



Human Resource Management Practices and Employee Performance of Kenya Reinsurance Corporation, Nairobi City County, Kenya

Janet Ndunge John¹, Hannah Bula²

¹*School of Business, Economics and Tourism, Kenyatta University, Kenya*

²*School of Business, Economics and Tourism, Department of Business Administration, Kenyatta University, Kenya*

ABSTRACT

Organizations are seeking to gain a competitive advantage via increased employee performance as the business environment becomes more volatile and unpredictable than ever before. To achieve this, businesses are increasingly focusing on human resources practices using more innovative techniques. The current study's objective was to determine how employee performance in Kenya's reinsurance business is impacted by HRM practices. The research explicitly examined the influence of selected practices on overall employee performance. The study utilized a descriptive research design with a case study of Reinsurance Cooperation. The target population was employees of Reinsurance industry in Kenya in Nairobi City County. The specific objectives of the study were to determine the effect of training and development, performance appraisal, reward and compensation, and employee empowerment on employee performance at Kenya Reinsurance Corporation. The study was underpinned Ability, Motivation, Opportunity Theory; Resource Based Theory; and Best Fit Theory. The target audience was all employees of the Reinsurance Corporation in Nairobi City County. The target population will be 149 employees and the study employed the target population census since some other departments had less responses. Both qualitative and quantitative data approaches will be utilized in the study's data collecting. Tables, graphs, and charts were employed to display the results of the data analysis and summary utilizing both descriptive and inferential statistics. The study found that training and development, performance appraisal, reward and compensation and employee empowerment had a positive significant influence on employee performance of Kenya Reinsurance Corporation, Nairobi City County, Kenya. The study concludes that training and development helps companies gain and retain top talent, increase job satisfaction and morale and improve productivity. Performance evaluation measures an employee's contribution in terms of increased company revenue and job performance, compared to industry standards and employee return on investment. A rewarding compensation and benefits plan can attract loyal, motivated and engaged candidates and may reduce the turnover rate of people in a company and empowering employees through greater autonomy has been directly linked to increased employee motivation.

Key Words: *Employee Performance, Reinsurance Corporation, Human Resource, Management Practices*

DOI 10.35942/6bgef390

Cite this Article:

John, J., & Bula, H., (2023). Human Resource Management Practices and Employee Performance of Kenya Reinsurance Corporation, Nairobi City County, Kenya.



1.0 Introduction

1.1 Background of the Study

Globally, an organization's human resource is the key to gaining a competitive edge owing to their capacity to transform inputs (products or services) from other resources (money, machinery, processes, and materials) into outputs (resources). According to Ghalayini (2017), they are one of the key elements that provide organizations flexibility and adaptation. Saira (2016) said that it is important to remember that people (managers) rather than the company serve as the adaptive mechanism for defining how the business will react to the competitive environment. Competitors can copy other resources like raw materials, raw technology, and money, but it is very difficult to copy human resources. These elements combined to make them a special resource that required good management.

HRM is described by Mahmood (2019) as the process of selecting the right number and kind of workers, providing them with the necessary training, monitoring their performance, and compensating them while also taking care of their labour relations, wellness, and safety. It is proactive and sees individuals as both assets and liabilities that must be actively managed from an economic standpoint. It involves the effective and efficient process of finding, training, inspiring, and retaining labour at the highest possible levels. Human resources are the most crucial resource for attaining the organization's vision, purpose, and goals at various levels. It immediately expands organizational effectiveness and lowers rates of employee turnover. The workers are the ones who enhance production, not the corporation.

There has been a lot of study on the effects of HRM strategies on employee performance for many years. According to some scholars, managing people is more challenging than managing money or technology (Nurun & Abu, 2017). The ability to efficiently acquire and deploy human resources is difficult and takes a lot more time, thus businesses who have mastered this skill will have an advantage over rivals for a very long period (Kiiru, 2015). Reinsurance companies in Kenya seem to be revolutionizing considerably more quickly than in the past due to growing competition and the constantly shifting business climate. Eight local-domiciled businesses and a number of foreign firms without physical presence in Kenya operate the company (Kenya Re Strategy 2014-2018). Environmental volatility in the sector in recent years has necessitated the development of strategies in order for the company to survive.

1.1.1 Employee performance

World over, it is impossible to overstate how important employee performance is since it has been an issue for all enterprises, public or private. Over the last several decades, there has been a noticeable shift from the previous perception that the private sector alone should be concerned about the significance of performance, where both embrace and appreciate performance equally (Tursunbayeva, 2019). Employee performance is one of the essential elements that determines an organization's success. A profitable company realizes the value of its people resources as a crucial element that immediately affects and enhances performance (Campesino, 2016). Although there are numerous other factors, including as the organization's size, the environment in which it works, and its activities, contributing to that success, the success of any business relies on the actions and choices of its employees. Human resource management approaches are



frequently employed to assess an employee's performance inside a business, and the tendency is to strengthen HRM practices in order to boost employee performance in the present time and highly competitive corporate setting (Sagwa, 2017).

