HUMAN RESOURCE MANAGEMENT PRACTICES AND SUSTAINABILITY OF FAMILY OWNED SMALL ENTERPRISES IN NAIROBI COUNTY, KENYA

ESTHER BOYANI OGORO

DOCTOR OF PHILOSOPHY
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Esther Boyani Ogoro

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DECLARATION

This Thesis is my original work and it has not been presented for a degree in any other university.

Signature…………………… Date ………………………

Esther Boyani Ogoro

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

Signature…………………… Date……………………

Dr. Karanja, P. Ngugi, PhD

JKUAT, Kenya

Signature ………………….. Date……………………

Prof. Romanus Odhiambo, PhD

JKUAT, Kenya
DEDICATION

This work is dedicated to my beloved family for their continued support. Special dedication to my parents, (Jason Kichana and Priscah Moraa); who have been my greatest inspiration, especially my father who helped me to appreciate the value of education through his own life experience. They indeed instilled in me the foundation that anyone could be proud of.

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LIST OF ABBREVIATIONS AND ACRONYMS

**AFBE:** Association of Family Business Enterprises

**BLUE:** Best Linear Unbiased Estimator

**CEO:** Chief Executive Officer

**CM:** Competency Models

**DW:** Durbin Watson

**FOBE:** Family Owned Business Enterprises

**GDP:** Gross Domestic Product

**HR:** Human Resource

**HRM:** Human Resource Management

**HRP:** Human resource Management practices

**NGO:** Non-Governmental Organizations

**RBT:** Resource Based Theory

**ROK:** Republic of Kenya

**SMEs:** Small and Medium Enterprises

**SMFE:** Small and Medium Family Enterprises

**SPSS:** Statistical Package for Social Sciences

**TFT:** Two Factor Theory

**VIF:** Variance Inflation Factor
OPERATIONAL DEFINITION OF TERMS

**Family business:** Simply defined, family businesses are owner-operated/managed ventures with family members (and/or family units) predominantly involved in the administration (managerial and financial), operations and strategic determination of corporate destiny (Newman, Thanacoody & Hui, 2011).

**Firm Sustainability:** It is the process of enhancing the continual improvement and existence of a firm for a long period of time and the assurance and expectation of a firm to continue improving and operating in the future (Chalofsky & Krishna, 2012).

**Human Capital Orientation:** It is the process of influencing and enhancing employee performance, commitment and retention for the betterment of the organization through making the employee valuable and fully functional to the organizational operations (Aryee, Walumbwa, Seidu, & Otaye, 2016).

**Human resource management practices:** A dynamic, on-going process of systematically identifying, assessing, and developing leadership talent; and assessing, developing and recognizing key contributors to meet future organizational strategic and operational needs (Lochhead & Stephens, 2014).

**Successor engagement:** It is the process of employee involvement in decision making, power, and access to information, training and
incentives through support by the initiator of the organization (Ramlall, 2013).

**Talent Management:** The process of identifying, developing, recruiting and deploying the talented people in an organization. Talent management is the new way of managing Human resource management practices, forecasting on fast tracking career opportunities of high potential employees (Armstrong, 2013).

**Training and Development:** This refers to the formal activities designed by an organization to assist its workers obtain the essential skills and knowledge to execute present or future jobs (Drake, Wong & Salter, 2017).
ABSTRACT

