Int Journal of Social Sciences Management and Entrepreneurship 8(1): 263-280, 2024



ISSN 2411-7323

www.sagepublishers.com

# © SAGE GLOBAL PUBLISHERS

# STRATEGIC HUMAN RESOURCE MANAGEMENT PRACTICES AND ORGANIZATIONAL PERFORMANCE OF UNGA FARM CARE EAST AFRICA LIMITED

# <sup>1</sup>Odero Titus, <sup>2</sup>Dr. Wamwayi Scholastica

<sup>1</sup> Jomo Kenyatta University of Agriculture and Technology, P.O Box 62000-00200, Nairobi Kenya; Email: <u>titusombata@gmail.com</u>

<sup>2</sup> Lecturer, Jomo Kenyatta University of Agriculture and Technology, P.O Box 62000-00200, Nairobi Kenya; Email: <u>wamwayi.scholastica@jkuat.ac.ke</u>

## ABSTRACT

One vital area with great opportunity that organizations are yet to fully maximize on is Strategic Human Resource Management (SHRM). Previous literature on the influence of strategic human resource management in the manufacturing sector is scarce with majority of the studies focusing on other sectors such as IT and Finance. This study aimed to bridge the literature gap present in this area. The purpose of this study was to determine the influence of strategic human resource management practices on organizational performance of Unga Farm Care East Africa Limited. The study was guided by the following objectives; influence of succession planning on organizational performance, influence of training on organizational performance, influence of strategic recruitment on organizational performance and influence of organizational culture on organizational performance. The study was conducted at Unga Farm Care East Africa Limited from June 2023 to November 2023. The study used the strategic contingency theory, resourcebased theory and human capital theory to establish a link between the study variables. The study adopted a descriptive research design to collect data from a study population of 400 employees of the organization. Stratified random sampling was used to choose a sample of 200 participants from whom primary data was collected using a questionnaire. The study conducted a pilot test and tested for content validity and reliability through Cronbach Alpha Coefficient. The reliability results indicated that all the items in the questionnaire were reliable. Data was analyzed using SPSS version 28 for inferential and descriptive statistics. The response rate for the study was 76% as only 152 questionnaires out of the 200 distributed were returned. The study tested for descriptive and inferential statistics. The Pearson product moment correlation coefficient was used to determine the relationship between the dependent and independent variables. The results indicated that there existed a strong and positive relationship between the independent variables and dependent variables. A multilinear regression analysis in the form of Y=  $0.186+0.264X_1+0.049X_2+0.308X_3+0.377X_4+\epsilon$  was used to assess the link between SHRM practices and organizational performance. The results indicated that a unit increase in succession planning increased organizational performance by 0.264, training by 0.049, strategic recruitment by 0.308 and organizational culture by 0.377. The study concluded that succession planning, training, strategic recruitment and organizational culture enhance organizational performance. The study recommended that manufacturing firms develop adequate strategies to fully implement all the independent variables and positively impact organizational performance.

Key Words: Strategic Human Resource Management Practices, Organizational Performance

## Introduction

The dynamic business environment requires that all organizations develop a strategy to break even and also survive amidst relentless stiff competition from other industry players. Karar and Salman (2020) noted that leadership and management teams develop strategic plans to better allocate and efficiently utilize resources to be competitive in the industry. Organizations develop various strategies that relate to its most important resources such as Human Resource (HR) to find and cultivate a competitive edge.

Modern manufacturing organizations have prioritized to fully utilize the value of human capital. They have heavily invested in production manufacturing technology, are data driven in decision making and use computerized machine tools (Lytle, 2020). These initiatives tend to rely more on employee competency and commitment to add value in the process. Therefore, it is paramount for the manufacturing sector to tap the productive potential of staff to achieve superior performance. Firms have to cultivate a relationship between employee competency and the performance of the firm.

Globally, the manufacturing sector recorded a 3.8% growth in the year 2022. The growth rate might seem smaller but comparing with the huge losses the sector made from the previous year due to the pandemic this seems a significant step in recovery. The United States (US) manufacturing industry performed better compared to the rest of the sectors in the world. America's growth rate hit 6.9%, Asia Pacific hit 3.3% and Europe's manufacturing sector growth rate was at 2.6%. Due to the ongoing poor economic performance globally, the US region is forecasted to grow at 3.1% in 2023 (UNIDO, 2023).

Due to the limited number of studies in strategic human resource management, Africa has experienced the fewest benefits from SHRM as noted by (Orji et al., 2022). According to Khan (2018) there is an increase in research and application of SHRM in the last decade and approximately 6% of organizations in Africa use strategic management tools like SWOT analysis to influence organization competition. Ngomaa (2018) suggested that Kenya similarly to most countries in Africa lags in SHRM literature, practice and adoption of strategic management tools. Karar and Salman (2020) noted that Kenya was yet to develop favorable labor legislations to support the formulation of efficient Policies for the successful implementation of SHRM. However, in the past 8 years the country took significant strides in SHRM practices fueled by entry of multinational manufacturing companies in the market.

Ngomaa (2018) carried out a study to investigate how non-governmental organizations' performance was affected by strategic HRM techniques. The non-governmental organization Save the Children International served as the site of the case study. The variables included; IT, recruitment and selection, compensation and training and development. The findings demonstrated that information technology, training and development, recruitment and selection techniques, and compensation all improved organizational performance.

Anwar & Abdullah (2021) observed that SHRM gives businesses a competitive edge, which has a direct impact on organizational performance. In their study, Kalyani and Chong (2018) found that an organization's competitive edge might be granted or denied based on the strategic manpower values and attitude. These factors also affected a firm's ability to achieve its strategic goals. Without focusing specifically on the manufacturing industry, most of the studies focused on other sectors while the current study focused on the manufacturing sector.

#### **Statement of Problem**

The focus of earlier research was on other sectors where strategic HRM is extensively employed, like banking and finance. In their investigation on the relationship between SHRM and the performance of Nepalese banks, Gangaram and Laxman (2020) discovered that SHRM practices had a major positive impact on employee performance, organizational productivity and effectiveness, and financial performance. Additionally, a correlation between Malaysia's banking industry success and SHRM practices was found Kalyani and Chong's (2018) research.