Omayya (2016) posit that an employee's performance is the utilization of information, skills, experiences, and talents to carry out the given task that is needed of them by their superiors. The value of an employee's performance can be seen in a variety of ways, including how it affects how much money is spent on resources, how much and how well work is done, how it helps a company compete and succeed, how it helps evaluate and meet performance goals, and how it improves the effectiveness of the employee in making decisions (Shanodhini & Srividhya, 2018). Armstrong and Baron (1998) consider numerous factors when assessing an employee's performance. One of them is the degree to which an employee generates work of the required quality and quantity, which is assessed by the employee's level of productivity. How well a person can articulate solutions to issues is another indicator of their success. Another indicator of performance is a worker's capacity to finish tasks and meet other time-sensitive requirements on schedule. Competency and efficiency, according to Blaise (2018), are also important elements taken into account when evaluating an employee's work performance. Efficiency determines how well-organized a worker's production processes are in the sense of the steps necessary to finish a task, whilst competency evaluates the extent to which an employee exhibits ethical corporate behavior and uniformity between his or her values and performance.

1.1.2 Human Resource Management Practices

Human resource management practices the approaches deployed to manage people are known as (Armstrong, 2012). An organization may choose to implement a set of HRMP if they satisfy its operational requirements. There are seven HRMP that impact business performance, according to Pfeffer (2008). Some of the HRMP's objectives include job security, targeted recruiting, workplace teams and decentralization, high remuneration based on organizational success, employee training, a reduction in status discrepancies, and sharing firm information with personnel. When under tremendous and multifaceted fierce rivalry, firms analyze their organizational structures, particularly how they manage their staff. Due to the change in the company's attention to the human element, the establishment of HR programs for continual growth is essential (Esther, Elegwa, & James, 2012; Longenecker et al., 2001). Business practices have changed toward Strategic Human Resource Management (SHRM) for the adoption of operational patterns or choices relating to the management of employee interactions. This demonstrates how a company may more effectively manage its human resources to get greater results (Boxall & Purcell, 2003).

Internationally, competitive firms rely on the distinctiveness of their human resources and the mechanisms for managing human resources successfully to obtain a competitive edge (Pfeffer, 1994; Tomson, 2008). The human resources in a knowledge-based economy, which also serve as its intellectual capital and infrastructure investment, are what propel and produce the sector's output. The recruiting, training, retention, and motivation of employees are thus critical success criteria for any knowledge-based company. A corporation must ensure that its human resources management methods are consistent with and complementary to its organizational strategy in order to enhance both personal and corporate achievements (Nzuve, 2007). This is similar to how it would do with its competitive strategy (Robin, 2007). The link between improved corporate performance and efficient HRM practices has been the subject of several research. According to



Ulrich (2003), survey findings show that HR practices are important, but depending on the population selected and the metrics utilized, the exact correlations between investments and attention to HR standards may be murky. Other scholars have raised concerns about the validity of some of the attempts to draw the association via research, including Purcell et al. (2003).

1.1.3 Kenya Reinsurance Corporation

The Kenyan government established the publicly traded State Reinsurance Corporation in 1970 through a parliamentary statute (State Reinsurance Corporation statute 1970), to stop the exodus of capital. According to the provisions of the 1977 Statutory Law (Miscellaneous Amendment) Act, the State Reinsurance Corporation changed its name to Kenya Reinsurance Corporation, more often known as Kenya Re. Kenya Re's goals included giving Kenyan insurance companies access to reinsurance capacity, doing research and consulting with the sector, offering regulatory services, conducting training programs, and raising money for investments in the country's economy. 25% of all policy and treaty business in Kenya was its due.

Through an initial public offering (IPO) on the Nairobi Stock Exchange in 2007, Kenya Reinsurance Corporation made 40% of its shares available to the public (Kenya Re IPO prospectus 2007). Following the IPO, the corporation found itself caught in a web of several new laws, including the Company's Act and the Capital Markets Authority Act. It is governed by the State Corporation Act since it is a state corporation, and the Insurance Act applies to it because it is in the insurance business. Kenya Re's key principles include objectivity, cooperation, learning and innovation, service culture, and excellent corporate citizenship (Kenya Re, 2018). To date the Corporation has progressively grown its portfolio that spans over 70 countries with a Global AM Best Rating of B+ which is Very Good. Despite this growth, it cannot compete with the leading markets in the world with a rating of A+ thus need for more input to ensure excellent performance and growth across the world not just the current subsidiaries, Zambia, Ivory Coast and Uganda.

