Effect of People Management on Performance Excellence in Universities in Kenya

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Abstract: Higher Education Institutions play major role in enabling countries economic development. Consequently, the performance of Higher Education Institutions in both developed and developing countries is of great concern to any state. In Kenya, there has been a growing concern of her universities performance gaps. Some of the issues observed are dilution quality of teaching, financial instability, inadequate staffing and inadequate facilities. Performance gap is also evidenced by low ranking of universities in Kenya in various global university rankings. A number of factors influence the performance of organizations, however the drivers of performance excellence in universities has not been adequately researched. This study aimed at investigating the influence of people management to performance excellence of universities in Kenya. A survey was carried out from 12 Universities selected using purposive sampling. The population of interest was 40 public and private Universities in Kenya that were accredited in Kenya as at May 2016. A sample size of 277 management staff was selected using Yamane formula and proportionately allocated to six private universities and six public universities. Primary data was collected through self-administration of semi-structured questionnaire. The units of measure were the departmental heads comprising of the Deans, Directors, Chairpersons, and Heads of section. A total of 240 questionnaires were return giving a response rate of 86.6% and 230 accepted for further analysis. Statistical package for Social Sciences (SPSS) was used to undertake data analysis including; descriptive statistics, Principle component analysis (PCA) and Bivariate linear regression. Kolmogorov-Smirnov (K-S) test of normality, Durbin Watson d test for autocorrelation and correlation coefficient (r) test for linearity were used to assess data for regression assumptions. Model fitness (R-Square), F statistics and regression coefficients were generated. The bivariate regression results indicated that people management explains approximately 36.3% of the variations in university performance. Based on the study findings using the p-value to test significance, people management was found to be independently statistically significant. These results imply that people management is an opportunity for universities to enhance their performance excellence.

Keywords: People Management, Motivation, High Concentration of Talents, universities Performance Excellence

1. Introduction

Globally top performing universities are commonly referred as World Class Universities (WCU). Salmi(2009) observe that the title “World Class University” has been in use as a key phrase by the universities in the last decade aiming at improving on their quality of teaching and learning and developing capacity to compete in the global arena. Salmi (2009) asserts that, university’s global standing is increasingly becoming a salient element as it informs potential students seeking to enroll for studies in the best possible universities globally. According to Altbach and Salmi(2011), the influential status of the WCU is known through international recognition and not through self-declaration. Different universities and nations globally have adopted a number of strategies in an effort of acquiring world-class status and building their global competitiveness. Though different nations have different cultural, social and economic backgrounds common strategies can still be recognized, Salmi (2009) summarizes WCU as a high concentration of talents for teaching staff, researchers and students, abundant resources making an excellent learning environment and research and favorable governance that support strategic vision, innovation and creativity, flexible governance that give room for decision making and efficiency in management of the resources. Similarly, Altbach(2004); Khoon, et al. (2005) identify high quality faculty members as part of the key drivers of building and excellence University. Excellence model such as European foundation quality model (EFQM) also identifies people as one the enabler to achieving excellence results (EFQM, 2013).

2. Higher Education Sector in Kenya

In pursuit of the Vision 2030the Government increased access to higher education through upgrading tertiary colleges to University colleges and subsequently to fully fledged universities. This is in recognition of the critical role of HEIs in capacity development for human resources required in developing a knowledge driven economy. The HEIs in Kenya are however faced with a myriad of challenges that may impede the realization of knowledge-based economy as envisaged in the Vision 2030 if not urgently adequately addressed. In exploring the unique challenges facing Kenya HEIs, Odhiambo (2011) argue that, the many challenges facing HEIs in Kenya have resulted to decline in quality of higher education, this has been elevated by the recent expansion, bring with it unhealthy competition, overcrowding, lack of skilled man power, poor facilities resulting to low academic standards. The low quality has
The identified challenges could further explain the Kenya’s HEIs poor global academic rankings while United States of America (USA) and the United Kingdom (UK) based universities dominate in the international academic ranking with South African based universities namely; University of Cape Town (UCT) and Stellenbosch University (SU) leading in Africa. According to 2015-2016 The ranking released in January 2016, one Kenyan university, the University of Nairobi featured in the THE World University Ranking for the first time on the top 601-800 range at position 697 and position 2 in Africa on impact and openness. Similarly, Wanzala(2015) raises the same concern that in Qs World University ranking 2015, UON was the only Kenyan university that ranked in top 900 at position 701. He further observes universities from South Africa dominated the top position in Africa.

