INFLUENCE OF HUMAN CAPITAL PRACTICES ON EMPLOYEE PERFORMANCE IN THE PRIVATE SECURITY INDUSTRY IN KENYA

EMILY ATIENO ODHONG

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Influence of Human Capital Practices on Employee Performance in the Private Security Industry in Kenya

Emily Atieno Odhong

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DECLARATION

This thesis is my original work and has not been presented for a degree in any other University.

Signature……. Date……

Emily Atieno Odhong

This thesis has been submitted for examination with our approval as University Supervisors.

Signature…… Date……..

Dr Susan Were, PhD

JKUAT, Kenya

Signature…….. Date…….

Dr Fred Jonyo, PhD

UoN, Kenya

DEDICATION

This work is dedicated to my parents, the late Mr. Gershon Obel and Mrs Rose Obel. I also dedicate the work to my children: Cyprian, Cynthia, Allan and my nephew, Kevin for giving me easy moment and moral support during my studies.

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LIST OF ABBREVIATIONS AND ACRONYMS

AAPOR	American Association for Public Opinion Research
ADDIE	Analysis, Design, Development, Implementation and Evaluation
CAK	Communication Authority of Kenya
CBA	Collective Bargaining Agreement
CCTV	Closed Circuit Television
CoK	Constitution of Kenya
CBET	Competence Based Education and Training
CPNI	Center for Protection of National Infrastructure
EAC	East African Community
ECN	Economist Corporate Network
EE	Employee Engagement
ESS	Employee Self Service
GRT	Global Recruitment Trend
HC	Human Capital
HCIS	Human Capital Information Systems
HCM	Human Capital Management
HRIS	Human Resource Information Systems
ICT	Information and Communication Technology
ISD	Instructional System Design
IT	Information Technology
KAM	Kenya Association of Manufactures
KM	Knowledge Management
KMO	Kaiser-Meyer-Oklin
KNBS	Kenya National Bureau of Statistics
KNCHR	Kenya National Commission on Human Rights,
KNPSWU	Kenya National Private Security Workers Union
KPS	Kenya Prisons Service
KRA	Key Result Areas

KSIA	Kenya Private Security Industry Association
LMIS	Labour Market Information Systems
MNS	Ministry of National Security
MoL&SP	Ministry of Labour and Social Protection
NACOSTI	National Commission for Science, Technology and Innovation
NHIF	National Hospital Insurance Fund
NSSF	National Social Security Fund
PPP	Public Private Partnership
PSC	Private Security Company
PSG	Private Security Guard
PSI	Private Security Industry
PSIA	Private Security Industry Association of Kenya
PSIs	Private Security Insights
PSWC	Protective and Security Wages Council
RBV	Resource Based View
RETRAK	Retail Trade Association of Kenya
SA	Self Actualization
SCA	Sustainable Competitive Advantage
SD	Standard Deviation
SDF	Skills Development Fund
SDG	Sustainable Development Goals
SE	Standard Error
SEA	Secprotect East Africa
SHCM	Strategic Human Capital Management
HCM	Human Capital Practices
SHRM	Strategic Human Resource Management
SID	Society for International Development
SS	Statistical Solutions
SSP	Sector Skills Plan

STA	Strategic Talent Acquisition
TA	Talent Acquisition
TNA	Training Needs Analysis
TSS	Training Standards Subcommittee
TVET	Technical Vocational Education and Training
VIF	Variance Inflation Factor
WBES	World Bank Enterprise Survey
WPR	World Population Review

OPERATIONAL DEFINITION OF TERMS

Employee engagement	describes employees who are psychologically involved in, connected to, and committed to getting one's jobs done (Dessler, 2013).
Employee performance	The process in which employees carryout task and achieve the set targets successfully and functioning in a stipulated predetermined manner and achieving the expected results within its framework and success of every organization (Dubey & Yakkuldevi, 2015).
Human Capital	is the combined intelligence, skills, knowledge, attitude, health and expertise that gives the organization its distinctive character. It is the skills and capabilities that reside in people (Joshi & Isis, 2015).
Knowledge Management	Knowledge management is considered as a component of four elements which consists of knowledge accumulation, knowledge utilization, knowledge sharing practices and knowledge ownership identification (Jelena, Vesna & Mojea, 2012).
Private Security Guards	defined as someone not commissioned as a public guard providing various security services but employed either by a registered or unregistered private outfit. The private security guards complement the activities of the public security

	and private security agents in security management (Kasali, 2012).
Private Security Industry	Private Security Industry comprises legally registered business entities that provide, on a contractual basis, security and/or military services, regardless of whether they operate in situations of conflict (SAS, 2015).
Security	refers to the situation that exists as a result of the establishment of measures for the protection of persons, information and property (Akpor-Robaro, *et al*, 2013).
Skills development	Skills development is defined as what we do to improve productivity in the workplace and the competitiveness of our businesses and to improve the quality of work life of workers, their prospects of work and their mobility (Elphick-Moore, 2012).
Talent acquisition	Talent acquisition is identification and attracting the right talent by integrating the entire pre-hire stages of the employee lifecycle from creating the job requisition to on-boarding a new hire in a way that engages candidates and drives business outcomes (Cepin, 2014).
Training	Training is the systematic acquisition of skills, knowledge and abilities to enable one carry out a task effectively (Argwalla, 2010).

ABSTRACT

In globally dynamic business environment, to identify key human capital drivers that work, and enhance sustainable employee performance in the 21st century organizations is a challenge. A survey showed that 33% of Kenya firms reported crime as a serious problem accounting for losses of nearly 4% on annual sales and on average, businesses allocate 3% of their operating budgets to private security services and security upgrade. Security is critical for national productivity, employment creation and sustained economic development as envisaged in *Kenya's Vision 2030.* The main objective of the study was to establish the influence of human capital practices on employee performance in the Private Security Industry in Kenya. The study sought to improve employee performance, efficiency, and effectiveness in service delivery, reduced expenditure in security services, eliminate precarious work and suggest a move towards decent job creation. The study adopted descriptive research design and positivism research paradigm. The study unit of observation was the Private Security Guards. The target population was 150,000 and the sample size was 213. Kaiser-Meyer-Oklin method was used to measure of sample adequacy. Purposive and systematic random sampling technique was employed, and the pilot test of 10% of sample size was used. Test for validity through Bartlett's sphericity test and expert input was used. Reliability was determined through Cronbach's Coefficient Alpha. Triangulation was adopted in data collection tools. The study adopted descriptive data analysis, use of statistical inferences and hypothesis testing. The Data analysis was done with the help of STATA Version 15.0. Descriptive statistics analysis, correlation, regression, ANOVA and t-tests were adopted in the analysis. Data presentation was done through tables and figures. The study found a practical and statistically significant positive relationship between the human capital practices and employee performance. Hence, the carefully chosen variables enhance employee performance. The study recommends implementation of progressive employment policies, sector skills plan, robust human capital information systems, to build a sound human capital base. In addition, integration of IT and human capital management practices aligned with the legal frameworks and the national human capital development plan to enhance employee performance and sector growth.

CHAPTER ONE
INTRODUCTION

This chapter presents the background of the study, the statement of the problem, the general objective of the study and the specific objectives of the study. The chapter also outlines the hypotheses, discusses justification of the study, the scope of the study as well as limitation of the study. The study sought to establish the influence of human capital practices on employee performance in the Private Security Industry in Kenya.

1.1 Background of the study

Human capital is the largest component of wealth of nations overall (World Bank, 2018). In a dynamic business environment, effective human capital practices helps managers attract and retain the best, highly engaged and talented employees. Human capital refers to the knowledge, expertise, and skill one accumulates through education and training (Malose & Boris, 2012; Afiouni, 2013; Armstrong & Taylor, 2014; Joshi and Isis, 2015). The emphasis on human capital in organizations reflects the view that market value depends on human resources and intellectual capital. The intellectual capital model consists of human capital, customer capital, structural capital, social capital, technological capital and spiritual capital (Pablos & Tennyson, 2014). The spiritual capital as a new concept in 21st Century helps to improve mental health of human capital.

Developing a solid human capital base is a pre-condition for industrialization, growth and development in every nation. According to Sahoo and Mohapatra (2015), the forces of competition, technology, globalization, legislation, consumer empowerment and implementation of good practices have rendered organizations across the globe to experience a paradigm shift in understanding their business imperatives, growth perspectives and human capital management. Therefore, to provide a world class services that creates value, organizations have to transform and focus on strategic human capital practices while leveraging technology to offer better services and achieve a competitive advantage (Odhong & Were, 2013).

However, with the globally dynamic business environment, to identify what works; or internal fit, and the best practice that meets customers' needs and sustains performance in the 21st Century organizations is a challenge (Vihari, Singh & Rao, 2016). The report by Economist Corporate Network (ECN), in Central Africa, human capital challenges makes it costly to do business (ECN, 2015).

Nankervis, Comptom, Baird & Coffey, (2011) defined human capital management is the integrated set of practices through which organizations manage their human capital, that influence and is influenced by the business strategy, the organizational context and the socio-economic context. Cania (2014) noted that an important role of SHRM is about focusing the management of employees as a tool for gaining competitive advantage.

The study, therefore, sought to apply the internal best practices called the drivers, such as employee engagement, training, talent acquisition, knowledge management and skills development for PSI. The drivers were adopted by the study to help decision makers focus their efforts on the most critical organizational issues and practices. This is supported by Nkhwangwa (2014) who stated that the best fit theory of SHCM, holds that different types of HC strategies will be suitable for different types of businesses strategies. Nkhwangwa (2014) further stated that HC strategies should be congruent with context and circumstances of the organization. The study needed internal fit which is the case, when organization is developing a range of interconnected and mutually reinforcing HCM policies and practices.

According to World Economic Forum (WEF), it is argued, in this respect, that every industry must re-think its role as a consumer of readymade human capital to proactively seek out, engage and develop people's potential in the modern 21st Century (WEF, 2015). In line with the above report by WEF (2015), Dodaro (2012) argued that Strategic Human Capital Management (SHCM) has to be the centerpiece of any serious effort to ensure that agencies operate as high-performing organizations. In addition, Cania (2014) noted that human resource policies and practices that are appropriate can improve employee performance, and also act as a tool for value creation.

The study identified the human capital practices such as: leadership practices, learning capacity, workforce optimization, knowledge acquisition and employee engagement as the dependent variables. The choice of the variable was also supported by Waiganjo, Mukulu & Kahiri (2012) who in their study sought to establish relationship between strategic human resources management and firm performance, found that that key theory that emerges in relation to best fit practices is that individual practices cannot be implemented in isolation.

In addition, the aim of bundling is to achieve coherence which exists when a mutually reinforcing set of human capital practices have been developed that jointly contribute to the attainment of the organizations strategies for; for matching resources to organization needs improving performance and quality as well as achieving competitive advantage. The practices are useful in measuring and predicting performance of an organization. Wadhwa and Parimoo (2015) asserted that on the basis of a pre-determined set of core human capital practices developed by international level researchers, the model of human capital was tested on Indian organizations, and the result of the showed a positive growth towards the long-term progress of the company.

Study by Jamal (2011) indicated training, development, skills and systems as key indicators that drive performance, while Varuni and Suresh (2014) in their study noted talent acquisition as a strategic intervention to gain competitiveness. The reports by (ILO, 2014; World Bank, 2014) revealed that skills development among the greatest challenges facing countries, enterprises and people all across the world. Jamal (2011) and Ajisafe *et al.*, (2015) concluded that when organization consider their employees as an asset and invest in their capabilities, the performance of the organization is improved. According to Ajisafe *et al.*, (2015) developed a system for assessing human capital management in predicting organizational performance and guiding organizations investment in people. The empirical study conducted revealed a core set of human capital management drivers namely: leadership practices, employee engagement, knowledge accessibility, workforce optimization and organizational learning capacity.

1.1.1 Global Perspective of Employee Performance in Private Security Industry

The global market for private security services is expected to grow at a rate of 7.4 percent annually, reaching a size of US$244 billion by 2016 with contract guarding making more than half of this market (Burt & Muller, 2016). According to Upadhyay (2011), the available estimates suggest that eight countries of the world alone - India, Germany, China, Canada, Russia, the United Kingdom, Australia and Nigeria have more than 60,000 private security service agencies. In addition, the industry employs approximately 12 million private security employees, in these countries, who mainly work as security guards, armed security guards and security supervisors.

In Germany the total turnover by the security industry in 2011 was 35 billion, the average sales growth in 2011 was 3.85%, average assessment of future sales for 2013 was 4.16% and the average mid-term assessment future sales of (3-5) years was 4.68% and the average assessment growth for Germany security industry in general was 5.79 (Gummer & Stuchtey, 2014). Gummer and Stuchtecy (2014), also noted that in Germany, on average, PSCs generate about 24% of their sales in the public sector, 60% in the industrial sector and about 16% of their turnover is due to sale to private households.

In Japan, Private Security Company employees increased from an estimated 70,000 guards in 1975 to nearly 460,000 in 2003 in (SAS, 2011). While, in Jamaica, at the end of 2008/2009 fiscal year, there were 13,941 registered guards and by the end of 2013/2014, there were over 21,497 registered guards. This is 54% growth in registered guards over a five year period. Similarly, by the end of 2008/2009 fiscal year there were approximately 212 companies and by the end of the fiscal year 2013/2014, there were approximately 332 companies, the growth approximately 56% (MNS, 2015). The registered Private Security Company employees outnumber police officers in Jamaica as well as being the best regulated PSI (Burt, 2012; Hill, 2010).

1.1.2 Regional Perspective of Employee Performance in the Private Security Industry

Regardless of regional variations, the overall trend in the PSI has been toward greater market consolidation in the hands of a dwindling number of firms (Burt & Muller, 2016). South Africa has the largest private security industry in the world with nearly 9000 registered companies. In 2014, there were 8,144 registered private security companies and 487,058 active registered security officers, in South Africa (Diphoorn, 2016).

In South Africa, the police service employ private security companies to patrol and safeguard certain police stations, thereby freeing fully trained police officers to perform their core functions of preventing and combating crime, but the private security can never replace public police (Mthethwa, 2012). Studies have shown that South Africa had 257 private security guards for every police employee. In South Africa, the number of registered security officers are more than tripled in space of 13 years from about 115,000 in 1997 to nearly 390,000 in 2010 (SAS, 2011).

The PSI got into Tanzanian market in the form of private security companies in 1980's. The private security industry began in 1990s and prospered in 2000s, the period when the government of Tanzania carried out extensive reform of the ordained *Ujamaa Policy* to liberal policy (Shadrack, 2011). Shadrack (2011) reported that in Tanzania it is estimated that more than 495 PSCs operate all over the country and have the workforce of not less than 1.7 million people while the police are only 29,918 in 2011.

1.1.3 Local Perspective of Employee Performance in the Private Security Industry

The PSI has been in operation in Kenya since the 1960 and has since grown an exponentially in the last two decades (Diphoorn, 2016). According to Kenya National Private Security Workers Union (KNPSWU), the PSI in Kenya is estimated at about 2000 registered companies with about 300,000 security guards (KNPSWU, 2016; SEA, 2016) with G4s having approximately 15,000 employees in Kenya. There are also a large number of informal private security firms employing many more workers but these are neither registered nor operate from a recognized office (Omolo, 2011; 2015).

Most of the large and medium sized private security companies are members of the Kenya Security Industry Association (KSIA) while majority of the small firms are represented by the Protective Security Industry Association (PSIA). Some of the private security companies may be members of the Kenya Private Sector Alliance (KEPSA) or the Federation of Kenya Employers (FKE) or both (Omolo, 2015). The private security industry is estimated to have an annual turnover of Ksh.32.2 billion (Diphoorn, 2016).

The services provided by the PSI, complements national police service (Mthethwa, 2012). The KNCHR (2014) in their report argued that with the going spate of violence in different parts of the country, Kenyans cannot say that they live in a safe and secure country. Lending credence arguments by KNCHR (2014), the number of crimes reported to the police in 2015 was 72,490 compared to 69,376 in 2014. A significant increase in the number of crimes reported to the police was observed among offences involving police officers (34.0 per cent and traffic offences (20.0) per cent (RoK, 2016).

The PSI industry in Kenya is a larger tax payer and employer of about 300,000 security guards (Omolo, 2015; KNPSWU, 2016) as compared to public sector with about 42,853 police officers, 19,389 prison officers and 579 probation officers in 2015 (RoK, 2016). This is not in line with United Nations optimum requirement of police ratio of 1:450, while Kenya operates at about 1:850 (Murunga, 2015).

According to the report by Plural Security Insights (PSI), Nairobi's urban settlements offer unique setting in which to examine the interplay between citizens' ability to fully meet their needs and opportunities these creates for powerful private actors. This has led to a context of plural security provision, in which an array of actors assert claims on the use of force, operating simultaneously and with varying relationships to the state (PSIs, 2016).

1.1.4 Private Security Industry

The importance of security to humankind cannot be overemphasized because the socio-economic structure of a given society depends on the security system (Kaguru & Ombui,

2014). No government has the wherewithal to provide one hundred per cent security for her people, hence the need for the PSI to complement efforts of state actors in crime prevention (Aderinto & Omotoso, 2012; Dasuki, 2013; Inyang & Abraham, 2014). Mthethwa (2012) argued that Private Security can never replace National Police hence they can only complement one another. However, Kenya National Commission on Human Rights (KNCHR) in their 2014 report, noted that crime prevention is a multi-sectoral, multi-disciplinary and integrated endeavor which comprises strategies that seek to reduce the risk of crimes (KNCHR, 2014).

Private Security Industry comprises legally registered business entities that provide, on a contractual basis, security and/or military services, regardless of whether they operate in situations of conflict (SAS, 2015). According to Strom, Berzofsky, Bonnu, Kelle, Crystal and Nicole (2010), a broader definition of private security includes physical, information, and employment related security is more accurate representation of the roles and responsibilities of private security as opposed to private police.

For example, private security firms in Kenya offers services such as Radio Alarm Services; Guarding Services; Access Control Systems; Closed Circuit Television (CCTV); Valuables in Transit/Overnight Valuable Storage; Vehicle Tracking and Fuel Management; Fire Safety; Background checks; Employment screening; Vetting services and Emergency Solutions among others. The report by Secprotect East Africa (SEA) in 2016, classified the services as: Fire protection and rescues; homeland security and policing; commercial security; Information Technology and Data protection; cyber crime; disaster management/environment protection and safety and health services (SEA, 2016).

The private security firms recruit, train, employ and supply security guards to their various markets through outsourcing process. Hence, security guards remain employees of the security firms and they serve all sectors of the economy (Omolo, 2015). Hence, the impact of their services is felt on the economy directly. Security can, therefore, defined as a situation that exists as a result of the establishment of measures for the protection of persons, information and property against hostile persons, influences and actions (Akpor-Robaro, Achumba &

Ighomereho, 2013). It is the existence of conditions which people in a society can go about their normal daily activities without any threats to their lives or properties (Akpor-Robaro *et al.*, 2013; Ogunleye, Adewale, Alese & Ogunade, 2011).

1.1.5 Employee Performance in the Private Security Industry

Performance is the process of functioning in a stipulated predetermined manner and achieving the expected results within its framework and success of every organization (Dubey & Yakkuldevi, 2015). Performance can be measured in terms of effectiveness and efficiency, personal data such as measures of accidents, turnover and absence among others. Hence, it can be argued that performance depends on the quality of human capital among other factors.

The performance of PSI is reflected in Kenya's economy which is estimated to have expanded by 5.9 per cent in 2015, compared to a growth of 5.3 per cent in 2014 (RoK, 2016). Mulupi (2014) noted that KK security holds more than 70% of security contracts for embassies in Kenya and that the PSI is a booming business. The International Commission for Truth and Justice (ICTJ) reported that the deteriorating security conditions have been attributed to uneven performance of some of the country's security agencies (ICTJ, 2010). Mulupi (2014) reported that Private Security Industry CEOs noted major challenges such as competition, managing cooperation with public authorities and keeping standards; improving standards; customer needs have evolved and increasing demand to increase skilled manpower and install additional equipment increased.

Individuals, organizations and nations have invested in knowledge, skills and competence as essential to sustainable security (Ogunade, 2011). Vihari, Singh and Rao (2016) argued that to identify most efficient and effective HCM practice which could sustain the growth prospects of an organization has been a great challenge. A survey conducted in Germany by Gummer and Stuchtecy (2014) also revealed that 64% of private security companies noted they have difficulties in finding suitably qualified candidates.

1.1.6 Nairobi County

Nairobi County is one of the 47 Counties in Kenya. Nairobi is Kenya's capital city, commonly referred to as a *Green City in the Sun* and a *premier city* in Africa with outstanding performance in financial, business, transport, communication, education, health and security management. According to the 2018 data provided by the World Population Review(WPR) in 2018, Nairobi has a population of 4,385,853, growth rate of 3.8%, and growth of 472, 341. In Nairobi County most private security industries are registered by Kenya Security Industry Association (KSIA) with 30 registered companies, representing large and medium size companies, while Private Security Industry Association(PSIA) having about 82 registered companies, representing small companies (PSIA and KSIA, 2016). Therefore, the target population was 150,000 PSGs who are estimated to be in Nairobi by 2016 (KNPSWU, 2016).

1.2 Statement of the Problem

Performance of the security sector is considered to be a key pillar for achieving rapid and sustained economic growth of at least 10% per annum to the year 2030 as envisaged in the *Kenya Vision 2030* and the Medium Term Plan II (2013-2017). Security is also critical for national productivity, competitiveness and employment creation. For Kenya to achieve the intended growth of GDP contribution from the current 9.2% to 15% by 2025, major steps needs to be taken (KAM 2018). The significance attached to security is also seen in the budgetary allocation to the sector. In 2016/2017 fiscal year, for example, the Government of Kenya, allocated Ksh.264.64 billion to strengthen national security (RoK, 2016). This was 18.2% above the 2015/2016 allocation of Ksh.223.9 billion.

However, according to African Development Bank (2014), Kenya's competiveness is held back by security challenges (AfDB, 2014). Goldman (2014) and Ouma (2014) reported that the guards and cash heists, is a problem of professionalism. Mulupi (2016) reported that major retailers were losing about Ksh.3.5 billion every year through theft. In addition, a survey by KAM in 2012 also showed that 33% of Kenya's firms reported crime as a serious problem, accounting for losses of nearly 4% on annual sales and businesses allocates about 3% of their operating budgets to private security services and security upgrade annually (KPMG, 2012).

The report by World Bank Enterprise Survey (WBES) of 2013 also indicated that 1.3% of 781 firms in Kenya who responded, experience losses of properties due to theft and robbery as well as loss of lives (WBES, 2013).

Human capital forms only 40% of the wealth in low income countries, compared to 65% in high-income countries (World Bank, 2017). According to (Omolo, 2015; Murunga, 2015; Wekesa, 2013; and Oanda, 2013), PSI face fierce competition while the PSGs face challenges such as inadequate training, no training institution providing standardized training; critical skills shortages; job insecurity; poor recruitment strategies; externalization; precarious work and poor remuneration, affecting employee performance. In addition, Kasuli (2012) also noted risks of violent attacks while on duty. This is in contrary to the provisions of Decent Work Agenda, and Article 41 of Kenya's Constitution which confers every worker the right to fair labour practices and reasonable working conditions (RoK, 2010).

Research shows that companies with lower employee engagement see the biggest financial loss in their stakeholders return at 8 per cent (Cox, 2015). In addition, Nassazi (2013) found that 92.5% of employees link training to their improved performance, while Poddar (2016) found that best talent acquisition methods leads to 30-40% increase in employee performance. Yasir *et al.,* (2013) also noted that knowledge management improves performance by 45.7%. Delloite (2017) and ILO (2011) reported that skills gap exists in many countries. In addition, Odhong and Were (2013), posited that the major challenge is adoption of good HCM practices and how to transit to a cost effective service delivery model, while leveraging technology to enhance employee performance. Hence, the study sought to establish the influence of Human Capital Practices on employee performance in the PSI in Kenya.

1.3 Objectives of the Study

Objectives of the study describe what the study seeks to achieve, and should be linked to the statement of the problem. The general objective in this study clarifies what the study seeks to achieve in general terms. The specific objectives break down the general objective in into

smaller and logically connected parts that systematically connects the various aspects of the problem.

1.3.1 General Objective

To establish the influence of human capital practices on employee Performance in the Private Security Industry in Kenya.

1.3.2 Specific Objectives

i. To assess the influence of Employee Engagement on Employee Performance in the Private Security Industry in Kenya.
ii. To determine the influence of Training on Employee Performance in the Private Security Industry in Kenya.
iii. To establish the effect of Talent Acquisition on Employee Performance in the Private Security Industry in Kenya.
iv. To establish the influence of Knowledge Management on Employee Performance in the Private Security Industry in Kenya.
v. To determine the influence of Skills Development on Employee Performance in the Private Security Industry in Kenya.

1.4 Hypotheses of the study

The study will be guided by the following Null Hypothesis:

i. H_{o1}: Employee Engagement has no significant influence on employee performance in the Private Security Industry in Kenya
ii. H_{o2}: Training has no significant influence on employee performance in the Private Security Industry in Kenya.
iii. H_{o3}: Talent Acquisition has no significant influence on employee performance in the Private Security Industry in Kenya.

iv. H_{o4}: Knowledge Management has no significant influence on employee Performance in the Private Security Industry in Kenya.

v. H_{o5}: Skills Development has no significant influence on employee performance in the Private Security Industry in Kenya?

1.5 Justification of the Study

This section highlights the contribution of the research to other researchers, management practitioners and policy makers. The study sought to establish the influence of human capital practices on employee performance in the PSI in Kenya. Generally, the study aims at reducing/preventing precarious work, promoting decent job creation, reducing organization cost, improve performance, competitiveness and as human capital risk mitigation strategy in organizations. The findings of the study will be of benefit to various stakeholders, Researchers, KNPSWU, PSIA, KSIA, FKE, Government of Kenya and PSI clients.

1.5.1 Management of organizations in Private Security Industry

The findings of the study will help the Management of organizations in Private Security Industry in Kenya to re-think and improve their human capital practices and provide quality service delivery, reduce costs and improve efficiency and effectiveness for organizational competitiveness. The study will recommend good practices that complement the managerial functions and principles.

1.5.2 Human Capital Management Practitioners

The study aims to provide the HCM practitioners with information regarding the current global, regional and local trends on SHCM practices that acts as a catalyst to effective human capital management. The SHCM drivers will give insight to provision of practices that are industry specific and tailored towards improvement of quality services, productivity and competitiveness.

1.5.3 Scholars and Researchers

The findings of the study will contribute to the body of knowledge for utilization by other scholars and researchers who will find the study relevant. From the avenues created by the study on possible areas for future studies, researchers can identify a research problem, replication can be done to develop a theory, and solutions to existing phenomena can be provided through supporting data and information.

1.5.4 Government Policy Makers

The findings of the study will advice government policy makers through the Ministry of Labour and Social Protection (MoL&SP), in collaboration with the Protective and Security Wages Council (PSWC), when addressing issues of streamlining the PSI through the HCM approach, standardization and the accreditation programs that focuses on specific policies and procedures that address professionalism. The study will provide views to enhancing employment creation, decent jobs creation, prevention of precarious work as well as labour externalization and reducing government expenditure. The study provides robust policy options and recommendations. Hence, the main objective is using evidence to inform policy and practice.

1.6 Scope of the Study

The focus of the study is the PSI and the unit of observation is the Private Security Guards (PSGs), in Nairobi County, in Kenya. The PSGs have the highest number of employees in PSI and they have been chosen since their role is very key and has direct impact on performance of all industries/sectors of the economy. The impact of their services is crosscutting in all sectors. Nairobi has been chosen being the Central Business District (CBD) and where almost all the companies have their headquarter offices situated and serving most of their customers.

Kenya has a large and fast growing PSI with total employment level estimated at 500,000 security guards countrywide by 2017, of which 150,000 are estimated to be in Nairobi (KNPSWU, 2017). Approximately 45,000 members are unionized by 2016 (KNPSWU, 2016). According to Omolo and Odhong (2017), in their study on trade union in transformation,

confirmed that, by 2016 union membership had grown to 45,000, and the population of the security guards estimated to 500,000 by 2017. In 2016, KSIA is having about 30 registered companies, representing large and medium size companies, while PSIA having about 82 registered companies, representing small companies (PSIA and KSIA, 2016).

To fulfill the purpose of the study, the independent variables such as employee engagement; training; talent acquisition; knowledge management and skills development was investigated against dependent variable employee performance. The study targeted 150,000 security guards in Nairobi County who are employees of 112 security firms registered members by KSIA and PSIA (PSIA, 2016; KSIA, 2016).

1.7 Limitations of the Study

First, the study identified only five independent variables: employee engagement, training, knowledge management, talent acquisition and skills development as the HCM practices. However, there are other practices that can be assessed. Second, data collection in the PSI was a bit challenging since employees in their service delivery have busy schedules. In this case, the study exercised high ethical standards in research such as keeping confidentiality, and informed consent, coupled with regular follow-ups as mitigation strategies. The respondents were also convinced that the work is for academic purpose only. An introduction letter from the University and research clearance permit: serial no. A12237 from the National Commission for Science, Technology and Innovation (NACOSTI) was obtained to facilitate the data collection.

CHAPTER TWO
LITERATURE REVIEW

2.1 Introduction

This chapter is thematically organized to present theoretical review, conceptual framework, empirical review, and critique, summary, as well as the research gap. Trochim, Donnelly and Arora (2016), in their study defined literature review is a systematic compilation and written summary of all the literature or past studies published in scientific journals that is related to a research topic of interest to study.

2.2 Theoretical Framework

Trochim *et al.,* (2016) stated that social research is theoretical, meaning that much of it is concerned with developing, exploring or testing the theories or ideas that social researchers have about how the world operates. The study argues that theory can be regarded as already refined principles that enhance understanding or explanation of a phenomenon(s). Ngugi (2013) defined theory as a set of statements or principles devised to explain a group of facts or phenomena especially one that has been repeatedly tested and can be used to make predictions. In addition, the study has included models, a logical framework included to represent reality to support the use of the variables in the study.

2.2.1 The Combined Model of Maslow's Hierarchy of Needs, Alderfers, and Herzberg's

Maslow's Hierarchy of Needs was formulated by Maslow (1954). Maslow's needs hierarchy has in intuitive appeal and has been very popular though has not been verified by empirical research such as that conducted by Wahba and Bridwell (1979), and it has been criticized for its apparent rigidity (Armstrong & Taylor, 2014). Maslow's theory states that people have a pyramid hierarchy of needs that they will satisfy from bottom to top, starting from physiological needs to self actualization (Ball, 2012).

Motivation is the force that energizes, directs and sustains behavior, and well motivated people engage in positive discretionary behavior (Armstrong & Taylor, 2014). Figure 2.1 represents

the model of Maslow's hierarchy of needs, Alderfer's, and Herzberg's theories of motivation. These theories work best when incorporated with needs and job satisfaction theory. Maslow's and Alderfer's ERG represents the needs theory and Herzberg's theory represent the job satisfaction as illustrated in the Figure 2.1.

Dessler (2013) explained that people are motivated first to satisfy each inner-order need and then, in sequence, each of the higher – level needs as illustrated in the model. Maslow's theory of motivation supports employee engagement as independent variable. Aldefer's Existence, Relatedness and Growth (ERG) theory from 1969 condenses Maslow's five human needs into three categories: Existences, Relatedness and Growth. 1. Existence needs: includes all material and physiological desires such as food, water and clothing. This corresponds closely to Maslow's first two levels; 2. Relatedness needs: encompass social and external esteem, relationships with family, friends, co-workers and employers. Alderfer in1972 produced a more convincing and simpler theory (Armstrong & Taylor, 2014). Aldefers ERG theory states that people's needs are arranged along a continuum, rather than in an hierarchy, and that there are three rather than five groups of needs, is Existence, Relatedness and Growth.

This corresponds to Maslow's third and fourth levels and, 3.Growth needs: internal esteem and self actualization. These impel a person to make creative or productive effects on himself and environmental. This corresponds to Maslow's fourth and fifth levels. They include desire to be creative and productive, and to complete meaningful tasks (Ball, 2012). Herzberg's theory of motivation is a the two factor model of motivation developed by Herzberg (1966) was based on investigation into the sources of job satisfaction and dissatisfaction of accountants and engineers who were asked what made them feel exceptionally good or bad about their jobs (Armstrong & Taylor, 2014).

