees work and that the employee grievance process adequately protected the rights of employees. Monnapa (2008) has emphasised that in essence, and argued that through worker participation, employers and employees are able to: jointly improve employers and workers commitment to the organisation's performance amongst other advantages. This argument is supported by Lawler *et al.* (2003) who add that involvement in decisions provides a sense of ownership of and

commitment to both those decisions and the organization and that clearly, involvement increases commitment. Additionally, employee involvement might be perceived by workers as a discretionary positive benefit. Further, that employee involvement serves the dual purposes of enriching jobs and improving organizational processes and outcomes. Again Stone, (2005) says that employee participation systems and internal labour markets that provide an opportunity for employee to advance within a firm and team based production system are all focus of work organization that have been argued to positively affect employee and firm performance. The theories by Farnham & Pimlott (1992) indicated that the understanding of employment relationships and the dynamics involved is well established in four categories of theories briefly discussed below namely:

Unitarist theory: The theory focuses on the unity of interests between the management and employees. In this one, the trade unions have no room to highlight differences with the management.

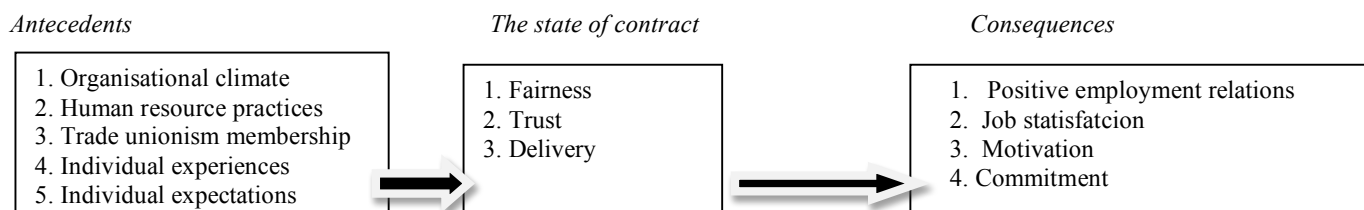
Conflict/pluralist theory: Conflict theory is the opposite of the unitarist theory. The theory conceives an organisation as a place where there are divergent interests because there are different actors with different needs and expectations.

Social action theory: The theory focuses on understanding the particular action employees take in situations concerning the relationship with the management rather than on just observing explicit behaviour in employment relationships because people perceive the world differently.

Systems theory (Dunlop): The use of the systems theory in employment relationships has its genesis in physical sciences where objects are defined in terms of their constituent parts. Systems theory as a concept refers to a unified set of aggregates of interacting components or parts that are interrelated and interdependent to the extent that a change in one part of the system affects the other parts of the whole to which they belong. Each actor in the employment relationships system may have their own ideologies but they must be compatible with each other in order to coexist as a system.

Marxist theory: This is a Marxist-Leninist outlook towards the relationship between employers and employees in an organisation. The theory starts with the premise that labour is the essence of human beings' fulfilment. But under the capitalist method of production workers are forced into an unequal relationship with owners of capital (employers and owners of organisations). However, since the worker cannot survive without work, has to sell his/her labour power (sell competencies) to the owners of means of production (machinery, tools, files, office) through exploitative arrangements. Work becomes punishment. Therefore, conflict between employers and employees is inevitable. The solution is for the worker to struggle to be free from the chains of exploitation, humiliation and worthlessness.

Unifying psychological theory: Formulated by Chris Argyris in 1960s the theory, employees and employers enter into a psychological contract in which they establish an implicit set of obligations and expectations concerning what an individual and the organisation is expected to give and receive from each other. However, since individuals and the organisation operate in a system, the psychological contract is also determined by a number of factors as shown in Figure 2 below



Source: Guest (2001).

Figure 2: Model of psychological contract

The arrows in Figure 2.2 above show the antecedents that influence the extent to which the psychological contract is fair, trustworthy and is delivered to each party. The outcome of the enabling environment is a win-win situation for all parties manifested through good relationships, motivation, job satisfaction and commitment to the organisation's success. The involvement of trade unions and collective bargains should only be for the purpose of maintaining or improving the conditions of the employees' work like their safety and health, reaching an agreement on the terms and conditions of employment and ensuring that the contents of agreements between employers and employees are maintained; create an enabling environment for better productivity and avoid more work disruptions that result from conflicts as suggested by in the theories of Farnham & Pimlott (1992).