3. Statement of the Problem

The performance excellence of HEIs is a global concern with every university wishing to be a world class university (WCU). According to Altbach (2004) everyone want to have a World class university “no one knows what it is, and no one know how to get one”. HEIs are expected to play a dynamic and lively role in the academic and professional success of a growing economy (Nigavekak, 2011). The Universities are accountable for the present and future of the society. Acknowledging the critical role played by the HEIs in education, research and technology transfer, there has been a deliberate effort worldwide to expand the HEIs. Similarly, HEIs in Kenya has gone through the same expansion in recognition of the role of HEIs in realization of her Vision 2030. However some performance gaps are observed in universities in Kenya, this is demonstrated by the myriad of challenges they are experiencing as identified by previous researchers including inadequate funds, inadequate teaching and learning resources, overcrowding, poorly equipped libraries and laboratories, unsatisfactory curricular activities, heavy workload, staff turnover, which consequently have a negative impact on quality of graduate (Kimathi & Henry, 2014; Okioga, Onsongo, & Nyaboga, 2012; Odhiambo, 2011). The low quality consequently affected the employability of the graduates as a result of employability skills gaps (Kalei, 2014). Previous research has focused more on challenges facing HEIs creating a gap on then what drives their performance excellence. This study therefore sought to evaluate the influence of people management on performance excellence of universities in Kenya.

4. Research Objective

The objective of the study was to analyse the influence of people management on performance excellence in universities in Kenya.

5. Literature Review

5.1 Theoretical literature Review

A system as described by Daft, Kendrick, and Vershinina, (2010) comprises of different closely related parts that function together to achieve a common goal. A system operates through using input from external environment and giving back some output to the external environment (Daft et al.,2010). System theory can be viewed as having five components that interact with one another; inputs, processes, outputs, outcomes or feedback and the environment. The input in the system theory refers to resources used to produce goods and services including the materials, financial, human resources and technology or information system. According to Olum(2004), system theory assists the management to look at the organization from a broader perspective and in the relationship of various parts that play a key role in the success of organization. Based on system theory, universities need to focus on various inputs identify system theory especially the human resources to drive the expected output. The universities should pay special focus on people management aspect through motivating it employees and engaging of highly talented scholars. Excellence model such as European foundation quality model (EFQM) also identifies people as one of the enabler of organizational success. The model has been applied by some of the Universities such as Sheffield Hallam University, UK to develop good management practices (Sheffield Hallam University, 2003). According to EFQM Excellence Model, excellent organizations value their people and create a culture that allows the mutual benefit between the organizational goals and individual goal. Excellent Organization achieves excellence through developing capability of their people and continuously promoting fairness and equality among the employees (EFQM, 2013).

5.2 Literature Review

“People”, “labor”, “intellectual capital”, “human capital”, “human resources”, “talent” as widely referred are resources employee possesses which are fundamental to the organization success (Gabčanová, 2011). According to Daft et al. (2010) people in an organization give the base for the organization competitive advantage. Mullins(2010) observes that the systems and procedures and organization have no meaning without people. An organization achieves expected outcomes through paying key attention to people management practices that support empowerment and involvement, process ownership (autonomy), diversity of skills and specialization and feedback on performance to know their strength, weaknesses and the areas they need to