According to Dessler (2013) Fredrick Herzberg said that the best way to motivate someone is to organize the job, so that doing it provides the feedback and challenge that helps satisfy the person's higher level needs for things like accomplishment and recognition. The managers' role is to make sure their human resources deficiency needs are met. The model also implies that creating a proper climate in which employees can develop their fullest potential; managers

should recognize their employees multiple simultaneous needs. Relying on financial incentives only is risky.

Therefore, the employer should provide both intrinsic and extrinsic incentives. For example, intrinsic incentives may include recognition and challenging work that most people desire. The combined model of Maslow's, Alderfer's and Herzberg's in the study, supports employee engagement, employee safety or security aspect in the study. Employee safety and health is a function of human resource management. Figure 2.1 shows the combined model of motivation.

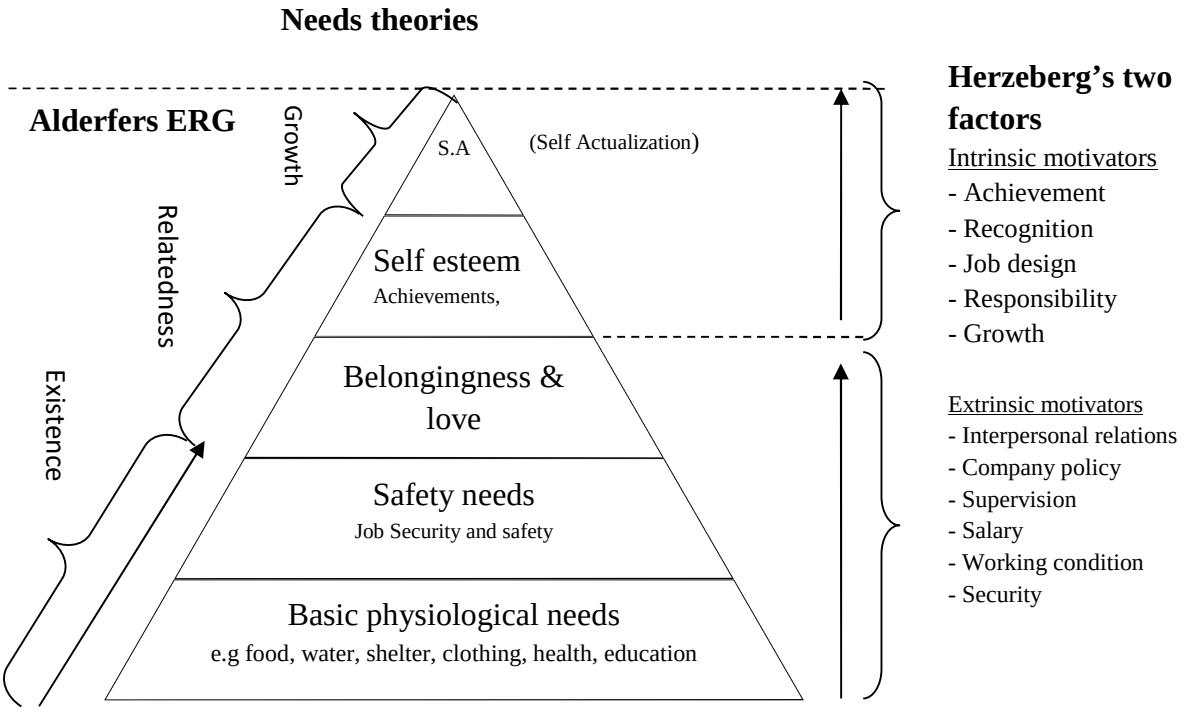


Figure 2.1: The combined model of Maslow's hierarchy of needs, Alderfers, and Herzberg's theories of motivation

Source: Adapted from Finnigan(2016).

2.2.2 Analysis, Design, Develop, Implement and Evaluate (ADDIE) Model

The concept of Instructional System Design (ISD) has been around since early 1950. While the concept of Analysis; Design, Develop, Implementation and Evaluation represent (ADDIE) first appeared in 1975. It was created by centre for educational technology at Florida State University for the US Army in 1975. The model has since evolved several times over the years to become interactive, dynamic and user friendly (Eddie Timeline, 2015). Culatta and Kearsley (2016) explained that ADDIE model is a generic process traditionally used by instructional designers and training developers. The five phase: Analysis; Design, Develop, Implementation and Evaluation represent, a dynamic flexible guideline for building effective training and performance support tools. In the ADDIE Model each step has an outcome that feeds into the subsequent step.

Some of the weaknesses of ADDIE model includes: First, the typical process require unrealistically comprehensive up-front analysis most teams respond by doing very little at all and fail to access critical elements; secondly, learning program are designed to meet criteria that are measured (schedule, cost, throughout) and fail to focus on identifying behavioural changes and no accommodation for dealing with faults or good ideas throughput the process (Culatta & Kearsley, 2016).

This model supports training as independent variable. The implication of this model to the study is that for training to be conducted, the organization needs to conduct Training Needs Analysis (TNA), determine the training method; develop a program, implement through conducting training and evaluate the effectiveness at the end of training. Effective instructional designs provide a method that if followed, can facilitate the transfer of knowledge, skills and attitudes to the learner.

2.2.3 The Combined Trait Activation and personality-job fit theory

The study adopts combination of trait activation and personality-job-fit theory, to explain the phenomena in talent attraction. The principle of trait activation theory can be traced back as early as 1938, when Henry Murray described that situation “press” individuals to exhibit

certain traits. Trait activation theory is a personality theory of work based on the concept of trait activation that is derived from the integration of trait theory, situationism and personality-job fit theory (Tett, Simonet, Walser & Brown, 2013). Trait theory of personality implies that personality is biologically based. This theory also supports the independent variable, talent acquisition. This theory is relevant to the study since it is suitable in employee placement after acquiring the right candidate with the right attitude for the job. The theory emphasizes the uniqueness of the individual and consequently adopts an idiographic view and psychological assessments.

The trait activation theory works better when combined with personality job theory, during talent acquisition and job placement. The interactions perspective of personality job fit theory has a long theoretical tradition, beginning with Lewin's (1951) proposition that behavior is a function of the person and the environment. Personality is the dynamic organization within the individual of those psychophysical systems; determine the characteristics, behavior and thought (McLeod, 2014). Personality is the characteristics or blend of characteristics that make a person unique.

McLeod (2014) stated that this theory suggests that certain job environments are more suited to individuals with certain personality characteristics and that hiring individuals who are the best fit will result in higher employee satisfaction, well being and better performance. The combination of trait activation and personality job fit theory supports talent acquisition and is based on an interactional model which suggests that both person and situation interact to influence. This theory also supports the independent variable, talent acquisition. This theory is relevant to the study since it is applicable as it helps during talent identification and attraction to assess the best candidate.

2.2.4 Human Capital Theory

Becker (1964) elaborates the notion of human capital in the context of neoclassical economics. Further another economist, Theodore Schultz, set out to map how rates of return from education could be calculated in countries with different levels of income, different attitudes to

forgoing earnings to develop human capital (Odhong *et al*., 2014). The theory is rooted from the field of macroeconomic development theory by Schultz (1993). Human capital theorists have typically argued that organizations can increase their human capital by internally developing the knowledge and skills of their current employees, and by attracting individuals with high knowledge and skill levels from the external labour market (Choudhury & Mishra, 2010). Malose and Boris (2012) developed a model that he used to explain the human capital theory.

Swanson (2001) cited in Malose and Boris (2012), explained the relationships as follows; Relationship 1 in Figure 2.2 represents the concept of production functions as applied to education and training. Relationship 2 in Figure 2.2 represents the human capital relationship between learning and increased productivity. Relationship 3 in Figure 2.2 represents the human capital relationship between increased productivity and increased wages and business earnings.

In the study, Human Capital Theory supports all the variables: training, knowledge management, skills development and talent acquisition as independent variables. The theory is very relevant in every situation in the workplace since human capital is a collection of various resources such as knowledge, talents, skills, ability, experience, intelligence, training, judgment and wisdom possessed individually or collectively in order to effectively enhance organizational performance. In conclusion, human capital contributes to the organizational competitive advantage and profits maximization. The Figure 2.2 below shows the model of human capital theory.

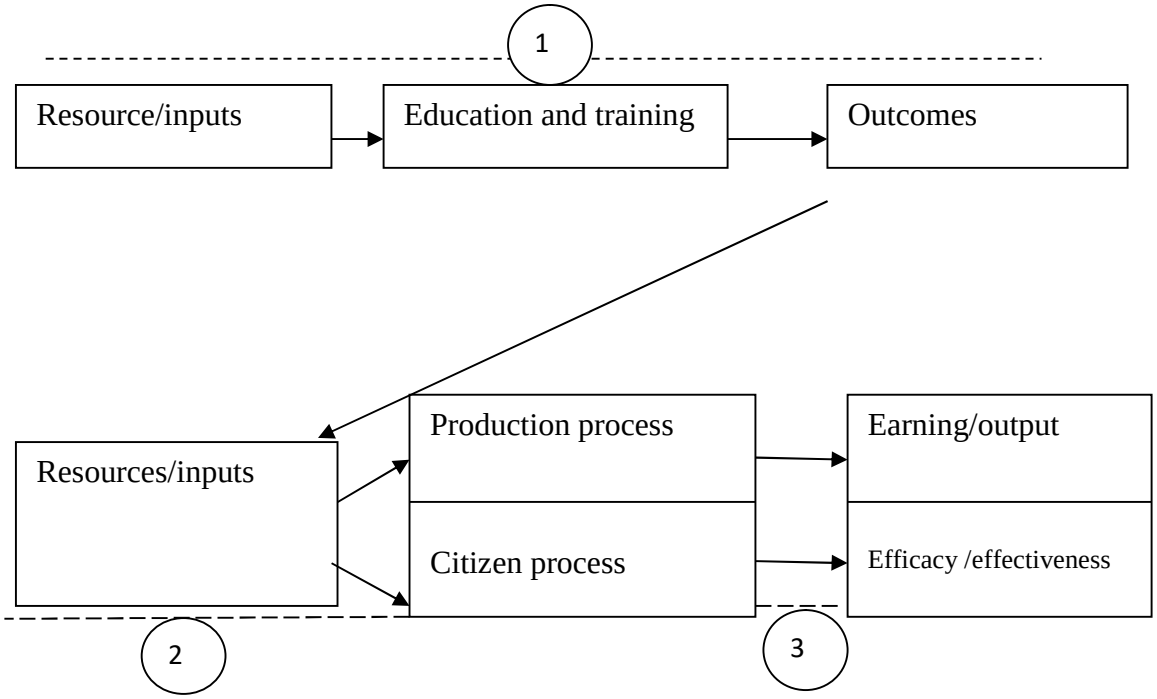


Figure 2.2: A Model of Human Capital Theory

Source: Adopted from Malose and Boris (2012).

2.2.5 Delta Model

Hax and Wilde II (2003) developed a strategy framework that called Delta Model. Delta being the Greek letter that stands for transformation and change. To integrate technology in HCM practices, Hax and Wilde II (2003) felt that the new technology surrounding the internet provides novel and effective ways to link to the customers (both internal and external) and to the extended enterprise, opening up new sources of strategic positioning that should be properly evaluated (Hax, 2010).

The Delta Model has the ability to complement the perspectives of Porter's frameworks and the Resource-Based View of the firm and provide the integrative glue that may result in one unified strategy framework. Team FME (2013) states five key factors that Porter's Model uses to identify and evaluate potential opportunities and risks. The Porters forces include: Three

horizontal forces that comprises: The threat of substitute produce or services; the threat of established rivals and the threat of new entrants; and the horizontal forces include: the bargaining power of suppliers and the bargaining power of customers. The Resource-Base View (RBV) was articulated into coherent theory by Wernerfelt (1984). The theory states that competitive advantage of a firm lies primarily in the application of rare, non-substitutable, imperfectly imitable, and valuable intangible and tangible resources at the firm's disposal (Francisco, 2015). The top triangle, system lock-in is addressing full network as the relevant scope, and gaining of complementary share as the ultimate objective and the system economics as the driving force. The Delta Model's customer bonding is the driving force in strategy development. The classic strategy frameworks emphasize a product orientation. They pit competitor against competitor in a rivalry where the outcome is determine by who has the best product (Hax, 2010).

The Delta model supports employee performance in the study. It was chosen since it combines Porter's frameworks and the Resource-Based View, as underpinning theory for strategic positioning. The Delta Model strikes a balance between the external fit, internal fit and fit between the macro and micro level of HCM for organizations competitiveness and sustainable performance. The argument is that, *ceteris paribus* human capital enhances performance, however, there are other underlying factors that can enhance performance. The predicted and unpredicted factors HCM can arise due internal or external forces in a business environment, which calls for contingency and strategic approach to promote competitiveness. Figure 2.3 shows the Delta Model.

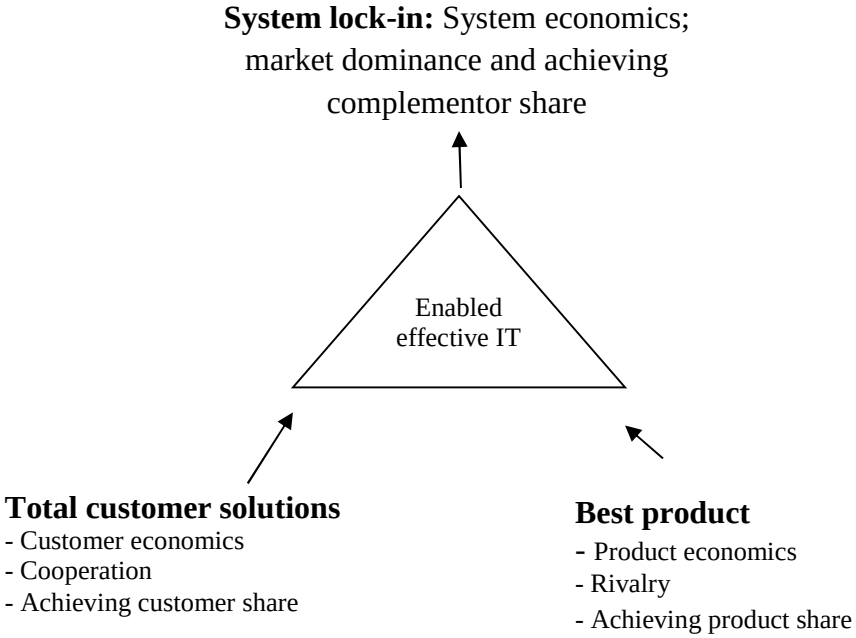


Figure 2.3: The Triangle – Three Distinct Strategic Positions

Source: Adapted from Hax (2010)

2.2.6 Control Theory (The GAP-ACT MODEL).

Control theory originated with Norbet Wiener's (1948) Cybernetics. In 1950's and 1960's problems were emerging in the field of engineering and economist that were not covered in any existing theories. Control theory is not just used in engineering, it also relates to business by learning ways to streamline or optimize processes (Redmond, 2016). People are living control systems to use, as noted by William T. Powers. This means that they act to control certain aspects of the world about them. Nickols (2013) explains that in general, this model suggests that as performers, we seek to control the value of some variables in the workplace (T). That might be cost, productivity, sales volume or any innumerable variables. The variable we seek to control is control variable. What we know through control theory, we know through our perceptions and it is this perceived condition (P) that we compare with our (G) or reference condition.

The discrepancies between our goal or reference conditions for a variable and the condition we perceive lead to action (A). Our actions are helped or hindered by other conditions (C), to a

greater or loser degree, and the effects of our actions on the controlled variable are the some of our actions and these other conditions (Nickols (2013). The Gap-Act model supports employee performance, which is the dependent variable in the study. It is relevant to the study since the employees' performance is influenced by the environment in which they work, and that the environment influences their actions, ability and professionalism. Figure 2.4 shows the Gap-Act model.

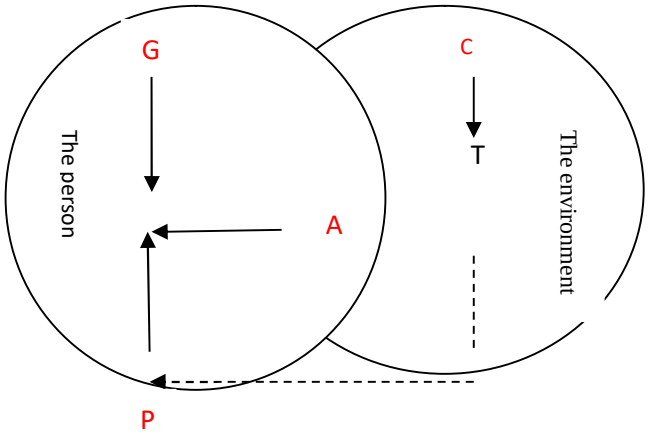


Figure 2.4: A Control Theory View of Human Behavior and Performance
Source: Adapted from Nickols (2013).

In conclusion, the theoretical review discussed both theories and models that support each of the explained and explanatory variables in the study, with the human capital theory and delta model as the main underpinning theory and model. Vermaas (2014) described descriptive design theory as a scientific theory that binds together knowledge of what is regularly taken as a design practice as they occur in the world. In addition, theories and the models used in the study aimed at enhancing understanding, explaining and predicting of and about these design practices. The study presents the conceptual framework in Figure 2.5 to provide pictorial presentation of structure/concept of the study, showing the dependent and independent variable.

2.3 Conceptual Framework

Regoniel (2015) explained that conceptual framework represents the researcher's synthesis of literature on how to explain phenomena. Were (2013), who defined it as a pictorial representation, or relationships between empirical properties. Figure 2.6 illustrates the independent variable, dependent variable and the indicators. Pedace, (2013) explained that independent variables are the factors which cause changes in the dependent variable.

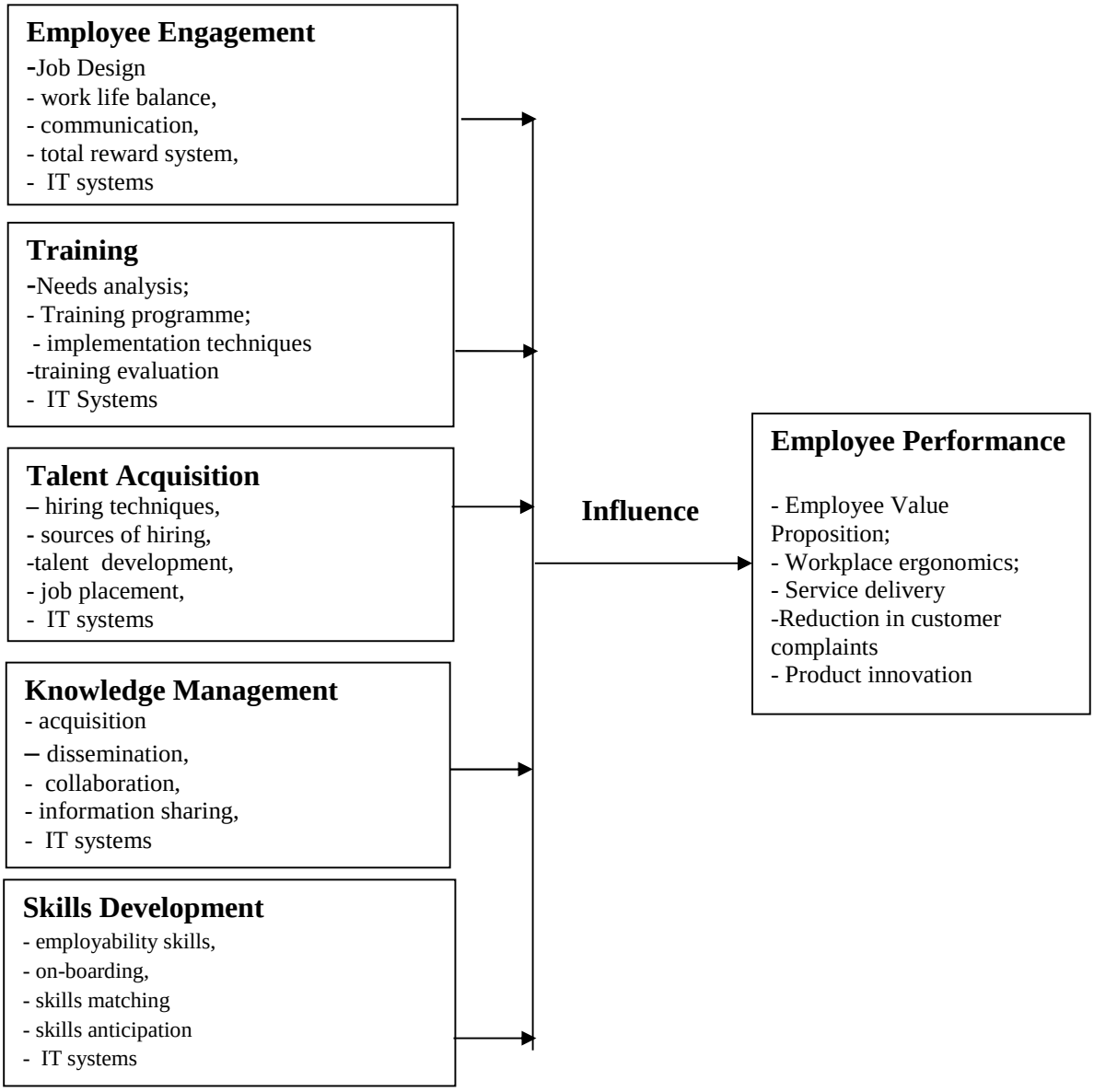


Figure 2.5: Conceptual Framework

2.3.1 Employee Engagement

In today's challenging environment, no employer can afford to have its employees physically present but '*checked out'* mentally (Dessler, 2013). According to Dessler (2013), engagement refers to being psychologically involved in, connected to, and committed to getting one's jobs done. The study engagement indicators are work life balance, communication, total reward, and IT systems. These indicators enhanced psychological contract.

Employee engagement facilitation involves a number of components right from new hire, stay to employee exit (Armstrong and Taylor, 2014). According to Truss, Delbridge, Alfes Shantz and Joane (2014) every day connotations of engagement refer to involvement, commitment, passion enthusiasm, absorption, focused effort, zeal, dedication and energy. The Institute of Corporate Productivity in Dessler (2013), defines engaged employees as those who are mentally and emotionally invested in their work and contributing to an employer's success.

Dessler (2013) noted that poor attendance, voluntary turnover, and psychological withdrawal often also reflect diminished employee engagement. High performance is achieved by well-motivated people who are prepared to exercise discretionary effort – independently do more than is expected of them (Armstrong and Taylor, 2014). Dessler (2013) further noted that today's human resource managers need the skills to foster and management employee engagement.

Albretch, Bakker, Gruman, Macey and Saks (2015) posited that new hires when they enter organizations are typically excited about their new job and organization but also have feelings of uncertainty and anxiety. This emphasizes on the need for on-boarding. The views of outgoing employee's is key in improving engagement mechanism, and this put more emphasis on off-boarding in the current 21st Century organizations. Ariani (2014) noted that the practices of employee engagement will motivate employees to be fully involved in the organization and remain committed to their work, care about the organization and their colleagues.

Albretch *et al.,* (2015) in their study noted that contemporary HCM research and practice recognizes that high caliber job applicants are increasingly looking for job roles that include opportunity for challenge, growth, autonomy, skill variety and engagement. Truss *et al*.,(2014) indicated that that engagement is the personal expression of self-in-role. Employees will be engaged when they feel that the leader cares about their well being. Christian *et al* (2011) quoted in Albretch *et al.,* (2015) argued that individual personality traits are also likely to influence the extent to which employee experience and demonstrate engagement at work.

2.3.2 Training

Training is the systematic acquisition of skills, knowledge and abilities to enable one carry out a task effectively. Argwalla (2010) explained that the purpose of training in any organization is to develop the skills of the individual and to satisfy the current and future manpower needs in the work situation**.** In the study the indicators of training include: needs analysis; design; programme; implementation; evaluation techniques, and it systems. Akhar *et al.,* (2011) discovered that training has an optimistic association between motivations along with job engagement involving employees in the organizations. Khanfar (2011) argued that employee performance is provided by training acquired.

According to Armstrong and Taylor (2014), training is the systematic ‘acquisition and development of knowledge, skills and attitudes by employee to adequately perform a task or job or to improve performance in the job environment. According to Victor (2013), Training indicators such as on-the-job, off-the-job and its relevance serves as a motivating force in improving the efficiency and productivity of the workers and many organizations have seen it as a veritable tool to enhance their organizational performance.

Muzaffar, Salamat and Ali (2012) indicates that, to increase the employee’s performance, it is crucial to inspire the employees by means of satisfying the space in between skills necessary and the owned or operated by means of staff through delivering applicable training. Farooq & Khan (2011) in their study concluded that role of the valuable training is to improve the quality of task process that brings improvement in the performance of employees application of formal

processes to impart knowledge and help to acquire skills necessary for them to perform their jobs satisfactorily.

2.3.3 Talent Acquisition

Talent was defined by Armstrong and Taylor (2014) as the sum of a person's ability, his or her intrinsic gifts, skills, knowledge, experience, intelligence, judgment, attitude, character and drive. Armstrong and Taylor (2014) further noted that talent also includes one's ability to learn and grow. Talent acquisition is identification and attracting the right talent. Strategic Talent Acquisition (STA) integrates the entire pre-hire stages of the employee lifecycle from creating the job requisition to on-boarding a new hire in a way that engages candidates and drives business outcomes (Cepin, 2014). In the study the talent acquisition indicators are: hiring techniques**,** sources of hiring, talent development and IT systems.

Increasingly, many HR leaders have to answer questions that have an economic issue at their core – the allocation of scarce resource called talent (Deloitte, 2013). Talent Acquisition is now mainstreams embraced by 21st Century organizations as the strategic approach to identifying, attracting and on-boarding top talent to efficiently and effectively meet dynamic business needs (Cepin, 2014). The increased mobility and social media have erased boundaries creating a global talent pool (Deloitte, 2013). These theories help in psychometric testing, assessment centres, interviews, General Mental Ability Test and; Situation, Task, Action and Result (STAR test).

Over the past decades, shortage of critical skills has made the process of identifying and attracting talent a critical business objective (Laurano, 2013). Varuni & Suresh (2014) describe talent acquisition as strategic intervention to gain competitive advantage by integrating organizational talent with organization's mission. According to Cepin (2014) excellence in talent acquisition results from a combination of strategies, capabilities and enabling technologies. Talent acquisition has evolved from a tactical, back office process to a strategic endeavor that directly impacts organizational growth (Laurano, 2013).

The Global Resourcing Trend (GRT) survey in 2016 revealed that internal hiring helps address employee retention (GRT, 2016). Thus for organizations to stay at par with dynamic global demands and competitiveness, organizations must adopt strategic talent acquisition (Cepin, 2014). Cepin (2014) further noted that elements of talent acquisition include talent acquisition planning and strategy, workforce segmentation, employment branding, candidate audience, candidate relationship management and metrics and analysis. According to Cupin (2014) that four steps to creating your talent community include building a hub such as Facebook, LinkedIn, Twitter, Pinterest, Google+, Instagram; spreading the word; share the content and scale the brand.

2.3.4 Knowledge Management

Jelena, Vesna and Mojea (2012), defined Knowledge Management as a component of four elements which consists of knowledge accumulation, knowledge utilization, knowledge sharing practices and knowledge ownership identification. In the conceptual framework knowledge management indicators are: knowledge availability, dissemination, collaboration, information sharing, and systems.

World Bank report in 2010, noted that knowledge produces growth – (Grey matter is a country's main resource) and knowledge has become a key driver of competitiveness (World Bank, 2010). Armstrong and Taylor (2014) defines KM as any process or practice of creating, acquiring, capturing, sharing and using knowledge, wherever it resides, to enhance learning and performance in organizations. Yasar, Saban and Gokhan (2013), posits that knowledge, skills, values, beliefs and habits of a group of people are transferred to other people, through storytelling, discussion, teaching, training or research. In practice KM is a conscious effort to gain the knowledge that lies within an organization by using it to achieve the organizations missions (Stevens, 2010).

Stevens (2010) noted that it is important to consider knowledge and intellectual capital as a company's primary source of production and value. In a world where knowledge doubles every year and skills have half-life 2.5 to 5 years, leaders need constant development. Hecht, Maier,

Seeber and Waldhart (2011) argued that the process of successful implementation of knowledge management has three stages: adoption, acceptance and assimilation. Jelena *et al*., (2012) explained that successful KM applies a set of approaches including: accumulation, utilization, sharing and ownership.

Dessler (2013) noted that in effective knowledge management, the learning objectives you choose should address rectifying the performance deficiencies that you identified with needs analysis. For instance, if the sales team sales are 40% too low the objectives should focus on ensuring they get knowledge, skills and attitudes they need to boost their performance. Jelena *et al.,* (2012) further noted that knowledge accumulation can be internal or external, occasional or intended while knowledge utilization covers individual and group knowledge learning from experience or to innovative solutions and knowledge sharing can also be both formal and informal.

2.3.5 Skills Development

The availability and quality of skills are important determinants of productivity and the types of activities that can be undertaken, other measures capture potential technology and innovation (World Bank, 2018). As defined by Vanpatten and Benati (2010), skills refer to the ability to do rather than underlying competence or mental representation. Omolo (2013; 2014) noted that skills development programmes enable employees gain employability skills. Employability skills are potable competencies and qualifications that enhance an individual's capacity to make use of the education and training opportunities available, order to secure and retain decent work, to progress within enterprise and between jobs, and to cope with changing technology and labour market conditions (ILO, 2013).

Skills Development means developing one's skills to add value to the organization as well as your own career development. Elphick-Moore (2012) defined skills development as what we do to improve productivity in the workplace and the competitiveness of our businesses and to improve the quality of work life of workers, their prospects of work and their mobility. Kajewski and Madsen (2013) in their study, Demystifying 70:20:10 Model, found that 70% of

one's development come from informal, on-job, experience based, stretch projects and practice; 20% come from coaching, mentoring and developing others and 10% come from formal , learning interventions, workplace raining and structured courses. The 70:20:10 models was formulated by three researchers – Morgan, Lombardo and Robert in 1980, who researched on key developmental experiences of successful managers.

According to World Bank (2010) skills bottlenecks affects productivity and are likely to worsen in the coming years. The report revealed that Enterprise surveys since the year 2000, in some 90 countries, suggests that skills constraints impede performance particularly in more dynamic environments. For example, a share of the industry worried about inadequate worker education and skills averages about 40% in Sub-Saharan Africa.

In Kenya, it has been observed that there exist gaps in human skills (trainees and trainers), curriculum and technology do not adequately address the ever changing skill and technology need (RoK, 2017). Thus the labour market is characterized by co-existence of trained unemployed manpower alongside skills shortages in some areas within the market (RoK, 2012). One of the key challenges in Kenya's labour market is identifying the critical skills. In addition, according to (RoK, 2012), the weakness in skills development is partly attributed to inadequacy in the framework for promoting skills and training in the country.

However, according to RoK (2017), there are government policy instruments and private sector initiatives that have been developed to address these challenges of skills shortages and mismatch. Some of the government policy and legal instruments are geared towards addressing training at three levels, which includes: Education Act Cap 211, SME Sessional Paper No 2 of 2005, TVET Strategy 2008, TVET Act, Industrial Training Act 237, Employment Act Revised 2012 (2007) and Ministry of Youth Affairs and Sports Curriculum for Youth Polytechnics. In 2018, the Government of Kenya introduced the Competence Based Education and Training (CBET) in the TVET institutions to enhance skills development, and produce internationally competitive workforce.

Skills development has the potential to significantly improve the employability of the Kenyan workforce especially of the youth and women (AfDB, 2014). Certain situations call for new skills to be learned, and that relevant skills training requires bridging the world of education and training to the world of work (ILO, 2014). According to AfDB (2014), skills gap is impounded by weak linkages between the private sector and the Technical Education and training (TVET) curricula, resulting in mismatch between the supply of and demand of skills. According to ILO (2015), skills mismatch exacts economical and social costs at all levels – individual, business and government and are as a result and contributory cause of structural unemployment.