Kenya Re has a fully-fledged Human resource management department which is tasked with numerous functions which include: hiring, firing, disciplinary functions, appraisal, training and development, employee welfare, promotion, employee motivation, creation and execution of benefit schemes among many. The department is headed by the Human Resource Manager with two Assistant Managers, one who undertakes staff training and development issues, while the other undertakes other various staffing duties. Being a State Corporation, the performance of employees is of great importance to the general public thus the need the current study on HRMP and employee performance of Kenya Reinsurance Corporation.

1.2 Statement of the Problem

Previous research has showed that the premise that workers and the way they are handled are crucial to both their performance and that of businesses, which may be a source of sustained competitive edge, has led to a rise in interest in human resource practices. When used correctly, HRM approaches reflect the objectives and operational procedures of the whole company. Despite the abundance of literature in the topic of HRM, most of it prioritizes industrialized countries over emerging ones.

Empirical research has shown a growing connection between HRMP and corporate performance. Considerable empirical research has been done on the link between HRMP and company performance (Khatri,2000; K'Obonyo, Busienei, &Ogutu,2013; Dimba&K'Obonyo, 2009).



Research have been conducted in other economic sectors, but none that have been researched have centered on manufacturing enterprises in Kenya. According to studies, companies who use a certain HRMP in their human resource processes, policies, and practices often surpass their competitors in terms of results (Kidombo, 2007).

Some researchers have asserted that better HRMP packages may turn a company's human resources into a strategic asset since there may be complementarities between HRMP and firm resources (Ulrich & Lake, 2000). The previous research we studied focused on the effects of certain HR practices on performance. Cho et al.,2005; Barringer et al.,2005; Benson et al.,2004; Brewster2004; Storey2002; Collings and Clark2003; Morishima2001; Paul and Anantharaman 2003; Roberts,2005; Widener2005; Zhu2004). Less focus has been placed on the impact of pay, training, recruiting, and information exchange on performance. Based on this, the research concentrated on shedding some light on murky regions and views that weren't included in earlier empirical studies of business performance.

1.3 Objectives of the Study

The study's general objective was to ascertain the effect of HRMP on employee performance of Kenya Reinsurance Corporation, Nairobi City County, Kenya. The following specific objectives served as the study's guidance:

- i. To determine the effect of training and development on employee performance of Kenya Reinsurance Corporation, Nairobi City County, Kenya.
- ii. To assess the effect of performance appraisal on employee performance of Kenya Reinsurance Corporation, Nairobi City County, Kenya.
- iii. To evaluate the effect of reward and compensation on employee performance of Kenya Reinsurance Corporation, Nairobi City County, Kenya.
- iv. To assess the effect of employee empowerment on employee performance of Kenya Reinsurance Corporation, Nairobi City County, Kenya.

2.0 Literature Review

2.1 Theoretical Review

2.1.1 Ability, Motivation, and Opportunity Theory

Appelbaum, Bailey, Berg, and Kalleberg (2000) proposed this theory to conceptualize work systems that affect aggregate attributes of employees that boost flexible efforts, which in essence help to achieve overall organizational objectives. Effective discretionary effort, according to the AMO model, depends on an employee's skills, motivation, and participation opportunities (Boselie, 2010). This implies that when workers have the ability, desire, and opportunity to engage, it is anticipated that they will do well at their jobs. The link between a collection of HRM practices that improve employees' human capital—knowledge, skills, and abilities (KSAs)—and motivate and enable individuals to succeed in organizations is explained theoretically by the AMO model (Gardner et al., 2012).

Researchers in the area of HRM have heavily utilized and mobilized the Ability, Motivation, and Opportunity theory to support the connection between HRM systems and employee performance (Savanevicienne & Stankeviciute, 2012). Despite the value of the AMO hypothesis, several of its shortcomings have led to criticism. The AMO model is seen to place a focus only on



organizational objectives at the cost of employee outcomes, and as a result, it may serve as a ruse to overwork individuals inside the organization. The AMO approach has also come under fire for failing to completely avoid HR practice overlap (Obeidat et al., 2016).

Despite the critique, AMO models have been a common starting point for investigations in the HRM literature. The "people and performance model" was created by Kinnie, Hutchinson, Rayton, and Swart in 2003 utilizing the AMO framework. According to the concept, proximal outcomes like as training and development, performance evaluation, reward and remuneration, and employee empowerment would be influenced by an individual's AMO to perform, which will ultimately improve performance outcomes at work. It is argued that employee's ability to perform a task determines the extent of performance of the task, and motivation of the employees impacts the extent to which the employee commitment to performance role given their ability, and that opportunity to perform provides the chance for the employee to perform their role as expected (Katou & Budhwar, 2010; Macky & Boxall, 2007). At the core of this theory is autonomy, engagement, empowerment, motivation, learning and development and support. Additionally, it is claimed that effective human resource management techniques encourage behaviour change, boost employee productivity, and assist the accomplishment of corporate goals and objectives (Rose, Kumar & Pak, 2009)

2.1.2 Resource Based View Theory

The Resource Based View (RBV) hypothesis is based on Penrose's (1959) work. The Resource-Founded View (Crook et al., 2008), which contends that businesses compete in a dynamic and continuously evolving business environment, is backed by substantial data. Barney (2001) asserts that via their workforce, organizations may gain and maintain a competitive edge. A company may achieve this if its human resource pool is unique and cannot be replicated or replaced by those of its rivals or competitors. The key component of the RBV as a basis for a competitive edge is making utilization of the assortment of precious resources at the company's disposal. The company must identify the major prospective resources that would meet the characteristics of being valued, uncommon, unique, and unassailable by the company's rivals (Galbreath, 2005) in the industry in which the company competes.