Family owned enterprises play a key role in economic development through employment creation and availing of products and services to the end users. Some major family owned businesses in Kenya include the Nakumatt Supermarket, Tuskeys Supermarket, Bidco, Chandaria holdings, Brookside diaries among others. The firms have significantly transformed the face of corporate sector with massive expansion across the country and in East Africa. Despite the success that surrounds the family owned businesses, their performance has been at the threat of decline with many of them ending up closing their doors as a result of increased mismanagement as well as succession chaos. These challenges, combined with the normal business environment challenges posse a big threat to the firms’ sustainability. On the other hand, human resource management practices have been argued to be the central enablers of firm performance and sustainability. Through well-tailored employee management practices and ensuring that the human capital is well taken care of, competitiveness of a firm is enhanced. However, there has not been much research on the relationship between human resource management practices and sustainability of family owned small businesses in Kenya hence the subject of the study. The study aimed at finding out the relationship between human resource management practices and sustainability of the family owned small enterprises in Kenya. The study specifically sought to establish the relationship between talent management and sustainability of the family owned businesses, to find out the relationship between training and development and sustainability of Family Enterprises, to determine the relationship between successor engagement and sustainability of Family Enterprises, and to establish the relationship of human capital orientation and sustainability of Family Enterprises. The study adopted several theories so as to bring the research problem into a clear perspective. The theories included the two factor theory of human resources, stakeholder theory, Scharmer’s Theory U, resource based theory, competency models and social learning theory. The theories were presented systematically as per the study variables to bring an outstanding context in the research variables. The study adopted descriptive research design which involved both qualitative and quantitative research methodologies. The design was considered appropriate based on its ability to give more generalized results and enhance the practicability of the variables. The study targeted family owned small business enterprises in Nairobi County which are approximately 23273. Stratified random sampling was applied to come up with a study sample of 377 respondents. Questionnaires were used to collect data from the respondents. The data was analysed using SPSS software version 22 and presented in form of tables, figures and graphs. The study established that human capital orientation, successor engagement, talent management, training and development significantly and positively enhance sustainability of family owned enterprises. The findings from the study will be significant to family business enterprise owners who will use them to run and manage their firms and employees for better performance and sustainability. The government and the policy makers will benefit from the study findings in that they will use the facts presented to formulate rules and regulations that enhance the continuity of family owned businesses. Also, the study findings will be significant to future researchers and scholars who will use them as their source of statistical evidence to lay out arguments as well as identify gaps to be filled.
CHAPTER ONE
INTRODUCTION

1.1 Background of the Study

This chapter covered the background of the study on the influence of human resource practices on the sustainability of family owned businesses in Nairobi County, Kenya. Human resource management practices is a deliberate and systematic effort by an organization to ensure leadership continuity in key positions, retain and develop intellectual and knowledge capital for the future, and encourage individual advancement (Sandhya & Kumar, 2011). The process ensures that superior employees are recruited and prepared to fill senior key roles within the company. Their leadership skills, knowledge and abilities are developed to prepare them for advancement or promotion into challenging roles.

Actively pursuing human resource management practices ensures that organizations will easily fill senior vacant roles that may arise when the firm expands, when they lose key employees or have promotion opportunities. According to Tettey (2016), human resource management practices process is most effective when it is done in a systematic effort that is deliberately planned and is driven by a written, organization-wide statement of purpose and a policy. Waleed 2011 states that senior leaders are keenly aware that the continued sustainability of the organization depends on having the right people in the right places at the right time. The impact on organizational continuity would be devastating if a successor was suddenly required and none had been identified.
1.1.1 Human Resource Management Practices
Human resource management is one of the major business issues in the current market. Globally, organizations have been focusing on profit maximization and increase in wealth of the owners leaving out the key factors that ensures business growth such as human resource management practices. The demographic reality is that organizations will have a shrinking pool of labour from which to draw on and this will impact operations at all levels, from the receptionist to the CEO. It is this reality that has pushed Human resource management practices – an important issue in normal times to the forefront (Yamamoto, 2011). Different authors have defined Human resource management practices in various ways. Tithe (2010), defines Human resource management practices as a deliberate and systematic effort to identify leadership requirements, identify pools of high-potential candidates at all levels, accelerate the development of mission-critical leadership competencies in the candidates through intentional development, select leaders from the candidate pools for pivotal roles and then, regularly measure progress.