Few researches has been done to ascertain the link between the study variables in the manufacturing space. Khan (2018), for example, found a positive correlation between organizational performance and SHRM (recruitment, assessment, and training). Moreover, Orji et al. (2022) contended that organizational performance in the industrial sector was not significantly impacted by certain SHRM practices. The two investigations illustrate the current knowledge gap. As a result, the purpose of this study is to fill a knowledge vacuum about how SHRM practices affect manufacturing businesses' capacity to compete. The goal of this study is to assess how strategic human resource management practices affect the performance of manufacturing businesses.

## **Objectives of the study**

- 1. To assess the influence of succession planning on organizational performance of UFCEA.
- 2. To determine the influence of training on organizational performance of UFCEA.
- 3. To examine the influence of strategic recruitment on organizational performance of UFCEA.
- 4. To determine the influence of organizational culture on organizational performance of UFCEA.

## Literature Review

## **Theoretical Review**

## **Strategic Contingency theory**

The strategic contingency theory is based on the concepts of contingency and strategy. Contingency is created when a given unit in a firm can affect the activities of all other subunits in the firm and aid in effective problem solving and decision making. The theory's view is based on political view that the power of an individual or subunits in a firm depend on a few contingencies. The theory ascertains that an individual's capabilities and skills are a source of power and thus offer a higher bargaining power (Kiragu & Marwa, 2022). Therefore, strategic contingency theory provides a framework for defining and identifying the powerful areas in an organization that can help the company create and sustain competitive advantage.

The theory supported the objective of succession planning. The significance of strategic contingency theory on this study cannot be emphasized as it focuses on how organizations can build internal capacity through utilizing the available resources to gain competitive advantage. Therefore, the theory provides manufacturing organizations like UFCEA the model to create powerful subunits and increase organizational performance through implementing succession plans that ultimately provides a solution during uncertainties.

#### **Resource Based theory**

The resource-based theory is a strategic management theory that helps a firm identify and effectively utilize internal resources for sustainable competitive advantage. It helps predict the

fundamentals that a firm requires to perform and have competitive advantage in the industry. In the 1990s work from researchers like Jay Bartney led to the emergence of resource-based theory with focus on strategic management and planning (Orji et al., 2022).

Resource based theory focused more on internal organizational resources rather than external approaches. According to the theory, a strategic resource has the following characteristics; valuable, rare, difficult to imitate and non-substitutable. A valuable resource is a resource that positively contributes to organizational effectiveness and efficiency. In addition, it also helps neutralize the threats posed by competitors.

Resource based theory was utilized by the study to support the objectives of organizational culture. In this study, the theory aided organizations in determining how organizational culture may improve organizational performance and provide the firm with a durable competitive edge. The characteristics of a strategic resource as enshrined in the theory help organizations to do internal assessment and determine the strategic resources they possess and how they can effectively compete. Resource based theory is applicable to any organization that intends to be competitive through efficiently utilizing its organizational culture for the long term.

## Human Capital Theory

Human Capital theory opines that employees just like machines are critical assets in the organization. The theory states that human capital is made up of innate abilities, behavior and personal energy that human beings possess. According to the theory investment in education is key for employees to acquire the necessary skills, an investment that organizations can get a return from (Wuttaphan, 2017). Therefore, the knowledge, skills and abilities that individuals possess create value in the organization. Organizations should thus focus on developing human capital through talent attraction, retention and development.

The theory was used in this study to support the objective of strategic recruitment. In applying this theory to the current study, the study observed that human capital is critical in increasing organizational rivalry in the industrial sector. According to the hypothesis, strategic recruitment ensures that organizations have the human capital that is most suited to meet the organization's needs and give it a competitive edge. Therefore, companies in the manufacturing sector need to recruit strategically to gain sustained competitive advantage.

## **Social Learning Theory**

In the 1960s, Albert Bandura created the Social Learning Theory (SCT) (Jaradat, 2015). The hypothesis holds that people pick up knowledge from observing other people. The importance of observing and copying the actions, attitudes, and emotional reactions of others was highlighted by Bandura's social learning theory. Behaviorists invented the idea of observational learning.

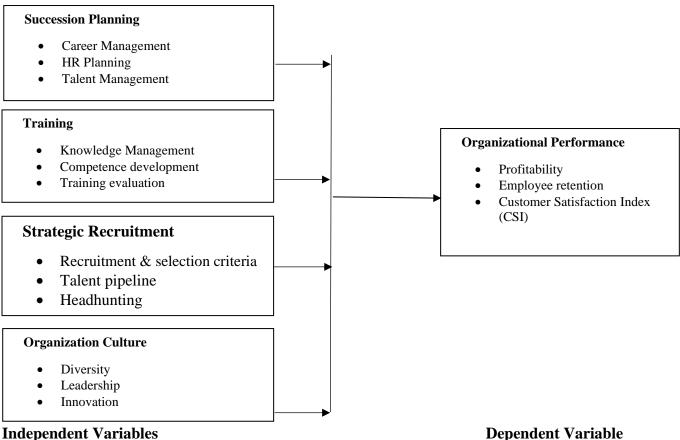
The social learning theory states that conduct is influenced by interval cognitive processes. According to Madaan and Bhatnagar (2021) research, people's expectations about the outcomes of acts are reflected in these effects. Observational learning involves practicing, remembering, and paying attention. They also demonstrated that the most common types of social learning scenarios were those found in television advertisements. Customers who see the commercial may decide to buy the goods and try to imitate the behavior shown there.

Training is the study's second objective, and it is motivated by this premise. Learning theories provided important learning principles, and by putting these ideas into practice in training, it could be feasible to inspire learners and support their learning. This section provided a thorough

Odero; Int. j. soc. so	ci. manag & entrep	8(1), 263-280	<i>March 2024;</i>
------------------------	--------------------	---------------	--------------------

compilation of information about the many learning processes involved, human learning, and significant factors influencing human learning.