According to the Valuable, Rare, In-imitable, and Non-substitutable (VRIN) criteria, organizations must determine their key future resources and determine if they satisfy these standards. According to Barney (2001) and Amit and Schoemaker (1993), a resource must be appraised before a corporation can adopt a value-creating strategy. It must either outperform its rivals or make up for its own inadequacies. Rareness is a necessary condition for a resource to have value. In a market for strategic elements that was very competitive, the resource's cost reflected the discounted predicted above-average future profits (Barney, 1986). As stated by Barney (2001), exclusive means that only one company has control over a valuable resource, which may provide that company a competitive edge. In the event that rivals are unable to replicate this strategic asset exactly, this advantage may persist over time (Peteraf, 1993; Barney, 1986). A resource's lack of substitutability, even if it is scarce, has the potential to create value, and is only partially imitable, is nonetheless essential (Dierickx & Cool, 1989; Barney, 2001). Companies must take care of and maintain the resources that include these assessments since doing so may boost organizational performance (Crook et al., 2008).



2.1.3 Best Fit Theory

Best Fit theory, commonly referred to as universalistic theory, contends that certain sets of HRP are always more considerate of others, and that companies should adopt these behaviours to improve employee performance. Regardless of size, sector, or company strategy, best practices are relevant for all firms (Arthur, 1994; Delery & Doty, 1996). The performance of employees is significantly improved, according to researchers, as a result of internal fit and alignment of human resource procedures. Many of the best practices that make up the best practice bundles that are associated with performance have been emphasized by universalistic model proponents including Pfeffer (1994, 1998) and Huselid (1996). This point of view is demonstrated by Pfeffer's (1998) seven practices, which claim that employment security, selective hiring, self-managed teams and decentralized decision-making, high contingent pay, extensive training, the removal of status differentiation and obstacles and broad information sharing will all have an advantageous influence on employee performance.

Delery and Doty (1996) identified seven 'best practices' that include professional growth chances, formal training frameworks, assessment methods, revenue distribution, employee security, right to be heard mechanisms, and occupation descriptions. The assumption behind human resource management strategies is that they will aid businesses in maximizing the value of their human capital, promote operational effectiveness, foster innovation, and improve employee performance (Dyer, 1985). It is assumed that HRM methods have an impact on employee motivation in addition to improved productivity, according to Ichniowski et al. (1996).

According to the universalistic theory, there are certain top HRM techniques that help employees perform better. Although many academics support the idea that the best HRMP exists, there hasn't been much agreement on what the "best practice" really is, which seems to undercut this strategy in some manner. The universalistic paradigm has certain flaws, such the fact that researchers employ diverse methods when analyzing best practices. The current study will adopt this Best Fit Theory to measure the HRM Practices. The indicators of HRMPs, therefore, will include training and development, performance appraisal, reward & compensation, and employee empowerment.

2.2 Empirical Review

2.2.1 Training and development and employee performance

Van Dersal (2012) stated that training is the process of instructing, enlightening, or educating individuals so they are well-equipped to carry out their professions and perform in roles that need more skill and responsibility. Training is a deliberate and systematic effort to change or improve knowledge, skills, and attitudes via an educational experience in order to successfully complete a task or collection of activities (Buckley and Cample 2000).

Mamy, Shabbir, and Hasan's (2020) sought to determine how training and development affected employee performance in the garments sector in Dhaka, Bangladesh. The research employed qualitative as well as quantitative approaches, and 170 participants from two different clothing sectors filled out questionnaires with certain structured questions as part of the data gathering process. The findings suggest that training has a definite advantage for employee performance. The findings of this research may be pertinent to decision-makers in government and academic organizations as well as human resource managers. The findings showed that an employee's level of performance improved with more training.



Paul and Audu (2019) conducted study to determine the impact of academic staff training on workers' performance at Federal Polytechnics in Nigeria. A structured, closed-ended questionnaire was used to collect data from 220 participants who were randomly selected from among the seven schools and the Polytechnic Library by utilization of a stratified random selection procedure. According to the research, training academic staff has a big impact on staff members' productivity, improved timeliness in service delivery, and job quality. The report suggests, among other things, periodic staff retraining while taking into account the dynamics of human activities.