Skills and skills enhancement are essential component of all efforts in this challenging era (World Bank, 2014). Upgrading and enhancing the relevance of skills training and improving access to skills for more women and men can help countries move to a virtuous circle of higher productivity more employment of better quality, income, growth and development (ILO, 2014). Skills are particularly important for the development, economic diversification and transforming of low-income countries (Adams, Silva & Razmara, 2013).

Skills are at the core of improving individual's employment outcomes and increasing countries productivity and growth (World Bank, 2014), and that the job relevant skills are critical. World Bank (2010) defines job relevant skills as a set of competencies valued by employers and useful for self-employment, they include: problem-solving skills, learning skills, communication skills personal skills and social skills. Skills development is among the greatest challenges facing countries, enterprises and people all across the world today (ILO, 2014).

A substantive body of evidence shows that different skill levels have large economic effects for individuals, employers, regions and whole national economies (Green, 2011). Muzaffar, Salamat and Ali (2012) noted that, to increase the employee's performance, it is crucial to inspire the employees by means of satisfying the space in between skills necessary and the owned or operated by staff through delivering applicable training. Most organizations use

education as an indicator of a person's skill levels or productivity, they frequently employ it as a prerequisite in hiring decisions (Yasir, Khalid, Irfan & Khan, 2013).

2.3.6 Employee Performance

Performance is the accomplishment of a given task measured against preset known standards of accuracy, completeness, cost and speed (Were, 2013). In the study the indicators of performance includes: employee value proposition; workplace ergonomics; reduction in customer complaints; product innovation and service delivery. This concurs with Dubey & Yukkuldevi (2015) who suggested that organizational effectiveness can be measured in terms of higher productivity, higher growth, business diversification, reduction in overall cost of production, higher company profits, good employee employer relationship, favorable work environment, better image in the market, creation of brand personality.

Performance of the employees is reflected on individual output and organizational performance or productivity (Odhong *et al.,* 2014). The organizational performance and its growth depend upon the skills and knowledge of employees which are considered as the assets (Raza, 2014). Human capital as asset for achieving competitive advantage and sustainable performance is a key tool for value creation.

Sutia, Sudarma, Djumahir and Rofiaty (2013), defined organizational performance as a reflection of whole situation of a company in a certain period, a kind of results and achievements that include market share, profitability and growth. The Performance standards in the security sector are an area that attracts global concern prompting several states to develop different promising strategies and techniques to improve performance in the security sector (Were, Gakure, Kiraithe, & Waititu, 2012; 2013). However, much needs to be done to enhance human capital competiveness in the sector for sustainable performance and growth. Although Jamal (2011), argues that employee performance is a complex mix of skills, knowledge, ability, attitude, effort and results.

The study recognizes technology integration in human capital management, and argues that technology is truly and rapidly reshaping economies, industries and a determinant for the future of work. Therefore, to achieve competitive advantage, 21st century organizations must integrate their human capital practices with information technology systems to improve efficiency and effectiveness. According to Kebaso, Kiarie and Ogollah (2014), organizations are facing turbulent times due to change in economic conditions, globalization and rapidly advancing technology.

This is a reflection that in a world where almost all jobs now have some digital component, it is more important to address the digital aspect in human capital management in the PSI. The real situation is evident with the introduction of digital surveillance. Therefore, with an aim of improving employee performance, study integrates, the information technology systems as an indicator in every variable, and acknowledges the importance of embracing Human Capital Information Systems (HCIS) and solutions to improve performance, efficiency and effectiveness.

Ababneh and Shrafat (2014) suggested that HCIS is expected to advance the workforce from being human resource to human capital and being a more sophisticated tool with state-of-the art in dealing with people as a valuable asset. This is connected with the views of Burt and Muller (2016) who noted that the PSI increasingly overlap with the IT sector, for instance, concerns over data security is a major challenge. Burt and Muller (2016) proposed that frequent links between PSI, IT companies and electronic systems industries make security actors seem well placed for the technology-intensive aspects of intelligence gathering.

Kenya also recognizes the role of Information and Communication Technology (ICT) in human capital management and development, and security management, as key pillar towards achievement of the Kenya's Big 4 Agenda, *Kenya Vision 2030*, African Union Agenda 2063 - *The Africa We Want* and Sustainable Development Goals (SDGs) by 2030. The underlying notion is that automation and digitalization are increasingly penetrating the domain of tasks and

practices that until recently used to be genuinely human such as reasoning, sensing and deciding (Gregory & Zierahn, 2016), with technology effects experienced in the gig economy.

To achieve the goals, Kenya Government has established ICT Policy of 2006 and various regulatory frameworks that support the sector, such as establishment of the Communication Commission of Kenya (CCK), as converge regulatory authority, Communications Amendment Act 2009, Kenya Information and Communication Act Cap 411 A., Protection Act, 2012 (Kebaso *et al*., 2014). Table 2.1 shows examples of the human capital solutions that are automated and provided by Oracle and SAP.

Table 2.1: Some of the Human Capital Solutions that are automated by Sap and Oracle.

Oracle HR solution	SAP HR solution
Global HR	Core HR and payroll
Workforce Management	Benefits Enrolment
Payroll Management	Talent Management
Labour Rules and Monitoring	Workforce Planning and Analysis
Workforce Service Delivery	Time and Attendance Management
Talent Management	Business Suite Applications
Security Systems and CCTV	Security Systems and CCTV

Source: Adapted from Ababneh and Shrafat (2014).

2.4 Empirical Review

This section thus describes past studies that have been done that links the independent variables: employee engagement, training, knowledge management talent acquisition and skills development with employee performance. Trochim *et al.,* (2016) stated that empirical review is based on direct observations and measurement of reality of what you perceive of the world around you. The empirical research is based on observed and measured phenomena.

2.4.1 Employee Engagement

Otieno, Waiganjo and Njeru (2015) carried out a study to explore the effect of employee engagement on organizational performance in Kenya's horticultural sector. The study was carried out in 14 flower firms in Kenya. A cross-sectional survey research design was used. Stratified sampling technique was adopted. The target population was 2460, and 1888 respondents giving a 76.6% response rate. Qualitative and quantitative techniques of data analysis were employed. The study results showed that there is statistically significant relationship between employee engagement and organizational performance. The correlation coefficient is 0.533 at 1% level of significance.

Dajuni (2015) conducted an exploratory study that aims to identify the key drivers of employee engagement within the Egyptian context. The study target population was 245 bank employees from several private and public banks operating in Cairo-Egypt with a response rate of 81.6% - 200 employees. A survey questionnaire were developed and validated. Regressions analysis was done. The study found that employee engagement has a statistically significant impact on job performance.

Taj and Sanneh (2015) did a study to investigate the different factors of employee engagement and their impact on organizational performance in the public sector of West Africa. The study sample size was 327 and questionnaires were used as data collection tool. A survey research design was adopted. The study found that various factors such as leadership have the strongest influence on employee engagement. The study concluded that overall there is a strong positive relationship between employee engagement and organizational performance.

2.4.2 Training

Ndulue (2012) carried out a study to examine the impact of training and development on workers performance in an organization in Nigeria public service. The study used secondary data. The study found that some of the symptoms that call for training manifest themselves in various ways such as lack of interest in job, negative attitude to work, low productivity, tardiness, excessive absenteeism rate, excessive complaints from customer, high accidents and

insubordination among others. The study recommends that everyone involve in training should agree exactly to what the training are lacking; skills needed and the attitude.

Shaheen, Naqvi & Khan (2013) conducted an empirical study on employees training and organizational performance: mediation by employees performance. Both quantitative and qualitative methods were used; questionnaire used for data collection involving 220 questionnaires that were dispersed amongst schools teachers out of those 197 received with 90 percent turnover. The SPSS was used for data analysis and policy based on results presented for ensuring training effectiveness and enhancing employee's performance. Overall results revealed significant and positive association between training and organization performance.

Kirschenbaum and Rapaport (2014) carried out a comprehensive study of Airports across Europe to establish the impact of training on security-related decisions was examined in detail. The study hypothesized that those more trained would comply more with protocols and rules than those with less training and robustness of training process. The study results confirmed that training is constrained in the ability to determine security decision behavior primarily because of an employee's experience of actual threat. The study recommended simulation to bridge the gap between rule compliance and reality.

2.4.3 Talent Acquisition

Sahay (2014) conducted a study to examine the applicability of design thinking to the strategic role of talent acquisition in organizations. The empirical research drawn from authors with less than 20 years of experience in the industry also as secondary research. The study found that the process of developing the relationships forces managers to develop a more outward look view, staying on top of cutting-edge trends, building the company's image and staying sync with customer's expectations.

Varuni and Suresh (2014) carried out a study to explore talent acquisition challenges in Non-Governmental Organization (NGOs). The study adopted exploratory research design, primary data was collected through structured questionnaires from the target populations of full time

paid employees working in the registered large NGOs. The study results found that recruitment and selection practices as element of talent acquisition should be properly planned and designed to obtain competent and suitable people.

Global Recruitment Trend (2016) surveyed 3,894 talent acquisition decision makers globally who work in corporate Human Resource department and have some authority in company's recruitment solutions budget. The survey respondents were linked in members who were selected based on their information in their LinkedIn profile and contacted via email. The survey findings reveal that 46% of the respondents noted that obstacles to attracting top talent is finding candidates in high demand talent pool and only 33% of the talent leaders believe that their methodologies of measuring quality of hiring are strong.

2.4.4 Knowledge Management

Jelena *et al.,* (2012) conducted a study on the impact of knowledge management on organizational performance. The impact of KM practices on performance was empirically tested through structural equation modeling. The sample included 329 companies both in Slovenia and Croatia with more than 50 employees. The study found that knowledge management practices measure through information technology; organizations and knowledge positively affect organizational performance.

Yasir *et al.*, (2013) conducted a study on the impact of knowledge management on organizational performance in the Public and Private Sector in Parkistan. The study used primary data and adopted descriptive research design. The study showed KM strategy learning and information technology has significant relationship with organizations performance in terms of Return on Investment (ROI). The study concluded that KM has positive impact on organizational performance at R^2= 45.7%.

Scharf and Silveira (2013) conducted a study to identify the relevance of KM actions specifically in the categories of knowledge, human capital and innovation adopted by one of the leading companies in the private security market of Santa Catarina. Descriptive research

design was adopted. The study results confirm feasibility of KM in companies in the sector, although the process is not formalized in private security organization of Santa Catariana. The study further noted that investment in human capital is fundamental in the sector and practices such as organization processing, retention of information and communication should be done in a strategic manner.

2.4.5 Skills Development

Onsomu, Nngware and Manda (2010), conducted a study to examine the contribution and association of skills to a county's competitiveness. The study used panel data from 84 countries in estimating an empirical model. The study found that dynamic requires institutionalizing high level technical skills development and on-job-training programmes in various firms that provided company specific general skills to employees. The study recommends increased participation in secondary education and technically oriented courses in tertiary education and program that encourage skills transfer from foreign companies.

Morakabi and Hendrick (2012) conducted a study to determine the relationship between skills development and job satisfaction. The sample size was 17 employees. The response rate of 70.8 per cent was achieved. The study adopted a case study and exploratory research design. Questionnaire was used as the data collection tool. The study adopted descriptive statics. The study result found employees have positive perception regarding skills development.

Mehrabani and Mohamad (2015) conducted a study to develop leadership skills development model and measure, based on its effect on organizational effectiveness and moderator effect of knowledge sharing. Using survey, this paper investigates the validation of measures and model of the study. Reliability and validity was tested. The study findings proposed a structural mode and measure of leadership skills development.

2.4.6 Employee Performance

Chelimo (2011) did a research project to investigate the factors affecting performance of Security Department of Kenya Power and Lighting Company. The study employed descriptive

research design and stratified sampling design. The study found that 56.7 per cent of the respondents were of the view that the main critical factor that affects performance is supervision of guards by security officers in safeguarding of the company property, the equipment and systems affect performance by up to 93 per cent and honesty and integrity affect performance by up to 77 per cent.

Aderinto and Omotoso (2012) conducted a study on Assessing the Performance of Corporate Private Security Organizations in Crime Prevention in Lagos State, Nigeria. Data were obtained using a combination of a questionnaire and in-depth interview methods. Copies of questionnaires were administered to 1200 respondents in gated neighborhood in four local government areas of Lagos. The study found that 46.5 per cent of the respondent's perceived performance of corporate security guards to be fairly effective, and 18.7 per cent perceived them to be ineffective.

Wekesa *et al.,* (2013), conducted a study on Assessment of Human Resource Management Practices on Organizational Performance in the Private Security Industry in Kenya. The target populations were employees of five selected industry in Nairobi, Mombasa and Nakuru. The study adopted descriptive research design. The data analysis was done by use of measure of central tendency and dispersal. The study recommends training of HR managers on the emerging HRM practices for improved organizations performance in the sector.

Oanda (2013) carried out a study on challenges of strategy implementation in Private Security Companies in Kenya. The study targeted Private Security Companies in Kenya, who are registered with Kenya security industry association. The study adopted a survey research design. The respondents were senior and middle level managers. The study found that the most frequent challenges in strategy implementation among the Kenya's Private Security industry were that implementation took more time than originally allocated, poor and improper communication, lack of skills and capabilities for executing strategy due to in adequate training, improper management and environmental uncertainty.

Inyang and Abraham (2014) in their study explored the Role of Private Guard Companies and Crime Control in Akwa State, Nigeria. The survey research design was utilized to a study sample of 160 respondents of different categories of people who constitutes the Private Security Practitioners in Akwa Ibom State as well as members of the public who reside in community where there private guard companies offer their services. The study found that the private guard business in Nigeria has been infiltrated by unregistered and unlicensed persons. The study recommended amendment of Private Guard Company's Act to check on a number of abuses most especially in regard to training and appropriate facilities or working tools.

Gatoto, Wachira and Mwenda (2015) did a study to identify the Service Quality Strategies by Private Security Industry in Kenya. The study adopted descriptive research design. The target population was 60 managers from the companies under Kenya security industrial association (KSIA), within Nyeri County. The study recommends that to enhance service quality, the private security industry should create a synergy between service processes. The variables, employee capacity, service process and relationship with the stakeholders had significant relationship with service quality.

2.5 Critique of the Literature

A critique is a systematic way of objectively reviewing a piece of research to highlight both its strengths and weaknesses, and its applicability to practice (SLC, 2012). First, Wekesa *et al.*, (2013), conducted a study on assessment of human resource management practices on organizational performance in the private security industry in Kenya. However, the study failed to enrich the analysis and samples were drawn from only five companies. Therefore, further research can be done to identify the causal relationships between human capital practices on employee performance in the PSI.

Secondly, Aderinto and Omotoso (2012) conducted a study on assessing the performance of corporate Private Security Organizations in crime prevention in Lagos State, Nigeria. The study found that 46.5 per cent of the respondent's perceived performance of corporate security guards to be fairly effective, and 18.7 per cent perceived them to be ineffective. Overall, corporate

private security organizations were perceived to be relevant in crime prevention in Lagos State. However, the study did not identify the strategic interventions required, and key HCM practices can enhance employee performance in the sector in Nigeria.

Third, the study argues that there is no standard measure of industry or employee and firm performance. Guest, (2011) and Odhong *et al*., (2014) both explained those employees' and firm's performance can be viewed in different perspectives: financial and non-financial performance. Even the firms' balance scorecards rely on specific indicators. This reveals that studies in HCM and performance have not determined a specific, standard and precise meaning for the organizational performance construct.

As a result there is no common theory concerning employee performance, and that study utilizes different indicators or variables, both financial and non-financial to measure this construct. Human Capital Management researchers and professionals might need to give crucial and special consideration to filling such a gap. In addition, the study argues that there are no "one –size-fit-all" human capital management practices.

Lastly, generally work within human capital framework assumes that labour markets work rationally and efficiently and that, once schooling has developed certain aspects of human capital, the labor market will allocate people to occupations that are appropriate for their level of skills and knowledge (Omolo, 2013). The study challenges this framework since it does not take into account labour market dynamics, and segregated labour markets where some people irrespective of their level of education or competency are allocated to particular jobs on the grounds of race, gender, or assumptions about class among others. The practice creates challenges in the labour market.

In addition, based on human capital theory framework, schooling is not the same as learning. Schooling can be continual and learning is continuous, however, the two cuts across. The human capital theory also has not taken into account the fact that there are socioeconomic

challenges that affects one schooling and access to quality education and training, which in the long run affects one's ability to get quality jobs.

2.6 Summary of the Literature

The main objective of the study was to establish the influence of human capital management practices on employee performance in the private security industry. The study focuses on private security guards as the unit of observation and PSI as the unit of analysis. The study independent variables include: employee engagement, training, talent acquisition, knowledge management, and skills development. The study has discussed the background and understanding of the human capital practices and the private security industry.

The study sought to apply the judiciously chosen internal best practices called the drivers as the independent variables that enhances employee performance in PSI. The drivers were adopted by the study to help decision makers focus their efforts on the most critical organizational issues and practices. This is supported by the best fit theory of HCM, that holds that different types of human capital strategies will be suitable for different types of businesses strategies and that there is no *one-size fit-all* practices. The study identifies the delta model and human capital theory and model as the underpinning models that demonstrates the concept of the study.

The study recognizes the practices as a coherent and collaborative approach to human capital management in every organization to achieve a sustainable competitive edge. The study needed internal fit which is the recommended practice, when organization is developing a range of interconnected and mutually reinforcing HCM policies and practices. The study seeks to improve the performance, promote decent job creation and competitiveness in the PSI through identifying the HCM practices that are the best fit and seem to be "*what works*" for the industry among other factors for sustainable growth and development of human capital and the industry.

2.7 Research Gaps

The research gaps describe how the study deviates from other studies. The study has departed from the empirical studies reviewed in previous discussions in various ways: First, even though

the studies have been done in PSI, none has considered strategic intervention through HCM practices. The studies by Omolo, (2015) and Kaguru and Ombui (2014) only emphasized on regulatory frameworks and compliance but did not look at the human capital management aspect, which is very key.

Secondly, the study also sought to improve the concept of Human Capital. The various literature reviewed has led to the advancement has led to identification of the best fit management practices that will measure employee performance in PSI. In addition, there are no "*one–size-fit-all*" human capital management practices and improve productivity. Third, the study adopted both theories and models as well as conceptual framework, to enhance understanding, explanation and study predictions, a view supported by Vermaas (2014) in the book chapter, descriptive design theories and models. In the study the Delta Model was used strike a balance between the external fit, internal fit and fit between the macro and micro level of HCM. This proves different from the views given by (Oanda, 2013; Wekesa *et al.,* 2013 & Chelimo, 2011) in their studies in the PSI. The study has also emphasized on the information technology as key indicator, as emphasized by Ababneh and Shrafat (2014) in their new concept of HCISs that has not been done by many authors in the PSI in Kenya.

Finally, Were *et al.*, (2012) suggested that an overview of the security situation in Kenya reveals several sophisticated and complex challenges that allow an in-depth study on performance with a view to improving service delivery and HCM in the security sector. The study sought to fill the gap created by Were *et al.*, (2012) through strategic intervention, by applying HCM practices, and translating the research finding into policy options. The study on PSI is a relatively anew area of research to both researchers and scholars hence more studies needs to be carried out in this sector. The study, therefore, intends to fill these gaps in the literature by studying the selected independent variables and contributing to the body of knowledge.

CHAPTER THREE
RESEARCH METHODOLOGY

3.1 Introduction

The chapter presents the research design, the population to be studied, the sample size, and the sampling technique. The chapter also presents: pilot testing, the validity and reliability; data collection tools, data analysis and presentation. Guzys, Virginia, Amanda & Threlkeld (2015) defined methodology refers to the rules, strategy, design principles or frame of paradigm that guides the research method undertaken.

3.2 Research Design

A research design is used to structure the research to address the research questions. Cooper and Schindler (2014) explained that research design is the strategy for a study and the plan by which the strategy is to be carried out. It specifies the methods and procedures for the collection, measurement and analysis of data. Kothari and Garg (2014) describe a research design as the arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose with economy in procedure.

The study adopted descriptive research design. The descriptive research designs describe the phenomenon. Descriptive studies are designed primarily to document what is going on or what exists (Trochim *et al.,* 2016). Serekan (2010) explained a good research design has a clearly defined purpose and has consistency between the research questions and the proposed research methods. Cooper and Schindler (2014) posits that, if the research is concerned with finding out who, what where, when or how much, then the study is descriptive.

3.2.1 Research Philosophy

The study adopted positivism research paradigm since the study involves hypotheses testing and thus seek to obtain the objective truth or reality and also predict what may happen in future. The study took a viewer/observer approach. This is supported by Aligu, Bello, Kasim & Martin (2014) who in their study argue that positivism could be regarded as a research

strategy and approach of the viewer and observer. The positivism paradigm of exploring social reality is based on the philosophical ideas of the French Philosopher, August Comte (Thomas, 2010).

The study is a descriptive research. Walliman (2011) noted that since descriptive research attempts to examine situations in order to establish what the norm is, that is, what can be predicted to happen again under the same circumstances, positivism research paradigm is appropriate. Thomas (2010) also stated that the observation and reason are the best means of understanding human behavior, true knowledge is based on experience of senses and can be obtained by observation and experiment.

In addition, Aligue *et al.,* (2014) explains that positivist paradigm emphasizes that genuine, real and factual happenings could be studied and observed scientifically and empirically and could as well be elucidated by way of lucid and rational investigation and analysis. The study, therefore, agrees by the authors views and Vermaa's (2014) conclusion that, research philosophy is a rich and multifaceted source for understanding, scientific theories and models and their testing.

3.3 Population of the Study

In the study, the focus of analysis was PSI and the unit of observation was the PSGs. Sekeran (2010) defines population as the entire group of people or things of interest that the researcher wishes to investigate, and Williman (2011) defines population is a collective term used to describe the total quantity of cases which are the subject of your study. Therefore, population is the total number of elements or observations that the study wishes to make some inferences on. Therefore, the target population was 150,000 PSGs who are estimated to be in Nairobi by 2016 (KNPSWU, 2016).

3.4 Sampling Frame

The sampling frame for the study is the merged list of private security industry companies obtained from KSIA and PSIA. The merged list of members is then arranged in alphabetical

order for ease of identification (See Appendix 4). Sampling frame is the list of elements from which the sample is actually drawn (Cooper & Schindler, 2014). Gujarati & Porter (2010) define a sample as a subset of the population.

3.4.1 Sample Size

Williman (2011) argued that no sample will be exactly representative of a population. Williman (2011) further stated that sample is the small part of a whole population carefully selected to show what the whole is like. Kothari and Garg (2014), stated that in case of finite population as in the study, the below stated formula will be applicable to determine the appropriate sample size that will be a true representative of the population.

$$n = \frac{z^2.p.q.N}{e^2(N-1) + z^2.p.q} \quad \text{.....3.1}$$

where p = sample proportion of the characteristics of the population

$q = 1 - p$;

z = the value of the standard variant at a given confidence level and to be worked out from table showing area under Normal Curve; for example, z=1.96, if tested at 95% confidence level

n = size of sample.

e = error margin

N= target population

Z=1.96, if tested at 95% confidence level.

(i) Calculation of the study sample size

The target population is 150 000 security guards. The estimate is within 2 per cent of the true value with 95 per cent confidence level. In this case, e(error margin) in this case is 0.02; level of significance is 0.05 %; Z-tabulated value is 1.96.

N = 150,000

e = .02 (since the estimate should be within 2% of true value);

z = 1.96 (as per table of area under normal curve for the given confidence level of 95%).

Let me assume p to be p = .02 (This may be on the basis of my experience or on the basis of past data).

$$\frac{(1.96)^2(0.02)(1-0.02)(150{,}000)}{(0.02)^2(150{,}000-1)+(1.96)^2(0.02)(1-0.02)} = 188.004 = 189 \quad \ldots\ldots 3.2$$

In the study, after proportional allocation of samples, oversampling was experienced. Oversampling was experienced from 189 to 213, which according to the study, the difference of 24 catered for possible attrition and non-response. Oversampling simply means using a sampling rate which is greater or generally substantially greater than Nyquist rate. The Nyquist rate is the sampling theorem/computed sample size determined by the formulae in equation 3.2) due to experienced imbalanced dataset. This is supported by Hernandez, Ariel & Francisco (2013) explained that dealing with a problem of imbalanced datasets is by applying some oversampling or under sampling techniques so as to improve the accuracy of instance selection methods on imbalance datasets. See Appendix 4 for the sampling frame.

(ii) Calculation of sample size of the companies whose employees were interviewed.

The total number of companies is 112 companies. The estimate is within 2 per cent of the true value with 95 per cent confidence level. In this case, e(error margin) in this case is 0.02; level of significance is 0.05 %; Z-tabulated value is 1.96.

$N = 112$

$e = .02$ (since the estimate should be within 2% of true value);

$z = 1.96$ (as per table of area under normal curve for the given confidence level of 95%).

Let me assume p to be $p = .02$ (This may be on the basis of my experience or on the basis of past data).

$$\frac{(1.96)^2(0.02)(1-0.02)(112)}{(0.02)^2(112-1)+(1.96)^2(0.02)(1-0.02)} = \mathbf{71} \text{ companies} \quad \ldots\ldots 3.3$$

Systematic random sampling was used to obtain the sample from the population. This is because systematic random sampling procedure provides an unbiased and efficient sampling technique, and it is preferred when multiple sampling technique are implemented like in the case of the study. The following procedure was followed in systematic random sampling: First, all PSIA and KSIA companies were merged and arranged in alphabetical order. Secondly, random sampling was done through *lottery method* to which number *48* was obtained from random sampling *with replacement*. Number **48** is the integer that was selected. Third, the interval was determined = 112/71= **1.577 = 2.** Meaning that for every 2nd company after 48, was selected. Lastly, from the list of 112 companies, 71 companies were selected systematically.

3.5 Sampling Techniques

The study adopted systematic random sampling and purposive sampling techniques. Systematic random sampling is employed to identify the private security firms whose employees were interviewed. According to Baran and Jones (2016), in systematic random sampling, there is an equal chance (probability) of selecting each unit from within the population when creating the sample frame. The study adopted systematic random sampling since it is easy to select and reduces the potential for human bias in the selection of cases.

Baran and Jones (2016) explained that to create systematic random sampling, there are seven steps, namely: Defining the population; Choosing sample size; Listing of the population; Assigning numbers to cases; Calculating the sampling fraction by dividing sample (s) with the total population size (N); Selecting the first unit from the random number table and Selecting sample.

The study adopted purposive sampling also known as judgmental, selection or subjective sampling to focus on particular characteristics of a population that are of interest, which could best answer the research questions since it is based on the random means (Cooper & Schindler, 2014). It is suitable for the study since it is flexible, enables the researcher to select a sample based on purpose of the study, the company whose employees are interviewed are known also based on knowledge of the population. With purposive sampling it is easy to get the sample of subjects with specific characteristics (Williman, 2011).

3.6 Data Collection Instruments

The study adopted triangulation technique in data collection since the study sought to obtain a comprehensive understanding of the existing challenges of performance of the PSGs in PSI. Carter, Byant, DiCenso, Blythe, and Nevile (2014), defined data triangulation as the use of multiple methods of data sources in qualitative research to develop a comprehensive understanding of the phenomenon. Hence, the study adopted both structured and unstructured questionnaires, participant interview guide and key informant interview guide provided in

Appendix 2 and 3 as data collection tools. Primary data was collected, cross sectional in nature.

According to Williman (2011), questionnaires are particularly suitable tool for collecting data and enable the researcher to organize the questions and receive replies without actually having to talk to every respondent. The study also adopted qualitative interview guide as a tool to help get in depth information. Baker and Edwards (2012) argued that successful field research depends on the investigator's trained abilities to look at people, listen to them, think and feel with them and talk to them. The study also used key informant interview guide as a data collection tool. This is supported by Fabeil (2013), that key informant interview guide serves as s suitable way to gather relevant information needed to address the knowledge gaps, since it provides information from knowledgeable people in the sector.

3.7 Pilot Testing

Cooper and Schindler (2014) explained that a pilot test is conducted to detect weakness in design and instrumentation to provide proxy data for selection of probability sample. Therefore, pilot test draw subjects from the target population and stimulate the procedures and protocols that have been designated for data collection (Mugenda & Mugenda, 2010). For example, if the study is a survey to be executed by mail, the pilot should be mailed. Cooper and Schindler (2014) noted that for most student questionnaires, the minimum number for pilot is 10 responses, although for large surveys between 100 and 200 responses is usual. Hence this study recognizes pilot testing an important process of carrying out a preliminary study or assessment, going through the entire research process with a recommended small sample size.

Simon (2011) also posited that a sample size of 10-20% of the sample size for the actual study is reasonable number of participants to consider enrolling in a pilot. The study ensured thorough pre-test of the data collection instruments in the study is done to avoid non-responses bias by detecting the existing questionnaire problem, revising the questionnaire, allocating maximum data collection period, sending reminders to potential respondents and also maintaining confidentiality. Pre-test is the small-scale *trial* of the data collection

tools/instruments. The study considered 5 questionnaires for pre-test, which was 20% of the 22 questionnaires which was considered for the pilot test.

3.7.1 Reliability of the Instrument

According to Mugenda and Mugenda (2010), reliability is using the internal consistency technique where data is determined from scores obtained from a single test administered. Cronbach's Coefficient Alpha was computed to determine how items correlate among themselves. The interpretation of the result is that a high coefficient will imply that items correlate highly among themselves. According to Sekaran, (2010) a value of at least 0.7 is recommended. Cronbach's Alpha is a general form of The Kunder-Richardson $(K\text{-}R)_{20}$ formula:

$$KR_{20} = \frac{(K)(S^2 - \sum s^2)}{(S^2)(K-1)} \quad \text{.....3.4}$$

Where KR_{20} = Reliability coefficient of internal consistency;

K = Number of items used to measure the concept

S^2 = Variance of all scores

s^2 = Variance of individual items.

3.7.2 Validity of the Instrument

According to Cooper and Schindler (2014), there are two types of validity: internal validity and external validity. Internal validity seeks to explain if the conclusions drawn about a demonstrated experimental relationship truly imply cause. Validity determines whether the findings are really about what they appear to be about. Yong & Pearce (2013) stated that various techniques of determining validity include: Expert opinion, Bartlett's Sphericity test, exploratory and confirmatory factor analysis. The study adopted Bartlett's sphericity test and expert opinion. The goal of factor analysis is to find the latent structure of the dataset by uncovering common factors (Hooper, 2012). Table 4.3 shows the validity test results.

Pilot tests was done to help find out if the sampling methodology was right, testing technical appropriateness of the instruments, for example, detect any questionnaire problem and establish logistics. The study adopted Bartlett's Test to test if the items used in the structured questionnaire to measure the various domains. The questionnaire was revised after pilot test to avoid any questionnaire error, during the main data collection.

3.8 Data Analysis and Presentations

The study adopted descriptive data analysis, use of statistical inferences and hypothesis testing. According to Pedace (2013) and Kothari and Garg (2014) statistical inferences and hypothesis testing focus on the process of making generalizations for a population from sample drawn from it. The descriptive statistical tools help in describing the data and determining the respondent's degree of agreement with the various statements under each factor (Cooper & Schindler, 2014). Statistical inferences thus study the relationship between a population and a sample drawn from the population (Gujarati & Porter, 2010).

The study adopted the Likert Scale data. Using the indicators in the conceptual framework, statements were given based on a Likert Scale ranging from 1-5; Strongly Agree; Agree, Never, Disagree and Strongly Disagree. Boone and Boone (2012) Likert-scale data require unique data analysis procedures, and further suggested that for Likert scale: to measure central tendency – use mean; for variability – use standard deviation; for associations/inferences – use Pearson's r; Regression, ANOVA, and t-test.

Both qualitative and quantitative techniques of data analysis were employed. Nicholas (2011) explained that quantitative analysis deals with data in the form of numbers and uses mathematical operations to investigate their properties. Data analysis was done with the help of STATA version 15.0. The STATA offer software that effortlessly accesses data from databases, spreadsheets data warehouses or data marts (Cooper & Schindler, 2014). Key diagnostic and parametric tests were carried out to help draw up conclusions. The study summarized data from the key informant interviewees, and took note of key points.