#### **Conceptual Framework**



## **Dependent Variable**

# **Figure 1: Conceptual Framework Empirical Review**

# **Succession Planning**

Lempaka (2018) conducted a study on the effect of succession planning on employee retention in Kenya Commercial Bank (KCB) Limited Kenya. The aim of the research was to determine if KCB had implemented a succession program and impact the plan had in managing talent. Further it also looked at succession planning in other banks in the sector. The study adopted a descriptive study research design due to its ability to investigate variables without manipulating them. The target population comprised of 400 employees from the Nairobi headquarters. A sample size of 200 was selected using the stratified random sampling technique. Questionnaire was the primary data collection tool and data was analyzed for descriptive statistics and linear regression. The study concluded that KCB had implemented moderate succession planning practices which had a significant impact on employee retention.

Tetteh and Asumeng (2022) conducted a research on succession planning, staff retention, and career development programs in chosen firms in Ghana's Accra region. Career development was used as a moderator in the study investigated the relationship between succession planning and staff retention. A cross sectional research design was used in the study drawing participants from different organizations, positions, departments, age and also gender. Four organizations were chosen for the study based on their location, availability, and willingness to participate. The

266

organizations with specific considerations for succession plans were chosen using convenience sampling. Data was collected from 220 participants using questionnaires with a 25-item on a 5-point Likert Scale, and data was processed using SPSS Version 22.0 for descriptive analysis, correlational analysis, and multiple linear regression. According to the study's findings, succession planning has a considerable impact on employee retention, and career development programs mitigate the relationship.

Maphisa et al. (2017) conducted a study on succession planning and staff retention challenges. The study was conducted in the sugar manufacturing industry and sought to assess how the leadership team at a sugar manufacturing company perceived succession planning and the link it had on employee retention. A qualitative approach was using exploratory case study. Purposive sampling was utilized to choose 15 managers from whom data was obtained via interviews and in-depth questionnaires. The results indicated that the sugar manufacturing company failed to implement succession planning programs despite having a potential talent pool. It was also indicated that the company struggled with retention of managers. The study identified the following factors that impede the implementation of succession planning in the firm; limited top leadership support for succession planning, poor staff motivation, little/no resource allocation especially budget and poor communication.

Hassan and Siddiqui (2020) investigated the mediating roles in a study on the influence of good succession planning techniques on staff retention. According to the study's hypothesis, objective performance, the working environment, job security, and a stable work environment all significantly affect employee retention when succession planning is done correctly. The study conducted was a survey where data was collected using a questionnaire amongst 300 respondents. The participants were drawn middle and lower management cadres from Pakistani private organizations. The information gathered was examined using descriptive statistics, structural equation modeling, and partial least squares. The results indicated that a link existed between effective succession planning and employee retention. The findings also indicated that supervisor support, rewards and job security significantly mediated the relationship between succession planning practices and employee retention.

## Training

Ratnawati et al. (2022) carried out an investigation on competitive advantage as a mediation of the influence of learning organizations in Malang City's performance of Small and Medium Enterprises (SMEs). The study's goal was to investigate how competitive advantage mediated the impact of learning organizations on organizational performance. The study selected a research sample of 100 SMEs from a population of 113,000 SMEs. A Structural equation modeling and the t-test were performed. The results of the study showed that learning organizations had no discernible effect on Malang City's SMEs' performance. The research also showed that the competitive edge of SMEs is impacted by learning organizations and may be enhanced by product innovation and training. A persistent competitive advantage could improve the performance of SMEs.

Madaan and Bhatnagar (2021) conducted a study of competitive advantage through training and development in hospitality industry with special reference to the imperial, New Delhi. The objectives of the study included; to study the usefulness of training programs and to identify training techniques used by Imperial. The study collected both primary and secondary data. A questionnaire was used to obtain primary data from 82 employees who were chosen using a simple convenience sampling technique. SPSS was used to analyze the data for the sample T test and Paired T test. The results indicated that training and development programs were effective with no difference in perception from both male and female staff.

Hassan et al. (2017) investigated on organizational learning and competitive advantage in banking sector of Pakistan. The study's aim was to determine the contribution of organizational learning on competitive advantage in the banking sector. A quantitative research approach was used, and a questionnaire was also developed for collecting data. Participants were selected from both midlevel and upper level management in both public and private banks listed in Islamabad Stock exchange in 2017. Data was collected amongst 250 participants and analyzed for descriptive and inferential statistics. The study's findings revealed favorable and consistent ratings on the link between organizational learning and competitive advantage. The study concluded that organizations needed to channel more resources towards organizational learning to gain a lasting competitive advantage in the industry.

Rashid et al. (2014) carried out a study on IT projects in Punjab, Pakistan, to examine how to obtain a competitive edge through training, how it affects business outcomes, and the significance of firm strategy. The study concentrated on how training affects business outcomes as well as the many tactics that companies employ to enhance training, including cost leadership and Porter's differentiation. A structured questionnaire was developed for data collection amongst 30 IT companies in Punjab Pakistan. From the 30 IT companies, 100 IT professionals were chosen. Frequency tests were conducted on each item in the questionnaire with ANOVA test and correlation coefficient tests done. The findings revealed a significant association between training and IT sector performance, while business strategy also had a favorable impact on IT firm performance.

## **Strategic Recruitment**

Butali and Njoroge (2020) conducted research into strategic recruiting, organizational performance, and commitment with organizational commitment moderating the relationship. The target group consisted of 5866 workers from three government-owned companies in Kenya. Among the state-owned businesses are Kenya Power, Mumias Sugar Company, and KenGen. The study employed a descriptive research design and designed a questionnaire. Multiple regression was used to establish a link and F-test for hypothesis. The results of the study showed that while affective and normative commitment were useful moderators, strategic recruiting influenced organizational success.

Selase (2018) studied the impact of recruitment and selection criteria on the organizational performance of GN Bank in Ghana. To collect data, a survey study approach was used, and a structured questionnaire was created. Participants in the study came from six major business sectors. The researchers examined 130 questionnaire replies. To participate in the study, volunteers were chosen at random using a random selection technique. The acquired data was evaluated for descriptive and inferential statistics, and the hypotheses were tested using chi-square. The information showed a connection between the two variables.

Vejsiu (2019) did an investigation to determine how the financial performance of the banking system was influenced by recruitment. The focus of the study was on the influence of recruitment practices on financial performance of 6 banks in Albania. Data gathered through surveys and online sources was analyzed using SPSS and Econometric methods. The study evaluated the selection method of experienced and recently graduated staff on the bank's performance. The findings stated that the link between recruitment and financial performance was not significant to conclude that recruitment had an impact on financial performance in the Albanian sector.