Hills (2009) contend that Human resource practice is about more than filling the top spots. It is a smart talent management strategy that can drive retention of talent throughout the organization and make sure that the organization has the skills it needs in place, or on hand, to respond to the rapidly shifting sands that make up today’s business environment. Whether public or private, the organization’s sustainability is based on its ability to bring on board and sustain high quality workforce over a period of time. Many organizations are currently facing mounting pressures to ensure their sustainability, flexibility, and responsiveness to the increasing uncertainty and limitations in the economic world. Ultimately, increased
turbulence in the employment environment, characterized by organizational restructuring, funding uncertainties, and increasing program complexities have substantial effects on the ways organizations respond to workforce replacement (Leonard, 2012).

At a global level, human resource management practices in the recent past has received more attention not only as a concern for the management of human resources, but also as institutional strategic management component for ensuring performance and growth. In one of the recent surveys by Rothwell, Hohne, & King (2018), top corporate companies revealed that the main reasons for having Human resource management practices programmes are attributed to the challenge to maintain a pool of potential successors. Human Resource Planning aims to ensure that an organization has the number of people with the right skills needed to meet forecast requirements. Several activities involve human resource planning and they include scenario planning, demand and forecast planning as well as action planning. Action planning entails preparation of plans to deal with forecast deficits through internal promotion, training and external recruitment as well as developing retention and flexibility strategies (Armstrong, 2013).

According to Ruthwell et al (2005), human resource management practices and employee satisfaction form part of action human resource planning which is concerned with staffing and both have a direct impact on reducing staff turnover. Armstrong (2013) says the main aim of human resource management practices is to ensure that suitable managers are available to fill vacancies created by promotion, retirement, death or leaving and ensures that a cadre of managers is available to fill the new appointments that may be established in the future.
Regionally, several scholars have provided various outlooks of human resource management practices. In Nigeria for instance, Manzoor (2012) explains the need for human resource management practices among small manufacturing firms in Lagos and stated that most of the firms relied on few experts who are required to give instructions to the other workers on how and what to do. In such cases, when the experts left the firms under any of the reasons, the firms could drop in performance due to change/reduction in production quality, lack of production of certain products and inadequate expertise experience (Manzoor, 2012).

In South Africa, Stefanovic, Rankovic and Prokic (2011) identified human resource management practices as a key factor that promoted employee retention through its ability to groom employees into more valuable and resourceful organizational resources. According to Stefanovic et al. (2011), human resource management practices entail the imposition of leadership and managerial skills to the employees so as to increase their ability to take positions of other colleagues who may at one time leave the organization. Through this, the gap of having positions within an organization failing to be run appropriately due to absence of a specific employee are reduced.

In Kenya, scant literature is available on human resource management practices. Kabera (2012) established that Human resource management practices in Kenya are perceived as a measure of promoting managerial knowledge among the employees so as to make them more responsible and capable to run the business. In most cases, organizations especially the NGOs have taken measures to introduce several employees to their direct business as an attempt of making them aware of what is needed at the top levels so as to minimize changes in the managerial strategies.
Kauria (2013) contends that planning for the organizational future is not only based on the finances and investments but also on making the employees ready for the changes and capable of playing various roles in order to meet the organizational need in the future. Organizations strive for sustainability, sustainability and continuity on one hand, which are paramount; on the other hand, human resource management practices are essential and seen as the total package in relation to the quality and quantity of the workforce in organization (Richards, 2011).

Human resource Planning has been argued to be a broad-level concept that deals with the entire workforce, ensuring that the organizations have adequate and required sizeable number of workforce with the required skills and should be timely. Human resource management practices forecasts the requirements of workforce and plans for the acquisition, retention and effective utilization of employees, which ensure that the needs of a company for the people are met (Armstrong, 2013).