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improve on (Eskildsen, Kristensen, & Juhl, 2000). The University should effectively plan, manage and improve people resources through formulation of key human resource policies that are all inclusive in decision making, with proper dialogue and feedback, policies that support competitive remunerations, rewards, recognition and the welfare of the employees, this propel realization of staff full potential at personal level, as a team and across the University (Sheffield Hallam University, 2003). According to Mullins (2010), relationship behavior result from the extent to which the leader engages in a two-way communication between the leader and the follower, providing feedback on their input, giving them support and motivating them. Organizations cannot depend on individual leaders or a small team of management; they need to harness the ideas, skills and energy of the employees for the organizational success to thrive. This study focused on people management through motivation and engaging highly talented employees.

5.3 Motivation

Motivation is an internal or external force that drives someone to be persistent in pursuing a certain goal (Daft, 1999). Robbins (2005) also define motivation as the “process that account for an individual’s intensity and persistence of effort towards attaining a goal”. Motivation of the employee influence their input in the organization, Kressler(2005) note that, people have motives that are inspired by some conditions encouraging them to enhance performance towards a particular activity. Mawoli and Babandako (2011) observe that motivation is not permanent and must be sustained and continuously activated or aroused. He further notes that the essence of motivation in an organization is to align the employees’ behavior with the organization objectives. In this regard the employer is able to influence the employee in working toward achieving the organizational goals achievement. Researches on academic motivation have being carried out worldwide to establish if there is any relationship between the lectures input and motivation. Past research have proved motivation influences the performance of academic staff in the area of research and in the effective teaching (Abdulsalam & Mawoli, 2012).

Motivation is a major subject matter in management with support from various theories including the Abraham Maslow’s (1943) Hierarchy of needs theory and Frederick Herzberg’s (1987) theories. Motivation is a critical factor for leadership performance and it has significant effect on both the leaders and the followers’ performance. According to Daft, acknowledge that motivation of the employees has an impact on the productivity, he advises that leaders need to focus on motivating their followers to accomplish the desired organization’s vision (Daft,1999). Lack of motivation from either party end up influencing the whole team to perform dismally, high employee motivation and high organizational performance and profit are dependent on one another (Daft, 1999; Müller & Turner, 2010). Mawoli and Babandako(2011) observe that motivation is not permanent and must be sustained and continuously activated or aroused. He further notes that one of the fundamental objectives of employee motivation is to align the employees’ behaviour with the organization goals. In this regard the employer is able to influence the employees to work towards achievement of the organizational goals.

Goleman(2000) argue that motivation is driven from our mind set through reminding our mind the positive feeling associated with accomplishment of a certain task and also inhibit the negative feeling that discourage the achievement. Motivation can be measured in different ways with some researchers using what motivate people, other to the general moods and its impact on self-motivation and other on the outcome. Motivation can either be in intrinsic or in extrinsic form. People react differently to intrinsic and extrinsic motivators. Intrinsic motivation comes from the impact ones get from the results and the autonomy they have to execute a certain task; they are individual satisfaction that result from accomplishment of a certain task. On the other hand, the extrinsic motivation is external and are given by other person, this may include rewards such as pay increment and promotion, recognitions, feedback from stakeholders, customer and peers (Daft, 1999; Muller & Turner, 2010). According to McCormack, Propper, and Smith(2013) academic are seen different from workers in other organization since they are expert in different area of specialization and they have high intrinsic motivation to perform their duties. He further notes that incentives including attracting, promoting, retaining talents are the most important element in performance management.

5.4 High Concentration of Talents

Salmi(2009)argues that, recruiting the highly talented and experienced faculty members and researcher and enrolling the top best students in the in the world could be one of leading determinant of excellence in HEIs. The organization should recruit people who have the relevant skills and competencies to deal with the customers (Sheffield Hallam University,2003). High concentration of talents has been the baseline for the Ivy league universities in the US, Cambridge and Oxford and other upcoming world class universities such as the NUS, With highly knowledgeable faculty members, the University will be able to deliver in terms of quality teaching and conducting world leading research. As observed by Salmi, the top universities do not confine themselves from recruiting students and faculty from their mother country, they recruit the best globally, and this benefit them greatly by bring in new ideas and approach to doing things by bringing in more international component. Universities with competitive salaries and opportunities for scholarship are able to lure top academic professional from other countries (Altbach & Salmi, 2011). According to Hazelkorn(2013), governments across the world are in search for talented students and especially in science and technology.