RESEARCH METHODOLOGY

The study adopted both descriptive and correlational research designs. The descriptive design was used to obtain and describe information on the critical analysis of the issue of one of the HRM practice namely employee relations on employee job performance of the technical training institutes in Kenya. This is supported by Mugenda and Mugenda (2008) who indicates that the design is suitable and conducted in communities when a researcher wishes to establish the extent of a range of issues such as education, health, nutrition, etc. When one wants to get information on the current status of a person descriptive research design is the most appropriate (Kothari, 2008). It was also a correlational research because it is concerned with assessing the relationship among the variables of the study i.e. employee relations versus Employee performance. This is also supported by Mugenda and Mugenda (2008) who argue that the design is concerned with assessing the relationship between variables.

TARGET POPULATION

The target population for this study was employees of the technical training institutes in Kenya. The study concentrated on the two technical training institutes in the capital city of Nairobi and one special in the outcast of Nairobi CBD . The technical training institutes have different cadres of employees in the institutes. Information will be drawn from the Teaching and non-teaching staff from each technical training institute within the Nairobi CBD.

RESEARCH FINDINGS AND DISCUSSION

Respondents were required to indicate their level of agreement with various aspects on performance of Training Institutions in Kenya. The results are as illustrated in Table 1 below.

Table 1: Employee Relations

	Mean	Standard Deviation
The Technical Training Institute has a good and conducive and favorable work environment aimed at improving employee performance	3.58	0.881
The Technical Training Institute has put in place a cordial labor relations to enhance job satisfaction	3.28	0.913
There is fair and inclusiveness practiced by the Technical Training Institute to its employees during grievances and disciplinary of employees	3.29	0.979
Employee relations affect the staff morale and their career growth and innovative ideas	3.84	0.917
Employee relations can lead to misunderstandings and poor decision making which affect the employee job satisfaction	3.77	0.86
The employee relations has taken care of the Employee Safety and Health which in has led to improved employee performance	3.42	1.089
The Technical Training Institute is observing the labor laws to enhance job performance of its employees.	3.26	1.139
There is a Collective Bargain Agreement in place that guides the Technical Training Institute management during grievances and helps staff perform as expected	3.12	1.118

Specifically, the study findings revealed that majority of the respondents agreed that employee relations affect the staff morale and their career growth and innovative ideas (mean=3.84.SD=0.917). They further indicated that employee relations can lead to misunderstandings and poor decision making which affect the employee job satisfaction (mean=3.77, SD=0.86).

Table 2 Level of agreement on Employee Relations

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
4.7%	13.8%	25.4%	44.6%	11.5%

REGRESSION ANALYSIS FOR EMPLOYEE RELATIONS ON PERFORMANCE

According to the regression coefficients in Table 2 above, the relationship between Employee Relations and performance of TTI was a positive statistically significant ($r = 0.585$; $p > 0.01$).). The findings concur with the other authors like Ghebregiorgis and Karsten (2007), who found out that because managers clearly recognise employees work, that the employee grievance process adequately protects the rights of employees, employees morale was high in their firms. Monnapa (2008), Lawler *et al.* (2003), also found out that good employee relations increased commitment.

Table 3 Regression Analysis on Employee Relations**Model summary****Employee Relations**

R	R Square	Adj. R	F	P-value
.585 _a	.342	.337	70.253	0.000 _b

a. Dependent Variable: PERFORMANCE

b. Predictors: (Constant), x4 EMPLOYEE RELATIONS

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	23.411	1	23.411	70.253	0.000 ^b
	Residual	44.987	135	0.333		
	Total	68.398	136			

a. Dependent Variable:

y_EMPLOYEE.PERFORMANCE

c. Predictors: (Constant),
x4 EMPLOYEE.RELATIONS

Coefficients^a

Model		Unstandardized Coefficients	Std. Error	t	Sig.
1	(Constant)	1.111	0.249	4.467	0.0000
	x4 EMPLOYEE.RELATIONS	0.593	0.071	8.382	0.0000

a. Dependent Variable:

y_EMPLOYEE.PERFORMANCE

Y=1.111 + 0.593*X4

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

The general and primary objective was to establish the relationship between Human Resource Management employee relations and employee performance in technical training institutes in Kenya. Employee relations affect the staff morale and their career growth and innovative ideas as evidenced by the majority who strongly agreed to that. There was also a revelation that the good, conducive and favorable work environment improved employee performance. The study also revealed that there was enhancement of job satisfaction due to cordial labor relations that had been put in place. The employee relations has taken care of the Employee Safety and Health which as a result has led to improved employee performance. Poor employee relations has led to misunderstandings and poor decision making which as a result has affected the employee job satisfaction. There is fair and inclusiveness practiced by the institutions when it came to settling of grievances and disciplinary issues of employees. There is observation of the labor laws which has enhanced the job performance of its employees. The Unions guide in grievances and in helping staff perform as expected through Collective Bargain Agreement in place.