Amani (2021) investigated the role of hiring and selection procedures on Equity Bank's performance. The target audience for the study, which was conducted at the Equity Bank branch in Embakasi, included line managers, HR managers, and other bank employees. The research adopted a descriptive cross-sectional design. The study focused on the following four variables

and how they impacted performance; advertising, employee referrals and assessment tests. The target population consisted of 130 employees from whom a sample of 87 was drawn using purposive sampling. An open-ended survey and a questionnaire were the primary data collection tools. Data analysis was done through content relational analysis. The findings of the study indicated that hiring the right people helped banks achieve their organizational goals and objectives that include improving their financial position and competitive advantage.

## **Organizational Culture**

Bruno (2021) conducted a study to determine the influence of organizational culture on service delivery among private hospitals in Nairobi City. The research design chosen was descriptive survey strategy. Nairobi County's 550 facilities made up the target population. A systematic questionnaire was used to gather primary data. Data was evaluated with the use of multiple linear regression modeling and descriptive statistics were conducted. The findings established a link between organizational culture and company performance.

Mbiti and Misango (2021) assessed how service delivery is influenced by organizational culture and structure in the county government of Kitui. To help the study achieve its goals, a descriptive research design was used. The study sample was collected using both stratified random sampling and simple random sampling procedures. The study collected both qualitative and quantitative primary data through a questionnaire which was analyzed for descriptive and inferential statistics using SPSS version 22. Regression analysis determined the relationship between organizational culture, organizational structure and service delivery. The findings showed that Kitui County Government service delivery is significantly and favorably impacted by organizational culture and structure.

Mutegi et al. (2021) carried out a study on organizational culture and public service delivery of Huduma Centers in Kenya. The study which was based on competing values framework adopted a descriptive research design. The study targeted branch managers in the 52 Huduma centers, 1456 supervisors and 1456 government service providers at the centers. The approach of multi-stage probability sampling was applied. The study used a self-administered questionnaire and an examination of official statistics to acquire both primary and secondary data. Correlation coefficient and linear regression were conducted. The results of the study indicate that there is a low linear positive relationship between public service delivery and organizational culture. The study also discovered a rather strong and favorable correlation between public service delivery and government policy. The study found that while organizational culture was significant, it had no bearing on how public services were provided in Huduma Centers.

Ngugi et al. (2021) carried out a study to evaluate the association between organizational culture and service quality in Kenyan universities. The study looked at the following organizational culture dimensions: adaptability, engagement, mission, and consistency. The four characteristics of organizational culture were measured using Denison's Organizational Culture Survey. SERVQUAL was used to assess service quality factors such as tangibles, dependability, empathy, assurance, and responsiveness. A sample of 225 was taken from four African chartered institutions, with 225 teaching employees in the business faculty. The information gathered was evaluated using descriptive statistics, regression analysis, and correlation analysis. The results showed that, in Kenyan colleges, organizational culture and service quality were significantly positively correlated.

# **RESEARCH METHODOLOGY**

In order to accomplish the study's goals, a descriptive research approach was used because of its ability to precisely explain the aspects of the variables under examination, collect, and analyze

both qualitative and quantitative data. The target population entailed the 400 employees of UFCEA from whom a sample of 200 was chosen through Yamane (1967). Stratified random sampling was used to choose the sample to be included in the study. The sample size therefore will be determined as follows using the Yamane (1967) formula as shown.

n= N

(1+Ne2)

Where: n = Sample size, N = population of the study, and e = Margin of error in calculation (MoE) which is set at 5% as per the industry standard. The sample size was calculated as follows;

 $400/(1+400(0.05^2) = 200$ 

The study collected both the primary and secondary data to determine the link between the variables under study. A closed ended self-administered questionnaire with a five-point Likert Scale was the primary data collection tool. A pilot test was conducted amongst 20 respondents and determined that the questionnaire was reliable and valid. Version 27 of the Statistical Package for Social Sciences (SPSS) was used to analyze the data for descriptive and inferential statistics. Multiple Linear Regression Equation and the Pearson Moment Correlation Coefficient were used to assess the relationship between the dependent and independent variables.

# DATA ANALYSIS AND PRESENTATION

The study sample size for the study was 200 respondents. The study distributed 200 questionnaires to the respondents from which 152 (76%) were collected back and 48(24%) were unreturned giving a response rate of 76%. According to Egdair (2020) a response rate of above 70% was sufficient to enable the study to collect enough data and answer the research questions.

# **Descriptive Statistics**

## **Succession Planning**

Participants were asked to rate their agreement or disagreement with the following statements on Unga Farm Care East Africa Limited's succession planning. On a five-point rating system, 1 represented strongly disagree, 2 represented disagree, 3 represented neutral, 4 represented agreement, and 5 represented strongly agree. Table 1 provided a summary of the findings.

## **Table 1: Succession Planning**

	1	2	3	4	5	Mean	std. dev.
The company offers mentoring and coaching	3.9%	5.3%	15.8%	30.3%	44.7%	4.07	1.08
to staff on career management. Through HR Planning, all key positions have		2.0%	10.5%	23.0%	63.2%	4.45	0.86
been included in the succession plan. The company prioritizes on internal candidates to fill vacant positions before	0.7%	3.3%	10.5%	45.4%	40.1%	4.21	0.81
looking for external potential candidates. Promotion within the company is based on merit.	2.6%	3.3%	11.2%	28.9%	53.9%	4.28	0.97
Succession planning practices exist and are actively used in the organization.	5.3%	8.6%	16.4%	36.2%	33.6%	3.84	1.14
Overall mean						4.17	

The study used the Likert scale of five units shown above to summarize the respondents' agreement / disagreement levels concerning succession planning at Unga Farm Care East Africa Limited. The summary entailed the mean for each statement, the overall mean, standard deviation and scores summary for each unit on the Likert Scale. When the mean fell between three and five, it meant that most respondents agreed with the statement, however when the mean fell below three, it meant that most respondents disagreed.