1.1.2 Family Owned Small Enterprises.

Family owned businesses have been an important feature of business circles for a long period of time. They may start of as micro and grow into small, medium and large corporations if well nurtured (Phillips, 2012). The enterprises play an important role in employment, income generation and wealth accumulation. Qasim, Cheema and Syed (2012) defined a family owned business as a family business bearing components of the family involvement, family ownership, management and/or business succession. It is a business governed and/or managed on a substantial, potentially cross generational basis, to shape and perhaps pursue the vision of the business held by members of the same family or a small number of families. Family
owned businesses bear some element of family involvement whereby the family members are involved in one way or another in the life cycle of the business.

Globally, two thirds of all enterprises are said to be family owned and/or managed (Phillips, 2012). Kochachathu (2011) holds the view that family is an inseparable term in family business because essential family functions determine the business functions and vice versa. According to Abouzaid (2011), in Spain, 75% of the businesses are family-owned and contribute to 65% of the country’s GDP on average and in Latin America family businesses contribute to about 60% of the aggregate GDP. Some of the best performing family businesses across the globe include; Salvatore Ferragamo, Benetton, and Fiat Group in Italy; L’Oreal, Carrefour Group, LVMH, and Michelin in France; Samsung, Hyundai Motor, and LG Group in South Korea; BMW, and Siemens in Germany; Kikkoman, and Ito-Yokado in Japan; and Ford Motors Co, and Wal-Mart Stores in the United States.

In Nigeria, family owned enterprises have been found to be the key economic drivers for a long period of time. According to Crabtree (2015) family owned enterprises in the country (Nigeria) have been cherished to be very virtuous and with a development motive and it is on this motive that the government has even for numerous cases stepped in to assist the business to stem up and enhance their growth. However, most of these firms also have had numerous cases of collapse due to mismanagement and lack of competent successor as noted by (Onu, Akinlabi & Fakunmoju, 2013).

Family owned enterprises have also been recognised in other African countries like South Africa to be the key economic builders and with high value in the
developmental picture of the country. According to Shivaraj and Vijayakumara (2015) in a textile industry that is very critical to the South African economy, most of the firms in this sector are family owned and they have critically played a role in enhancing development and growth of the economy.

In Kenya, family owned businesses constitute up to 60% of the businesses, and accounts for over 50% of all people employed in the country every year (Kimunge & Were, 2014; and Nduati, 2016). Family businesses in Kenya range from small and medium-sized companies to large conglomerates that operate in multiple industries and countries. Some of the well-known family businesses in Kenya include: Nakumatt Holdings Limited, Tuskys supermarket, Chandaria Group among others. However, these firms have in some occasions experienced performance challenges most of which has been brought by succession misunderstandings and mismanagement as a result of succession by incompetent individuals (Mensah, 2014).

1.1.3 Firm Sustainability
Among the major goals of a business is sustainability which comes after performance and growth. Firm sustainability is the ability of a firm to continue in existence and fully operation for a long period on time. Family owned businesses play a key role in the economic development of most countries from across the globe thus their sustainability cannot be overlooked. In an international perspective, in Canada for instance, sustainability of family owned businesses has been found to be a paramount determinant of the country’s economy which starts from the dimension of job creation to provision of goods and services to the end users (Mishra & El-Osta, 2015). However, Mishra and El-Osta (2015) noted that among the major challenges
that face the family owned enterprises in the country is the increased employee
turnover and other human capital related prospects. According to Mishra and El-Osta
(2015), in most organizations in Canada, employees leave their jobs either voluntary
(retirement or pursue new aspirations) or involuntary (relieve of appointment, death).
Organizations are therefore, faced with vacancies in leadership or inadequacy or lack
of competent and capable successor to fill the vacancies.

Elsewhere, Charan, Drotter and Noel (2011) argue that it is essential for family
owned businesses in USA to train successors before the vacancies are created to
promote sustainability. Most family owned enterprises wait until the employees leave
and that is when they plan on how to get their replacements. However, as Charan et
al. (2011) contend, when it comes to top management positions, family owned
enterprises have to make sure that their successors are well groomed long before the
departure of the incumbent. In most cases, family companies have failed to sustain
their performance due to unexpected demise of the influential and strategic
managers/owners who did not pass any knowledge to other employees on the best
path for the organization to follow. When new managers are appointed, they change
the strategy based on their knowledge without the knowhow on its impacts on the
performance thus affecting sustainability (Charan et al., 2011; and Rich, Lepine &
Crawford, 2010).