2.2.2 Performance appraisal and employee performance

An employee's performance in his assigned tasks is evaluated logically as part of the performance review process (Singh, 2004). According to Francis and Kleiner (1994), performance reviews are an essential component of HRP for both employee advancement and business operations. It is required to rate workers since it enables employers to see an employee's areas of strength and development. The implementation of the performance evaluation system is a complex task since it calls for an accurate and objective assessment of an employee's performance as opposed to one that is subjective. Nevertheless, the majority of performance evaluations are always seen as being subjective. Performance assessments have to focus on boosting motivation and self-worth. Performance reviews should encourage progress.

Al-Jedaia and Mehrez (2020) aimed to look at how performance reviews affected job performance in the public sector. The research identified purpose, criteria, leadership, and assessment techniques as the four primary components of performance appraisal. The analysis revealed that the performance assessment indicators had an influence on employees' motivation and work performance by using a descriptive research approach and 294 respondents. The results also show a favourable connection between employee motivation and performance. Benson et al. (2020) aver that businesses that employ performance assessment procedures to ensure conformity and compliance while placing a high priority on disciplinary action may not fully benefit from these crucial human resource management procedures. This is due to the fact that such management reactions will lead to distrust and trust to decline. Employee morale will suffer if appraisal findings are not used properly because they would believe that management does not have trust in the process.

Research by Moraa and Datche (2019), which intended to ascertain if performance evaluation in NHIF head offices resulted in enhanced performance suggested a favourable correlation between performance review and employee performance. According to the research conducted at Kenyan colleges on the benefits of performance reviews on employee productivity, these reviews increase individual productivity, which in turn boosts the performance of the whole firm. Mulwa and Weru (2017) intended to determine the effect of performance management systems on employee performance of commercial banks in Kitui Town, Kitui County, Kenya. 118 workers were the target group for the research, which used questionnaires to identify them. It was discovered that a performance management system improves worker performance by offering a trustworthy performance measure, raising staff competence, and subsequently realizing predetermined goals. The research found that putting in place a performance management system enhances employee performance by allowing employees to define personal goals that are based on corporate objectives as a whole and by detecting skills gaps that can be filled via trainings to raise staff competence levels.



2.2.3 Reward & compensation and employee performance

Performance-founded remuneration is the most common HR approach adopted by businesses to assess and reward employee performance (Collings and Clark, 2003). There is general agreement that performance-based pay benefits both employees and organizations (Brown et al., 2003; Cardon and Stevens, 2004). Perceived expectations, which form the basis of employee motivation, might establish a connection between pay and performance. According to the expectation theory, pay level will affect employee performance when (a) workers believe there is a connection between their efforts and performance and (b) Employees believe that achieving success will benefit them in some manner (Ngo et al., 2008).

Performance and compensation have traditionally been shown to be positively correlated, but a growing body of empirical data reveals that pay structure, as well as pay amount, matters (Wimbush, 2005; Singh, 2005). Both merit-based promotion and performance-based pay may be seen as components of corporate incentive programs that support employee performance and retention (Uen and Chien, 2004). Widener (2005) employed a binary logit model to investigate the link between two human resource strategies (dependance on human capital and the firm's pay structure) and the inclusion of non-financial measures in incentive compensation contracts for executive managers. Results showed that the firm's compensation structure moderates this association. The association was especially greater in companies that had a hierarchical wage structure. These businesses have also been more likely to depend on human resource management strategies.

Brown et al. (2003) looked at compensation at different levels and structures and its impact on resource efficiency, results of patient care, and financial performance of selected hospitals. The findings demonstrated that while the associations were curved, more wealth was associated with better performance. When deciding on compensation, the researchers emphasized the necessity for an integrated approach. Tosi et al. (2004) investigated the relationships between CEO perceived charisma, CEO compensation packages, and company success in a sample of Fortune 500 businesses over a ten-year period. The results show that charismatic CEOs may have an impact on their own stock prices and remuneration packages but not on other business success measures.

2.2.4 Employee empowerment and employee performance

Employee empowerment for future roles inside or outside the firm is ensured by an ongoing process of employee empowerment. The availability of professional development opportunities in a company results in a workforce that is dedicated, qualified, and competitive. Employees may fit into positions that are pertinent to their requirements, wants, and goals in terms of their careers thanks to the principle of employee empowerment. This promotes the highest level of employee satisfaction and the most effective use of their skills.

Makhamara (2017) conducted a study to assess the impact of SHRM on worker performance in Kenya's healthcare sector. Strategic learning was the major variable in the study's descriptive research methodology, and both primary and secondary data were utilized to examine how it influences workers' productivity. Due to the use of proportional selection, more patients were chosen from the hospitals with the highest population. Strategic training was discovered to have an impact on workers' output. As a result, the research advised the health sector's leaders to



attempt using human resource management techniques since they would eventually affect employees' performance.