Respondents who were asked if the company offered career management coaching and mentoring responded in the affirmative. The majority of the employees agreed with the statement, as evidenced by the mean of 4.07. The majority of respondents (mean = 4.45) agreed that all essential positions were included in the succession plan through HR planning. The majority of respondents also agreed, with a mean score of 4.21, that the company gave preference to internal candidates over external applications when hiring new employees. With a mean score of 4.28, the majority of respondents also concurred that promotions within the organization were determined on merit. The majority of respondents (mean = 3.8) concurred that the company had succession planning procedures in place and actively employed them.

Succession planning had an overall mean of 4.17 which indicated that majority of the respondents agreed with the statements concerning succession planning at UFCEA. The respondents' sentiments are similar to Zafar and Akhtar (2020) who ascertained that succession planning led to organizational performance through organizational growth. Similarly Lempaka (2018) was of the view that through fostering employee retention, succession planning had a significant impact on organizational performance.

## Training

On training at Unga Farm Care East Africa Limited, the participants were asked to rank their agreement or disagreement with the following assertions. On a five-point rating system, 1 represented strongly disagree, 2 represented disagree, 3 represented neutrality, 4 represented agreement, and 5 represented strongly agree. Table 2 provided a summary of the findings.

	1	2	3	4	5	Mean	std. dev.
The company gathers, organizes, shares and analyzes knowledge required by employees to perform and makes it easily accessible.	3.3%	9.2%	13.2%	38.2%	36.2%	3.95	1.08
Training programs offered by the company have helped improve my performance and make the work environment competitive.	3.3%	9.2%	20.4%	40.1%	27.0%	3.78	1.05
Job rotation is well implemented across all departments at Unga Farm Care East Africa Limited.	3.9%	23.0%	21.7%	34.9%	16.4%	3.37	1.13
The company sponsors staff to training to opportunities equally.	7.2%	14.5%	16.4%	39.5%	22.4%	3.55	1.19
All the training offered is aligned towards employee personal goals and organizational objectives.	5.9%	17.8%	17.8%	37.5%	21.1%	3.50	1.18
Overall mean						3.63	

The study used the Likert scale of five units shown above to summarize the respondents' agreement / disagreement levels concerning training at Unga Farm Care East Africa Limited. The summary entailed the mean for each statement, the overall mean, standard deviation and scores summary for each unit on the Likert Scale. A mean in the range of 3-5 showed that majority of the respondents agreed with the statement while a mean below 3 indicated that majority of the respondents disagreed with the statement.

With a mean score of 3.95, the majority of respondents thought that the company could readily collect, organize, distribute, and evaluate the knowledge that workers needed to do their tasks. The majority of respondents, as indicated by a mean score of 3.78, felt that the company's training initiatives improved worker performance and fostered a competitive work environment. The majority of respondents agreed with the assertion that work rotation was effectively implemented across all departments at Unga Farm Care East Africa Limited, as indicated by the mean score of 3.37. With a mean score of 3.55, the majority of respondents thought that the organization provided training opportunities for all employees equally. The majority of respondents, as indicated by the indicated by the mean of 3.50, agreed that all of the training provided was in line with the aims of the firm and the individual employees.

The majority of respondents appeared to agree with the claims regarding training at UFCEA, as indicated by the overall mean of 3.63. All of the respondents were in agreement that there was a connection between organizational performance and training. These sentiments were also echoed by Karar and Salman (2020) who in their study found out that training was one of the most significant factors in influencing organizational performance. The study highlighted that training helped bridge the skill gap thus enabling the company to perform at the highest level. Further, Mohd Said et al. (2022) opined the need for continuous training in creating a high performance culture where high quality goods are produced and performance objectives are met.

## Strategic Recruitment

The following statements regarding strategic recruitment at Unga Farm Care East Africa Limited were given to the participants, and they were asked to assess their agreement or disagreement. On a five-point rating system, 1 represented strongly disagree, 2 represented disagree, 3 represented neutral, 4 represented agreement, and 5 represented strongly agree. Table 3 provided a summary of the findings.

	1	2	3	4	5	Mean	std. dev.
The organization has a competitive recruitment and selection criteria that is used to evaluate all employees.	9.9%	15.8%	16.4%	43.4%	14.5%	3.37	1.20
The organization has developed a talent pipeline in place to recruit from.	5.3%	20.4%	11.2%	29.6%	33.6%	3.66	1.28
Candidates are evaluated based on current and future roles.	3.3%	1.3%	10.5%	42.1%	42.8%	4.20	0.92
The organization uses headhunting as a strategy to fill critical and high-level job positions.	32.2%	3.9%	9.9%	30.9%	23.0%	3.09	1.60
The hiring process is done fairly by the company as per the hiring policy and procedure.	3.9%	5.9%	25.0%	43.4%	21.7%	3.73	0.99
Overall mean						3.61	

## **Table 3: Strategic Recruitment**

The study used the Likert scale of five units shown above to summarize the respondents' agreement / disagreement levels concerning strategic recruitment at Unga Farm Care East Africa Limited. The summary entailed the mean for each statement, the overall mean, standard deviation and scores summary for each unit on the Likert Scale. When the mean fell between three and five, it meant that most respondents agreed with the statement, however when the mean fell below three, it meant that most respondents disagreed.

The results showed that most respondents thought the organization had competitive hiring and selection standards that were applied to each employee's appraisal, with a mean score of 3.37. With a mean score of 3.66, the majority of respondents seemed to concur that the business has a talent pipeline from which to hire new employees. Most respondents (mean = 4.20) agreed that candidates were evaluated according to their prospective and current roles. With a mean score of 3.09, the respondents also agreed with the assertion that the company employed headhunting as a tactic to fill important and senior job openings. Furthermore, most respondents—with a mean score of 3.73—agreed that the organization followed hiring policy and procedure and conducted a fair hiring process.

Strategic recruitment had an overall mean of 3.61. The mean was in the range of 3-5 suggesting that majority of the respondents acknowledged that a link existed between strategic recruitment and organizational performance. These sentiments were corroborated by Wambui (2018) who suggested that strategic recruitment was the gateway for organizations to acquire talent that can offer the organization a competitive edge in the market. Further, Hamadamin and Atan (2019) in their study noted that organizations that failed to do their recruitment in an objective way could not compete in the industry.