3.8.1 Test for Sample Adequacy

Kaiser-Meyer-Oklin (KMO) Measure of Sample Adequacy (MSA) and Barlett's Sphericity test was used in factor analysis. The KMO and Barlett's Sphericity Test is a measure of sampling adequacy that is recommended to check the case variable ratio analysis being conducted. According to Gujarati (2012), the KMO measure of sample adequacy for variable x_j is given by the formula: $KMO_i = \frac{\Sigma_{j \neq} r^2_{ij}}{\Sigma_{i \neq} r^2 + \Sigma_{i \neq j} u^2_{ij}}$ ……..…….3.5

where the correlation matrix is R $= \lfloor r_{ij} \rfloor$ and the partial covariance matrix is U $= \lfloor u_{ij} \rfloor$. The overall KMO measure of sample adequacy is given by the above formulae taken over all combinations and $i \neq j$. Interpretation: KMO takes values between 0 and 1, but the world-over accepted index is over 0.6.

Bartlett's Test by Snedelor and Cochran formulated in 1983 is used to test if samples have equal variance. It is a test of homogeneity of variance (Per, 2012). According to Per (2012), Bartlett's Test of Sphericity relates to the significance of the study and thereby shows the validity and suitability of the responses collected to the problem being addressed through the study. For factor analysis to be suitable, the Bartlett's Test of Sphericity must be less than 0.05. The study adopted Bartlett's Test of Sphericity for factor analysis, a view argued by Chang, Witteloostuijn and Eden (2010) that the study has to take *ex ante* measures such as use of data triangulation, quantitative and qualitative indicators and *ex post* measure such as conducting statistical remedy, a view supported by Chang *et al*., (2010).

3.8.2 Correlation Coefficient Analysis

Correlation coefficient analysis was used in the study to identify sign, the strength and direction of relationship between the variables. Correlation coefficient is used to measure the size and direction magnitude of relationships between the two variables (Mugenda & Mugenda, 2010; Pedace & Roberto, 2013). Williman (2010) explained that the commonly used coefficients assume that there is a linear-relationship between the two variables, either positive

or negative. Test for multicollinearity was conducted to establish multiple relationships between the variables. This was detected through inconsistent parameter estimates, high R^2 and Variance Inflation Factor (VIF), where VIF $= \frac{1}{1-R^2}$, ……..3.7

Interpretation: VIF= $\succ 5$) (Gujarati & Porter, 2010). Pedace (2013) also explained that the presence of multicollinearity makes the standard errors of the affected coefficient to be large and also affects calculations regarding the individual predictions.

Test for heteroskedasticity was conducted through Breusch Pagan test or graphical examination residual to determine if variance varies from unit to unit. Breusch Pagan test was developed in 1979 by Trevor Breusch and Adrian Pagan to test for heteroskedasticity in a Linear Regression Model. Hetereskedasticity means unequal variance (Pedace, 2013; Gujarati & Porter, 2010). Pedace (2013) explained that hetereskedasticity occurs when the variance of the error term changes in response to a change in the value(s) of the independent variable(s). This shall be detected through larger residuals, expressed as $Var(£|Xi) = \pm^{2}_{i£} (j = 1,2,.....N)$ ……..….3.8

3.8.3 Multiple Regression Model

The study adopted multiple regression analysis. Gujarati and Porter (2010) defined multiple regression models is a regression model with more than one explanatory variable or control variable. The explained variable or the regressand variable, (employee performance) was regressed against five explanatory variables or regressor variables, (employee engagement, training, talent acquisition, knowledge management and skills development). The equation of firm performance was expressed in the following multiple regression model.

$$Y = {}_0 + {}_1X_1 + {}_2X_2 + {}_3X_3 + {}_4X_4 + {}_5X_5 + £ \quad \text{.....3.9}$$

Where Y_s = Employee performance

$_0$ = Constant

X_1 = Employee Engagement

X_2 = Training

X_3 = Talent Acquisition

X_4 = Knowledge Management

X_5 = Skills Development

£ = error term

$_1X_1$ ---------- $_5X_5$ coefficient of determination, (R^2) of five variables.

The study adopted model specification test. Ramsey RESET test was conducted to confirm if the best form of the model has been adopted. The study recognizes the test as the first and most critical of these stages in data analysis. Frost (2017) argues that it is easier to check the residual plots as a way to avoid biased models. In the study the value of R squared was used to explain the magnitude or the strength of the relationship between the explanatory and the explained variable studied. R^2 is the measure of the explanatory power of the model. In summary, Choi, Florian and Miller (2016) stated that R-squared should not be viewed as the bottom line for evaluating a regression result but the statistical significance.

In addition, rigorous analysis requires an evaluation of regression models that places the R-squared in context of the quality and type of data being used along with the overall threshold justification for the variables within the model. Choi *et al.,* (2016) noted that there is no support empirically or theoretically for accepting or dismissing a regression model on the basis of the R-squared value. Hence concluded, that there is no "good value" for R-squared value, and high R-squared value by itself cannot validate a regression model.

The regression analysis results was used in the study to determine the study key driver to help decision makers focus their efforts on the most critical organizational issues or practices. According to Cucina, Walmsley, Gast, Martin and Patrick, (2011), it is an analysis that attempts to identify a set of survey items called drivers, which have the greatest impact on a specified organizational outcome – best practices. Colias (2017) explained that the technique is useful for working out the most important predictor variables for some outcome of interest in a study.

3.8.4 Definition and Measurement of Variables

The study variables, definition and measurements are shown in Table 3.2, indicating the measurement of each study variables. Nicole (2011) defined the Likert Scale as an ordinal psychometric measurement of attitudes, beliefs and opinion. In each statement presented the respondent must indicate a degree of agreement or disagreement in a multiple choice type format, therefore, it is ordinal because the variables have attribute that can be ranked. Using the indicators in the conceptual framework, statements are given based on a Likert Scale ranging from 1-5; Strongly Agree; Agree, Never, Disagree and Strongly Disagree and three open ended questions. Table 3.2 shows the measurement of variables.

Table 3.1: Measurement of Variables

Variable	Measurement
Employee Engagement	Statements given and analysis were based on a Likert Scale ranging from 1-5; (Strongly Agree; Agree, Never, Disagree and Strongly Disagree) and open ended questions
Training	Statements given and analysis was based on a Likert Scale ranging from 1-5; (Strongly Agree; Agree, Never, Disagree and Strongly Disagree) and open ended questions
Talent Acquisition	Statements given and analysis was based on a Likert Scale ranging from 1-5; (Strongly Agree; Agree, Never, Disagree and Strongly Disagree) and open ended questions
Knowledge Management	Statements given and analysis was based on a Likert Scale ranging from 1-5; (Strongly Agree; Agree, Never, Disagree and Strongly Disagree) and open ended questions
Skills Development	Statements given and analysis was based on a Likert Scale ranging from 1-5; (Strongly Agree; Agree, Never, Disagree and Strongly Disagree) and open ended questions.
Employee Performance	Statements given and analysis was based on a Likert Scale ranging from 1-5; (Strongly Agree; Agree, Never, Disagree and Strongly Disagree), and Open ended questions. Respondents' views sought for the period 2015-2017.

3.8.5 Analysis of Variance

The study adopted analysis of variance. The inferential statistics such as parametric test which include: Analysis of Variance (ANOVA) was be used to test the significance of the overall model at 95% level of confidence (Cooper & Schindler, 2014). According to Ngugi (2013), Analysis of Variance is used because it makes use of the F-test in terms of squares residual.

The study results were interpreted from the computed ANOVA table for the linear and non-linear components of any pair of variables (Garson, 2012). To interpret ANOVA, if the F-significance value for the non-linear component is below the critical value, then there is significant non-linearity.

3.8.6 Test for Hypothesis

Hypothesis is a statement of prediction Trochim *et al.*, (2016). When testing an assumption or prior belief about a population parameter (such as a mean, variance or regression coefficient), the assumption is typically labeled, Null Hypothesis (H_o). The H_o is tested against the Alternative Hypothesis (H_a). At the conclusion of the hypothesis testing, one should either reject or accept the null hypothesis (Pedace, 2013). The equation 3.9, was used to test the null hypothesis. Cooper and Schindler (2014) observe that multiple regression analysis indicate whether the individual hypothesis is statistically supported or not. t-test was used to test the significance of Y on the influence of independent variables: X_1 = EE; X_2 = Training; X_3 = TA; X_4 = KM and X_5 = SD at 5% level of significance.

3.8.7 Test for Assumption of Normality

Test for assumption of normality was necessary for the study and that violation of the assumptions may change the conclusion and interpretation of results or give in correct values. According to Statistical Solutions (2016), normality means that the distribution of the test is normally distributed (or bell-shaped) with asymmetric bell shaped curve. The study adopted the assumption of normality by observing the Skewness and Kurtosis. For interpretation: Skewness should be within the range of ±2 and Kurtosis values should be within range of ±7. Ghasemi and Zahediasi (2012) further explained that normality assumption allows what needs to be considered for validation of data presented. Normality can also be assessed visually using histogram or based on assumption of observations ≥ 30.

3.8.8 Test for Outliers

Test for outliers was carried out in the study, during data cleaning since this is an observational research and that checking outliers a routine part of data analysis. According to Ekezie and Ogu

(2013), outliers are unusual data values that occur almost in all research projects involving data and especially true in observational studies where data naturally take on very unusual values. The graphical techniques such as simple normal probability plot or histogram was used to show any obviously outlying points.

3.9 Data Presentation

Data presentation involves classification and tabulation of data. Presenting data is, of course, more than a good table or an informative graphic, or figures. The words that describe that data must also be correct, clear, concrete, concise, complete and consistent (Hennessy, 2014). Ombui (2014) observed that data can be presented using statistical techniques, graphical techniques or a combination of both. Both Quantitative and Qualitative data are presented through descriptive statistics, statistical techniques (estimation) and graphical techniques and tables.

CHAPTER FOUR

RESEARCH FINDINGS, ANALYSIS AND DISCUSSIONS

4.1 Introduction

The study sought to establish the influence of human capital practices on employee performance in the PSI in Kenya. The chapter provides descriptive analysis, results and findings of the study. Various diagnostic tests such as Cronbach's Coefficient Alpha, KMO, heteroskedasticity, normality, and linearity were conducted. To establish magnitude of the relationships, correlation and regression analysis, ANOVA and beta coefficient among others tests were conducted.

4.2 Response Rate

In the study, a total of 150 of the 213 sampled responded to the study questionnaire. This translates to a response rate of 70.42%, while 63(29.58%) did not return/respond to the questionnaires. The response rate of 70.42% gave the study high degree of representativeness that could be relied upon confidently to generalize the respondents' views. The study adopted triangulation approach on data collection tools, which gave the study a robust communication plan, which help to increase participation in employee surveys, and also the personal follow-ups was proved to have increased response rate to the acceptable level.

The results concurs with the recommendation of American Association for Public Opinion Research (AAPOR) report of 2015, which stated that the average and also reasonably acceptable response rate is 60% ±20 that can be used to generalize the characteristics of the study problem as expressed by opinions of the respondents in target populations. This means that anything below 40% is not reasonably acceptable and would generate validity issues. Table 4.1 shows the study response rate.

Table 4.1: Response Rate

Questionnaires	Frequency	Percent
Response	150	70.42
None Response	63	29.58
Total issued	213	100

4.3 Pilot Testing Results

A pre-test and Pilot study was conducted to establish validity and reliability of the study instruments. The test was done to help find out if there is consistency, sampling methodology was right, testing technical appropriateness of the instruments, for example, detect any questionnaire problem, and establish logistics. The Cronbach's Coefficient Alpha result was computed to determine how items correlate among themselves. The high coefficient above 0.7 implied that items correlate highly among themselves. The results were consistent with the recommendations by Sekaran, (2010), that a value of at least 0.7 is recommended. Table 4.2 shows the reliability analysis results for the pilot study.

Table 4.2: Reliability Analysis of the pre-test

Independent Variables	N	Cronbach Alpha	Comment
Employee engagement	22	0.813	Accepted
Training	22	0.732	Accepted
Talent acquisition	22	0.799	Accepted
Knowledge management	22	0.851	Accepted
Skills Development	22	0.850	Accepted
Employee performance	22	0.732	Accepted

The study adopted Cronbach's Coefficient Alpha to establish internal consistency (Sekaran, 2010). Expert input from the study advisors was sought in determining the validity of the instrument while Bartlet Sphericity test was used to verify assumptions of equal variances –

testing homogeneity and the Kaiser-Meyer-Olkin was used to determine sample adequacy, both tests indicated suitability of the data for structure detection.

4.3.1 Cronbach's Coefficient Alpha

The study results show that all values for each of the independent variable and dependent variable are above 0.7. The Cronbach's Coefficient Alpha result was computed to determine how items correlate among themselves. The high coefficient above 0.7 implied that items correlate highly among themselves. The results are consistent with the recommendations by Sekaran, (2010), that a value of at least 0.7 is recommended. Table 4.3 shows the reliability analysis results.

Table 4.3: Reliability Analysis

Independent Variables	N	Cronbach Alpha	Comment
Employee engagement	150	0.713	Accepted
Training	150	0.733	Accepted
Talent acquisition	150	0.799	Accepted
Knowledge management	150	0.850	Accepted
Skills Development	150	0.850	Accepted
Employee performance	150	0.742	Accepted

4.3.2 Bartlett's Test of Internal Consistency

The study results in Table 4.4 show the Bartlett's test of Sphericity Test Statistics. The results show that the P-values in all the variables are less than 0.05. This is consistent with Per (2012), who explained that Bartlett's Test of Sphericity related shows validity and suitability of the responses collected to the problem being addressed through the study and that for the factor to be suitable the Bartlett's Spherecity must be less than 0.05.

This means that, the null hypothesis of no intercorrelation between the items of each dimension in the structured questionnaire was rejected at 1 per cent level of significance. Thus the result shows that all the values are statistically significant at 1 percent level of significance. This implies that there is internal consistency between the items of each dimension in the structured questionnaire. Therefore, simple means for Likert items from each dimension of the structured questionnaire could be used as composites for each variable without use of factor analysis. Table 4.4shows Bartlet's test results.

Table 4.4: Bartlett's Test of Sphericity

Variable	***df***	**Chi Square**	**P value**
Employee Engagement	10	43.16	0.000
Training	10	31.10	0.001
Talent acquisition	6	213.4	0.000
Knowledge management	6	161.94	0.000
Skills development	10	87.51	0.000
Employee Performance	10	39.24	0.000

4.3.3 Test of Sampling Adequacy

To test whether the sample was adequate for data analysis Kaiser-Meyer-Olkin (KMO) measure were used. The KMO measure varies between 0 and 1, and values closer to 1 are better with a threshold of 0.5. Table 4.5 shows that all the KMO test statistics were greater than 0.6. This is consistent with the recommendation by Gujarati (2012), that interpretation of KMO takes values between 0 and 1, but the world-over accepted index is over 0.6. Thus, the sample used by the study was adequate and representative of the study population. The KMO test statistics are shown in Table 4.5.

Table 4.5: Kaiser-Meyer-Olkin (KMO)Test

Variable	KMO Tests Statistics	Comments
Employee engagement	0.748	Accepted
Training	0.732	Accepted
Talent acquisition	0.873	Accepted
Knowledge management	0.769	Accepted
Skills development	0.870	Accepted
Employee performance	0.647	Accepted

4.4 Demographic Characteristics of the Study Respondents

This section presents the demographic characteristics of the study respondents. The demographics presented includes: age, gender, marital status, education, employment status, designation, salary, period of service and hours of work. The demographic characteristics were important for the study since the findings could have some implications in the PSI and the labour market. This means that the demographic results have policy implications. Mester (2017) stated that demographic trends or information has policy implications, influence supply of labour, fiscal and monetary policy, and presents challenges for policymakers.

4.4.1 Age Distribution

The age distributions of the study respondents are summarized in Table 4.6. Based on the summaries, none of the study respondents are in the age range of 15-17. This means that none of the respondents was below 18 years. The study also shows that majority 100(66.67%) of the PSGs interviewed were in the age bracket of 18-35 years old. This implies that the PSI attracts youthful workforce. According to Article 260 of Kenya's Constitution, the youth are those who are in the age range of 18-35 years. The study results concur with that of Omolo (2015) who found that majority (63.03%) of the study respondents were aged 18-35. Murunga (2015), who conducted a study to establish effects of PSGs on service delivery in Nairobi County, and found that 83(55.41%) of the security guards are of age between 21-30 and only 12(12%) are between 41-50 years.

The study results also shows that 40(26.67%) of the study respondents were in the age range of 36-47 years, 8(5.33%) were in the age range of 48-64 years and 2(1.33%) were in the age range of 65 years and above. A study by Friedrich Ebert Stiftung (2011) on wages and working conditions of private security workers in Ghana showed that more than half (54%) of the study respondents, were between ages 15-35years. Table 4.5 shows the age of the study respondents.

Table 4.6: Age Distribution

Age	Frequency	Percent
15 – 17	-	-
18 – 35	100	66.67
36 - 47	40	26.67
48 – 64	8	5.33
65 and above	2	1.33
Total	150	100

4.4.2 Gender

The study result in Figure 4.1 shows that 100(66.67%) of the study respondents were males, while 50(33.33%) were females. The implication is that there are one female guardette for every two male guards. This is an indication that the PSI is still a male dominated sector. However, the female employees are slowly coming up and breaking the occupational segregation barrier. This shows that there is an effort towards narrowing the gender gap in terms of employment opportunity and labour force participation in this sector. The study results concurs with that of Murunga (2015), who conducted a study in Nairobi County, and found that majority(79%) of the security guards were males and 21% were female.

In Kenya, generally good progress has been made towards achieving gender equality and women empowerment as one of the key pillars towards achievement of the sustainable development goals. However, according to RoK (2017), Kenyan women still remain disadvantaged economically, socially and even politically. Tochi (2018) stated that according

to World Bank report in 2018, achieving gender equality could increase human capital wealth by 18 per cent. In Kenya, the total number of men in wage employment was 16,748,000 while women stood at 8,796,000. In addition, the share of women in wage employment in public administration by 2016 was 36% as compared to men at 64% (RoK, 2017). Africa Sustainable Development Report of 2017 indicates that unless gender disparities are addressed urgently women potential contribution to economic growth will remain subdued. In conclusion, female employees are still underrepresented in employment. Table 4.4 shows the gender distribution of the study respondents.

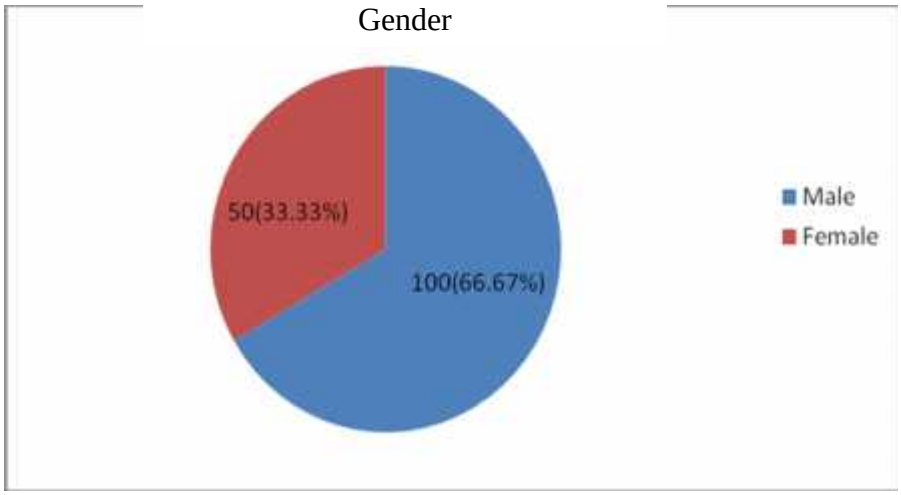


Figure 4.1: Gender of the Study Respondents

4.4.3 Level of Education

The study results presented in Figure 4.2, gives a summary of educational attainment by the respondents. According to the summary, all the respondents have some level of education. It shows that 13(8.67%) of the study respondents have attained primary level education, 105(70%) have attained secondary level education, 29(19.33%) have certificate level of education and, 3(2%) have diploma level of education. The study results on educational attainment concurs with that of Murunga (2015) who found that majority (53%) of the security guards in Nairobi County, attained secondary level of education, 26% have attained certificate level of education and 13% have attained diploma level of education. The study results also

concur with the views of Githinji (2014), who noted that majority of the PSGs have low levels of education.

Education is an important factor considered for one to access paid employment (World Bank, 2016). According to the report by Kenya National Bureau of Statistics (KNBS) and Society of International Development (SID), education is recognized as a key determinant of human development through more opportunities and enhanced earnings (KNBS and SID, 2013). In addition, the report also shows that residents of Nairobi County where the study respondents were drawn, have 2.2 times more access to secondary education than an average Kenyan. Figure 4.2 shows the level of education of the study respondents.

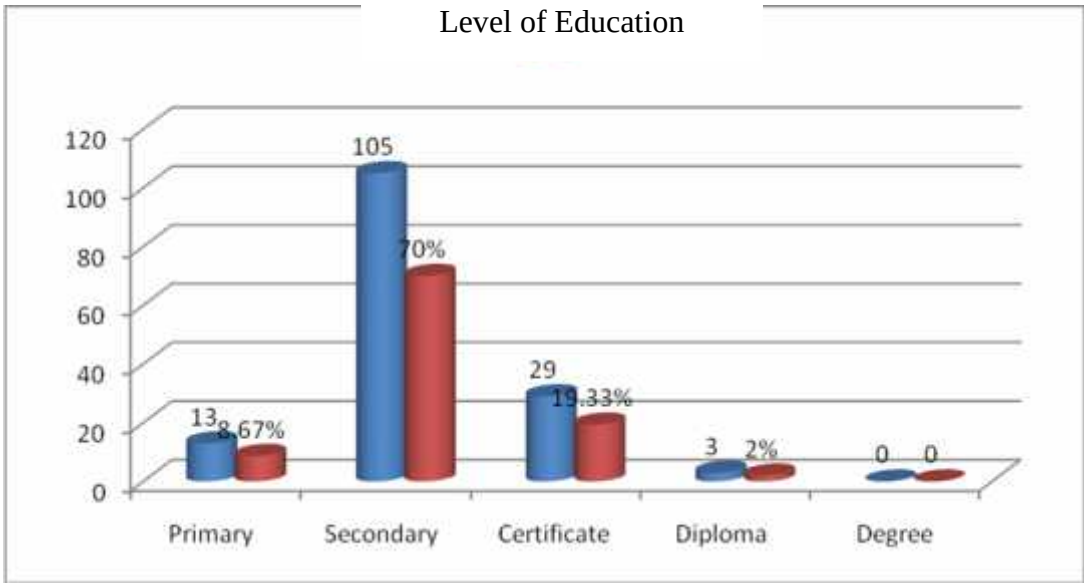


Figure 4.2: Level of Education of the study Respondents

4.4.4 Marital Status

The study results in Figure 4.3 shows that 30(20.13%) of the respondents were single, 111(74.50%) were married, 5(3.36%) were widowed, and 3(2.01%) were divorced. The summaries of the marital status of the study respondents presented in Figure 4.3 reflects that majority (74.50%) of the workforce in the PSI are married. This sends a signal to employers to improve social protection services to the workers. This finding concurs with the survey

results by Mbuvi (2015) who conducted a study on the development and growth of the Kenyan private security sector. The study found that 83.6% of the private security industry employees who were covered by the study were married, 3.3% were divorced and 3.3% were single. Murunga (2015) found that 82% of the security guards in Nairobi County who responded to the study were married. Figure 4.3 shows the marital status of the study respondents.

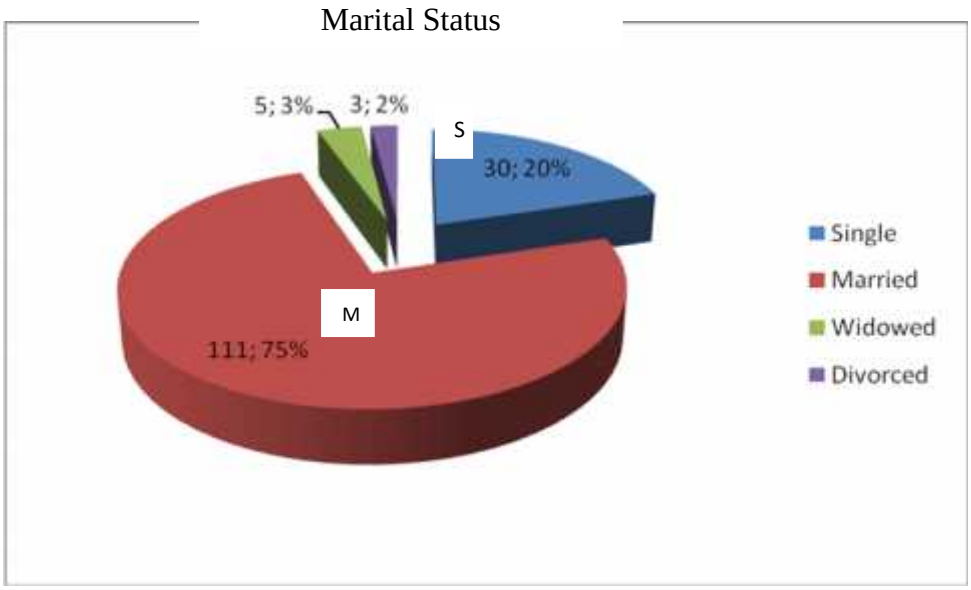


Figure 4.3 Marital Status of the Study Respondents

4.4.5 Period of Service

The study result in Table 4.7 shows that the PSGs with period of service of less than 1 year were, 34(23.27%); 1-5 years were 85(44.49%), 6 – 10 years, were 22 (15.06%), 11-15 years 4(2.74%) and finally, between 16 – 20 years, was 1(0.68%). None response was 4(3.76%), which could be attributed to the PSGs who were standing in for fellow workers. The study result shows a slight variation when compared to the study results by Mbuvi (2015) who found that 25(41.0%) of the PSGs interviewed in the study had been in the private security service for a period between 1–10 years, 18(29.5%) had served for between 11-15 years, 14.8% have served for a period between 16-20 years, 11.5 % have served for more than 20 years and 3.3% have served for less than one year. The results also concur with that of Ouma (2014) who found that majority 18(45%) of the security guards had worked for 2 – 3 years.

Table 4.7: Period of Service

Period of Service (Years)	Frequency	Percentage
Less than 1 year	34	23.27
1– 5	85	44.49
6 – 10	22	15.06
11 - 15	4	2.74
16 – 20	1	0.68
Total	146	86.24

4.4.6 Designation

Analysis of the designation of the study respondents revealed numerous classifications as presented in Table 4.8. The study results shows that 127(84.67%) are designated as guards and 10(6.67%) are designated as patrol supervisors. The occupational classification given is consistent with the study results by Alago (2015), who found that majority of employees in PSFs are guards and guardettes. Alago (2015) stated that small PSFs constitute about 75% of the total number of firms in PSI in Kenya, with each firm having on average 500 guards. It is also evident that the security guards perform several other duties in their places of deployment, implying requirement for job enlargement plans in the sector. Table 4.7 shows the designation of the study respondents.

Table 4.8 Designation

Designation	Frequency	Percent	Designation	Frequency	Percent
a) Guard	97	64.67	g) Dog handler	2	1.33
b) Patrol supervisor	10	6.67	h)Guard-maintenance	2	1.33
c) Library security	1	0.67	i) Receptionist	2	1.33
d) Guardette	30	20.00	j) Cleaner	1	0.67
e) Driver	3	2.00	k) Messenger	1	0.67
f) Guard commandant	1	0.67			

4.4.7 Salary

The study results in Table 4.9 shows that the security guards are paid monthly gross salary of up to Ksh30,000. According to the summaries presented, those earning Kshs.6000 and below were 2(1.33%); Kshs.6001-12000 were 94(62.67%); Ksh.12001-18000 were 42(28.0%); Kshs.18001-24000 were 11(7.33%) and Ksh.24001-30000 was 1(0.67%). The study results also showed that the maximum gross salary was Ksh.30,000 and minimum gross salary reported was Ksh.6,000.

The results also showed that the modal gross salary was Ksh.10,000, implying that majority of the firms pays Ksh.10,000. The median gross salary was Ksh.11,500, indicating the in-between amount earned by the PSGs. The mean gross salary is Ksh.11,743.16 Generally, the study results showed that about 96(64%) of the study respondents, earns below Kenya's minimum wage of Ksh.12.926.55 for day security guards and that of night guard is Ksh.14,420.90 in Nairobi region in 2017.

The study results concurs with that of Murunga (2015) who found that majority (80%) of the security guards are paid Ksh.10,000-15000, per month and the majority (60%) of the clients they serve are paid between Ksh.20,000 – 30,000. The results also concurs with that of Ouma (2014), who found that 45.5% of private security guards earned salary range of Ksh.7,0001 – 10,000, and 45% of the respondents earned Ksh.4001-7,000. Ouma (2014) further reported that only 5% of the guards were earning Ksh.10,001 - 13000. Table 4.8 shows gross salary range for the study respondents.

Table 4.9: Salary

Salary Range in Kshs.	Frequency	Percentage
6000 and below	2	1.33
6001-12000	94	62.67
12001-18000	42	28.0
18001-24000	11	7.33
24001-30000	1	0.67
Total	150	100

4.4.8 Employment Status

The study results in Figure 4.4, shows that 60(40.54%), of the PSGs interviewed were on permanent contracts of service, 46(31.08%) were on fixed term contract, 13(8.78%) were on temporary form of contract of service, and 29(19.59%) were on casual contract of service. Observation on employment status was key in the study since it helps in assessing rights in employment. This concurs with the findings of Ouma (2014) who found that 27(67.5%) of the security guards were on casual contract of service, 9(22.5%) were on fixed term contract of service and 4(10%) were on permanent contract of service. In addition, the ILO(2017) report indicated that on average, having a higher share of temporary employment by 10% is associated with lower average wages by 20.6% and lower productivity by 19%. Figure 4.4 shows the employment status of the study respondents.

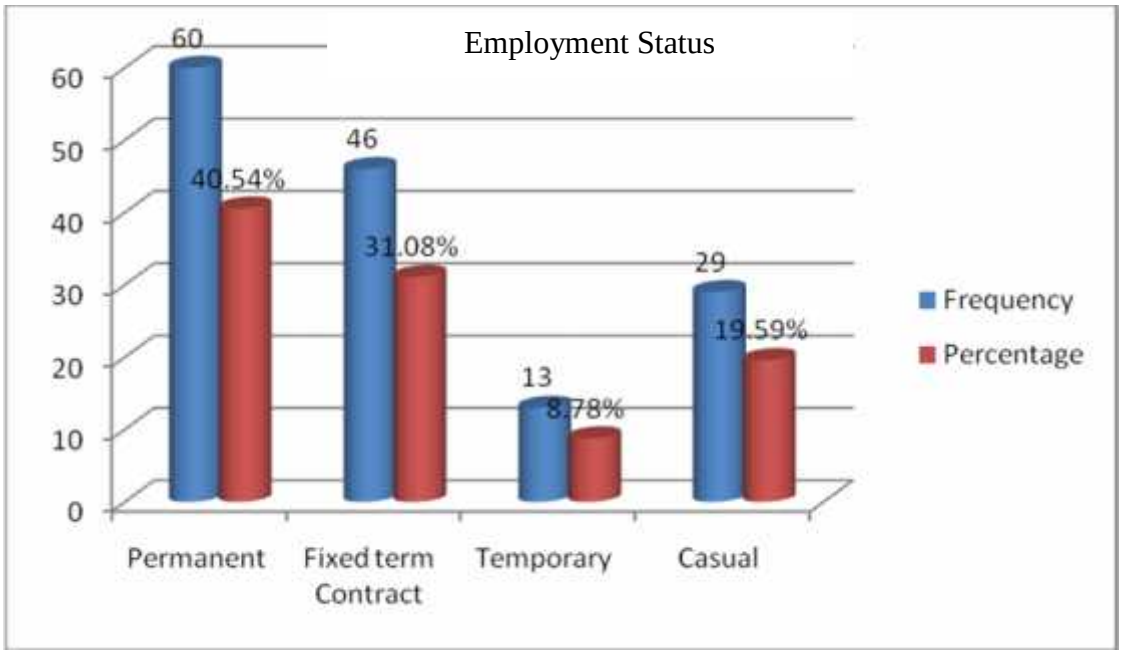


Figure 4.4: Employment Status of the Study Respondents

4.4.9 Hours of Work

The normal working hours per week for PSGs interviewed vary. Table 4.10 presents the summary of the daily and weekly hours of work for the study respondent. The study results shows that 3(2%) of the study respondent indicated they worked for 8 hours a day, 1(0.67%) worked for 10 hours per day, 19(12.67%) worked for 11 hours per day, 126(84%) worked for 12 hours per day and 1(0.67%) worked for 15 hours per day. The normal number of working hours per week varies across sectors. The study results shows that 147(88%) of the study respondents works for more than 52 hours per week. The study results concur with that of Murunga (2015) who found that the majority, 98% of the security guards in Nairobi County work more than 52 hours a week.