According to Landeta, Barrutia and Hoyos (2012), Ghanaian firms have failed to
sustain their businesses due to lack of proper Human resource management practices.
Landeta et al. (2012) noted that most firms focused on other strategies of employee
motivation and retention but did not plan for the exit of an employee from the
organization. Human resource management practices is a sub-level approach
regarding individual employees on an individual basis, should the incumbent vacate his position, which is uncertain and probably indefinite (Landeta et al., 2012). In Nigeria, Hazarika (2011) established that most organizations in the country were mainly planning for the replacement of the older/outgoing employees. However, they less focused on other employees and assumed that they would not leave the organization before their planning are done (Hazarika, 2011). This is basically the assumption that has been in many organizations that has led them to meet with exit of employees without proper planning.

Organizational sustainability and growth are implicit organizational goals requiring the investment of energy and resources (Mwiria, Ng’ethe & Wesonga, 2016). The goal of organizational sustainability underpins all other goals. Organizations in Kenya attempt to maintain the existing state of affairs, but essentially the larger part of their efforts is tilted toward growth and sustainability (Selesho & Naile, 2014).

According to Netswera (2015), mentoring is one of the variables of human resource management practices concept in Kenyan firms where most of them focus on having a mentored individual or employee who can take care of the firm in case the owner is not around. Further, he argues that the effect of mentoring as a variable of human resource management practices on the organization depends largely on the mentoring skills of the successors and the protégé should be given a conducive environment that compel him to remain in the organization (Selesho & Naile, 2014).

1.1.4 Nairobi County

Nairobi County is one of the 47 counties in Kenya. The county is the smallest but most populous in Kenya with a population of 985,016 households and has a total
land area of 696.1 Km square. Nairobi County has 297,340 licensed micro and small enterprises comprising of 243,964 micro enterprises and 53,376 small enterprises (NCC, 2014). From these enterprises, that is where the target population of the study was obtained. Being a capital city, the county is surrounded by huge opportunities as far as businesses are concerned and so is to the dynamics. Many family enterprises are opened every day in Nairobi County while at the same a wide number of the enterprises collapsing. Nairobi therefore was fit to be the representative of Kenya.

1.2 Statement of the Problem
Family owned enterprises in Kenya play a very important role in the economy through provision of employment and contribution to the GDP. Even though there is significance in the economy, sustainability of family owned enterprises has been a challenge over a long period of time with many of the firms not surviving under more than one generation (RoK, 2017; and Kirema, 2016). According to Neville (2011), over 40% of family owned enterprises collapse after the exit of the initiators with most of them ending up in disputes and misunderstanding among the family members. Data available from the Ministry of trade (2016), several companies including Tuskys limited and Jacaranda hotels have faced succession wrangles among the siblings over the succession of the businesses (AFBE 2015). Empirical studies from across the globe have found lack of human resource management practices especially planning and mentoring to be among the causes of organizational underperformance (Lynn, 2011; Robert, Matthew & Sonfield, 2012; and Giambatista, 2014). Other studies however, have argued that there is little or no link between Human resource management practices and firm sustainability. Huang (2011) in his study on relationship between Human resource management practices
and sustainability of foreign firms in North-East of China, argued that lack of Human resource management practices did not contribute to firm unsustainability but firms failed to sustain themselves out of other factors such as competency and management strategies, competition and poor production methods.

Based on the information from the background it is revealed that human resource management practices can be viewed as an important aspect in ensuring firm sustainability. However, it is not clear whether human resource management practices contribute to sustainability of family owned businesses since no research has focused on this study. There are conflicting arguments on the relationship between human resource management practices and firm sustainability with some studies arguing there is a relationship others arguing there is no relationship. This study therefore sought to fill these gaps by establishing the influence of human resource management practices on the sustainability of family owned enterprises in Kenya.