2.3 Conceptual Framework

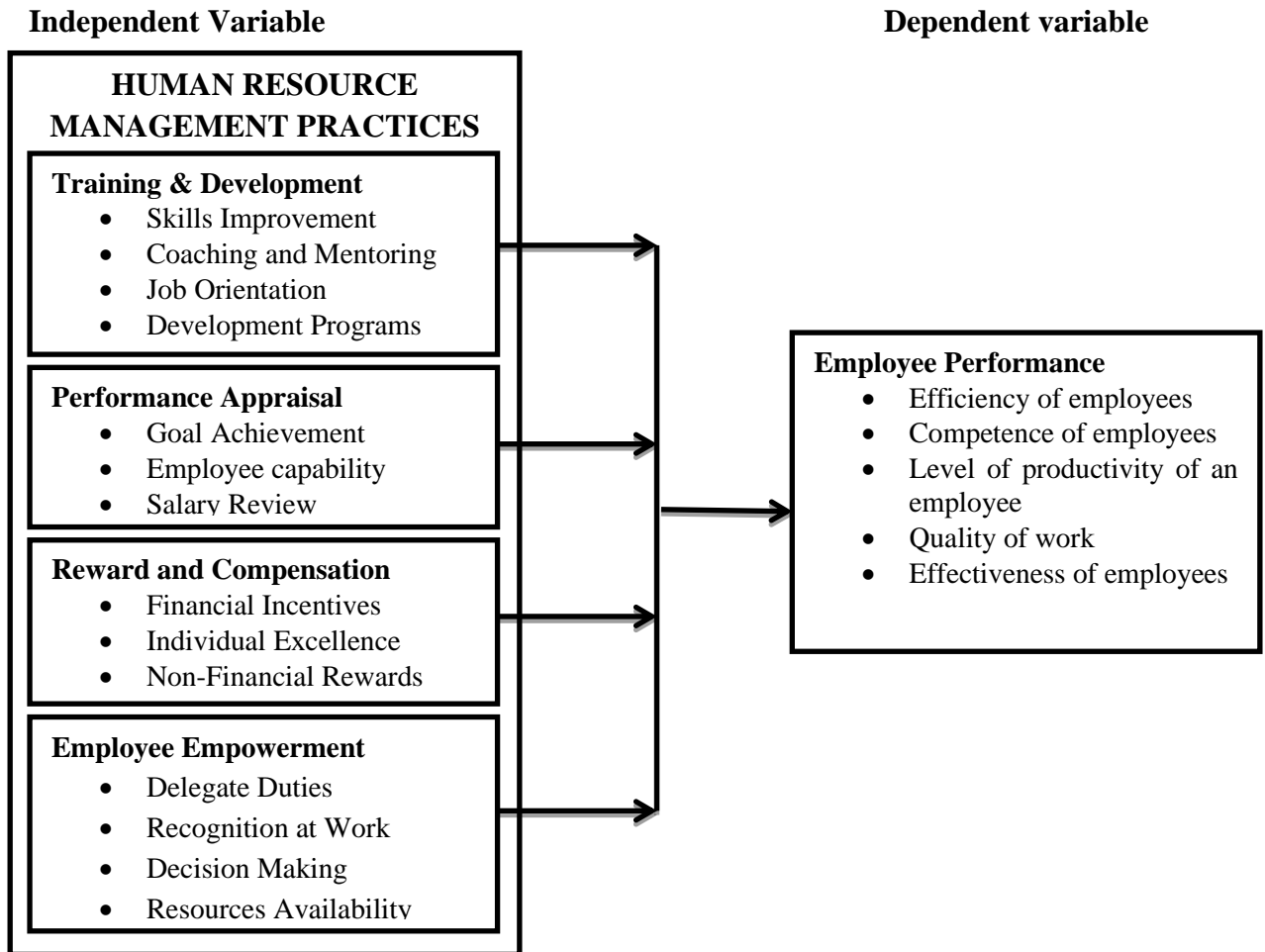


Figure 1: Conceptual Framework

3.0 Research Methodology

Kombo & Tromp refer to the research design as the "glue" that binds all the study's components together, while Orodho (2003) refers to it as a "framework, blueprint, or strategy" that was used to come up with solutions to research problems. The conceptual framework in which the study was conducted is this. Since descriptive survey research explains a phenomenon, it was used in this study. By describing anything, you are considering such essential inquiries as what, how, when, and where regarding a certain phenomenon. Descriptive research design was chosen since it works with issues that are well defined and has specific aims (Kombo & Tromp, 2006). Using a descriptive study methodology, scientists may observe and describe individuals' behavior without in any way affecting it (Bryman, 2001). The collection, organization, comparison, analysis, and interpretation of data are all part of descriptive design.



Sampling is the practice of selecting a certain number of individuals to represent a particular group of people. Any claim made about the sample should hold true for the whole population, however (Orodho, 2002) also notes that the sampling error decreases with increasing sample size (Gay, 1992). The sample size table also made utilization of the target population census since some other departments had less responses. Mugenda and Mugenda (2003) found that a sample size of 53 respondents was between 10 and 30 percent.