The working hours in the protective security service sector is 52 hours per week as stipulated in the Wage Orders by Wage Councils established under Section 43 of the Labour Institutions Act (2007). However, individual employee contracts and Collective Bargaining Agreements (CBA)s entered into between employers and trade unions, may provide for normal hours of

work that are more favourable than those in the Sectoral Wage Orders (Labour Institutions Act, 2007). Table 4.10 shows, hours of work per day of the study respondents.

Table 4.10: Hours of work of the Study Respondents

Hours of work per day	Hours per week	Frequency	Percentage
8	45	3	2.00
10	55	1	0.67
11	60	19	12.67
12	65	126	84.00
15	80	1	0.67
Total		150	100

4.5 Descriptive Statistics

This section discusses descriptive statistics of human capital practices and Employee Performance. The variables were measured using a likert scale score of 1-5, whereby 1. Strongly Agree, 2 Agree, 3 Neutral 4 Disagree and 5. Strongly Disagree. The maximum value allocated was 5 and minimum value was 1. The mean indicates the average and Standard Deviation (SD) quantifies the variability. During interpretation, a low SD was taken to mean that most of the numbers are very close to average and a high SD mean that numbers are spread out.

4.5.1 Influence of employee engagement on employee performance

This section sought to answer the specific objective on the assessment of the influence of employee engagement on employee performance. Table 4.11 shows how the respondents rated various employee engagement best practices or attributes that enhances employee performance in an organization. The summaries presented in Table 4.11 showed that majority 85(56%) of the study respondents agreed that they had good job designs and a few 4(2.67%) strongly disagreed that they had good job designs. The study results shows that job design as an indicator of employee engagement had a mean of 3.81 and SD of 0.90. The result implies that there were good job designs in most of the private security industry organisations. According to

Odhong *et al.,* (2014) good job design helps the employees feel that the work they do is satisfying, provides task identity, task significance, autonomy and feedback, hence enhances job satisfaction.

Table 4.11 shows that majority 79(52.67%) of the PSGs interviewed agreed that there is work life balance in the private security sector work and a few 8(5.33%) strongly agreed that there is work life balance. Work life balance as an indicator of employee engagement had a mean of 3.19 and SD of 1.21. The results showed that there exists work life balance in the sector. The workers would prefer flexible working hours, and work arrangements given the characteristics or nature of their job. This concurs with the results of Wekesa *et al*., (2013), in their study on assessment of effect of resource management on performance in private security industry. The authors found that majority (67.8%) of the study respondents were apprehensive of the existence of work-life balance practices at their organizations with part-time being most prevalent at 100% and shift swapping at 97.7%.

The results presented in Table 4.11 showed that majority 86(57%) of the study respondents agreed that there were clear channels of communication that enhance their performance in the organizations, and a few 7(4.70%) disagreed that there exist clear channels of communication in their organizations. Communication as an indicator of employee engagement had a mean of 3.56 and the SD was 1.18, implying that there are clear channels of communication at the workstations. This finding concurs with that of Titang (2013) who carried out a study to assess whether an effective internal communication strategy or program can enhance employee performance. The researcher found that 10(59%) of the study respondents strongly agreed that effective internal communication strategy enhance employee performance.

The best practice in organization reward system is the provision of total reward (Waruni, 2014). Table 4.10 shows that majority, 129(86%) strongly disagreed that there is total reward, and a few 2(1.33%) agreed that there is total reward system in their organsations. The mean of total reward was 1.2 and SD was 0.56. This implies that the respondents perceived that majority of the PSFs do not offer total reward to their employees. The study results concurs

with that of Waruni (2014) who conducted a study to establish the impact of total reward on employee performance, and found that the responses for pay had a mean of 4.0 and SD of 0.7, bonus had a mean of 3.371 and SD of 0.85, and career advancement had a mean of 3.3 and SD of 1.2, while employee performance had a mean of 3.98 and SD of 0.47, an indication that pay, bonus and career advancement enhances employee performance when considered as elements of total reward..

The study results presented in Table 4.11 shows that majority 149(99.33%) of the study respondents strongly disagreed that they are given opportunity to use IT system, and only one 1(0.67%) of the study respondents indicated they have never used IT systems such as employee self service online tools. The IT systems variable had a mean of 1.01 and SD of 0.16. The results imply that there are no proper IT systems application to support employee engagement and performance in the private security industry. Weeks (2013) conducted a study to analyse human resource information systems impact on employees, and found that after implementation of HRIS, employee turnover decreased by 5%, employees handling their jobs successfully and efficiently increased by 18% and task related grievances decreased by 33%. Weeks (2013) further recommended use of Employee Self-Service (ESS), wireless system, portal and E-HRs support systems enhance performance

Table 4.11: Employee Engagement and Employee performance

Employee engagement	**N**	**SA %**	**A %**	**N %**	**D %**	**SD %**	**Mean**	**Standard deviation**
Job design	150	18	56	16	6.67	2.67	3.81	0.90
Work life balance.	150	5.33	52.67	12	15.33	14.67	3.19	1.21
Communication	149	14.09	57.72	10.74	4.70	12.75	3.56	1.18
Total reward	150	0	1.33	3.33	9.33	86	1.2	0.56
IT systems	150	0	0	0.67	0	99.33	1.01	0.16

(i) Qualitative Analysis of employee engagement and employee performance

Qualitative analysis of the explanatory variable, employee engagement was conducted. The study respondents interviewed were expected to give their views on why they think acquiring IT systems can enhance employee engagement and employee performance. The study results showed that the majority, 149(99.33%) of the study respondents answered in the affirmative that they think acquiring IT systems will enhance employee engagement and their performance. Only one respondent (0.67%) thought otherwise that IT systems will not enhance employee engagement and performance. The study results concurs with the findings of Weeks (2013) who assessed overall improvement in every aspect of the employee job performance after implementation of HRISs, and found that employees productivity increased by 11%, while absenteeism decreased by 5.1%.

The study respondents were also asked to indicate the perceived benefits of IT systems in their line of work. In this respect, 63(42.28%) of the respondents indicated that IT systems helps improve customer service, 56(37.58%), indicated that IT systems helps in crime prevention, 29(18.79%) indicated that IT systems helps in enhancing employee performance and 2(1.34%) indicated that IT helps in maintaining peace and order in workplaces. Weeks (2013) found that with IT systems, allocation mistakes being committed on-the-job decreased by 10.6%. Gatoto *et al.,* (2015) in their study concluded that use of technology enhances strategic fitness between organizational structures and prompt redress of grievances.

The study respondents were also asked to state ways in which they think employee engagement helps improve employee performance. Majority of the respondents 47(32.87%) indicated that employee engagement improves employee performance, and 27(18.88%) indicated that it enhances motivation of the respondents. In addition, 23(16.08%) of the respondents indicated that employee engagement enhances employer-employee relationships, 18(12.59%) indicated that employee engagement improves psychological contract, and 13(9.0%) indicated that it helps in decision making. The descriptive results concur with that of Cox (2015) who found that engaged employees reduces turnover by 87%. Cox (2015) further reported that Aon Hewitt's engagement report of 2014, found that organizations in the top quartile for

engagement (where more than 7 in 10 employees are engaged) saw a 4% increase in sales growth compared to an average company. Hence, it can be argued that highly engaged employees significantly outperform others in all Key Result Areas (KRAs).

A few 7(4.90%) of the study respondents indicated that employee engagement improves customer service, 6(4.20%) indicated that it promotes effective communication and 2(1.40%) indicated that it promotes organizational citizenship behaviour. A survey by Watson Wyatt Worldwide found that companies with highly engaged employees have 26% higher revenue per employee (Tyler, 2011). In conclusion, employee engagement is a key driver of employee performance in the PSI. Figure 4.5 presents the respondents' views on how employee engagement can improve performance.

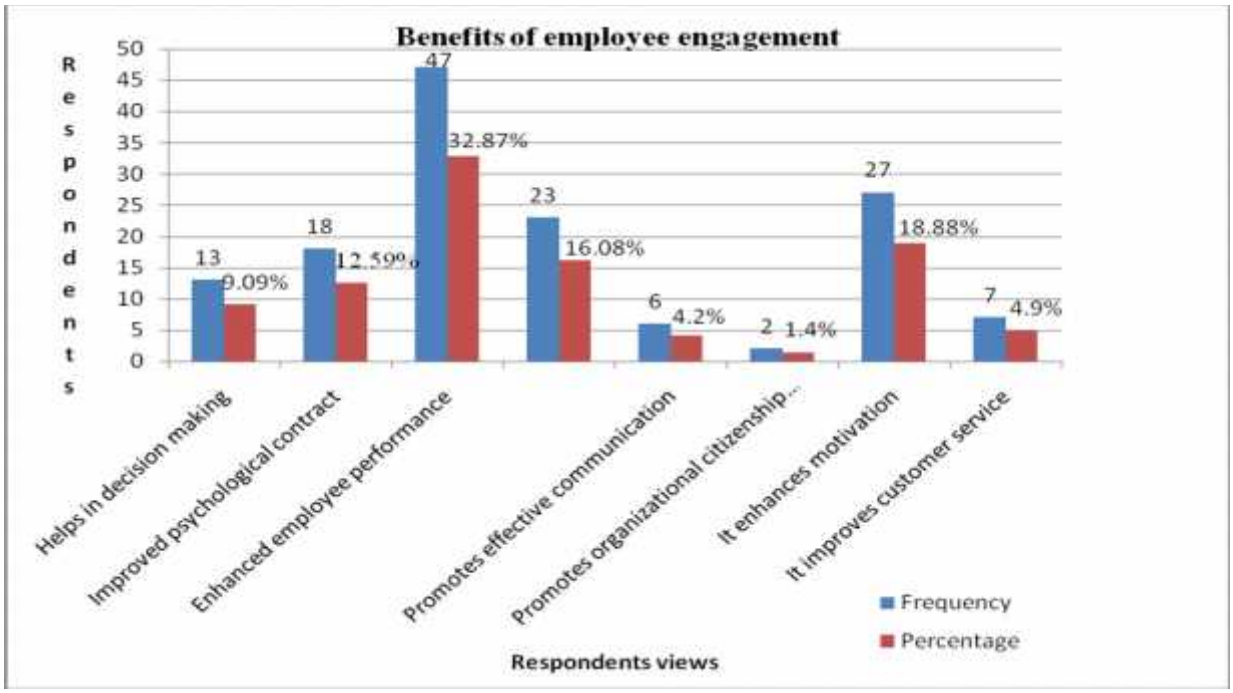


Figure 4.5 Respondent's benefits of employee engagement

4.5.2 Influence of training on employee performance

The study sought to determine the influence of training on employee performance. Table 4.12 gives summary descriptive statistics for various components of training. It shows that majority 60(40%) of the study respondents, disagreed that organizations perform TNA, and a few 5(3.33%) of the study respondents, strongly agreed that TNA are done in their organizations. The TNA indicator had a mean of 2.12 and SD of 1.14, implying that most organizations in PSI do not conduct TNA, which is a key indicator to help in identification of training needs and the gaps. The study results concurs with that of Ejakait (2016) who did a study to examine effects of TNA on employee performance and, found that half (50%) of respondents disagreed that their organizations conduct TNA. In addition, 47% disagreed that TNA conducted in their organizations improved employee performance and 39% agreed that TNA conducted in their organizations improved their performance. Nassazi (2013) found that 92.5% of employees link training to their performance.

The results presented in Table 4.12 shows that majority 103(68.67%) of the study respondents, strongly disagreed that the training programs offered are relevant and robust. Training programmes had a mean of 1.52 and SD of 0.86, implying that most of the respondents indicated that the training programs offered in their organizations are not relevant and robust. Muluka (2014) reporting the views of the KNPSWU, noted that most PSFs offer little training, if any to the guards which not only expose the clients to serious security risk, but to the guards. Muluka (2014) in the study recommended a relook into training of the guards.

The summary results presented in Table 4.12 show that majority 124(82.67%) of the study respondents, disagreed that training implementation techniques in their organizations comprises both classroom and fieldwork or out of classroom. A few 3(2%) of the respondents agreed that implementation of training techniques in their organizations includes both class room lectures and field demonstrations. The study result provided in Table 4.12 shows that training implementation techniques had a mean of 1.89 and SD of 0.47, implying that majority of PSFs do not combine both classroom lecturers and field demonstration as a blended approach in training implementation technique. Alogo (2015) found that most PSFs have adopted new

defensive techniques which had a mean of 3.0 and SD of 1.20. In addition, the study revealed 76% of the firms are SMEs with less than 500 employees, implying that they may not have the ability to invest much in advanced technology, hence they need government support and universal/ standard regulation in the sector.

The study results summarized in Table 4.12 shows that majority 111(74%) of the study respondents, indicated they had never had training evaluation in their organization, and a few 6(4%) of the study respondents strongly agreed they have had training evaluation. The variable, training evaluation had a mean of 2.77 and a SD of 0.57, implying that most PSFs do not conduct training evaluation. Training evaluation provides feedback and opportunity for assessment of the impact of training. Karim, Huda, and Khan (2012) carried out a study on significance of training and post training evaluation for employee effectiveness, and found that 77% of the study respondents strongly agreed that training evaluation helps in developing training program and employee effectiveness.

The study results presented in Table 4.12 show that majority 81(54%) of the study respondents, strongly disagreed that they are trained on ICT skills and conversant with IT related services. A few 32(21.33%) of the study respondents, indicated they have neither been trained nor have their firms introduced them to ICT systems to enhance their performance. The IT systems indicator had a mean of 1.67 and a SD of 0.81, implying that most organizations have not yet fully embraced ICT in their operations to support employee performance. Effective integration of ICT in training improves employee performance. Weeks (2013) in conducting overall assessment in every aspect of employee job performance, found that after implementation of IT systems, success rate of employees after training increased by 22%. Table 4.12 shows the results for training as independent variable.

Table 4.12: Training and Employee performance

Training	N	SA %	A %	N %	D %	DA %	Mean	SD
TNA	150	3.33	14.67	7.33	40	34.67	2.12	1.14
Programme	150	0	3.33	14	14	68.67	1.52	0.86
Imp techniques	150	0	2	0	82.67	15.33	1.89	0.47
Evaluation	150	4	18.67	74	0	4	2.77	0.57
IT systems	150	0	0	21.33	24.67	54	1.67	0.81

(ii) Qualitative Analysis of Training and employee performance

First, the study respondents were asked to state the training programs available in the organizations. The summary descriptive statistics for this variable are summarized in Table 4.13. The results presented in Table 4.13 shows that majority 104(71.72%) of the study respondents are trained in physical fitness/field demonstration, 24(16.55%) indicated that they have sensitivity training and conducting drills, and 7(4.83%) indicated that they are taken through classroom lectures on security studies. This concurs with the results of the study by Ouma (2014) who found that majority of private security guards receive basic training 31(77.5%), and only 7(17.5%) indicated that they had received additional training on a continuous basis and 5% had not received any training. This also concurs with Omolo (2015) who found that majority of the private security guards receive basic physical fitness training.

The study also found that in Nairobi County there exist private security firms/academy, these include Institute of Professional Security Studies, Private Security Training Academy, The Security Officer Academy by OXFOR, G4s, Bob Morgan and KK among institutions mentioned to be offering training of the guards. However, many security guards have no idea of the existence of the academies. Table 4.13 shows the available training programs.

Table 4.13: Training Programmes

Programme	Freq	%	Cum
Physical fitness/field demonstrations	104	71.72	71.72
Classroom lectures on security studies	7	4.83	76.55
Fire fighting/emergency services	4	2.76	79.31
Counter terrorism preparedness	2	1.38	80.69
Customer care	1	0.69	81.38
Security search procedures	3	2.07	83.45
Sensitivity training/conducting drills	24	16.55	100.00
Total	145	100	

Second, the study respondents were also asked to identify the training techniques available in their organizations. The purpose of this question was to enable the study to identify key training techniques that can be explored apart from the regular physical fitness training that gives the best outcome. As illustrated in Table 4.14, 102(70.83%) of the study respondents indicated that the techniques of training available in their organisations is field exercise and physical fitness, 38(26.39%) indicated that their organization have class room lectures, 3(2.08%) indicated that they have online learning programs and 1(0.69%) indicated that there are seminars and workshops organized by their firms. Omolo (2015) carried out a baseline survey in the PSI in Kenya, found that most PSFs conduct physical fitness training only.

Table 4.14: Training Implementation Techniques

Implementation Techniques	Frequency	Percentage
Field exercise/physical fitness	102	70.83
Class room lectures	38	26.39
Online learning	3	2.08
Any other specify	1	0.69
Total	144	100

Finally, the study respondents were asked to state why they think that training enhances employee performance. The study results presented in Figure 4.6 shows that majority 29(20.14%) of the study respondents indicated that training enhances employee performance, 27(20.14%) of the respondents indicated that training helps in acquiring new skills to enhance performance, this concurs with the views of Alberta (2012) stated that workplace skills training program supports essential skills through development of confidence and highly literate workforce.

The data revealed 23(15.97%) indicated that training helps reduce customer complaints, this concurs with the views of Filip (2013) who noted that in certain circumstances, customers become almost inevitably unhappy due to various problem or difficulties due to poor services delivery. Hence employee on-job-training is very vital. Further, 18(12.50%) indicated that training enhances efficiency and effectiveness, 13(9.03%) indicated that training helps clarify expectations and 11(7.64%) indicated that training helps to build confidence needed at work, Sergeev, Lipisky, Ganor and Abebe (2012) did a study on training modalities and self confidence building in performance of life-saving procedures and found that 8.5/10 of the study respondents agreed that training improves self-confidence.. Figure 4.6 presents the respondents' views on how training can improve employee performance in PSI.

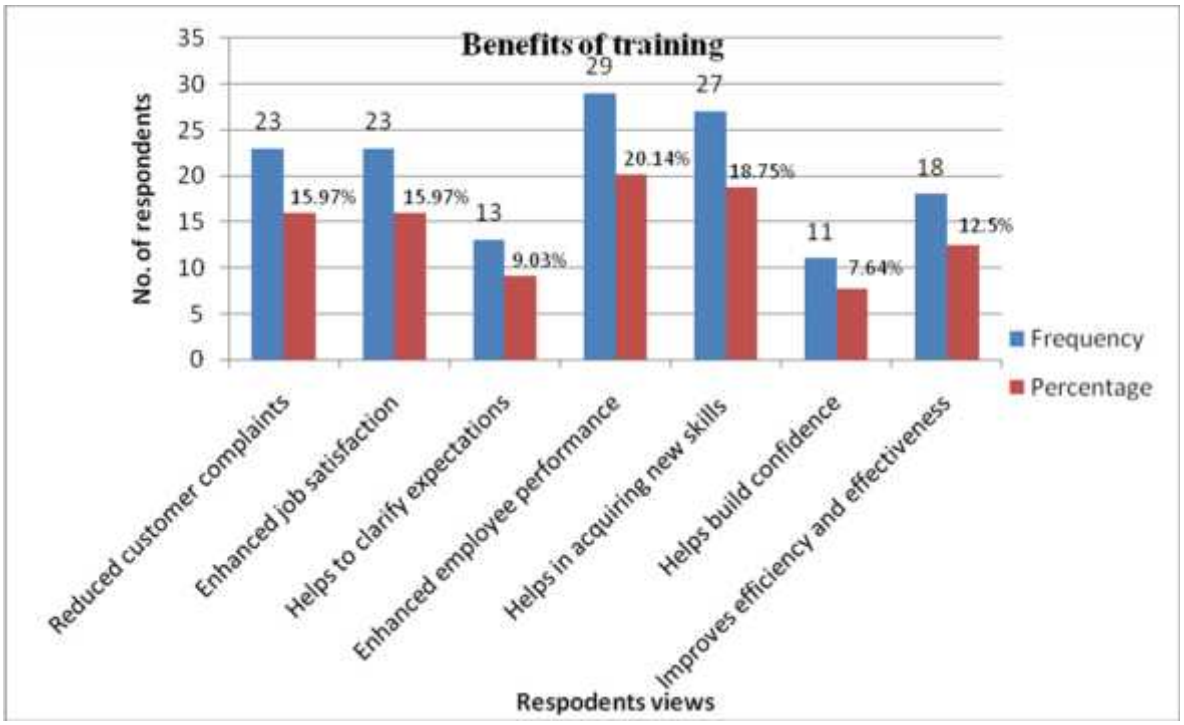


Figure 4.6: Respondents views on how training enhances employee performance.

4.5.3. Effect of Talent Acquisition on Employee Performance

The study sought to establish the effect of talent acquisition on employee performance. The summary statistics are given in Table 4.15. The summaries presented shows that the majority, 68(45.64%) of the study respondents, strongly disagreed that talent acquisition affects employee performance. According to the study, only a few 3(2.01%) of the study respondents indicated that that their employers conduct personality trait test and backgrounds checks. The indicator, hiring techniques had a mean of 2.74 and SD of 1.82.

The study results show that majority 82(55.03%) of the study respondents, strongly disagreed that employees are paid well, trusted and given opportunity for development and a few 1(0.67%) of the respondents, strongly agreed that they are paid well, trusted and given opportunity for development. The variable, talent development had a mean of 1.93 and SD of 1.22, implying low talent development practices. Mokaya, Chisese and Njuguna (2013) in their study sought to establish the effects of recruitment practices on employee performance in

the cooperative sector in Kenya. The researcher found that the study respondents agreed that employee performance is determined by the kind of staff recruited in the organization by mean of 4.18 and SD of 0.716. The study result also concurs with that of HireRight, (2016), that nearly two-thirds (63%) of companies consider hiring, retaining and developing talent as one of their most significant business challenges. Talent acquisition is, however, a key driver of employee performance in every organisation.

The study result on job placement and deployment presented in Table 4.15 shows that the majority, 114(76%) of the study respondents, strongly disagreed that they are assigned jobs based on their talents and only a few (2%) of the study respondents, indicated that they have never been assigned jobs based on their talents. The indicator, job placement and deployment had a mean of 1.47 and SD of 1.02 and IT systems had a mean of 2.17 and SD of 1.68, implying that private security firm's have challenges in job placement and deployment.

The result concurs with the views of Gummer and Stuchtecy (2014) in their study on civil security and private security in German policy, who found that 64% of the private security companies noted they have difficulties in finding suitably qualified candidates. Poddar (2016) found a correlation between talent acquisition techniques and subsequent performance to be: Work samples 0.54; Cognitive Ability Tests 0.51; Structured Interviews 0.51; Job Knowledge Tests 0.48; Integrity Tests 0.41; Personality Tests 0.31 and Reference Checks at 0.26. Table 4.14 shows the results for talent acquisition.

Table 4.15: Talent Acquisition and employee performance

Talent acquisition	**N**	**SA %**	**A %**	**N %**	**D %**	**SD %**	**Mean**	**SD**
Hiring Technique	149	30.87	10.74	2.01	10.07	45.64	2.74	1.82
Talent development	149	0.67	20.81	4.03	19.46	55.03	1.93	1.22
Job placement	150	4.67	2.00	5.33	12	76	1.47	1.02
IT systems	150	22	4.67	4.00	6.67	62.67	2.17	1.68

(iii) Qualitative analysis of Talent Acquisition and employee performance

First, the study respondents were asked to state how they got their jobs. Majority 57(38.26%) of the respondents indicated that they got their job through employee referral system, 44(29.5%) indicated that they got their job through friends and relatives and 32(21.26%) indicated that they got their job through walk-ins. The study results concurs with of Omolo (2015) who found that 188(35.21%) of the study respondents got their jobs through direct search, 213(39.89%) found jobs through friends and relatives and 94(17.60%) found jobs through job adverts.

In addition, Deloitte (2017) report indicated that a company's own employees deliver the highest-quality candidates with over half(51%) of surveyed organizations citing employee referrals as one of the top three talent acquisition channels followed by professional networking sites at 42% and internal candidates at 40%. The study results and that of Deloitte (2017) shows that referral system is the mostly adopted job search method in Kenya. However, according to HireRight (2016), despite an increasingly global workforce, only 42% of companies surveyed, screen international candidates, which are a potential gap in an employment screening program and background checks. Figure 4.7 shows sources of hiring.

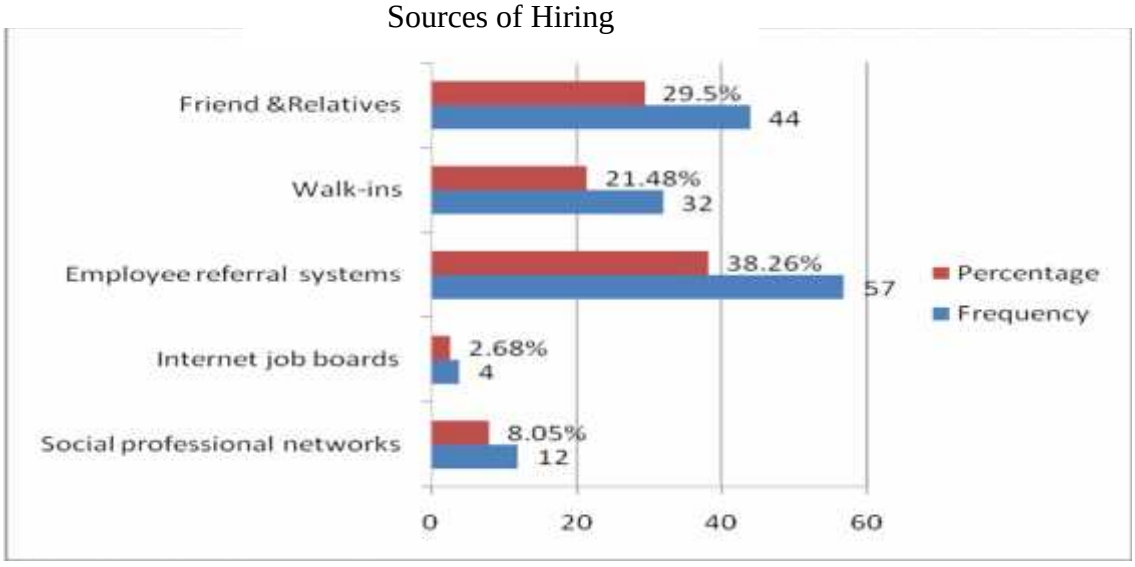


Figure 4.7: Sources of Hiring

In conclusion, the study respondents were also asked to state why they think that talent acquisition enhances employee performance. Figure 4.7 shows that 59(40.41%) of the study respondents indicated that talent acquisition enhances employee performance, 27(18.49%) indicated that talent acquisition promotes quality service delivery and 24(16.44%) indicated that talent acquisition promotes creativity and innovation. In addition, 23(15.75%) of the study respondents indicated that talent acquisition enhances job satisfaction, and 13(8.90%) indicated that talent acquisition promotes sharing of ideas. Hence, talent acquisition enhances employee performance.

The study results concurs with the views of Cook (2017) who noted that because hiring the right people for the right role is so important, quality of hires stands out as a metric that organizations care deeply about. Cook (2017) further explained that the average cost of poor hiring decision can be equal to 30 per cent of the individuals first – year potential earning. Hence lowering productivity, a damaged employer brand, lower employee engagement and recruitment manager's time spent on mitigating under performance. Figure 4.7 presents the respondents' views on how talent acquisition can improve employee performance.

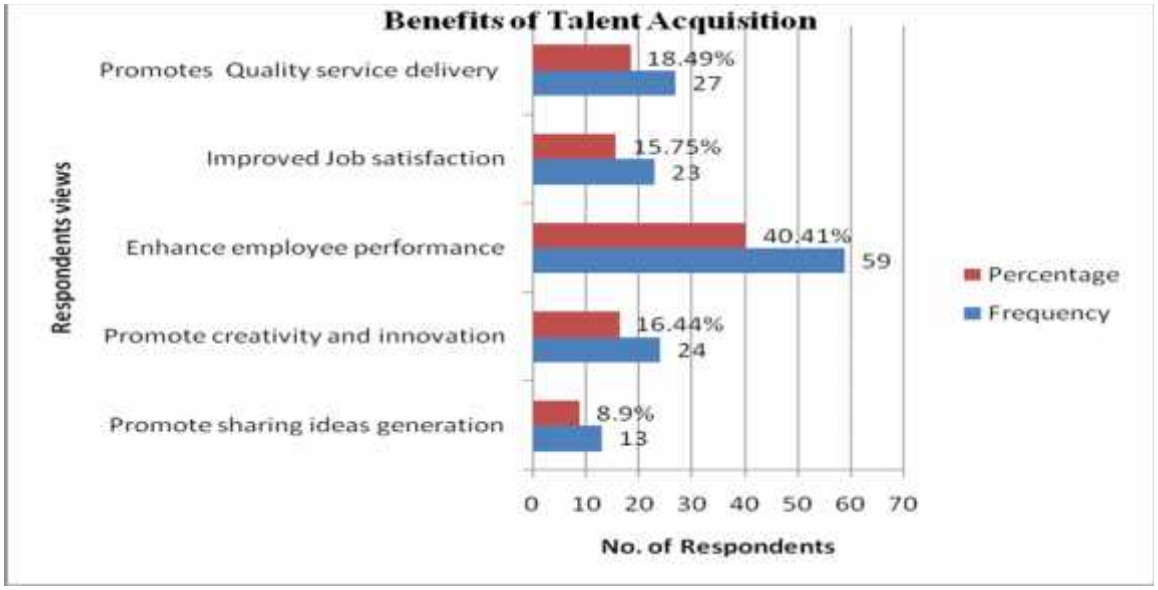


Figure 4.8: Respondent's views on benefits of Talent Acquisitions

4.5.4. Influence of knowledge management on employee performance

The study sought to establish the influence of knowledge management on employee performance. Table 4.16 shows that 53(35.33%) of the study respondents, strongly disagreed that they have necessary manuals and tools to enable them do their job while a few 5(3.33%) of the study respondents, indicated that they strongly agree that they have necessary tools and manuals. The study indicator, knowledge acquisition had a mean of 2.59 and SD of 1.36, implying that most firms in PSI, do not promote knowledge acquisition. The study result concurs with that of Esin (2011) who conducted a study on job satisfaction of private security guards, and found that 39.6% of the respondents indicated that they have adequate tools while 28% did not determine whether tools and manuals they have are adequate. However, Ouma (2014) carried out a study to establish the effect of remuneration in private security companies on the control of property crimes in Urban Areas in Kenya and found that 14(35%) of the security guards commit property crime due to lack of knowledge.

The study results summarised in Table 4.16 shows that majority 71(47.33%) of the study respondents, agreed that the firms promote both tacit and explicit knowledge dissemination approaches, while a few 6(4%) of the study respondents, indicated that their firms never promote knowledge dissemination. Knowledge dissemination had a mean of 4.01 and SD of 1.12. The study results implies that the PSI firm's have good mechanisms for knowledge dissemination. Nekesa (2015) conducted a study to establish the effect of intra-firm institutionalization of explicit knowledge on employee performance in the energy sector organizations in Kenya. The study found that 52% of the respondents agree that creativity and new knowledge is valued in the organizations.

The study results presented in Table 4.16 also shows that 76(51.01%) of the study respondents, agreed that team work is encouraged and facilitated in PSI together with other relevant public law reinforcement officers. A few 5(3.36%) of the study respondents, indicated that they strongly agree there is collaboration. Collaboration in knowledge management had a mean of 3.23 and SD of 1.10. Mansoor and Hassan (2016) noted that key indicators of knowledge

management such as teamwork and collaboration contribute to 64.3% of employee performance.