1.3 Objectives of the Study

1.3.1 General Objective
The main aim of the study was to find out the relationship between human resource management practices and sustainability of family owned small enterprises in Kenya.

1.3.2 Specific Objectives
The study was guided by the following specific objectives;

i. To find out the relationship between talent management and sustainability of family owned small enterprises in Nairobi County, Kenya

ii. To effectuate the relationship between training and development and sustainability of family owned small enterprises in Nairobi County, Kenya
iii. To evaluate the relationship between successor engagement and sustainability of family owned small enterprises in Nairobi County, Kenya
iv. To extricate the relationship between human capital orientation and sustainability of family owned small enterprises in Nairobi County, Kenya

1.4 Research Hypotheses

i. \( H_A \): Talent management has a positive relationship with sustainability of family owned small enterprises in Nairobi County, Kenya
ii. \( H_A \): Training and development has a positive relationship with sustainability of family owned small enterprises in Nairobi County, Kenya
iii. \( H_A \): Successor engagement has a positive relationship with sustainability of family owned small enterprises in Nairobi County, Kenya
iv. \( H_A \): Human capital orientation has a positive relationship with sustainability of family owned small enterprises in Nairobi County, Kenya

1.5 Significance of the Study
The main focus of the study was to find out the relationship between human resource management practices and sustainability of family owned businesses. The findings from the study will be significant to a number of parties as herein discussed.

1.5.1 Family Businesses
The family business managers/owners who will use the findings to identify the need and best approach to plan for their succession so as to promote sustainability of their businesses after they exit.
1.5.2 The Government and Policy Makers

The findings from the study will be significant to government and policy makers in that they will use them to establish the best ways to formulate laws on how to resolve and prevent family business disputes due to lack of human resource management practices.

1.5.3 Future Scholars and Researchers

The findings from the study will be important to other organizations such as the NGOs and state corporations to use in identifying the need for human resource management practices and sustainability of the firms. Other researchers and scholars will use the findings too as a key reference in their literature and identifying gaps which they ought to fill in their studies. The study will also add more diverse information and data on the sustainability of family enterprises and human resource management practices.

1.6 Scope of the Study

The study focused on family owned small enterprises in Nairobi County, Kenya. Specifically, the study focused on family owned small enterprises in Nairobi County since over 72% of the enterprises are located in Nairobi. Additionally, Nairobi contributes up to 60% of Kenya’s annual GDP. The managers/owners of these enterprises were interviewed based on their understanding of Human resource management practices with a view of the talent management, training and development, successor engagement and human capital orientation. This enhanced a better understanding of the study problem and thus coming up with more elaborate findings and conclusion. The study was conducted in a period of six months which allowed adequate gathering of the data.
1.7 Limitations of the study

This study projected facing some limitations while carrying out the research. The confidentiality policy of the firms restricted some entrepreneurs from filling in the questionnaire for fear of exposing the firms’ private information. This was mitigated by assuring the respondents of utmost confidentiality and anonymity of the information they provided. An introduction letter was obtained from the university and was presented to the firms’ management in order to eliminate suspicion and enable the respondents to disclose the information sought.

Other challenges included some of the respondents not filling or completing the questionnaire correctly because of misunderstanding some issues. This was mitigated by the clarification of issues that were not easily understood by respondent. Other challenges included inadequate responses to questions and unexpected occurrences like respondents being leaving before completing the questionnaire. These challenges were mitigated through constant reminders and revisit to the respondents during the survey period. To ensure high response rate, SMSs, telephone calls, emails were constantly used for follow up. There could be the errors in the information provided which could lead to ultra-vires data. This was mitigated through data cleaning.
CHAPTER TWO
LITERATURE REVIEW

2.1 Introduction
This section focused on the review of previous studies on human resource management practices and sustainability of family owned small enterprises. The chapter first presents specific theories related to the study area based on the study variables, and the conceptual framework which guides the study. The study as well presents the empirical studies related to the area of study at hand and the research gaps.

