

ABSTRACT

The success of an organization lies in the commitment of the individual human resource towards the attainment of a common goal. Organizations consider human capital significant in establishing and maintaining a competitive advantage. Studies in the sugar industry in Kenya have indicated low employee performance and consequent decline in employee productivity. Owing to the foregoing facts the study sought to find out the effects of Human Resource Management practices on Employee performance. The objectives of this study were: to determine the effect of training practices on employee performance in sugar industries in Kenya, to assess the effect of reward practices on employee performance in sugar industries in Kenya, to determine the effect of disciplinary procedures on employee performance in sugar industries in Kenya. This study was guided by Resource-Based Theory as propagated by Werner Felt in 1984. Descriptive survey research design was appropriate for this study since it enabled collection of information on research variables. The target population of the study consisted of 2,987 members from Nzoia and Mumias sugar manufacturing firms in Western region. Random sampling technique was used to select the 11 managers and 331 subordinates' employees and both primary and secondary data were used. It targeted the work performance of subordinate staff in these firms. Data was collected by use of questionnaires and interview schedules. Prior to the main study, a pilot study was carried out to ascertain the validity and reliability of the research instruments. Employees were stratified into managers and subordinates. Managers were treated as key informants in this study. Data was analyzed by both descriptive and inferential statistics. These included Pearson's correlation, chi-square and regression tests. Multiple regression results indicated the value of R^2 as 0.297 which tells us that human resource practices can account for 29.7% of the variation in the level of employee Performance. On overall, the study found out that the independent variables (TP, RP, and DP) have positive and significant influence on employee performance in sugar industry at 95% interval confidence level. The strength and significance of the correlation displayed showed that the three variables TP, RP, and DP were lowly related, with TP ($\beta_1=0.226$, $p<0.000$), RP ($\beta_1=0.029$, $p<0.000$) and DP($\beta_1=0.393$, $p<0.000$) respectively. It was therefore concluded that DP was the most preferred among the three attributes of Human resource practices followed by TP and the least used attributes of human resource practices was RP. These human resource attributes were not effectively used. It was recommended that the Management of Sugar industry should embrace sensitization on the role of human resource practices in a competitive environment. The government ministries, on the other hand, may use the findings of this study to initiate reward programs that will improve employee performance. The ministries will benefit through integration of HRM practices in their business operations hence facilitate enhanced output at factory level. The study recommended that sugar industries should continue to improve on the aspects of on-the-job training, enhancement of employee morale, recognition of employees' hard work, paying employees best to reflect their efforts and sharing of formal levels of disciplinary sanctions among other recommendations.