The results given in Table 4.16 also shows that majority (50%) of the study respondents, agreed that best practices and tips are shared and circulated. A few (6%) of the respondents indicated that best practices and tips are never shared in the PSI. The study reveals that knowledge sharing had a mean of 3.9 and a SD of 1.10, implying that knowledge sharing is embraced by the firms and employees. The study results concurs with that of Nekesa (2015) who found 75.6% of the study respondents agreed that knowledge sharing with others helps one to perform better in their work. Deloitte (2017) indicated that knowledge sharing is the new rule and that knowledge work will continue to accelerate and become widely deployed and adopted.

The study results also shows that 77(51.68%) of the study respondents strongly disagreed that effective Knowledge Management Systems (KMSs) are in place to assist in gathering relevant and accurate information available to all employees. A few 4(2.68%) of the respondents indicated that KMSs are never used in collecting information and making it available to all employees. The IT systems as an indicator had a mean of 2.12 and SD of 1.37. The study results concurs with the study results by Lim and Angela(2016) who carried out a study on an exploratory study on the use of knowledge management system and employee perception on organizational knowledge sharing and reuse, and found that in 32 in 37 study respondents use KMSs.

However, the study found that some jobs do not require the use of KMSs at all, with 54% of the employees interviewed indicated they use KMSs moderately, 24% indicates that they use KMS lightly and only 8% are heavy users of KMSs. The study results by Yasir *et al* (2013) found that knowledge management improves employee performance by 45 per cent. Based on the study results, knowledge management is a key driver of employee performance.

Table 4.16: Knowledge Management and Employee Performance

Knowledge management	N	SA %	A %	N %	D %	SD %	Mean	SD
Acquisition	150	3.33	38	8.67	14.67	53.33	2.59	1.36
Dissemination	150	36.67	47.33	4	4.67	7.33	4.01	1.12
Collaboration	149	3.36	51.01	16.11	24.83	4.70	3.23	1.02
Info sharing	150	30	50	6	8	6	3.9	1.10
IT systems	149	3.36	25.50	2.68	16.78	51.68	2.12	1.37

(iv) Qualitative Analysis of Knowledge Management and Employee Performance.

First, the study respondents were also asked to state which relevant tools they may need to be able to carry out their duties effectively. Majority of the study respondents 66(48.89%) indicated that they need protective gears such as jackets, raincoats, helmets and good staff uniforms, 23(17.04%) of the PSGs interviewed indicated that they need whistles while 19(14.07) indicated that they need screening gadgets that are in good condition. Only 5(3.70%) of the respondents interviewed indicated that they need CCTV and computers at the reception. Majority 66(48.89%) of the respondents indicated that the CCTV are available in most of the buildings hence enhancing their service delivery. The results concur with that of Ouma (2014) who indicated that to improve collaboration, 5(12.5%) of the security guards prefer alarm services and CCTV rather than guarding. Table 4.17 shows the working tools that the PSGs, who respondent to the study require.

Table 4.17: Working tools and protective gears

Working tools and protective gears	Frequency	Percentage
Whistle	23	17.04
Traditional baton(*rungus*)	9	6.67
CCTV/computer at the reception	5	3.70
Screening gadgets	19	14.07
Protective gears and staff uniforms	66	48.89
Radio calls and alarm;	11	8.15
Emergency vehicles/Panic buttons for emergency responses	1	0.74
First Aid Kit	1	0.74
Total	135	100

Second, the study respondents were asked to state why they think that knowledge management enhances employee performance. Figure 4.8 shows that majority 43(29.25%) of the respondents indicated that knowledge management enhances both individual and organization learning, 29(19.73%) indicated that knowledge management enhances employee performance, while 25(17.01%) indicated that knowledge management helps in decisions making. In addition, 24(16.33%) of the study respondents indicated that knowledge management facilitates knowledge sharing and awareness creation, 10(6.80%) indicated that knowledge management provides relevant information needed by employees, and 10(6.80%) indicated that knowledge management promotes team work. A few 6(4.08%) of the study respondents indicated that knowledge management improves public relations. Wadhwa and Primoo (2015) found that information sharing contributes in enhancing performance by 24%, and IT systems enhances employee performance by 22%.

Figure 4.9: Respondent's views on the benefits of knowledge management

4.5.5 Influence of skills development on employee performance

The study sought to determine the influence of skills development on employee performance. Table 4.18 shows that majority 78(52%) of the study respondents, strongly agreed that to enhance employability skills, they need soft skills to enable them do their job effectively more than technical skills. A few 2(1.33%) of the study respondents, disagreed that they need the soft skills more than the technical skills. The employability skills had a mean of 4.2 and SD of 1.18, implying that the respondents agreed that employability skills is critical, and that their job require both soft and technical skills.

Sung, Michael, Fiona and Catherine (2013) in their study on the nature of employability skills in Singapore, found that teamwork skills is the most important for enhanced employee performance at 3.61 score and numerical skills is the least important at 2.72 in the security service industry. The study by the authors also assessed weighted average level of 9 generic skills by industry and found that other skills needed in security service industry were: literacy skills at 3.1, leadership at 3.06, problem solving at 3.4, physical skills at 3.07, influencing skills at 3.3, planning 3.2 and emotional intelligence at 3.2.

The study result presented in Table 4.18 shows that majority 81(54%) of the study respondents, strongly disagree that on-boarding is done and opportunity for simulation is available in their organizations. According to the results, 22(14%) of the study respondents, strongly agree that their organizations ensures on-boarding is done and opportunity for simulation is available in the organisation. On-boarding had a mean of 2.31 and SD of 1.61. Druta (2017) reported that 69% of employees are more likely to stay with the company for at least 3 years after a great on boarding experience and gain full proficiency of 34% faster than those in the shortest programs. This was experienced with a difference of 4 months only. The implication of the results is that on-boarding as an element of skills development is a key driver of employee performance.

The study results given in Table 4.18 shows that a majority 68(45%), of the study respondents, strongly agree that the work they do is in line with the training they got at the time of employment. A few 9(6%) of the study respondents, disagreed that the work they are doing are in line with the training they got at the time of engagement. Skills matching had a mean of 4.03 and a SD of 1.25. The result implies that skills mismatch in minimal in the PSI. This finding concurs with the study result on respondents level of education which revealed that 13(8.67%) of the study respondents have attained primary level education, 105(70%) have attained secondary level education and 29(19.33%) have certificate level of education and, 3(2%) have diploma level of education. This implies that there is no over qualification or under qualification amongst the study respondent in the PSI sector.

In the labour market, skills mismatch is measured through three main indices, namely to under qualification, over qualification and dissimilarity index. The views expressed in this study on skills mismatch differs with that of Pala, Bichanga, and Atambo (2015), who in their study sought to determine the extent to which three categories of educational mismatch influence employee performance at Co-operative Bank of Kenya. The researchers found that 55% of the study respondents who were vertically mismatched and 57% were horizontally mismatched.

The study results summarised in Table 4.17 also shows that majority 62(41.33%) of the respondents strongly disagreed that their firms have clear plans for the skills anticipation or skills they need in future. A few 3(2%) of the respondents, strongly agree that there are clear plans for skills anticipation. The indicator, skills anticipation had a mean of 1.97 and SD of 1.09. This implies that there is little focus on skills anticipation programs in the PSI sector. ILO (2018), on anticipating future skills needs, indicates that anticipating and building skills for the future is essential to a rapidly changing labour market. In addition, this applies to the changes in the types and levels of skills needed in all occupations and technical areas.

The study results also shows that majority 114(76.51%) of the respondents, strongly disagree they are given opportunity to enhance their skills through, in class room, team briefing and, online skills enhancement programs such as gamification and webinars. A few 2(1.34%) of the respondents, strongly agreed that IT systems for skills enhancement are available. The IT systems had a mean of 1.48 and SD of 1.05, implying that PSI sector has not embraced IT systems in skills enhancement programs. Weeks (2013) found that integrating IT in skills enhancement enhances employee productivity by 11%. Table 4.18 shows descriptive statistics of skills development.

Table 4.18: Skills Development and employee performance

Skills Development	**N**	**SA %**	**A %**	**N %**	**D %**	**SD %**	**Mean**	**SD**
Employability Skill	150	52	36	1.33	1.33	9.33	4.2	1.18
On-boarding	150	14	20.67	0	10.67	54.00	2.31	1.61
Skills matching	150	45.33	37.33	2.00	6.00	9.33	4.03	1.25
Skills anticipation	150	2	12.67	7.33	36.67	41.33	1.97	1.09
IT systems	149	1.34	7.38	2.68	11.41	76.51	1.48	1.05

(v) Qualitative Analysis of skills development and employee performance

The study respondents were asked to indicate any other skills development programme they may require to enhance their performance. Table 4.19 shows that majority 54(36.5%) of the study respondents indicated that they would require ICT skills to enable them to operate, 23(15.53%) of the study responded indicated that they require First Aid skills, and 22(14.86%) indicated that they would require basic human resource management skills to enable them relate well with their clients. In addition, 19(12.84%) indicated that they require basic paralegal training. According to Onsomu, *et al.,* (2010) countries have to adopt the skills bases to achieve sustainable growth and technology advancement in each sector. Table 4.18 indicates various skills that the PSGs require.

Table 4.19: Other skills development program the respondents require

Skills	Frequency	Percentage
1. ICT skills	54	36.5
2. First Aid	23	15.54
3. Effective Communication skills and report writing	7	4.73
4. Basic paralegal training	19	12.84
5. Fire fighting skills	4	2.70
6. Record management skills	4	2.70
7. Conflict management	1	0.68
8. Basic intelligence to help cope with emerging issues	4	2.70
9. Driving	10	6.76
10. Basic Human Resource Management skills,	22	14.86
Total	148	100

The study respondents were also asked to state why they think skills development enhances employee performance. Figure 4.10 shows that majority of the study respondents 49(35.25%) indicated that skills development enhances employee performance, 32(23.02%) indicated that it improves efficiency and effectiveness, and a further 27(19.42%) indicated that skills development enhances employee performance. In addition, 18(12.95%) of the respondents

indicated that skills development enhances psychological contract, while 5(3.60%) indicated that skills development help in promotion opportunities and enhancing employability. Further, 4(2.88%) of the respondents indicated that skills development enhances motivation and 4(2.88%) indicated that skills development enhances spatial intelligences. Figure 4.10 shows the respondents views on the benefits of skills development on employee performance.

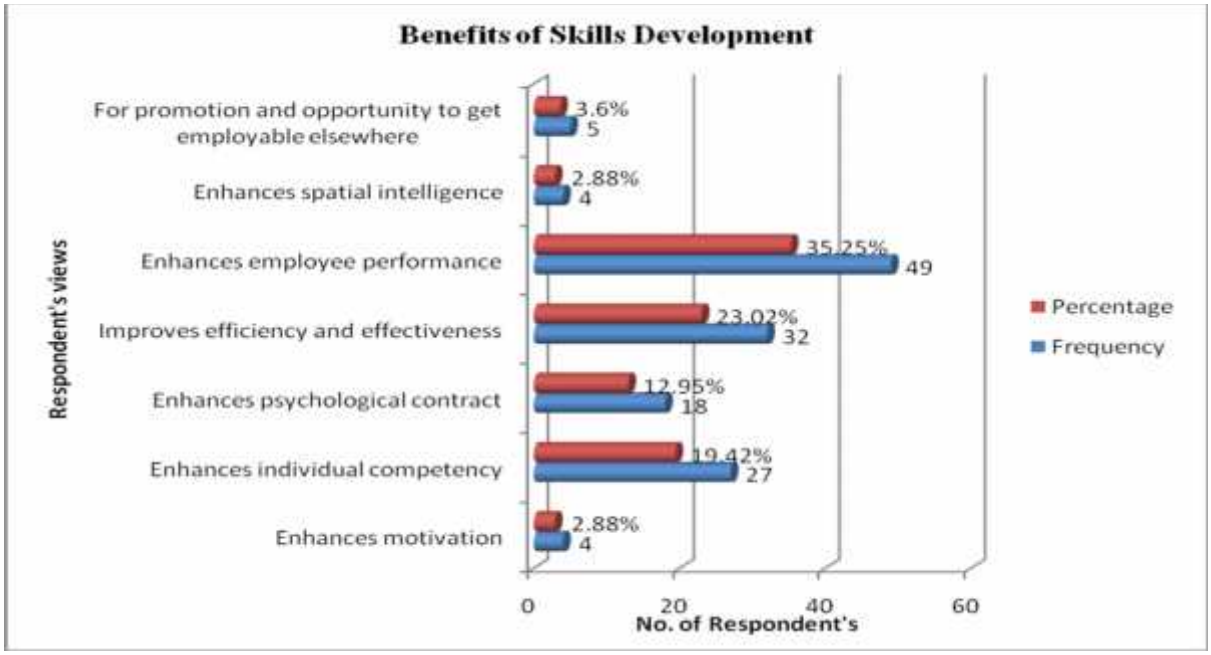


Figure 4.10: Respondents views of the benefits of skills development

4.5.6: Employee performance in the Private Security Industry

The study sought the perception of the study respondents on each statement given, with specific period of assessment of performance from 2015 – 2017. Table 4.19 shows that majority of the study respondents, 76(50.67%) agreed that in their view employee value proposition is good and they are satisfied with the organisation, 28(18.67%) of the study indicated that strongly disagree, 21(14%) of the study respondents indicated that are never satisfied and only 8(5.34%) of the study respondents indicated they strongly agree that there is employee value proposition.

The result shows that employee value proposition had a mean of 3.82 and SD of 0.6, implying that the study respondents indicated that they feel that there is employee value proposition, and that they are happy with their organisation/employers. Ferreira (2016) conducted a study on the role of employee value proposition and corporate brand on talent attraction, and found that corporate brand contributes to 5%, affiliation 23%, work content 23% and career development contributes to 21% in employee performance. The study results, therefore, indicate that employee value proposition is a key driver of performance.

The study results presented in Table 4.20 shows that majority 80(53.69%) of the study respondents indicated they agreed that they offer good service delivery and that they retain existing customers, 60(40.27%) indicated that they retain and acquire new clients and 5(3.36%) disagreed that they retain existing and acquire new customers. Service delivery had a mean of 3.92 and SD of 0.7. This implies that the respondents indicated that they provide good services. Murunga (2014) sought the views of the clients in the PSI sector on the priority areas for improved service delivery in the sector. Majority (70%) of those interviewed cited salary, job security and favourable working hours as factors that will, will enable the firms perform much better. Githinji (2014) in their study on effect of staff turnover on financial performance of private security firms in Kenya found that 58% of the study respondents indicated that decline in quality of service is due to employee turnover in the PSI.

The study results given in Table 4.20 also shows that 65(42.33%) of the study respondents strongly agreed that their work environment is good, 55(36.67%) agreed the work environment is good and 19(12.67%) indicated that the work environment is not good. The workplace ergonomics had a mean of 2.58 and SD of 1.24 implying that the respondents indicated that their work environment is good. However, those working during night shift indicated that work environment was not good. Wekesa *et al.,* (2013) noted that working conditions and poor pay are the main causes of poor employment relationship leading to strikes in PSI. However, the study by Esin (2011) on job satisfaction of the private security guards, revealed that about one quarter (27.4%) of the study respondents indicated that they do not feel safe in the workplace.

The study results presented in Table 4.20 shows that 90(60.0%) o respondents the study indicated that they agree that customer complaints have reduced, while 41(27.33%) indicated that strongly agree that customer complaints have reduced. The results imply that 87.33% indicated that the customer complaints have reduced and 14(9.33%) of the study respondents indicated that customer complaints have not reduced. The results also show that customer complaints had a mean of 3.58 and a SD of 0.77, implying that good customer service reduces customer complaints, and enhance employee performance in PSI. The results concurs with that of Njambi (2013) who carried out a study on effects of internal customer satisfaction in the insurance industry in Kenya and found that customer satisfaction greatly influence service delivery and employee performance with a mean of 3.77.

The study results summarized in Table 4.20 shows that 109(72.67%) of the study respondents indicated that they are given opportunity to come up with ideas to create new products, 19(12.67%) of the respondents indicated that they disagree that they are given opportunity to innovate or come up with new ideas while 9(6%) of the respondents indicated that agree that the organization give them opportunity to innovate. Product innovation had a mean of 3.68 and SD of 0.76. Product innovation is a driver of employee performance. This is supported by Sharabati, Shwqia and Bontis, (2010) in their study adopted these indicators of employee performance with success: service delivery, reduced customer complaints, workplace ergonomics and product innovation. Table 4.19 shows employee performance indicators.

Table 4.20: Employee performance in the PSI

Employee performance	**N**	**SA %**	**A %**	**N %**	**D %**	**SD %**	**Mean**	**Standard deviation**
Employee V. P.	150	5.34	50.67	14.00	11.33	18.67	3.82	0.6.
Service delivery	150	40.27	53.69	2.01	3.36	0.67	3.92	0.7
Workplace E.	150	43.33	36.67	12.67	3.33	4.00	2.58	1.24
Customer comps	149	27.33	60.00	9.33	0.67	2.67	3.58	0.77
Product Innovation.	150	4	6	4.67	12.67	72.67	3.68	0.76

The study results schematized in Figure 4.11 shows the strength of employee performance based on the study indicators. The results show that 93.96% of the study respondents indicated that their services have improved, while 87.33% indicated that the customer complaints have reduced. The results concurs with that of Druta, (2017) who found that 50% of the respondents indicated that developing a unified customer engagement strategy is critical to the success of the organizations.

The study results presented in Figure 4.11 show that 80% of the study respondents indicated that workplace ergonomics is favorable. Kaliannan and Adjovu (2015), in their study found that employees believe that work environment contributes to 86.9% of employee engagement and good supervision contributes 86.3% to employee engagement. The results by the researchers are highly supportive of workplace ergonomics and its contribution in employee performance.

The data presented in Figure 4.11 shows that, 56.01% of the respondents agreed that employee value proposition is good, and 10% indicated they have opportunities for product innovation. This implies that the PSI needs to improve on product innovation and employee value proposition among other factors, as well as improving on service delivery and, customer complains. To support the study results, Deloitte (2017) noted that for business and HR leaders, the new models for value creation are: hiring, employee engagement, productivity and product innovation. The wake-up call, is that organizations have to adopt these models or risk falling behind**.**

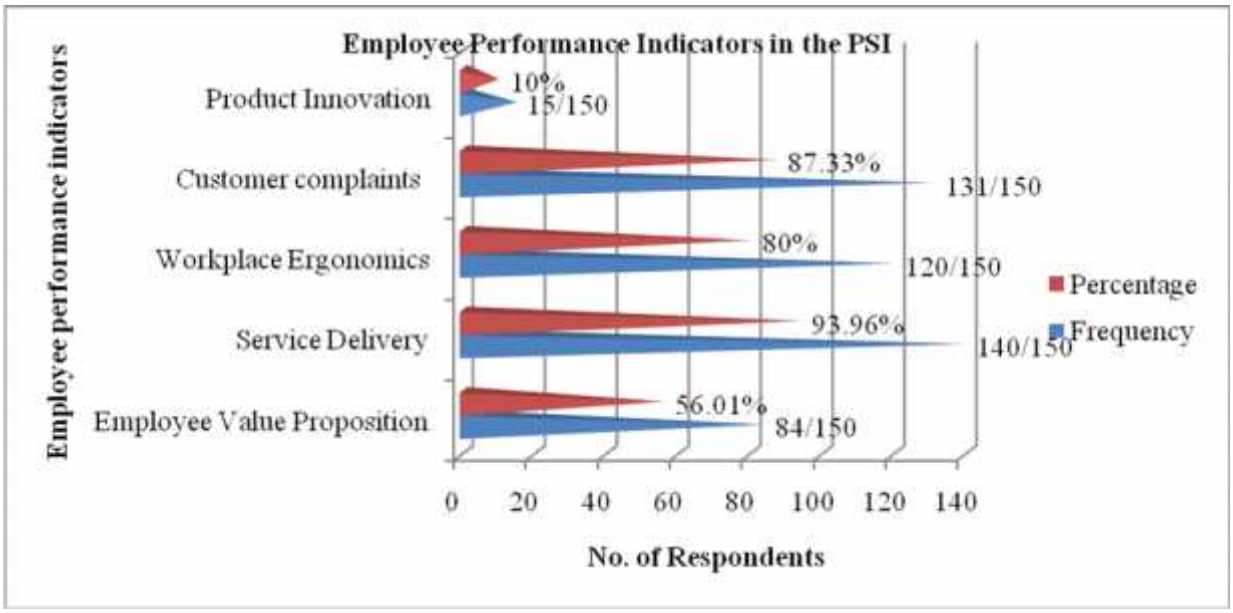


Figure 4.11: Respondent's Views on Employee Performance in PSI, Period 2015-2017

(vi) Qualitative analysis on how to improve employee performance in PSI

The study respondents were asked to give their views on what can be done to improve performance of the PSGs and PSI in Kenya. Figure 4.12 shows that majority 49(32.89%) of the study respondent indicated that they need improved terms and conditions of employment. The results differ with that of Githinji (2014) who found that 55.2 % of the respondents in PSFs agreed that the working conditions are good.

The study results presented in Figure 4.12 shows that 45(30.20%) of the study respondents indicated that they need standardized training with their preferred training institution being NYS and TVET or any other government owned training institution. The result concurs with the findings of Omolo (2015) who observed that training of the guards should be standardized. The key informant interviewees also indicated that terms and conditions of employment should be improved, with a clear framework in place under Private Security Regulatory Authority and Protective Security Act of 2016.

As presented in Figure 4.12, 24(16.11%) of the study respondents, indicated they would like their workplace ergonomics to be improved. This concurs with the study results by Githinji (2014) who found that 24.1% indicated that working environment are not good and should be improved. Good working conditions enhance employee engagement and performance. The argument is supported by Kaliannan and Adjovu (2015) who in their study found that employees believe that work environment contributes to 86.9% on employee engagement.

The study result in Figure 4.12 also found that 21(14.09%) of the study indicated that they need job security in the sector and 5(3.36%) of the study respondents indicated that generally HR practices should be improved in the PSI. The study results indicated that a few 2(1.34%) of the study respondents indicated that they would like Public Private Partnerships (PPP) enhanced to enhance communication, by providing services such as street CCTV, clear framework for communication, and communication equipments. This also concurs with the study findings of Ouma (2014) who found that 9(22.5%) they need to improve collaboration between the police and the private security guards.

In addition, Gatoto *et al.*,(2015) in their study indicated that use of technology, organized structures and strategies can enhance performance in the PSI. The key informant interviewees noted that there use of technology and establishing common understanding of what the Private Security Guards are supposed to do is imperative, and that the government has embraced IT by implementing street CCTV.

The study results also showed that a few 2(1.34%) of the study respondents indicated that the government should take initiative to request employers to give workers clear job descriptions and also opportunity for further studies to enhance their career development. Only 1(0.067%) indicted they need paralegal training and exchange programs occasionally to promote capacity building since their role complements government security services. The key informant interviewees conducted in the current studies indicated that a clear registration framework, and categorizing the guards – in clusters, to serve various levels or classes of customers will help in determining wages and improve conditions of employment. The respondents also noted that

clarifying expectations and continuous capacity building will enhance performance in the sector. Figure 4.12 shows the factors than enhances performance.

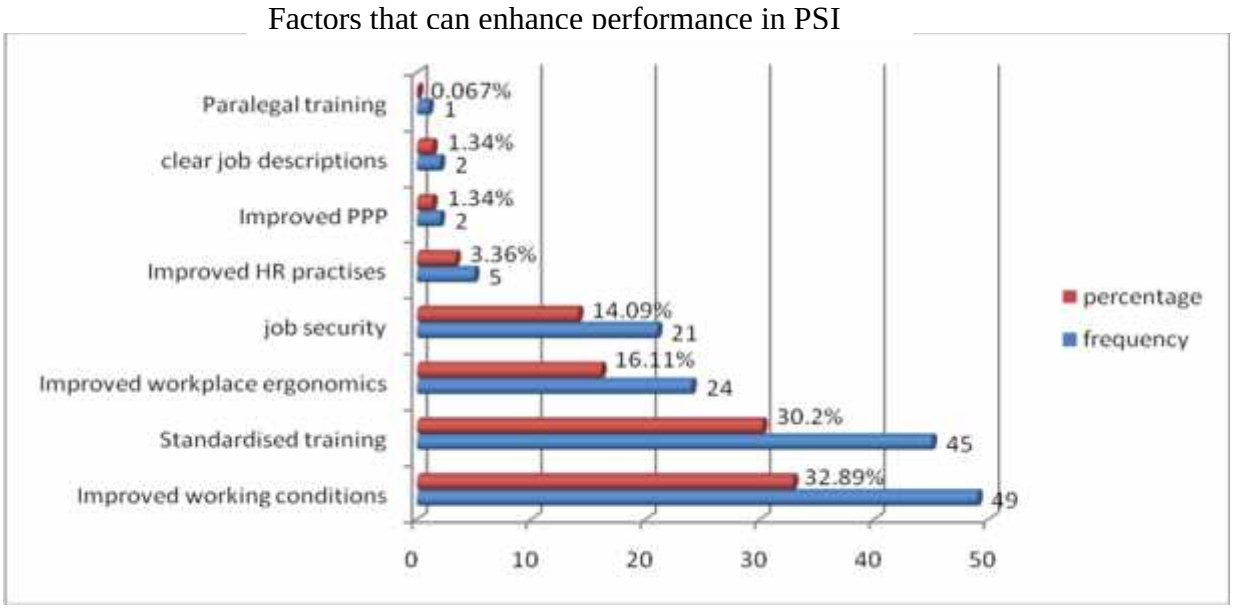


Figure 4.12: Factors that can enhance performance in PSI

4.6 Test of Assumptions/Diagnostics Tests

This section presents the results from the diagnostic tests conducted. The section discusses results from test for linearity, normality, heteroskedasticity, model specification test and, test for multicollinearity. The tests were conducted so as to provide appropriate analysis, meaningful and robust conclusions. Williams, Grajales and Dason (2013) conducted a study on assumptions of multiple regressions; correction of misconceptions and concluded that carefully considering the reasonableness of the assumptions in the context of a particular dataset and analysis is an important prerequisite to drawing of trustworthy conclusions from data.

4.6.1 Test for Heteroskedasticity

In the study, to test for the assumption of constant variance, Breusch Pagan test was used. Chi-statistic was 0.83 and the p-value of 0.3619, implying that the data was not heteroskesdastic. The test statistics for the model is shown in Table 4.22. The P-value reported in Table 4.20 is greater than 0.05. This means that the Chi statistic is less than its critical values at five per cent level of significance. Therefore, the null hypothesis assumed by the Breusch Pagan test that the error term is homoskedastic could not be rejected at five per cent level of significance. Therefore, the usual *t*-tests can be used to test the significance of all the coefficients in all the models. Pedace (2013) explained that hetereskedasticity occurs when the variance of the error term changes in response to a change in the value(s) of the independent variable(s). Table 4.22 shows the results from the test for heteroskedasticity.

Table 4.22: Test for Heteroskedasticity

Model	Chi statistic	P value
Model 3.9	0.83	0.3619

4.6.2 Model Specification Test

The study adopted Ramsey specification test to test whether the models used were correctly specified. The test has a null hypothesis of correct specification. The test statistics for estimated the model equation 3.9 is reported in Table 4.23. The test results has a p-value of 0.2551, which

reported for regression model is greater than 0.05. This means that the F statistic is less than their critical value at five per cent level of significance. Therefore, the null hypothesis assumed by the Ramsey Specification test that the model is well specified could not be rejected at five per cent level of significance. Frost (2017) argued that the simplest model that creates random residual is a great contender for being reasonably precise and unbiased.

Table 4.23: Specification Test

Model	F statistic	P value
Model 3.9	1.37	0.2551

4.6.3 Test for Multicollinearity

Existence of multicollinearity was measured using Variance Inflation Factor (VIF). The study result found VIF of 1.17, implying presence of low multicollinearity which cannot affect the stability and consistency of the study results. As a rule of the thumb, a VIF of less than five is considered an acceptable level of multicollinearity. This concurs with the views of Pedace (2013) who argues that if the correlation coefficient between explanatory variables is less than 0.5, multicollinearity problems is said to be tolerable. Table 4.23 reports the VIF values for the model estimated. It shows that the level of multicollinearity could be tolerated and the findings interpreted.

Table 4.24: Multicollinearity Test

Model	VIF
Model 3.9	1.17

4.6.4 Test for Linearity

The study considered testing whether the variables were linearly related. The correlation analysis was used and the test had a null hypothesis of no linear association. The test statistics for linear associations between the variables and their significance is shown in Table 4.25. Table 4.25 shows that p-values for the correlation coefficients are less than 0.05. Therefore,

calculated test statistic is greater than the tabulated at five per cent level of significance. Thus, the null hypothesis that the correlation coefficients are equal to zero is rejected at five percent level of significance. The correlation coefficients for all the explanatory variables are positive. Therefore, employee performance in the PSI in Kenya and the explanatory variables commove in the same direction. Hence, positive regression coefficients are expected between employee performance and the explanatory variable.

Table 4.25: Test for Linearity

Reference Variable: Employee Performance	**Correlation Coefficient**	**P value**
Employee engagement	0.257	0.002
Training	0.177	0.031
Talent acquisition	0.195	0.018
Knowledge management	0.308	0.000
Skills Development	0.306	0.000

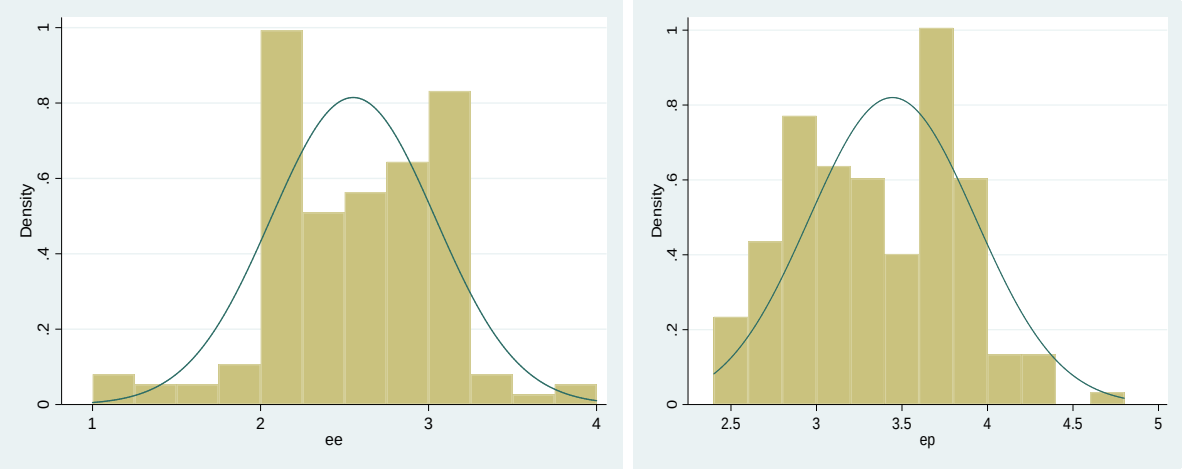
4.6.5 Normality Test

The normality test was conducted. Composites were created using simple means of each domain to test whether the variables were normally distributed and Shapiro Wilk test for normality was used. Ghasemi and Zahediasi (2012) noted that some researchers recommend the Shapiro-Wilk Test as the best choice for testing the normality of the data since it has high power. As per the central limit theorem normality, should be assumed for observation greater than 30. Skewness should be within the range of ±2 and Kurtosis values should be within range of ±7. The results for the normality test are shown in Table 4.25.

Table 4.25: Normality Test

Variable	Z statistic	P value
Employee engagement	1.738	0.041
Training	5.000	0.000
Talent acquisition	5.030	0.000
Knowledge management	2.873	0.002
Skills Development	3.001	0.001
Employee performance	1.135	0.128

The histograms in Figure 4.13 show visual depiction of the normal distribution of employee engagement and employee performance. In a regression analysis the predictor variable should be normally distributed. Williams *et al*., (2013) in their study on assumptions of multiple regressions and correcting misconception argues that normality violation in a study can degrade estimator efficiency. Figure 4.13 shows that the data is normally distributed.