## **Organizational Culture**

Participants were asked to rate their agreement or disagreement with the following assertions about Unga Farm Care East Africa Limited's company culture. On a five-point rating system, 1 represented strongly disagree, 2 represented disagree, 3 represented neutral, 4 represented agreement, and 5 represented strongly agree. Table 4 provided a summary of the findings.

	1	2	3	4	5	Mean	std. dev.
The organization promotes all forms of diversity that are part of an employee's core identity in offering quality customer service.	3.9%	11.8%	13.2%	46.7%	24.3%	3.76	1.07
The top leadership model the professional behavior that is required in meeting the expectations of the clients.	8.6%	22.4%	13.2%	27.6%	28.3%	3.45	1.34
The company supports creativity and innovation by creating an environment where all ideas and opinions are considered for quality service delivery.	5.9%	24.3%	14.5%	33.6%	21.7%	3.41	1.24
Employees are appreciated and recognized for offering high customer service.	13.2%	21.7%	10.5%	23.7%	30.9%	3.38	1.45
The company views effective communication as central to quality service delivery.	3.3%	9.2%	5.9%	45.4%	36.2%	4.02	1.05
Overall mean						3.60	

## **Table 4: Organizational Culture**

The study used the Likert scale of five units shown above to summarize the respondents' agreement / disagreement levels concerning organizational performance at Unga Farm Care East Africa Limited. The summary entailed the mean for each statement, the overall mean, standard deviation and scores summary for each unit on the Likert Scale. When the mean fell between three and five, it meant that most respondents agreed with the statement, however when the mean fell below three, it meant that most respondents disagreed.

The majority of respondents, with a mean score of 3.76, believed that the organization supported diversity in all its manifestations, provided that it was an integral part of an employee's identity when delivering first-rate customer care. The majority of respondents, with a mean score of 3.45, felt that senior leadership sets the standard for professional conduct that is required to satisfy clients. The statement that the company promotes creativity and innovation by establishing an environment in which all ideas and opinions are considered in order to provide high-quality services was mostly agreed upon by respondents, as indicated by the mean score of 3.41. With a mean score of 3.38, most respondents agreed that staff members were appreciated and recognized for their outstanding customer service. With a mean score of 4.02, the majority of respondents agreed that the organization considered good communication to be essential to providing high-quality services.

The majority of participants appeared to agree that there is a relationship between organizational performance and culture, as indicated by the overall mean of 3.60. Ngomaa (2018) contended that organizational culture functions as a stimulant for organizational performance by establishing a conducive atmosphere for the execution of intended initiatives. In their study, Priyanka et al. (2021) supported these results by indicating that organizational culture improved organizational performance.

## **Organizational Performance**

Participants were asked to rate their agreement or disagreement with the following assertions regarding Unga Farm Care East Africa Limited's organizational performance. On a five-point rating system, 1 represented strongly disagree, 2 represented disagree, 3 represented neutral, 4 represented agreement, and 5 represented strongly agree. Table 5 provided a summary of the findings.

	1	2	3	4	5	Mean	std. dev.
The company's employee rate of retention is high.	7.2%	16.4%	17.8%	32.9%	25.7%	3.53	1.24
The financial performance of the company is high thus increased profits.	7.2%	11.2%	9.9%	36.8%	34.9%	3.81	1.23
I can recommend the organization to any potential employee in the job market as a good place to work.	13.8%	15.8%	17.1%	34.9%	18.4%	3.28	1.31
The company has a high Customer Satisfaction Index (CSI) score	3.9%	4.6%	15.1%	30.3%	46.1%	4.10	1.07
The company is cost effective in its operations.	5.9%	8.6%	14.5%	39.5%	31.6%	3.82	1.15
Överall mean						3.71	

#### Table 5: Organizational Performance

The study used the Likert scale of five units shown above to summarize the respondents' agreement / disagreement levels concerning organizational performance at Unga Farm Care East Africa Limited. The summary entailed the mean for each statement, the overall mean, standard deviation and scores summary for each unit on the Likert Scale. A mean in the range of 3-5 showed that majority of the respondents agreed with the statement while a mean below 3 indicated that majority of the respondents disagreed with the statement.

The first assertion—that the company has a high staff retention rate—had a mean of 3.53, suggesting that most respondents agreed with the statement. The mean of 3.81 demonstrated the company's strong financial performance and subsequently increased earnings. With a mean score of 3.28, most employees indicated that they would recommend the organization to any potential applicants as an excellent place to work. With a mean score of 4.10, the majority of employees thought the company had a good Customer Satisfaction Index (CSI). The majority of respondents agreed as well; a mean score of 3.82 shows that the business operated profitably.

Most respondents agreed with the claims regarding organizational performance at UFCEA, as demonstrated by the overall mean of 3.71. The majority of respondents seemed to think that organizations were competitive, as indicated by the overall mean, which fell between three and five. According to Chineye and Ogohi (2020) factors such as high retention rate and high customer satisfaction index were indicators of organization performance. However, Chineye and Ogohi (2020) noted that organizational performance was directly based on the sales volume and factors such as training and organizational culture had insignificant impact.

## **Inferential Analysis**

To ascertain the relationship between organizational performance and strategic HRM practices, the study used an inferential analysis. Correlation analysis, multiple linear regression analysis, analysis of variance (ANOVA), and regression coefficient were all performed in the study.

# **Correlation Analysis**

The relationship between each of the independent variable and the dependent variable was examined using the Pearson product moment correlation coefficient in the study. Correlation coefficients were measured on a scale from -1 to +1. According to Gupta et al. (2019) a correlation coefficient that was equal to +0.3 or more showed a strong correlation while a correlation coefficient below +0.3 depicted a weak relationship between the study variables. The correlation analysis results were presented in Table 6.

		Organizational Performance	Succession Planning	Training	Strategic Recruitment	Organizational Culture
	Pearson Correlation	1				
Organizational Performance	Sig. (2-tailed)					
	Ν	152				
	Pearson Correlation	.439**	1			
Succession Planning	Sig. (2-tailed)	.001				
	Ν	152	152			
	Pearson Correlation	$.559^{**}$	.434**	1		
Training	Sig. (2-tailed)	.001	.001			
	Ν	152	152	152		
	Pearson Correlation	.641**	.245**	.612**	1	
Strategic Hiring	Sig. (2-tailed)	.001	.002	.001		
	Ν	152	152	152	152	
	Pearson Correlation	.689**	.358**	.657**	.722**	1
Organizational Culture	Sig. (2-tailed)	.001	.001	.000	.001	
	Ν	152	152	152	152	152

\*. Correlation is significant at the 0.01 level (2-tailed).