Self-administered questionnaires were utilized for collecting data. Gay and Airasian (2003) posit that questionnaires are often used to gather descriptive data. We'll utilize questionnaires since they make it simple to get in touch with a lot of responders quickly and cheaply. The semi-structured and open-ended questions aided in decision-making and direct responses toward the study area. The majority of the semi-structured questions utilized a Likert scale with five possible responses: strongly agree, agree, neutral, disagree, and highly agree.

This study adopted multiple regression model therefore employee performance of Kenya Reinsurance Corporation was outlined as a function of training and development, performance appraisal, reward and compensation and employee empowerment.

$$Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \varepsilon \dots\dots\dots 3.1$$

Were.

X = Employee performance

X₁ = Training and development

X₂ = Performance appraisal

X₃ = Reward and compensation

X₄ = Employee empowerment

β₀ = Constant

β₁ – β₄ = Regression coefficients

ε = Error term

4.0 Research Findings

Table 1: Response Rate

Category	Frequency	Percentage
Respondent	50	94.3
Did not respond	3	5.7
Total	53	100

Source: Research Data (2023)

The results presented in Table 1 show that those respondents who returned their questionnaire were 50 out of 53 respondents resulting to response rate of 94.3%. Those respondents who did not return their questionnaire were 3 out of 50 bringing to a non-response rate of 5.7%. A



response rate of 80% or higher, according to Baruch and Holtom (2014), is sufficient for data analysis. As a result, a study response rate of 94.3% was deemed appropriate for data analysis. The high response rate of the study led to acceptance and credibility of the research findings.

Table 2: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.634 ^a	.702	.696	.478

Source: Research Data (2023)

The results in Table 2 show that 0.702(70.2%) as the value of adjusted R square showing the extent to which employee performance was determined by training and development, performance appraisal, reward and compensation and employee empowerment. Therefore, the remaining percentage (29.8%) account for other variables not studied.

Table 3: Analysis of Variance

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	54.397	4	13.599	19.896	.000 ^b
	Residual	30.757	45	.683		
	Total	84.154	49			

Source: Research Data (2023)

The value 0.000^b shows the significance level is less than 0.05 showing a statistical significance of the model on how training and development, performance appraisal, reward and compensation and employee empowerment influenced the employee performance of Kenya Reinsurance Corporation, Nairobi City County, Kenya. The F calculated value (19.896) is greater than the value of F tabulated (13.599) at 5% significance level confirming the significance of the model.

Table 4: Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	0.731	0.130		5.623	.000
	Training and development	0.746	0.249	.639	2.996	.000
	Performance appraisal	0.644	.120	.157	5.367	.001
	Reward and compensation	0.704	.117	.004	6.017	.002
	Employee empowerment	0.538	.107	.439	5.028	.000

Source: Research Data (2023)

The results in Table 4 show that when training and development, performance appraisal, reward and compensation and employee empowerment are held at constant, the employee performance of Kenya Reinsurance Corporation, Nairobi City County, Kenya would be 73.1%. The results also show that, when training and development is increased by one unit the employee performance of Kenya Reinsurance Corporation, Nairobi City County, Kenya would be increased by 74.6%. When performance appraisal is increased by one unit the employee performance of Kenya Reinsurance Corporation, Nairobi City County, Kenya would be increased by 64.4%. When reward and compensation is increased by one unit the employee performance of Kenya Reinsurance Corporation, Nairobi City County, Kenya would be increased by 70.4% and when employee empowerment is increased by one unit the employee performance of Kenya Reinsurance Corporation, Nairobi City County, Kenya would be increased by 53.8%.

The established regression equation was $Y = 0.731 + 0.746X_1 + 0.644X_2 + 0.704X_3 + 0.538X_4$. Therefore, the employee performance = $0.731 + 0.746(\text{training and development}) + 0.644(\text{performance appraisal}) + 0.704(\text{reward and compensation}) + 0.538(\text{employee empowerment})$. In addition, Table 4, shows that training and development, performance appraisal, reward and compensation and employee empowerment had a positive and significant relationship as indicated by t- values. The relationships ($p < 0.05$) are all significant with training and development ($t=2.996, p < 0.05$), performance appraisal ($t= 5.367, p < 0.05$), reward and compensation ($t= 6.017, p < 0.05$) and employee empowerment ($t = 5.028, p < 0.05$).

5.0 Conclusion and Recommendations

5.1 Conclusion

The study concludes that training and development helps companies gain and retain top talent, increase job satisfaction and morale and improve productivity. Employee training and development helps companies keep pace with changes in the industry. Employee training and development increase job satisfaction and morale. An organization that prioritizes employee training and development sets a benchmark, which draws in top-level talent. Employee training and development helps maintain skill and knowledge. The study concludes that performance evaluation measures an employee's contribution in terms of increased company revenue and job performance, compared to industry standards and employee return on investment. Following evaluations, employees can discuss concerns with their superiors, fostering constructive feedback that is instrumental in resolving grievances and improving team relationships. Individuals often showcase their potential in the workplace. Performance appraisal helps uncover talents and skills that may be hidden within introverted personalities or those with limited communication abilities.