Employee Engagement Employee Performance

Figure 4.13: Normal Distribution Curve

4.7 Inferential Statistics

This section presents the empirical evidence of the study as per the study objectives and the results showing that the data is equally distributed. Both qualitative and quantitative data were gathered. The data has been analysed, and the findings /the results from each of the study objectives have been presented. The study findings have been corroborated with the works of other researchers to help support the outcome.

4.7.1 Correlation Coefficient Analysis

The correlation coefficient analysis was used in the study to identify sign, the strength and direction of the relationship between the variables. The study variables considered were employee engagement, training, talent acquisition, knowledge management, skills development and employee performance. Table 4.26, shows the results of the correlation analysis of all the study variables at 1 per cent level of significance.

The results of the analysis presented in Table 4.26 show that there is a weak positive correlation between employee engagement and employee performance with a correlation coefficient of 0.2567. The study results concurs with the study results by Mansoor and Hassan (2016) who carried out a study to establish the factors affecting employee engagement in Maldives, and found weak positive relationship between employee engagement and communication with a correlation coefficient of 0.322. The researchers also found the correlation coefficient between job role and employee engagement to be 0.197. They also found team work and employee engagement to have a strong positive correlation coefficient of 0.64 while learning and development had a coefficient of 0.181.

The results presented in Table 4.26 shows that there is a weak positive correlation between training and employee performance with a correlation coefficient of 0.1767. The study results concurs with that of Shaheen *et al.*, (2013) who carried out a study on employees training, mediation employee performance and found weak but positive correlation between training and employee performance with r = 0.18, F=43.378, P-value of 0.001. The results by the researchers implied that 0.18 that there exists a weak positive correlation between training and

employee performance. Gidey (2016) also found weak but positive relationship between training and employee performance with correlation coefficient of 0.309 and p-value of 0.01.

The study results summarized in Table 4.26 show that there is a weak positive correlation between talent acquisition and employee performance with a correlation coefficient of 0.1946. The results concurs with that of Mokaya *et al.*, (2013) who carried out a study to establish the effects of recruitment practices on employee performance in Co-operative Bank in Kenya. The researchers found a weaker positive correlation between recruitment and employee performance at r =0.317 and p-value of 0.05. The results presented show that there is a relationship between talent acquisition and employee performance.

The study results in Table 4.26 show that there is a weak positive correlation between knowledge management and employee performance with a correlation coefficient of 0.3079. The results concurs with that of Tajali, Farahani and Baharvand (2014) who conducted a study to establish the relationship between knowledge management and employee performance and innovation in Kuwait. The researchers found a weak positive correlation between knowledge management and employee performance, with the correlation coefficient of 0.277 and a p-value of 0.007, showing that the relationship was statistically significant at 1 per cent level of significance. Based on the results of the current study, there exists a relationship between knowledge management and employee performance.

The study results given in Table 4.26 show that there is a weak positive correlation between skills development and employee performance with a correlation coefficient of 0.3058. The study results concurs with that of Pradeep and Dinakar (2016) who carried out a study on employee perception on skills development program at IT companies in Bangalore. They found that there exist a weak but positive relationship between skills development and employee productivity, with a correlation coefficient of 0.309 and p-value of 0.01.

Table 4.26: Result of Correlation Analysis for HC practices and Employee Performance.

Variable		EP	EE	Training	TA	KM	SD
Employee performance	Pearson Correlation	1.000					
	Sig.(2-tailed)						
Employee engagement	Pearson Correlation	0.256**	1.000				
	Sig.(2-tailed)	0.000					
Training	Pearson Correlation	0.176**	-0.207	1.000			
	Sig.(2-tailed)	0.000					
Talent Acquisition.	Pearson Correlation	0.194**	-0.088	0.177	1.000		
	Sig.(2-tailed)	0.000					
Knowledge Management	Pearson Correlation	0.307**	0.230	0.055	0.393	1.0000	
	Sig.(2-tailed)	.000					
Skills Development.	Pearson Correlation	0.305**	0.195	0.006	0.564	0.394	1.0000
	Sig.2-tailed)	.000					

** Statistically significant at 1 per cent

4.7.2 The Regression Results of the Effect of HC practices on employee performance

The study adopted multiple linear regression models in the analysis. In the study, performance was regressed against five variables, employee engagement, training, talent acquisition, knowledge management and skills development. The results show the sign, magnitude of the relationship and the statistical significance. For the statistical significance, the P-values were interpreted where: less than 0.01 is at 1% level of significance.

(i) Employee Engagement and Employee Performance

The regression results presented in Table 4.27, shows that there is a positive and statistically significant relationship between employee engagement and employee performance with the regression coefficient of 0.232, t-value 2.79 and p-value of 0.006. According to the result, the coefficient of employee engagement is statistically significant at 1% level of significance. The magnitude of the coefficient of employee engagement is 0.232. The result implies that, *ceteris paribus*, one unit change in the score of employee engagement leads to 0.232 units change in the score of employee performance. The study results concur with the findings of Anitha (2014) who conducted a study on determinants of employee engagement and their impact on employee performance. The author found that employee engagement had a significant impact on employee performance at R^2 =0.597. The results of the current study, therefore, show that there is a statistically significant relationship between employee engagement and employee performance.

(ii) Training and Employee Performance

The regression result presented in Table 4.27shows that there is a statistically significant positive relationship between training and employee performance with the regression coefficient of 1.112, t-value of 2.63 and p-value of 0.010. The estimation results imply that the coefficient of training is statistically significant at 1 per cent level of significance. The magnitude of the coefficient of training is 1.112, which implies that, *ceteris paribus*, a one unit change in the score of training leads to 1.112 units change in the score of employee performance. The results presented concurs with that of Ravi, Nishthat, Amit, Ram and Alok (2013) who conducted a study on human capital investment and employee performance and,

found that that a unit increases in training is linked to a 2.14 unit increase in an employee performance. The estimation results, therefore, show that there is a statistically significant relationship between training and employee performance.

(iii) Talent Acquisition and Employee Performance

The regression results presented in Table 4.27 shows that there is a positive relationship between talent acquisition and employee performance. The estimated coefficient of the variable is 0.038 with a t-value of 1.05 and a p-value of 0.294. The results show that the coefficient of talent acquisition is not statistically significant. The magnitude of the coefficient of talent acquisition is 0.038; this implies that, *ceteris paribus*, a one unit change in the score of talent acquisition leads to 0.038 units change in the score of employee performance in the PSI. The study results concurs with that of Lyra (2014) who conducted a study to establish the effect of talent management on organizational performance of companies listed in Nairobi Securities Exchange in Kenya. The researcher found a regression results of talent attraction and organizational performance with R squared at 0.076, and Adjusted R squared of 0.070, an indication that talent there was a positive relationship between talent acquisition and organizational performance. In conclusion, there is no statistically significant relationship between talent acquisition and employee performance.

(iv) Knowledge management and Employee Performance

The regression results presented in Table 4.27 shows that there is a positive and statistically significant relationship between knowledge management and employee performance. According to the estimation results, the regression coefficient of the variables 0.140, with a *t*-value of 2.31 and a p-value of 0.022. The coefficient of knowledge management is statistically significant at 5 per cent level of significance. The magnitude of the coefficient of knowledge management of 0.140, implies that, *ceteris paribus*, a one unit change in the score of knowledge management leads to 0.140 units change in the score of employee performance. The study results concurs with that of Kohansal, Alimoradi and Bohloul (2013) who examined the impact of knowledge sharing on employee performance. The researchers found that 0.250 unit increase in employee performance is attributed to knowledge.

(v) Skills Development and Employee Performance

The regression result presented in Table 4.27 shows that there is positive and statistically significant relationship between skills development and employee performance with the regression coefficient of the skills development variables was 0.065. It also had a *t*-value of 2.03 and a p-value of 0.044. The results show that the coefficient of this variable is statistically significant at 5 per cent level of significance. The magnitude of the coefficient of skills development is 0.065. This implies that, *ceteris paribus*, a one unit change in the score of skills development leads to 0.065 units change in the score of employee performance. The study results concurs with that of Pradeep and Dinakar (2016) who found that there exists a statistically significant relationship between skills development and employee productivity. The estimation results presented, therefore, show that there is a statistically significant relationship between skills development and employee performance.

(vi) Employee Performance in the Private Security Industry in Kenya

The results in Table 4.27 show that the estimated model had R -squared of 0.2050 and adjusted R-squared of 0.1762. This means that the components of human capital jointly explain 21 per cent of the variations in employee performance in PSI. The F-statistic is 7.12 with a P-value of 0.0000, which implies that human capital practices (employee engagement, training knowledge management, skills development and talent acquisition) are jointly significant in explaining variations in employee performance at 1 per cent level of significance. The result can be expressed in a model as indicated:

$$Y = 1.741 + 0.232\,X_1 + 1.112\,X_2 + 0.038\,X_3 + 0.140\,X_4 + 0.065\,X_5$$

Anyango, and Aila (2017) conducted a study on employee voice and job satisfaction among security guards. The researchers found a stable model with R Squared of 0.258 and Adjusted R squared of 0.252. Choi, Florian and Miller (2016) and Lakens (2013), in their study argued that there is no minimum level of R-Squared in the regression analysis since the cross-sectional analysis is based on observed values for a given variable at one point in time.

The beta coefficients in the regression results in Table 4.27 were used to identify and rank the key drivers. The higher the beta coefficient the more a key driver a variable is. Based on this criterion, the independent variables were ranked as follows in terms of explaining performance of employees in the PSI in Kenya. The study results show that training is the key driver since it is ranked the first, followed by employee engagement, knowledge management, skills development and lastly, talent acquisition. This means that firms in PSI should provide quality and adequate training a priority, then ensure that their workers are engaged. This result is consistent with the explanation by Cucina, Walmsley, Gast, Martin and Patrick (2011) who argued that the study of key driver analysis is an analysis that attempts to identify a set of survey items called drivers that have the greatest impact on a specified organizational outcome.

Table 4.27: Regression results of influence of HC practices on employee performance

Regression Analysis	**Test Statistic**	**P-value**	
Observations (143)			
Adjusted R-squared	0.1762		
R-squared	0.2050		
F-statistic (5, 138)	7.12***	0.0000	
ANOVA	F=4.37	0.0000	
Beta Coefficient	Coefficients	t-statistic	P-value
Employee engagement	0.232***	2.79	0.006
Training	1.112***	2.63	0.010
Talent acquisition	0.038	1.05	0.294
Knowledge management	0.140**	2.31	0.022
Skills development	0.065**	2.03	0.044
Constant	1.741***	5.90	0.000
Key:			
** Statistically significant at 5 per cent			
*** Statistically significant at 1 per cent.			

The result can be expressed in a model as indicated:

$$Y = 1.741 + 0.232\,X_1 + 1.112\,X_2 + 0.038\,X_3 + 0.140\,X_4 + 0.065\,X_5$$

4.7.3 The Overall Analysis of Variance

The one way ANOVA was used to test the significance of the overall model at 95% level of confidence. The relationship between the two variables is considered statistically significant, when the F-critical is less than F-calculated. This concurs with the recommendations of Cooper and Schindler (2014). Garson (2012) explained that to interpret ANOVA one needs to check if the P-value is less than or equal to the significance level, then reject the null hypothesis.

The study results presented in Table 4.28 shows the ANOVA results for human capital practices. The statistics presented shows that F-statistic is 4.37, *df*(18,124) and the Prob>F is 0.0000. This implies that the coefficient of joint determination is statistically significant at 1% level of significance. This means the study independent variables jointly determines employee performance, and that the influence is statistically significant. Basing the confidence level at 95%, the analysis indicates that high reliability of the results was obtained in all the variables, implying that the means were statistically different from zero.

The F-critical value at *df*(18,124) was 1.69 while the F-calculated reported in Table 4.28 was 4.37. This shows that F-calculated is greater than the F-critical, hence there is a positive and statistically significant linear relationship between human capital practices and employee performance. In addition, the p-value was 0.0000, which is less than the significance level of 0.05. The study findings are consistent with that of Mutindi, Namusonge and Obwogi (2013) who estimated the effect of strategic management drivers on the performance of hotel industry in Kenyan Coast and found ANOVA result of F=2.162 and p-value 0.008, implying a statistically significant relationship at 1 % level of significance.

The study result summarized in Table 4.28 gives the ANOVA results for employee engagement and employee performance. The ANOVA result shows that F-statistic is 1.81 and the Prob>F is 0.1480, implying that the coefficient of employee engagement is statistically significant and different from zero at 5% level of significance. The study results concurs with that of Preko and Adjetey (2013) who carried out a study on the concept of employee loyalty and engagement on performance of sales executives in Commercial Banks in Ghana. The

researchers found a statistically significant impact of employee engagement and performance with an ANOVA of F-statistic=37.492, *df*(1,48) and P-value of 0.000. Based on the estimation results of the current study, employee engagement has a statistically significant influence on employee performance.

The study result given in Table 4.28 also provides the ANOVA results for training and employee performance. The ANOVA result shows that F-statistic is 2.23 and the Prob>F is 0.0692. The results imply that the coefficient of training is statistically significant, and different from zero at 10% level of significance. The study results concur with that of Iqbal, Ahmad and Javad (2014) who did a study to establish the impact of training on employee performance. The study found ANOVA result of p-value 0.000 and F-statistic of 556.177. In respect to the current study, the ANOVA results show that training has a statistically significant relationship with employee performance.

The study results summarized given in Table 4.28 gives the ANOVA results for talent acquisition and employee performance. The ANOVA result shows that F-statistic is 3.51 and the Prob>F is 0.0094, implying that the coefficient of talent acquisition is statistically significant and different from zero at 1% level of significance. The study results concurs with that of Lyra (2014) who also found the ANOVA results of talent acquisition and organizational performance at F-statistic=13.101 and P-value 0.000, implying that there was a significant relationship between talent attraction and organizational performance at 1% level of significance. It follows that, therefore, that talent acquisition has a statistically significant influence on employee performance in PSI in Kenya.

The study result summarized in Table 4.28 provides the ANOVA results for knowledge management and employee performance. The ANOVA result shows that F-statistic is 0.67and the Prob>F is 0.6134. This implies that the coefficient of knowledge management is statistically significant and different from zero at 1% level of significance. The study results concurs with that of Kohansal, Alimoradi and Bohloul (2013) in their study examined the impact of knowledge sharing on employee performance. They found an ANOVA of *df*(1,211),

F-statistic=70.332 and Sig = 0.0000. The study, therefore, established that there exists a significant relationship between knowledge management and employee performance.

The estimation results presented in Table 4.28 gives the ANOVA results for skills development and employee performance. The ANOVA result shows that F-statistic is 8.10 and the Prob>F is 0.0.0001, implying that the coefficient of skills development is statistically significant and different from zero at 1% level of significance. Pradeep and Dinakar (2016) found ANOVA results for skills development and employee productivity at F-statistic =33.988 and Prob>F is 0.000. It follows in respect of the current study that there is a statistically significance relationship between skills development and employee performance.

Table 4.28: Overall ANOVA Result of joint HC practices and employee performance

Source	**SS**	***df***	**MS**	**F**	**Prob>F**
Model	17.402546	18	0.9668080	4.37	0.0000
Employee engagement	1.2037185	3	0.4012395	1.81	0.1480
Training	1.9758136	4	0.4939534	2.23	0.0692
Talent acquisition	3.1071823	4	0.7767955	3.51	0.0094
Knowledge management	0.5934293	4	0.1483573	0.67	0.6134
Skills development	5.3749865	3	1.7916622	8.10	0.0001
Residual	27.422629	124	0.22115024		

$Y = {}_0 + {}_1X_1 + {}_2X_2 + {}_3X_3 + {}_4X_4 + {}_5X_5 + £$

The study results presented in Table 4.29 shows the goodness of fit and model summary of the influence of human capital practices on employee performance. The model shows, R-squared at 0.3882 and adjusted R^2 at 0.2994, F-statistic of 4.37, and p-value of 0.0000. This implies that the model explains 38.82% of changes in employee performance in the PSI. The results also show that there is a statistically significant relationship between the study independent variables and dependent variable at 1% level of significance, with a p-value of 0.0000.

The results concur with that of Mutindi, *et al.,* (2013) who sought to establish the effect of strategic management drivers on the performance. The authors found a goodness of fit analysis of R-squared at 0.511 and Adjusted R squared of 0.316. The study results also concurs with that of Odhong *et al.*,(2014) who in their study sought to establish the effect of human capital management drivers on organizational performance in the banking industry and found Adjusted R^2 of 20.92%, implying that, *ceteris paribus*, 20.92% change in organizational performance can be explained by the human capital management drivers studied. Based on the results, the model: $Y = {}_0 + {}_1X_1 + {}_2X_2 + {}_3X_3 + {}_4X_4 + {}_5X_5 + £$ explains the goodness of fit with F=4.37, p-value = 0.0000, and R squared = 0.3882. Table 4.29 indicates the overall model summary.

Table 4.29: Overall Goodness of fit analysis/model summary

Model	**SS**	***df***	**MS**	**F**	**Prob>F**	**R^2**	**Adj. R^2**
Regression	17.40254	18	0.96680	4.37	0.0000	0.3882	0.2994
Residual	27.42262	124	0.22211				
Total	44.82517	142	0.31567				

4.7.4 Beta Coefficients (t-test)

The results in Table 4.30 shows that β coefficient of the constant is 2.521, Standard Error (SE) =0.329, t=7.65, and p-value = 0.000. The β coefficient was computed to determine the degree of change in the outcome variable, for every one unit of change in the predictor variable. The t-test was used to determine whether the coefficient is significantly different from zero. The explanatory variables assessed were: employee engagement, training, talent acquisition, knowledge management, and skills development. The results were as presented in the sections that follow.

(i) Employee engagement and employee performance

The results summarized in Table 4.30 shows that the unstandardised β coefficient of employee engagement is 0.209, SE of 0.086, t-value =2.42, p-value=0.017 and standardised β coefficient

is 0.205. The β coefficient of employee engagement is positive, implying that, holding other things constant, for every one unit increase in employee engagement, employee performance will increase by 0.209. The t-value is statistically different from zero and has a p-value of 0.017. This shows the beta coefficient of employee engagement is statistically significant at 5 per cent level of significance.

The results concur with that of Cheche, Muathe and Maina (2017) who conducted a study on employee engagement, organizational commitment and performance of selected corporations in Kenya. The researchers found a beta coefficient of employee engagement to be 0.64 with a corresponding p-value of 0.000. This implied that a unit change in employee engagement resulted in 0.64 unit change in performance. The results presented, therefore, shows that the relationship between employee engagement and employee performance is statistically significant.

(ii) Training and employee performance

The result given in Table 4.30 shows that the unstandardised β coefficient of training is 0.108, SE of 0.054, t-value =1.99, p-value=0.048 and standardised β coefficient is 0.158. The β coefficient of training is positive, implying that for every one unit increase in training, employee performance will increase by 0.108 units. The t-value is statistically different from zero with a p-value of 0.048. This implied that the beta coefficient of training is statistically significant at 5 per cent level of significance.

The study results concurs with Abeba, Mesele and Lemessa(2015) who studied the impact of training and development on employee performance and effectiveness, in Addis Ababa. They found that the β coefficient from the general linear models unadjusted score of training was β=0.46(0.28, 0.63) while employee performance was 0.49(0.39, 0.60) and the adjusted models of the β value for training was 0.25(0.11, 0.39) while employee performance scores were 0.42(0.32, 0.53). The study results presented in Table 4.29, therefore, shows that the relationship between training and employee performance is statistically significant.

(iii) Talent acquisition and employee performance

The results in Table 4.30 shows that the unstandardised β coefficient of talent acquisition is 0.015, SE of 0.042, t-value =0.36, p-value=0.718 and standardised β coefficient is 0.036. The β coefficient of talent acquisition is positive, implying that for every one unit increase in talent acquisition, employee performance will increase by 0.042. The p-value is 0.718 implying that the beta coefficient of talent acquisition is not statistically significant.

The study result concurs with that of Mokaya, *et al.,* (2013) who found beta coefficient of recruitment sources, with unstandardised value of 0.911, SE=0.238, standadised beta = 0.408, t-value of 3.835 and p-value = 0.000. This implies that the coefficient of the variable was statistically significant at 1 per cent level of significance. The current study, therefore, reveal that there is a positive relationship between talent acquisition and employee performance, but not statistically significant.

(iv) Knowledge management and employee performance

The results in Table 4.30 shows that the unstandardised β coefficient of knowledge management is 0.113, SE of 0.062, t-value =1.81, p-value=0.072 and standardised β coefficient is 0.162. The β coefficient of knowledge management is positive, implying that for every one unite increase in knowledge management, employee performance will increase by 0.113 units. The coefficient of the variable had a p-value of 0.072, which shows that the beta coefficient of knowledge management is statistically significant at 10 per cent level of significance.

The results concur with that of Muhoya (2016) who conducted a study to establish the influence of knowledge management practices on performance of selected Global Audit Firms in Kenya. The researcher who found the beta coefficient of knowledge sharing at β =0.486, with standard error of 0.159 and p-value of 0.004 and knowledge sharing at β =0532, standard error of 0.197 and p-value of 0.005.

(v) Skills development and employee performance

The estimation results presented in Table 4.30 shows that the unstandardised β coefficient of skills development is 0.146, SE of 0.084, t-value =1.74, p-value=0.085 and standardised β coefficient is 0.172. The β coefficient of skills development is positive, implying that for every one unit increase in skill development, employee performance will increase by 0.146 units. The p-value of 0.085 shows the beta coefficient of skills development is statistically significant at 10 per cent level of significance.

The study results concurs with that of Pradeep and Dinakar (2016) who in their study on employee perception on skills development programs at IT companies in Bangalore, found unstandardised β coefficient of 0.604, SE=0.82 and standardized β coefficient of 0.59, t-value 7.373 and p-value =0.000. Employee productivity had unstandardised β coefficient of 0.608, SE=0.104 and standardised β coefficient 0.507, t=5.83 and p-value =0.000. Thus, the current study finds the relationship between skills development and employee performance to be statistically significant.

Table 4.30: Beta Coefficient

Employee Performance	Unstandardized β coefficient	Standardised coefficient Beta	Standard Error	T	P-value
Employee engagement	0.2090121	0.2057967	0.086431	2.42	0.017
Training	0.1085757	0.1584712	0.0544261	1.99	0.048
Talent acquisition	0.153222	0.366298	0.0423083	0.36	0.718
Knowledge management	0.1130426	0.1619094	0.623641	1.81	0.072
Skills development	0.146341	0.1723198	0.0843463	1.74	0.085
Constant	2.521922		0.3296239	7.65	0.000

4.8 Hypothesis Testing

This section presents the test of the various study hypotheses. The findings are thematically presented based on the objectives. The study tested the null hypothesis. Lakens (2013) stated that null hypothesis is often a good and sometimes extremely accurate approximation. The explanatory variables under study were employee engagement, training, talent acquisition, knowledge management and skills development.

4.8.1 Test of Hypothesis One

The first objective of the study sought to determine the effect of employee engagement on performance of employees in the PSI in Kenya. To this end, the following null hypothesis was tested.

> **H_{01}:** Employee engagement has no effect on performance of employees in the private security industry in Kenya

Table 4.26 shows that the coefficient of employee engagement was 0.232 with a t statistic of 2.79 and a corresponding P value of 0.006. Since the p-value is less than 0.05, the calculated t is greater than the critical at five per cent level of significance. Therefore, at 1 per cent level of significance, the null hypothesis was rejected implying that employee engagement has a statistically significant effect on performance of employees in the private security industry in Kenya. The magnitude of the coefficient of employee engagement is 0.232. This implies that, *ceteris paribus*, one unit change in the score of employee engagement leads to 0.232 units change in the score of employee performance. Otieno *et al.*, (2015) found that there is statistically significant relationship between employee engagement and performance.

4.8.2 Test of Hypothesis Two

The second objective of the study sought to examine the effect of training on performance of employees in the PSI in Kenya. To this end, the following null hypothesis was tested.

> **H_{02}:** Training has no effect on performance of employees in the private security industry in Kenya

Table 4.26 shows that the coefficient of training was 1.112 with a t-statistic of 2.63 and a corresponding P value of 0.010. Since the p-value is less than 0.05 the calculated t is greater

than the critical value at five per cent level of significance. Therefore, at five per cent level of significance the null hypothesis was rejected implying that training has a significant positive effect on employee performance in the private security industry in Kenya.

The magnitude of the coefficient training is 1.112. This implies that a one unit change in the score of training leads to 1.112 units change in the score of employee performance. Ravi *et al.*, (2013) found a significant positive impact of training on employee performance. The study results revealed that a unit increase in training is linked to a 2.114 per cent increase in an employee performance. Iqbal, *et al.*, (2014) found that the correlation analysis shows significant positive relationship between training and employee performance at P-value = 0.000 and r = 0.889.

4.8.3 Test of Hypothesis Three

The third objective of the study sought to establish the effect of talent acquisition on performance of employees in the PSI in Kenya. To this end, the following null hypothesis was tested.

> **H_{03}:** Talent acquisition has no effect on performance of employees in the private security industry in Kenya.

The estimation result presented in Table 4.26 shows that the coefficient of talent acquisition was 0.038 with a t-statistic of 1.05 and a corresponding P value of 0.294. Since the p-value is greater than 0.294, implying that the coefficient of talent acquisition is not statistically significant. Therefore, the null hypothesis was not rejected implying that talent acquisition has no significant effect on performance of employees in the PSI in Kenya.

The magnitude of the coefficient of talent acquisition is 0.038. This implies that a one unit change in the score of talent acquisition leads to 0.038 units change in the score of employee performance. Lyra (2014) found that the correlation coefficient of talent attraction was 0.275 with a p-value of 0.000, indicating a significant positive correlation between talent attraction and organizational performance.

4.8.4 Test of Hypothesis Four

The fourth objective of the study was to determine the effect of knowledge management on employee performance in PSI in Kenya. To this end the following null hypothesis was tested.

> **H_{04}:** Knowledge management has no effect on performance of employees in the private security industry in Kenya.

Table 4.26 shows that the coefficient of knowledge management was 0.140 with a t-statistic of 2.31 and a corresponding P-value of 0.022. Since the p-value is less than 0.05, the calculated t-statistic is greater than the critical at five per cent level of significance. Therefore, at five per cent level of significance the null hypothesis was rejected implying that knowledge management has an effect on performance of employees in the PSI in Kenya.

The magnitude of the coefficient of knowledge management is 0.140. This implies that a one unit change in the score of knowledge management leads to 0.140 units change in the score of employee performance. Rasula, Vuksic and Stemberger (2012) found a statistically significant relationship between knowledge management and organizational performance with a t-statistic of 11.67, coefficient 0.94, and an R-squared of 89 per cent.

4.8.5 Test of Hypothesis Five

The fifth objective of the study sought to examine the effect of skills development on employee performance in the PSI in Kenya. To this end, the following null hypothesis was tested.

> **H_{05}:** Skills development has no effect on performance of employees in the private security industry in Kenya.

The estimation results presented in Table 4.26 shows that the coefficient of skills development was 0.065 with a t statistic of 2.03 and a corresponding P value of 0.044. Since the p-value is less than 0.05, the calculated t is greater than the critical at five per cent level of significance. Therefore, at five per cent level of significance, the null hypothesis was rejected implying that skill development has an effect on performance of employees in the private security industry in Kenya.

The magnitude of the coefficient of skills development is 0.065. This implies that, *ceteris paribus*, a one unit change in the score of skills development leads to 0.065 units change in the score of employee performance. Pradeep and Dinakar (2016) found that there exists statistically significant impact of skills development programs on employee productivity, with R-squared = 0.357. The estimation results for the current study confirm that skills development has a statistically significant effect on employee performance at 5 per cent level of significance.

CHAPTER FIVE
SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

In this chapter, the study provides summary, conclusions and recommendations with reference to specific objectives: first, assessing the influence of employee engagement on employee performance in the PSI in Kenya, second, determining the influence of training on employee performance in the PSI in Kenya, third establishing the effect of talent acquisition on employee performance in the PSI in Kenya, fourth establishing the influence of knowledge management on employee performance in the PSI in Kenya and lastly, determining the influence of skills development on employee performance in PSI in Kenya.

5.2 Summary of the study findings

This section gives a brief summary of the study to enable the reader have a quick scan and understanding of the study. Discussed are the study variables, which include: employee engagement, training, talent acquisition, knowledge management, skills development and employee performance. The study sought to establish the influence of human capital practices on employee performance in the PSI in Kenya.

5.2.1 Influence of Employee Engagement on Employee Performance

The study sought to assess the influence of employee engagement on employee performance in the PSI in Kenya. The indicators that assessed included job design, work life balance communication, total reward and use of IT systems to enhance employee engagement and performance. The study found a weak positive correlation between employee engagement and employee performance with a correlation coefficient of 0.2567.

The regression results presented in Table 4.26, shows that there is a statistically significant positive relationship between employee engagement and employee performance, with the regression coefficient of 0.232, t-value 2.79 and p-value of 0.006. This implies that the coefficient of employee engagement is statistically significant at 1% level of significance. The

study found low levels of employee engagement. In summary, drivers for achieving sustainable employee engagement requires a proper job design that provides autonomy, skills variety and even opportunity for development, total reward, clear channel and improved two way communication. In addition, work life balance and balanced workload helps in promoting employees better health and wellness at work.

5.2.2 Determine the influence of Training on Employee Performance

The study sought to determine the influence of training on employee performance in the PSI in Kenya. The indicators that were used to determine training includes: training needs analysis, training design, training program, training implementation techniques and training evaluation mechanisms. The study found that there is a weak positive correlation between training and employee performance with the correlation coefficient of 0.176.

The regression result presented in Table 4.26 shows that there is a statistically significant relationship between training and employee performance, with a regression coefficient of 1.112, t-value of 2.63 and p-value of 0.010, According to the results, the coefficient of training is statistically significant at 1 per cent level of significance. The study found inadequate training of the guards at the time of engagement. In summary, relevant and adequate training is necessary and that TNA should be conducted to assist in identifying the current training trend, training requirements and materials needed. The firms also get the opportunity to anticipate the relevant training required in future.

5.2.3: The effect of Talent Acquisition on Employee Performance

The study sought to establish the effect of talent acquisition on employee performance in the PSI in Kenya. The study indicators used includes: hiring techniques, talent development, mechanisms, job placement, IT systems applications and sources of hiring. The study found a weak positive correlation between talent acquisition and employee performance, with a correlation coefficient of 0.1946.

The regression results presented in Table 4.26 shows that talent acquisition positive relationship between talent acquisition and employee performance, with a regression coefficient of 0.038, a t-value of 1.05 and a p-value of 0.294. According to the results, the coefficient of talent acquisition is not statistically significant. The study found low level of talent acquisition and placement in the sector. In summary, the integration of talent acquisition policies with the internal human resource policies is imperative. The PSI could consider on-boarding and socialization as a way of reducing labour turnover and enhancing employee performance and growth.

5.2.4: Influence of Knowledge Management on Employee Performance

The study sought to establish the influence of knowledge management on employee performance in the PSI in Kenya. The indicators used includes: knowledge acquisition, collaboration and team work, knowledge dissemination, information sharing, and IT systems. The measures of central tendency, correlation coefficient and regression results were established. The study found a weak positive correlation between knowledge management and employee performance, with a correlation coefficient of 0.307.

The regression results presented in Table 4.26 shows that there is a statistically significant relationship between knowledge management and employee performance with a regression coefficient of 0.140, t-value of 2.31 and a p-value of 0.022. According to the results, the coefficient of knowledge management is statistically significant at 5 per cent level of significance. The study found low levels of knowledge management practices in the sector. In summary, knowledge acquisition enhances capacity building, collaboration and team work is very key in the sector and information sharing. The positive attributes of the indicators enhance performance and knowledge management practices in the sector.

5.2.5 Influence of Skills Development on Employee Performance

The study sought to establish the influence of skills development on employee performance in the PSI in Kenya. The indicators used includes: employability skills, skills matching, on-boarding, and IT systems. The study found a weak positive correlation between skills

development and employee performance with a correlation coefficient of 0.305. The regression results presented in Table 4.26 shows that there is a statistically significant relationship between skills development and employee performance with a regression coefficient of 0.065, t-value of 2.03 and a p-value of 0.044.

This implies that a unit increase in skills development leads to 0.065 change in employee performance. According to the results, the coefficient of skills development is statistically significant at 5 per cent level of significance. The study found limited skills development initiatives in the sector. The positive attributes of the study indicators showed that skills development enhances employee performance.