Correlation was significant at the 0.01 level. Therefore, the findings in Table 6 were significant to the level of 99% to derive the relationship between the variables under study. The results of the correlation study revealed a substantial link (r = 0.439, p > 0.01) between succession planning and organizational performance. The correlation between succession planning and organizational performance was found to be highly substantial, as indicated by the Pearson's product moment coefficient of correlation.

There was a substantial and significant association between training and organizational performance, as indicated by the Pearson's product moment coefficient of correlation (r = 0.559, p > 0.01). Organizational performance and strategic recruitment revealed a significant and robust correlation (r = 0.641, p > 0.01), suggesting a strong relationship between the variables. There was a substantial correlation (r = 0.689, p > 0.01) between organizational performance and strategic recruitment, according to the correlation study. Organizational performance and organizational culture shown to be strongly and significantly correlated, according to the Pearson's product moment correlation coefficient. P values of less than or equal to 0.01 were associated with correlation coefficients for all the variables that were above +0.3. Therefore, there was a strong and substantial link between each variable.

#### **Multiple Linear Regression Analysis**

Multivariate regression analysis was undertaken to determine how the independent variables pooled together influenced the dependent variable. The results were summarized in Table 7.

Odero; Int. j. soc. sci. manag & entrep 8(1), 263-280, March 2024;	277
--	-----

Table '	7: Multiple Linear	Regression	Analysis Model Summary
	· · · · · · · · · · · · · · · · · · ·		

Model	R	R Square	Adjusted R Square	Std.Error of the Estimate
	.750 <sup>a</sup>	.563	.551	2.98569

a. Predictors: (Constant), succession planning, training, strategic recruitment, organizational culture

The findings in Table 7 showed the R, R square and the adjusted R square. The R value shows how strong the relationship between the variables is. The R value was 0.750 suggesting that a strong and positive relationship existed between the variables under study. The R square value of 0.563 showed the collective influence the independent variables had on the dependent variable. Therefore, training, succession planning, strategic recruitment and organization culture influence organizational performance by 56.3% and the other variables not under study had a 43.7% influence on organizational performance.

## Analysis of Variance (ANOVA)

The analysis of variance ANOVA was used to assess how well the model fits the data as shown in table 8.

Model		Sum of Squares	df	Mean Square	F	Sig.
	Regression	1689.267	4	422.317	47.375	.001 <sup>b</sup>
	Residual	1310.411	147	8.914		
	Total	2999.678	151			

#### Table 8: Analysis of Variance (ANOVA)

a. Organizational Performance

b. Predictors: (Constant), succession planning, training, strategic recruitment, organizational culture

The ANOVA model was significant at the 99% confidence level implying that the data collected was sufficient in achieving the desired results of the study. The high confidence level implies that the data collected could help the study reach a conclusion that succession planning, training, strategic recruitment and organizational culture were responsible for the variations in organizational performance.

## **Regression Coefficients**

The study determined the regression coefficients as presented in Table 9.

## **Table 9: Regression Coefficients results**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		В	Std.Error	Beta		
	(Constant)	186	1.616		115	.909
	Succession Planning	.264	.075	.216	3.536	.001
	Training	.049	.097	.040	.508	.612
	Strategic Recruitment	.308	.086	.294	3.583	.001
	Organizational Culture	.377	.087	.373	4.310	.001

a. Dependent variable: Organizational Performance

The established regression equation of the study was:

 $Y = -0.186 + 0.264 X_1 + 0.049 X_2 + 0.308 X_3 + 0.377 X_4$ 

Where: X1- Succession Planning

X<sub>2</sub>-Training

- X<sub>3</sub> Strategic Recruitment
- X<sub>4</sub>-Organizational Culture

The findings in Table 9 showed the regression coefficients of the independent variables in the study. The regression coefficient for succession planning was  $\beta_1$ =0.264 implying that one-unit increase in succession plan increased organizational performance by 0.264 units. Training had a regression coefficient of  $\beta_2$ =0.049 suggesting that a single unit increase in training at UFCEA increased organizational performance by 0.049 units. The regression coefficient for strategic recruitment was  $\beta_3$ =0.303 implying that a single unit increase in strategic recruitment would result in a 0.308-unit increase in organizational performance. Organizational culture had a regression coefficient of 0.377 implying that a single unit increase in organizational culture resulted in 0.377-unit increase in organizational performance. All the independent variables had positive regression coefficients which imply that succession planning, training, strategic recruitment and organizational culture enhanced organizational performance.

## **Conclusion of the Study**

The study concluded that organizational performance and succession planning were significantly correlated. The findings indicated that succession planning improved organizational performance, as indicated by the positive regression coefficient. The results of the regression analysis looking at the relationship between organizational performance and training showed a positive coefficient. Based on its findings, the study concluded that training improved organizational performance. The findings of the regression coefficient indicated that there was a substantial and positive correlation between organizational performance and strategic recruitment. The study concluded that strategic recruitment raises organizational performance based on the regression data. The findings of the regression analysis showed a substantial and positive correlation between organizational performance based on the regression data. The findings of the regression analysis showed a substantial and positive correlation between organizational performance based on the regression data. The findings of the regression analysis showed a substantial and positive correlation between organizational performance based on these findings.

#### **Recommendations of the Study**

The study recommended that manufacturing firms in Kenya should develop strategies to enhance successional planning in their firms since the organizations are currently experiencing issues in development and enactment of the succession policy. Also, that manufacturing firms in Kenya should align the training content and objectives to both organizational goals, long term strategic plans and employee career path. Further, it was pivotal that manufacturing firms do not recruit for the sake of adding headcount in the organization and filling vacant positions and manufacturing companies implement organizational culture evolution supporting structures.