MIT has a student to faculty ratio of 8:1 which is computed using Full-time Equivalent (FTE) of students and FTE of the teaching staff, the row ratio enhances close learning interactions and mentorship between the students and the lecturer’s. The student-faculty ratio of other leading World-Class Universities is very low with other universities such as Princeton University has 6:1 with Caltech having as low as 3:1 (Martinez, 2015). The trend of a low lecturer to student ratio is replicated among the leading universities globally.
Excellences in recruiting, developing and motivating best people have been identified as a key driver to research excellence. In a study undertaken to establish drivers of research excellence, recruitment of excellent researchers dominated the word cloud during the study interviews with Pro-vice chancellors, majority of the Pro-Vice chancellor indicated “Talent is everything” (Economic Insight, 2014). Retaining of talent should be a key area of focus with incentives playing a fundamental role in influencing the staff attraction and retention (McCormack et al., 2013).

5.5 Conceptual Framework

Figure 1: Conceptual Framework

6. Research Methodology

This study was guided by positivist philosophy and therefore tested the model of university excellence and employed a descriptive research design. A descriptive study determines and describes the characteristic of the variable used in the study without manipulate the variable (Sekaran, 2003; Swanson & Holton, 2005). The design used a survey method using self-administered, semi-structured questionnaire for data collection. A survey research aims at collecting data from population representative which is then generalized within a random error (Saunders, Lewis, & Thornhill, 2012). Triangulation methodology was adopted in this study where both quantitative and qualitative techniques were used. In qualitative approach, existing literature was reviewed, theories, excellence models and experience of leading universities globally. The reliability of the instrument was assessed using Cronbach alpha coefficient. Factors analysis was used to improve the construct validity of the tool. The target population was 40 public and private Universities that were accredited in Kenya as at May 2016. A sample of 12 Universities, 6 private and 6 publics was selected from the 40 using purposive sampling. A sample of 277 respondents was selected using Yamane formula and proportionately allocated to the 12 universities. The unit of measure were the departmental heads comprising of the Deans, Directors, Chairpersons, and Heads of section. Primary data was collected through the administration of structured questionnaire. Statistical package for Social Sciences (SPSS) was used to undertake data analysis including principal component analysis (PCA), and inferential analysis.

7. Discussions and Results

7.1 Response Rate

A total of 277 Questionnaires were proportionately distributed to all the sampled universities. Out of the total distributed questionnaire 240 were filled and returned giving a response rate of 88.6% which is as considered excellent. A response rate of 60% percentage is considered adequate as recommended by Saunders & Lewis (2012). From the 240 returned questionnaires 10 were rejected during the data analysis. A total of 230 usable questionnaires were retained for further analysis.

7.2 Reliability of People Management

Reliability coefficients normally range from 0.00 to 1.00, the higher the coefficient the reliability. Cronbach’s Alpha is the most widely used measure of reliability (Tavakol & Dennick, 2011). Table 1 shows the reliabilities for the items before factor analysis was 0.852 and 0.922 after factor analysis. All the Cronbach’s Alpha in both case was above 0.8 this implies in both cases they were reliable, it also demonstrates that the tool is valid based on the fact that reliability is closely related to validitiy (Kimberlin & Winterstein, 2008). Reliability test was undertaken to ensure the instrument for measure can be used with confidence. When an instrument is reliable it works well under variance conditions and time giving consistence results (Cooper & Schindler, 2006).