The study concludes that a rewarding compensation and benefits plan can attract loyal, motivated and engaged candidates and may reduce the turnover rate of people in a company. Companies often use compensation as a collective term to describe a remuneration package, but compensation is cash remuneration paid to a team member. A desirable mix of monetary and nonmonetary options can make an organization more competitive in the marketplace, attract talent and reduce recruitment costs. The study concludes that empowering employees through greater autonomy has been directly linked to increased employee motivation. Employees who



have more control over how, when, and where they do their job will work harder and find their work more engaging. Empowered employees are more committed to meaningful goals and use their creativity to achieve them. Managers who empower their employees are more likely to be trusted by their subordinates compared to leaders who do not empower their employees.

5.2 Recommendations

The study recommends that the organization should start by aligning training and development programs with company goals to achieve the best results. Employee surveys are an effective method of capturing feedback and valuable input on how to improve training and development strategies. Understanding employee needs and gaining buy-in is critical to effective training and development strategies. While accelerating your company's ability to achieve business goals, it's also important to consider employee satisfaction. Match training and development with employee and management goals. The study recommends that the organization should make performance appraisal process clear to the new and existing staff to be made aware of the evaluation process and when appraisals will take place well ahead of the time. Use the appraisal document as a conversation starter. Keep channels of communication open, Use the platform to put growth opportunities into place and turn the experience into a positive one.

The study recommends that a good compensation plan considers the cost of living, inflation, and the company's payroll budget. A transparent pay policy can also help boost employee morale and trust in management, showing the company compensates its employees fairly. To ensure the company pays its employees correctly, conducting market analyses regularly is important. This way, employers can understand what other companies pay for similar roles and whether the company is paying its employees correctly. The study recommends that the organization should give employees a voice by regularly soliciting and acting on their feedback. Provide opportunities for employees to grow through more autonomy, additional responsibilities, or even an entirely new role. Recognize employees frequently to increase their engagement and confidence in their own abilities. Provide employees with the tools, training, and authority they need to excel.

References

- Armstrong, M., & Baron, A. (1998). *Performance Management: The New Realities*. London: Institute of Personnel and Development.
- Camppesino, A. A. (2016). Human Resource Management Practices and Firm performance, *International Journal of Economics, Commerce and Management*, 4 (13)
- Ghalayini Y.E. (2017). Human Resource Management Practices and Organizational Performance in public sector organizations. *Journal Business studies Quarterly*, 8 (3).
- Kiiru, D. M. (2015). Strategic human resource management practices and performance of parastatals in Kenya. *Unpublished doctoral thesis. Kenyatta University*.
- Mahmood, A., Akhtar, M. N., Talat, U., Shuai, C., & Hyatt, J. (2019). Specific HR practices and employee commitment: the mediating role of job satisfaction. *Employee Relations*, 41, 420- 435. <https://doi.org/10.1108/ER-03-2018-007>
- Nurun N., & Abu, T. A., (2017). The Empirical Study on Human Resource Management Practices with Special Reference to Job Satisfaction and Employee Turnover at



Investment Corporation of Bangladesh. *Human Resource Management Research*, 7(1): 54-64. DOI: 10.5923/j.hrmmr.20170701.07

Saira, H. (2016). Impact of HRM Practices on Employee Performance in the textile industry of Pakistan. *International Journal of Academic Research in Accounting, Finance and Management Sciences*, 6 (1).

Sagwa, E. (2017). Human Resource Management Practices and Performance of firms Listed on the Nairobi Securities Exchange, *DBA Africa Management Review*, 5 (1), 124-136

Shabbir, M. (2014). The impact of human resource practices on employee perceived Performance in pharmaceutical sector of Pakistan. *African Journal of Business Management*, 6(2), 4-5.

Shanodhini, A., & Srividhya, D. (2018). A Study on Employee Performance Appraisal System in Educational.

Singh, R. & Kass, B. (2016). The impact of human resource management practices on organizational performance. A study on Debre Brehan University. *International Journal of Recent Advances in Organizational Behaviour and Decision Science*, 1(1)

Torrington, D., & Hall, L. (2008). *Human Resource Management*. Financial Times Prentice Hall.

This is an open-access article published and distributed under the terms and conditions of the



[Creative Commons Attribution 4.0 International License](https://creativecommons.org/licenses/by-nc/4.0/) of United

States unless otherwise stated. Access, citation and distribution of this article is allowed with full recognition of the authors and the source. Copyright, content ownership and liability for content herein remain with the authors.