## REFERENCES

Amani, A. A. (2021). Impact of recruitment and selection practices on organization performance in Equity Bank Nairobi. [Strathmore University]. https://suplus.strathmore.edu/server/api/core/bitstreams/b197d12b-5b21-4eae-a542-3d485e27f371/content

- Bruno, E. (2021). Influence of Organizational Culture on Service Delivery Among Private Hospitals in Nairobi City County Kenya [University of Nairobi]. http://erepository.uonbi.ac.ke/bitstream/handle/11295/157099/Bruno%20E\_Influence%2 0of%20Organizational%20Culture%20on%20Service%20Delivery%20Among%20Privat e%20Hospitals%20in%20Nairobi%20City%20County%20Kenya.pdf?sequence=1
- Butali, P., & Njoroge, D. (2020). *Selective Hiring, Organizational Performance and Commitment*. 22(1), 65–69. https://doi.org/10.9790/487X-2201046369
- Chineye, E., & Ogohi, D. (2020). Strategic Human Resource Management and Performance of Manufacturing Firms in Nigeria. 22(5), 1–8. https://doi.org/10.9790/487X-2205070108
- Gupta, M., Shaheen, M., & Reddy, K. P. (Eds.). (2019). *Qualitative Techniques for Workplace Data Analysis:* IGI Global. https://doi.org/10.4018/978-1-5225-5366-3
- Hamadamin, H. H., & Atan, T. (2019). The Impact of Strategic Human Resource Management Practices on Competitive Advantage Sustainability: The Mediation of Human Capital Development and Employee Commitment. Sustainability, 11(20), 5782. https://doi.org/10.3390/su11205782
- Hassan, S., Iqbal, Y. M. J., & Ghias, W. (2017). Organizational Learning and Competitive Advantage in Banking Sector of Pakistan. *Global Social Sciences Review*, *II*(I), 79–90. https://doi.org/10.31703/gssr.2017(II-I).05
- Hassan, S. N. ul, & Siddiqui, D. A. (2020). Impact of Effective Succession Planning Practices on Employee Retention: Exploring the Mediating Roles. SSRN Electronic Journal. https://doi.org/10.2139/ssrn.3556924
- Jaradat, S. (2015). Impact of training and development function on enhancing competitiveness capacity (An Empirical study of Jordanian industrial companies from managers perspective). *Business Management and Strategy*, 6(1), 25. https://doi.org/10.5296/bms.v6i1.7803
- Karar, S. J. S., & Salman, S. J. A. (2020). Impact of human resource management practices on strategic competitiveness. 7(8), 2491–2501.
- Lempaka, A. L. (2018). The Effect of Succession Planning on Employee Retention in Kenya Commercial Bank Ltd, Kenya [University of Nairobi]. http://erepository.uonbi.ac.ke/bitstream/handle/11295/104914/Lempaka\_The%20Effect% 200f%20Succession%20Planning%20on%20Employee%20Retention%20in%20Kenya% 20Commercial%20Bank%20Ltd,%20Kenya.pdf?isAllowed=y&sequence=1
- Madaan, S., & Bhatnagar, Dr. V. K. (2021). A Study of Competitive Advantage through Training and Development in Hospitality Industry with special reference to The Imperial, New Delhi. *International Journal of Business and Management Research*, 9(2), 194–200. https://doi.org/10.37391/IJBMR.090210
- Maphisa, S. B., Zwane, B. K., & Nyide, C. J. (2017). Succession planning and staff retention challenges: An industrial outlook and major risks. *Risk Governance and Control: Financial Markets and Institutions*, 7(3), 17–26. https://doi.org/10.22495/rgcv7i3p2
- Mbiti, J., & Misango, S. (2021). Organizational culture and structure as determinants of service delivery in The County Government of Kitui. *European Journal of Business and Strategic Management*, 6(1), 73–88. https://doi.org/10.47604/ejbsm.1385
- Mutegi, F. M., Nzioki, S., & King'oriah, G. (2021). Organisational Culture and Public Service Delivery of Huduma Centres in Kenya. *The International Journal of Business & Management*, 9(8). https://doi.org/10.24940/theijbm/2021/v9/i8/BM2108-026
- Ngugi, D. W., Gachunga, H., & Mukanzi, C. (2021). *Relationship between Organizational Culture* and Service Quality in Universities in Kenya. 3(2), 1–12.
- Rashid, Y., Quratulain, Rafique, U., & Chughtai, M. A. (2014). Gaining Competitive Advantage<br/>through Training, its Effect on Business Results and the Role of Firm Strategy: A Study on<br/>IT Projects of Punjab Pakistan. 4(5).

https://www.textroad.com/pdf/JBASR/J.%20Basic.%20Appl.%20Sci.%20Res.,%204(5)7 0-76,%202014.pdf

- Ratnawati, M, T. N. R., & Sintyasari, I. (2022). Competitive Advantage as a Mediation of the Influence of Learning Organizations on SME Performance in Malang City. *International Research Journal of Economics and Management Studies*, 1(3), 58–64. https://doi.org/10.56472/25835238/IRJEMS-V112P109
- Selase, A. E. (2018). The Impact of Recruitment and Selection Criteria on Organizational Performance. GN Bank, Greater Accra Region of Ghana as the Mirror. *Journal of Public Administration and Governance*, 8(3), 283. https://doi.org/10.5296/jpag.v8i3.13637
- Tetteh, J., & Asumeng, M. A. (2022). Succession planning, employee retention and career development programmes in selected organisations in Ghana. African Journal of Management Research, 27(1), 151–169. https://doi.org/10.4314/ajmr.v27i1.9
- Vejsiu, I. (2019). The role of recruitment in the financial performance of the banking system. *Proceedings of the 11th Economics & Finance Conference, Rome, 7*(10). https://doi.org/10.20472/EFC.2019.011.014
- Wambui, M. N. (2018). The influence of strategic human resource management practices on firm performance of insurance firms in Kenya. [Strathmore University]. https://core.ac.uk/download/pdf/161851382.pdf
- Wuttaphan, N. (2017). Human Capital Theory: The theory of Human Resource Development, Implications and Future. 18(2), 240–255.
- Zafar, A., & Akhtar, G. K. H. (2020). Effect of Successional Planning on organizational growth. *Journal of Social Sciences and Humanities*, 59(1), 21–33. https://doi.org/10.46568/jssh.v59i1.323