<table>
<thead>
<tr>
<th>Table 1: Reliability Test</th>
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<tbody>
<tr>
<td>Variable</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>People Management</td>
</tr>
</tbody>
</table>

7.3 Test of Sampling Adequacy

Factor analysis was undertaken to reduce on the number of dimensions and retain the most important for each variable which informed the most important drivers of performance excellence. Prior to undertaking factor analysis, Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy and Bartlett’s Test of Sphericity were examined to evaluate the factorability of the components. KMO varies between 0 and 1 (0 < KMO < 1) when KMO >0.5, the sample is termed adequate (Tabachnick & Fidell, 2012). Table 2 shows the KMO was above 0.5 levels implying that the variables had an acceptable degree of sampling adequacy for factor analysis.

<table>
<thead>
<tr>
<th>Table 2: Factorability Test Results</th>
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<tbody>
<tr>
<td>Variable</td>
</tr>
<tr>
<td>People Management</td>
</tr>
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</table>

7.4 Drivers of People Management

Principal component analysis with varimax rotation was conducted to assess how the 14 items of people management loaded, 8 out of fourteen (14) were retained. The first step was communality extraction, all the items with communality above 0.4 as suggested by Costello and Osborne(2005) were retained for further analysis. Further after rotation, two components were rotated based on the Kaiser Criterion, eigenvalues over 1. The 8 item retained after rotation loaded between 0.848 and 0.611, factor loading above 0.4 is recommended (Tabachnick & Fidell, 2012). The result of factor analysis is presented in Table 3.
approximately 36.3% of the variability in university

Table 5: Model Fitness for People Management

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.603*</td>
<td>.363</td>
<td>.360</td>
<td>.3271545</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), PM
b. Dependent Variable: Performance

The ANOVA Table 6 for people management shows F-statistic of 129.937 and a P-value of 0.000 which indicates that at significance level of α=0.05 people management is statistically significant since the p-value is less than 0.05. This mean the overall model is significant in predicting the performance excellence of universities in Kenya.

Table 6: ANOVA for People Management

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Regression</td>
<td>13.907</td>
<td>1</td>
<td>13.907</td>
<td>129.937</td>
<td>000*</td>
</tr>
<tr>
<td>Residual</td>
<td>24.403</td>
<td>228</td>
<td>.107</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>38.310</td>
<td>229</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Performance
b. Predictors: (Constant), PM

The table shows the bivariate model of people management and performance excellence was statistically significant. This implies the more the university enhances it people management through motivation of employees and recruiting highly talented employees the more it enhanced the performance excellence. These findings are consistent with those of Salmi (2009) who identifies concentration of talents as one of the drivers of superior results in world-class universities. McCormark et al. (2014) also identified good practice in recruitment, retention, incentives and promotion as some of the highly rated drivers of performance in HEIs in UK. He further emphasised the importance of recruiting the best staff and how it significantly influences the performance of HEIs. Similarly, Abdulsalam and Mawoli (2012) argues that there exists some correlation between lecturers’ motivation and their performances in research and teaching institution. These findings are intandem with Kipkebut(2010) who established employee promotion in Kenyan universities influence their commitment and reduce their intention to leave their institution.

The finding is consistent with the study of Mbiriti (2013) who established heavy teaching work load as one of the challenges facing Kenya’s public universities and consequently affecting the quality of education. These study findings contribute to the literature through highlighting the important human resource through people management in the system theory. The system theory identifies human resource as one of the component of inputs that facilitates a system to operate to achieve its goals (Daft et al., 2012). The leading world universities have a common characteristic of high number of highly qualified faculty members which create a low staff to student ratio. The study findings indicate there is a significance relationship between the people management (motivation and high talents) and the performance excellence which point out the relevance of people in an organization.