5.2.6 Employee performance in the Private Security Industry

In summary, the study sought the perception of the study respondent in measuring employee performance in the sector, for the period 2015-2017. The study found that customer services have improved in the sector and, the work environment has also improved. However, a few of the guards working in night shifts indicated poor working environment. In addition, most of the study respondents indicated that they prefer their employers. This shows good levels of employee value proposition. The study also found that many firms in the PSI have not embraced innovation by involving their employees in idea generation and decision making. This implies low levels of product innovation, creativity and awareness.

5.3 Conclusion

This section intends to restate the researcher's arguments, and to help the reader understand why the study was done, and why it matters or its relevance. The study sought to establish the influence of human capital practices on employee performance in the PSI. Generally, human capital practices are considered good practices that enhance employee performance in all industries.

5.3.1 Employee Engagement and employee performance

Employee engagement is a driver that enhances employee performance. It is imperative to note that apart from salary or pay, employees needs other incentives such as house allowance, commuter allowance, opportunity for career development, recognition and bonuses. Effective employee engagement enhances employee performance, whereas disengaged employees have no incentive to work and improve their levels of efficiency and effectiveness. The workplace can also stagnate if workers have no reason to ever go above and beyond their basic responsibilities or call on duty.

This means that drivers for achieving sustainable employee engagement requires a proper job design that provides autonomy, skills variety and even opportunity for development, total reward, clear channel and improved two way communication. Work life balance and balanced workload helps in promoting employees better health and wellness at work. The specific organizations objectives should be clear and with effective supervision. Treating employees with dignity and respect is important in promoting employee performance. In many situations, professionals in human resource management fields argue that workers do not leave the organizations, but they leave the supervisors or managers, hence employee engagement is key.

5.3.2 Training and employee performance

Training is a key driver that enhances employee performance. Training Needs Analysis is a key tool for assessment and identification of the skills gaps to be filled. Given the kind of work the security guards do, the training they get at the organization should identify and fulfill their skills besides meeting expectations. The training programmes should be robust and relevant. The training implementation techniques should be a blended approach since the guards need both classroom lectures and fieldwork/demonstrations. Training evaluation should be conducted to help, identify areas to be adjusted or reviewed.

5.3.3 Talent Acquisition and employee performance

Talent acquisition is a key driver of employee performance. Hiring the right skills for the right job at the right time is a good practice that every organization aspires to be concentrating on to

offer job placement that is satisfying. By identifying hiring techniques as an indicator, the study sought to establish if the organizations conducts personality traits interview and does background checks when hiring security guards. Talent development involves identifying, attracting and developing the right talent that conforms to the vision and the culture of the organization.

Attracting, recruiting, hiring and engaging the right talent, for the right job is what makes an organization grow. To promote a sustainable and good talent acquisition tool or a modern recruitment guide employers need to create a profile and career page that stands out; reach the right candidate at the right time; target employees' connections; have a clear employee referral program and finally, empower employees with news skills and growth opportunities.

5.3.4 Knowledge Management and employee performance

Knowledge management enhances employee performance. Good practice in knowledge management involves providing the employees with the relevant manuals and procedures, tools for learning and service delivery and the right information they need to know when on duty. Collaboration and team work enhances employee performance when employers promote teamwork that is needed in the PSI together with the relevant public reinforcement officers.

Integrating knowledge management policies enhances employee performance and hence enables organizations get an exemplary performance. Knowledge management enhance both organizational learning and creates enabling environment for learning organizations to achieve their objectives hence improves employee performance. Knowledge sharing is possible where the staff and the working teams or groups commit to a cooperative behavior, creating enabling environment to sustain lifelong learning.

5.3.5 Skills Development and employee performance

Skills development is a key driver in enhancing employee performance. Employability skills are imperative to both job seekers and job holders in every organization or sector regardless of the job cadre. The worker needs soft skills to be security guards more than technical skill.

Skills' matching puzzles every employer at every level and workers also prefer doing work that is in line with their skills or what they learned. However, it is evident that this is not exactly what is happening in the labour market.

Organizations need to be concerned about skills anticipation in readiness with the changes in the labour market. The PSI is one of the sectors that technology drives employee performance and has since give rise to new occupations in the sector. It is evident that technology is changing the way work is done, with some of the services provided by the security guards currently automated.

5.4 Recommendations

The recommendation section of the study is key since it draws reader's attention to action based evidenced that has been gathered and analyzed in the study. It provides specific actionable, and sense of evidence based solution of the study problem. The main objective of the study was to establish the influence of human capital management drivers on employee performance in the PSI in Kenya.

5.4.1 Employee Engagement and employee performance

The PSI should have the best employee engagement mechanisms since the nature of their duty requires that one is physically and mentally fit and "checked in" when on duty. Clear job designs should be implemented to provide a clear task identity, task significance, improve autonomy and provision of effective feedback that promotes productivity. In addition, a structured framework that categorizes the security guards in clusters and their customers will help in mapping and improving the terms and conditions of employment. Enhancing employee engagement through work life balance should be encouraged, by having well arranged shifts, provision of rest days and optional/opportunity to work for paid overtime. These are expected to improve employees' productivity.

Clear channels and two way communication as well as respect for everyone is imperative. In addition, embracing genuine social dialogue to enhances employee performance and problem

solving mechanisms, hence promote overall productivity. Provision of total reward is key, and considering pay equity and equality and enhancement of social protection mechanism is vital. The total reward approach provides for both intrinsic and extrinsic motivation that promotes effective employee engagement as evident in the study. The IT systems - having online portal for employee self service promote engagement and enhance feedback mechanism in the organization.

In conclusion, policy options includes: implementation of total reward that provides both intrinsic and extrinsic rewards. A well developed PSI Wage Regulations Guideline is critical. Implementation of family friendly policies, such as child care programs – provision of safe, clean and adequately furnished breast feeding rooms/centres in the organizations as well as quality public child care services, this will promote young women in employment. Breast feeding is the first step towards building the human capital that will drive the economies in future. Implementation of flexible working hours to promote work life balance, improved healthcare programs, employee health and wellness programs and enhanced social protection policies. These policies will not only promote young women in employment, but also promote equality in labour force participation but also as a measure towards addressing the gender gap in the PSI sector.

5.4.2 Training and employee performance

Training enhances employees' performance and enables the enterprises to achieve a competitive advantage, above competitors. Training designs adopted should entail both on-job and off-job programs. The on-job training enables the security guards cope with the duties they are assigned in every work stations. For example, some require ICT skills, ability to communicate in English and Kiswahili, and/or any other additional foreign languages, where applicable to enhance their employability**.** It is important to have standardized training and standard curriculum with minimum educational qualification being secondary level certificate. To ensure that effective training implementation techniques are in place, holistic and blended training techniques that comprises both class room lectures, field demonstrations, online learning and paralegal training is very useful in this sector.

The study suggests that the government/institutions should train the private security guards and also offering an integrated coordinated approach to any security concern if necessary. This should also be continued surveillance and collective responsibility in the case of a security concern. The Government owned institutions, for example, Technical Vocational Education and Training (TVET) could be the best institutions to offer basic formal training for security guards. The suggested key institution by the study respondents is the National Youth Service (NYS) and TVET. The formal training will also help in recognition of the security guards as professionally certified to carry out the duties, also earn them respect and dignity. Embrace IT based training programmes such as such as organizational owned on-site training, web based training, class room training, webinars and video tutorial offering relevant training.

5.4.3 Talent Acquisition and employee performance

Talent acquisition enhances employee performance. Organizations should consider developing, branding and expanding established referral systems, sourcing channels, leveraging new and advanced technology in recruitment of the private security guards. It is important to have a distinct and specific recruitment centers, most preferred from government training institutions. In addition, talent acquisition can be achieved through recognized institutions such as NYS and registered accredited institution for security guards, as suggested by majority of study respondents. The organizations should embrace IT centered talent acquisition systems. It helps in developing policies for human resource planning, on-boarding, IT systems, and Recruitment policies. The accredited recruitment centres, according to the study should be the training institutions. In the 21st century organizations, it is now vital to have good practice managers in the organisations to ensure that good practices are implemented.

5.4.4 Knowledge Management and employee performance

Promoting knowledge acquisition, knowledge sharing and dissemination requires infrastructure, creating KMSs, and making the resources available. Provision of workplace manuals and procedures, as well as providing clear job descriptions will enable workers know what is expected of them. Promoting a well regulated learning and exchange programs

occasionally will foster collaborations between the private security guards and the public security officers.

In addition, organizations should embrace social dialogue as a decision making and knowledge sharing tool., support knowledge sharing to aid decision making, by having infrastructures that supports knowledge dissemination such as KMSs, open access data bases for online learning, provision of manuals and clear job descriptions so that the workers understand their duties, what meets their expectations, and what is expected of them.

5.4.5 Skills Development and employee performance

It is imperative to implement policies that promote skills development at individual, organizational level, up-skill and re-skill. Organize exchange programs with public and private security expertise to strengthen security responses. Promote IT based skills development program for employee self support systems that promote skills development. Employee should also consider that about 80% of personal development comes from personal initiatives; hence everyone is challenged to take the first step in skills development, and adopt lifelong learning culture as a personal responsibility.

Skills development enhances employee performance and continuous capacity building policies is necessary to impart both soft skill and technical skills to enable them carryout their duties effectively. These skills includes, critical thinking, people management, psychology, community service, ICT, security issues, analytical skills, problem solving skills and being able to evaluate situations. Based on study results, the study suggests that enactment of Skills Development Act, to complement Kenya's National Industrial Training Act. This will provide information to be used to develop and improve the Sector Skills Plan (SSP), provision of Skills Development Fund (SDF) and robust Labour Market Information Systems (LMISs) or state driven Skills Information Systems among other key policy instruments can be considered as measures to fix skills gap at national level.

At the organizational level, firms should answer key questions such as: First, what skills and competencies are needed in the organization? Secondly, what is the organisation's future state to meet business goals? Third, what does the skills and competency mapping of the organizations reveal? Fourth, what are the priority skills and competency to grow the business based on skills mapping results, and lastly, what are the skills and competency mapping in terms of job function, specialization area, departmentally and even geographically.

5.4.6 Employee Performance in the Private Security Industry in Kenya

The PSI is a crucial component of security and safety in all parts of the world and it has increased its role in protecting critical infrastructure. Therefore, the modern firms needs to value customer service, be aware of the labour market dynamics, needs to be organic and embrace change rather than retaining the status quo of mechanistic organizations. The performance of every firm depends on the human capital best practices, creativity, and innovation. In addition, promoting research and innovation in the industry will also promote progressive policy formulation and implementation. Research provides empirical evidence to support the reasoning, problem identification, and recommending the way forward. Translating research into progressive policy and industry solution requires collective responsibility of the key stakeholders and researchers.

The organizations and the employees should be aware that Future of Work is here and what employees are experiencing, globalization, and IT are changing the way work is done. Hence, organizations should embrace the opportunities that come along with the IT advancement, and integrate IT systems with the human capital practices. This will not only improve performance but also address the digital divide, challenges understanding that advantages that comes with the IT, gig economy and enable the organizations offer services with state of the art approach.

It is evident that carefully chosen human capita practices, enhances employees performance. It is, therefore, imperative to have the human capital practices formulated and implemented in accordance with the organizational human resource policy aligned with the National Human Capital Development policies that are aligned with *Kenya's Vision* 2030, the African Union

Agenda 2063 and SDGs 2030. The human capital management policy and manuals should be aligned with the business strategies and the legal and institutional frameworks. This should be in accordance with the provisions as stipulated in the Constitution of Kenya, Protective Security Act 2016, Protective Security Wage Council and Kenya's Labour Laws. In addition, the practices should be aligned with Decent Work Agenda and International Labour Standards to ensure compliance and promotion of good practices in HCM.

5.5 Contribution to the existing theory/knowledge learned

The study addresses the five specific objectives as a contribution to existing theory or current knowledge: The objectives include: First, was to assess the influence of Employee Engagement on Employee Performance in the Private Security Industry in Kenya. Second, was to determine the influence of Training on Employee Performance in the Private Security Industry in Kenya. Third, was to establish the effect of Talent Acquisition on Employee Performance in the Private Security Industry in Kenya. Fourth, was to establish the influence of Knowledge Management on Employee Performance in the Private Security Industry in Kenya and finally, to determine the influence of Skills Development on Employee Performance in the Private Security Industry in Kenya.

The theories and models discussed in the study to support the variables, the study findings and recommendations discussed in the study gives an innovative, analytical and appropriate methodological approach by linking the study to the theories and enhancing understanding of the reader using the conceptual models. The study has also identified key human resource management challenges and recommended appropriate redress.

5.6 Areas of Future Research

First, the study sought to establish the influence of human capital practices on employee performance in the Private Security Industry in Kenya. The study focused on PSGs only in Nairobi County as unit of observation. Therefore, further studies can be done in this sector, since there are various categories of employees in the PSI, for example, management staff, and those offering courier services. Some firms also employ survivalist waste collectors, and

among others. The survivalist waste collectors play a vital role in enhancing clean and healthy work environment; their working conditions should be improved.

Second, at the time when the study was conducted, other factors were held constant, and it is also evident that there are regional disparities and labour market dynamics as well as taking into consideration on drivers of the future of work in the PSI. Therefore, study can further be replicated in another County in Kenya or other countries. The interested researchers can conduct a study to establish effects of human capital management as a driver of economic growth.

Lastly, the study pinpointed gender gaps in employment of security guards in the PSI, at a ratio of 1(female): 2(males) in employment, and in research. The situation is not different in other sectors or industries in Kenya. Studies can be done to establish challenges faced by young women in employment in PSI and its impact on labour force participation. The study argument on gender gaps concurs with research findings of UNESCO (2017), that the percentage of total female researchers, by head count in 2014, shows that women forms only 28.8% worldwide, 30.4% in Sub-Saharan Africa and only 25.7% of researchers in Kenya. The study is a reminder on contribution of research in society hence emphasizes on strengthening capacity and participation of women in research. This will be a major step towards ensuring inclusivity by addressing the gender gap and attaining gender equality in employment and research, in line with SDG Goal 5 on Gender Equality and Goal 10 on reduced inequalities for sustainable development.

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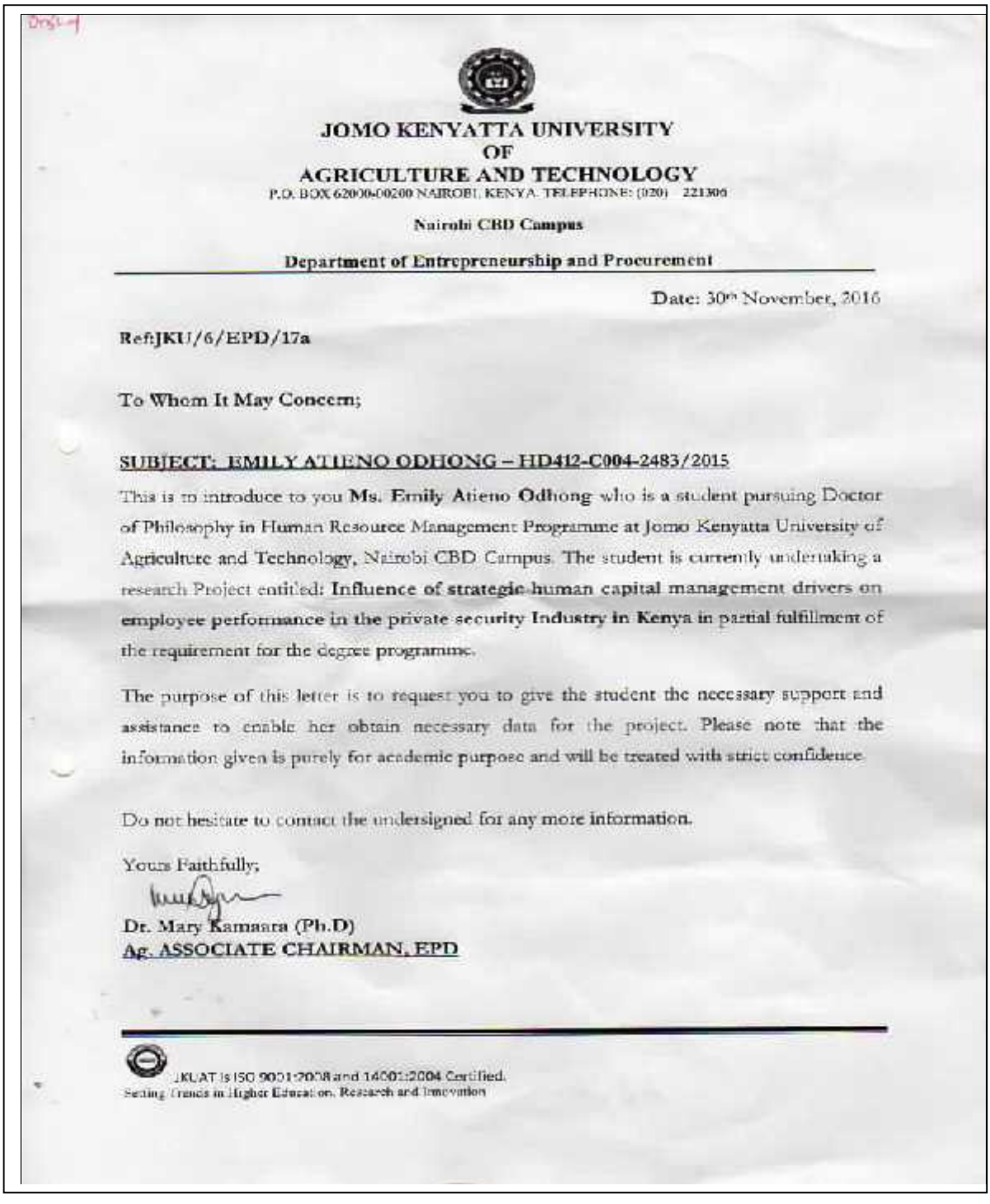
APPENDICES

Appendix 1: Introduction Letter



JOMO KENYATTA UNIVERSITY
OF
AGRICULTURE AND TECHNOLOGY
P.O. BOX 62000-00200 NAIROBI, KENYA. TELEPHONE: (020) 221300

Nairobi CBD Campus

Department of Entrepreneurship and Procurement

Date: 30th November, 2016

Ref:JKUAT/6/EPD/17a

To Whom It May Concern;

SUBJECT: EMILY ATIENO ODHONG – HD412-C004-2483/2015

This is to introduce to you **Ms. Emily Atieno Odhong** who is a student pursuing Doctor of Philosophy in Human Resource Management Programme at Jomo Kenyatta University of Agriculture and Technology, Nairobi CBD Campus. The student is currently undertaking a research Project entitled: **Influence of strategic human capital management drivers on employee performance in the private security Industry in Kenya** in partial fulfillment of the requirement for the degree programme.

The purpose of this letter is to request you to give the student the necessary support and assistance to enable her obtain necessary data for the project. Please note that the information given is purely for academic purpose and will be treated with strict confidence.

Do not hesitate to contact the undersigned for any more information.

Yours Faithfully;

Dr. Mary Kamaara (Ph.D)
Ag. ASSOCIATE CHAIRMAN, EPD

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Appendix 2: Questionnaire

Kindly fill the questionnaire provided. Tick appropriately

Part One: Background Information

i.

Age	15 – 17	18 – 35	36 – 47	48 – 64	65 and above

ii. Gender…… Male ☐ Female ☐

iii. Level of Educational ……. Tick appropriately (√)

Primary	Sec.	Cert.	Diploma	Degree	Masters	Any other training

iv. Marital status……Single ☐ Married☐ Widowed ☐ Divorced ☐

v. Name of the Company_____No. of years of Service_____

vi. Designation_____Work Station_____

vii. Salary_____/Wages per day_____

viii. Contributions to Statutory Benefits: NHIF ☐ NSSF ☐

ix. Employment status…Permanent☐ Contract ☐Temporary ☐ Casual ☐

x. Working hours_____; (tick appropriately)

1. 6am – 6pm ☐
2. 6am - 5pm ☐
3. 8am – 5pm ☐
4. 6pm – 6am ☐

xi. Shifts: Day shift ----------; Night shift ----------

xii. Rest days_____;

xiii. Leave: Annual leave_____ Paternity Leave_____Maternity Leave_____

Part Two of the Questionnaire: Research Objectives

Given below are statements on employee engagement, training, talent acquisition, knowledge management and employee performance, based on a Likert Scale ranging from 1-5, where **1**. Strongly Agree, **2**. Agree, **3.** Never,**4**. Disagree and **5**. Strongly Disagree. The questionnaires also provide open ended questions. Kindly give your honest opinion by ticking in the relevant box and giving your views on open ended questions provided.

(a) To assess the influence of Employee Engagement on Employee Performance in the PSI in Kenya.

Employee Engagement	**SA**	**A**	**N**	**D**	**SD**
	5	**4**	**3**	**2**	**1**
1. Job Design: Work is effectively organized, since I feel I in my work there is skill variety, task identity, task significance autonomy, and I get feedback					
2. Work Life Balance: There is flexible working hours, and flexible work arrangements in our organization/clients organization where I work					
3. Communication: There are clear channels of communication and respect in the organization and my work station. Feedback is also provided					
4. Total reward: A part from our salary, the organization provides us with bonuses, promotion, recognition, house allowance, and transport allowance opportunity for career development, and learning exist.					

5. IT Systems: In your view, do you think acquiring IT systems will enhance employee engagement and your performance*?* {Yes}; {**No.}** If YES, indicate how IT System will benefit you in line of work?_____

6. In your view, how can employee engagement improve employee performance?_____

(b) To determine the influence of Training on Employee Performance in the Private Security Industry in Kenya.

Training	**SA**	**A**	**N**	**D**	**SD**
	5	**4**	**3**	**2**	**1**
1. Needs Analysis: Given the kind of work you, the training you get at the organization identifies the gaps and meets your expectations as Security Guard					
2. Programme: the training programme available are robust and relevant					
3. Implementation techniques: both classroom lectures and fieldwork/demonstrations are conducted efficiently					
4. Evaluation: the organization conducts training evaluation, hence identify areas to be reviewed					
5. IT Systems: workers are trained on ICT, and conversant with IT related services in this sector					

6. Programme: state the training programme available in your organization _____

7. *Implementation techniques:* Which of the following methods of training are available in your organisation?

   i. Field exercises/physical fitness/demonstrations ☐

   ii. Class room lectures; ; ☐

   iii. Online learning; ☐

8. In your view, how can training improve employee performance?_____

(c) To establish the effect of Talent Acquisition on Employee Performance in the Private Security Industry in Kenya.

Talent Acquisition	**SA**	**A**	**N**	**D**	**SD**
	5	**4**	**3**	**2**	**1**
i. Hiring Techniques: Our company conducts personality traits interview and does background checks					
ii. Talent development employees are paid well, trusted and given opportunity for development					
iii. Job placement: I am assigned jobs based on my talent					
iv. IT Systems: Our Company uses IT systems to attract candidates					

(v) *Source of Hiring*: How did you get your job?

1 Social professional networks, ☐

2 Internet job boards ☐

3 Employee referral programs; ☐

4 Walk-ins ☐

5 Friends and relatives ☐

(v) In your own view how can Talent Acquisition improve employee performance?_____

(d)To establish the influence of Knowledge Management on Employee Performance in the Private Security Industry in Kenya.

Knowledge Management	**SA**	**A**	**N**	**D**	**SD**
	5	**4**	**3**	**2**	**1**
1. Knowledge Acquisition: Employees have the necessary manuals and procedures, tools and information they need to do their jobs.					
2. Collaboration and team work: Teamwork is encouraged and facilitated in PSI together with other public law reinforcement officers					
3. Dissemination: the firm promotes both tacit and explicit knowledge					
4. Information sharing: Best practices and tips are shared,					
5. IT Systems: Effective knowledge management systems that are in place to collect information and make it available to all employees.					

7. Which tool/protective gears do you need to carry out your duties effectively as a security guard? _____

6. In your view, how does knowledge management in your organization influence your performance?_____

(**e) To determine the influence of Skills Development on Employee Performance in the Private Security Industry in Kenya.**

(e)Skills Development	**SA**	**A**	**N**	**D**	**SD**
	5	**4**	**3**	**2**	**1**
(i) Employability skills: I need soft skills to do my job than technical Skills					
(ii) Skills matching: The work I am doing is in line with your training at the time of engagement					
(iii) *On-boarding*: is done and opportunity for simulation available in your organisation					
(iv) Skills anticipation: our firm has a clear plan for the skills you need in future					
(v) IT Systems: I am given opportunity to learn in class room or training through online, gamifications, and webinars to gain skills					

(vi) Indicate **ANY OTHER** skills development programme you may require_____

(vii) In your view, how does skills development influence your performance?_____

f) To measure Employee performance in the Private Security Industry

Employee Performance	**SA**	**A**	**N**	**D**	**SD**
	5	**4**	**3**	**2**	**1**
1. Employee Value Proposition: Satisfied that this is a good company					
2. *Service delivery:* existing clients are retained and new clients are attracted through better and efficient services					
3. Workplace Ergonomics: the work environment is good and safe					
4. Customer complaints: The number of customer complaints has reduced since 2015					
5. Product Innovation: employees are given opportunity to come up with ideas to create new products and services					

6. What in your view can be done to improve to improve performance of the Private Security Guards and Private Security Industry in Kenya_____

Part Three: Participants' Interview Guide

1. What in your opinion can be done to improve performance of the Private Security Guards and Private Security Industry in Kenya? _____

Appendix 3: Key Informant Interview Guide

What in your opinion can be done to improve performance of the Private Security Guards and Private Security Industry in Kenya? _____

Organisation	Main role	Respondent
1. KNPSWU	Trade Union representing PSGs in the Private Security Industry in Kenya	General Secretary of KNPSWU
2. COTU-K	A national Trade Union Centre in Kenya representing workers	Economist at COTU (K)
3. Ministry of Labour & Social Protection	Ministry in charge of Labour and Employment issues, & Social Protection/services	Deputy Labour Commissioner,
4. Kenya Prisons Service	Department within the Ministry of Interior and Coordination of National Government.	Deputy Commissioner, Kenya Prisons Service

Appendix 4: Sampling Frame

Name of the Company	Sample Size (security guards interviewed)
1. AKKAD Systems	3
2. Anchor Security Services Ltd	3
3. Armoured Guarding Systems Ltd	3
4. Basein Security Services Ltd	3
5. Bedrock Holdings Ltd	3
6. Boeramain Security Ltd	3
7. Brinks Security Services	3
8. Cavalier Security Ltd	3
9. Cobra Security	3
10. Cornerstone Security Ltd	3
11. Cossymobile Security Ltd	3
12. Cybertrace	3
13. Desert Security Services Ltd	3
14. Double Impact Security	3
15. Eagle Watch Company Ltd	3
16. Edly Security Guards	3
17. Envag Associates	3
18. Fredrick Boniface Security	3
19. Gallant Start Security Services Ltd	3
20. Gillys Security Ltd	3
21. Graton Babz Services Ltd	3
22. Guardforce Group Ltd	3
23. Hatari Security Services Ltd	3
24. Ideal Security Services Ltd	3
25. Infama Ltd	3
26. Instarect	3
27. Institute of Proff. Security Studies	3
28. Intercity Security Services (K) Ltd	3
29. Intersecurity Company Ltd	3
30. Jeff Hamilton Services	3
31. Kenya Shield Serices Ltd	3
32. KK Security	3
33. Kleen Homes Security Ltd	3
34. Kong Security Ltd	3
35. Lavington Security Guards Ltd	3
36. Listo Security Ltd	3
37. Macom Security Ltd	3
38. Magic Group of Companies	3

39. Magnum Allied Systems Ltd	3
40. Marco Security Ltd	3
41. Masterpiece Security Services	3
42. Microsa Security Ltd	3
43. Mulikawote Security Ltd	3
44. Newham Security Ltd	3
45. Nine One One Group Ltd	3
46. Northwood Services	3
47. Olosho Security Services	3
48. Patriotic Group Ltd	3
49. Perimeter Protection Ltd	3
50. Pinkerton's	3
51. Pluto Security Ltd	3
52. Protective Custody Ltd	3
53. Queensway Security Ltd	3
54. Race Guards Security Ltd	3
55. Radar Security Limited	3
56. Riley Services Ltd	3
57. Rovio Security Services Ltd	3
58. Samo Security Services	3
59. Searite Security Services	3
60. Securex Agencies Kenya Ltd	3
61. Security Group Of Companies Ltd	3
62. Shearforce Security Ltd	3
63. Skypack Security Services	3
64. Solvit Security Solutions	3
65. Spur Security Services	3
66. Sunrise Security Services Ltd	3
67. Tandu Alarms Systems	3
68. Tick Security Services Ltd	3
69. Two Four Seven Guards Ltd	3
70. Watchdog Alert	3
71. Winstar Security Ltd	3
Total	**213**

Appendix 5: List of PSIA and KSIA Companies

PSIA MEMBERS	
Aluta Security Guards Ltd	Eccel Services International Ltd
Anchor Security Services Ltd	Edly Security Guards
Apex Security Services Ltd	Efex Security Guards
Armoured Guarding Systems Ltd	Fredrick Boniface Security
Babs Security Services Ltd	Gallant Star Security Services Ltd
Basein Security Services Ltd	Gatearmour Security Ltd
Bedrock Holdings Ltd	Gillys Security Ltd
Boeramain Security Ltd	Glosec Services Ltd
Bonarys Security Services	Graton Babz Services Ltd
Casa Security Ltd	Groundforce Security Ltd
Cavalier Security Ltd	Guard Force Group Ltd
Citadelle Security Ltd	Gyto Security Ltd
Cornerstone Security Ltd	Hatari Security Services Ltd
Cossymobile Security Ltd	Homested Security Ltd
Delta Guards Ltd	Ideal Security Services Ltd
Desert Security Services Ltd	Institute of Proff. Security Studies
Dimospa Security Services Ltd	Intersecurity Company Ltd
Double Impact Security	Intercity Security Services (K) Ltd
Dynamic Josari General Services Ltd	Jeff Hamilton Services
Eagle Watch Company Ltd	Kenya Shield Services Ltd
Kleen Homes Security Ltd	Saos Security Ltd
Kong Security Ltd	Searite Security Services
Lavington Security Guards Ltd	Secure Homes Security Ltd
Listo Security Ltd	Securitas (K) Ltd
Macom Security Ltd	Senaca E. A. Security Ltd
Magic Group of Companies	Shearforce Security Ltd
Marco Security Ltd	Shield Kenya Services Ltd
Masterpiece Security Services	Skypack Security Services
Microsa Security Ltd	Snipper Security Ltd
Mulikawote Security Ltd	Solvit Security Solutions
Newham Security Ltd	Soter Security Services
Olosho Security Services	Spur Security Services Ltd
Patriotic Group Ltd	Straight Security Ltd
Perimeter Protection Ltd	Sunrise Security Services Ltd
Pluto Security Ltd	Super Security Services
Protective Custody Ltd	Tandu Alarms Systems
Queensway Security Ltd	Tick Security Services Ltd
Race Guards Security Ltd	Two Four Seven Guards Ltd
Robinson Security Guards Ltd	Vickers Security Services Ltd
Rovio Security Services Ltd	Wape Security Services Ltd
Samo Security Services	Winstar Security Ltd

Source: www.psia.com

List of KSIA Members	
1. Absolute Security Services 2. AKKAD Systems 3. Bed Rock Security Services Ltd 4. Bob Morgan Services Limited 5. Brinks Security Services 6. Cobra Security 7. Collindale Security 8. Corporate Security Services 9. Crest Security Services 10. Cybertrace 11. Envag Associates 12. Fidelity Security Services 13. G4s Security Services Kenya Ltd 14. Infama Ltd 15. Instarect 16. KK Security 17. Magnum Allied Systems Ltd 18. Nine One One Group Ltd	19. Northwood Services 20. Pinkerton's 21. Radar Security Limited 22. Riley Services Limited 23. Saladin Kenya Ltd 24. Securex Agencies Kenya Ltd 25. Security Group Of Companies Ltd 26. Texas Alarms 27. Total Security Surveillance Ltd 28. Ultimate Security Ltd 29. Watchdog Alert 30. Wells Fargo Limited

Source: www.ksia.co.ke