CONCLUSIONS

Employee relations that provide conducive, favorable work environment affect positively the staff morale, career growth and boost the innovative ideas employees have for any organization. The study concluded that HR employee relations have boosted the moral of employee and this has improved their performance.

RECOMMENDATIONS

Employee relations is a very key factor in contributing to employee performance and it is recommended that the employees are involved in the decision making and grievances are addressed fairly and promptly. The HR Departments should be developed. Rules, regulations and policies should be set in place and followed to the latter. Team building activities should be encouraged

RECOMMENDATION FOR FURTHER STUDY

The study concentrated on the employee performance. There is room for future exploration on the relationship between the other Human Resource Management Practices and the institute's performance. Another area that can be researched on in future is the area of other HRM practices and employee turnover. The institutions covered were the Training Institutes. Other institutes that are not training based should be researched on.

References

- Aneshensel, C. S. (2002). *Theory-based data analysis for the social sciences*. London: Sage Publications.
- Armstrong, M. (2009). *Armstrong's Handbook of Human Resource Management Practice*. (10th Ed.). London: Kogan Page.
- Armstrong, M. (2009). *Armstrong's Handbook of Performance Management: An evidence-based guide to delivering high performance*. (4th Ed.). London: Kogan Page.
- Chang, P.L. & Chen, W.L. (2002). "The effect of human resource practices on firm performance: empirical evidence from high-tech firms in Taiwan", *International Journal of Management*, 19(4), 622-631.
- Chen, S.H., Wang, H. & Yang, K. J. (2009), "Establishment and application of performance measure indicators for universities", *The TQM Journal*, 21(3), 220-235.
- Chen, Y.G. & Cheng, J.N. (2012). "The relationships among recruitment channels, understanding of perspective job, job performance and turnover intention among Taiwanese kindergarden teachers", *Social Behavior & Personality: An International Journal*, 40(1), 93-103.
- Farnham, D. & Pimlott, J. (1992). *Understanding industrial relations*. London: Cassell.
- Ghebregiorgis, F. & Karsten L., (2007). "Employee reactions to human resource management and performance in a developing country", *Personnel Review*, Vol. 36(5), 722 – 738.
- Gibson, L.L. (2010). *Human Resource Management Practices in the Church: A Study of the H.R. Practices in the Church of God Reformation Movement in Barbados*. USA: Dorrance Publishing.
- Guest, D. (2002). Human Resource Management, Corporate Performance and Employee well being: Building the worker into HRM. *The Journal of Industrial Relations*, 44(3) 335-358.
- Foot, M & C. Hook (2008). *Introducing Human Resource Management*. Harlow: FT Prentice Hall.
- Harris, L. (2005). Reward Strategies and paying for contribution. In: J. Leopold, L. Harris & T. Watson, Eds, *The Strategic Managing of Human Resources*. New York: FT Prentice Hall.
- Itika, J.S. (2011). *Fundamentals of human resource management: Emerging experiences from Africa*. Mzumbe University, African Studies Centre.
- Kothari, C. & Garg, G (2014). *Research Methodology, Methods and Techniques*. (3rd Ed.). New Delhi: New Age International.
- Kothari, C. (2008). *Research Methodology, Methods and Techniques*. New Delhi: Wiley Easton.
- Lawler, E.E.III., & Mohrman, S.A., (2003). *HR as a Strategic Partner*: 26(5), 15-29 New York: Mc Graw Hill.

- Maslow, A. H. (1943). A Theory of Human Motivation. *Psychological Review*, 50, 370–96.
- Maslow, A. (1971). *Motivation and Personality*. New York: Harper and Row.
- Monnappa, A. (2008). *Industrial Relations*. New Delhi: Tata McGraw Hill Publishing.
- Mugenda, G., & Mugenda, V. (2003). *Research Methods*. Nairobi: Acts Press.
- Mugenda, O., & Mugenda, A. (2003). *Research Methods: Quantitative and Qualitative approaches*. Nairobi: Acts Press.
- Oakland, S., & Oakland, J.S. (2001). Current people management activities in world- class organizations. *Total Quality Management*. Sept, 773-79.
- Porter, M.V. (2001). The bottom line in employee compensation. *Association Management*, April, 4-50.
- Shahzad, K., Bashir, S. & Ramay, M.I. (2008). "Impact of human resource practices on perceived performance of university teachers in Pakistan", *International Review of Business Research Papers*, 4(2), 302-315.
- Stone, D. (2005). "Employee Involvement." In *The Blackwell Encyclopedia of Management: Human Resource Management*. Ed. S. Cartwright. Malden, MA: Blackwell Publishing.