7.5 Test of Regression Assumptions

The test of independence for people management was undertaken using Durbin-Watson (d) statistic. Durbin-Watson d statistic tests the presence of autocorrelation with a value near two (2) indicating non-autocorrelation and a value near 0 indicating positive autocorrelation and a value towards 4 indicating negative auto-correlation. The result for people management was 1.936 which was within the acceptable range of 1.5 to 2.5 for independent observation (Garson, 2012). Normality can be assessed using graphical or visually method or statistically through significance test. The test results showed that a positive and significant correlation of (r= 0.603) between the stimulus and the response variable.

Table 4: Normality Test results for Performance excellence

<table>
<thead>
<tr>
<th>Kolmogorov-Smirnov</th>
<th>Statistic</th>
<th>df</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance</td>
<td>.054</td>
<td>230</td>
<td>200</td>
</tr>
</tbody>
</table>

*. This is a lower bound of the true significance.
a. Lilliefors Significance Correction

7.6 Statistical Model

The model fitness for people management is presented in Table 5 below; it shows that R-square is 0.363 meaning that approximately 36.3% of the variability in university performance excellence can be explained by the variation in people management.
People management has an estimated standard error of 0.050. The result indicates that at significance level of α=0.05 people management is statistically significant since the p-value is less than 0.05.

Table 7: Regression coefficient for People Management

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B Std. Error Beta</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 (Constant)</td>
<td>7.40 .068</td>
<td>10.896 .000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PM</td>
<td>5.56 .050</td>
<td>.603</td>
<td>11.399 .000</td>
<td></td>
</tr>
</tbody>
</table>

The regression model equation for the relationship between regressor and dependent variable was therefore;

Y = 7.40+ 0.566 People Management

The regression model indicates that a unit change in people management will result to a 0.566 change in performance excellence in a university.

8. Conclusion and Recommendations

People management had significant and positive influence on performance excellence in universities in Kenya, this also supported by theories, excellence models and previous studies. The result implies that the more universities focus on enhancing people management including employee motivation and maintaining a highly talented workforce the more favorable is their performance excellence. Laferla, (2008) observed that motivated employee view work as a pleasure rather than a difficult responsibility. To motivate staff, the universities should develop a fair and transparent promotion criteria, establish reward and incentives systems that are linked to the performance appraisal, provide feedback upon appraisal for the employee to know their gaps and consequently work towards improvement. Lack of supportive work setting such as unsupportive supervisors, inadequate resources and working tools and lack of clear job description, can result in under performance even of the most qualified employee. The university managers should ensure lecturers’ have manageable workload and the class sizes are in line with the recommend guidelines, this will caution them from fatigue and burnout which affect their output. They should also make effort to provide a conducive working environment for the employees. Payment of part-time lecturers should be done on time to ensure the lecturers are not demoralized by nonpayment and consequently affect their service delivery. This can be achieved through proper budgeting where the department are allocated budget for part-time before they engage the lecturers.

The university as a teaching and research institution should consistently engage highly talented workforce both local and international. Talented workforce will translate to quality service delivery to its customer. Due to the limited number of senior lecturers especially in some competitive discipline such as engineering and medicine, deliberate effort should be made to recruit internationally. This can be achieved through provision of competitive remunerations and incentives to attract such highly talented scholars and research from other countries. Establishing partnership with leading universities globally can be deployed as a strategy to engage talented scholars from other countries. The attractive package will also attract Kenyan scholar in diaspora who can bring back home new knowledge. The universities should also make deliberate effort to develop capacity of their own staff through sponsoring them for advanced courses and specialized training.

9. Limitation and Future Work

The study was limited to the 40 public and private chartered universities as per the CUE (2016). The chartered universities were taken to represent the other unchartered universities and university colleges which may limit the generalizability because with their status they may be experiencing different form of challenges that hinder their performance compared to the fully fledged universities. The study respondent was limited to Deans, Directors, Head of Sections informed of survey questionnaires thus limited to how fairly the respondent were in answering the survey questions. Deans, Director, Head of sections hold leadership position, this may limit the generalization of the finding while using a different unit of measure such as the lecturers or Administrative staff who are their immediate support staff.

References