2.2 Theoretical Review

Theories are assumptions and arguments by other scholars or researchers about behaviour of a particular phenomenon based on their experience or perceptions. The study focused on several theories related to talent management, training and development, successor engagement and human capital orientation with an aim of bringing out a clear understanding of the study problem. The theories referred to in this study includes: The competence models of human resource management practices that gives a summarised view of all the five variables mentioned herein (miller Erickson and Yust,2011), Scharmer’s theory U detailing how leadership and talent can be managed through identifying leadership traits nurturing and retaining them for best results (Scharmer 2007), Stakeholder Theory that expounds on mentoring successors by engaging them in the business (Shaw, Gupta & Delery 2015), The Two-Factor Theory which challenges employees to develop talents and fulfil their full potential and how appreciating and motivating staff will achieve sustainability (Sandya & Kumar 2011) and finally the Resource Based Theory which
basically explains Human Capital as the most valued resource for its uniqueness on the firms in terms of skills and competencies (Huang 2011). These theories are further explained in detail below.

2.2.1 Competency Theory of Human Resource Management Practices

Competency-based approach in human resource management is completed during the past thirty years through the competency which surrounds knowledge, skills, abilities, traits and behaviours to allow a person to perform a task in a particular job (Hughes, 2009). Competency Models (CM) is a framework that identifies a combination of the skills, knowledge and behaviours and for these models to be considered useful, the competencies must comply with the job activities of individuals (Kacmar, et al., 2006).

CM is also used as a basis for strategic workforce planning and all talent management activities; but does not provide the instruction for effective leadership, and is an attempt to capture the experiences, taught, and experienced leaders’ knowledge to provide a framework for the interests of an organization and the others (Hollenbeck, 2006). Getting a picture of the skills and competencies in the organization, informs us about strengths and gaps. According to Mapesela and Strydom (2014) CMs can be used as criteria for following items: designing training programs; recruitment, selection, and assessment; coaching, counselling, and monitoring; development of career and succession plans (Miller, Erickson & Yust, 2011). As specified, CMs were developed as a basis for Human resource management practices.
These models offer a plan to create the required competencies in the present and future and provide a norm or standard for measuring individual reformation requirements. These models are very important when the organization is committed to improve talent pools, because these models offer the standard for all individuals who may be evaluated (Rothwell, 2018). Rothwell (2018) categorized the general CM for human resources experts into three groups. One of the earliest models has been inspired from the School of Business Administration in University of Michigan. This model includes business qualifications, change management, and human resources activities. Another model which was developed by the Mc Ber Company for human resources managers includes three fields: objective management and practical management; interpersonal management and people management; and analytical reasoning. This model prescriptively defines and describes competencies and expected behaviors for senior-level leaders of human resources. This model prescribes five groups of competencies: objective management and practical management; functional and organizational management; influence management; business knowledge; and technical skills of human resources (Muhammad, 2010).

One study showed that in order to identify leadership CM, these items should be taken into consideration: responsibilities at every level of leadership should be defined and competencies associated with these responsibilities must be identified. Then, the most important competencies should be distinguished and the levels of required competencies for a successful implementation must be identified (Richards, 2011).

In the latest CMs of modern organizations, job-related competencies or capabilities based on behavior are considered. But there is no unique CM that can be useful for
all organizations (Muhammad, 2010), because the reviews indicate that 7 to 9 percent of overall competency is usually required for a particular job and for a presentation in CM for each organization (Hollenbeck, 2006). Therefore, each organization must utilize modelling techniques to identify its unique competencies. Modelling the competencies offers an accurate way to identify characteristics related to job performance instead of traditional analysis of job. This model can provide valuable information for key posts and talented staffs. The theory was therefore used to shade more light on the first objective of the study which was to find out the influence of talent management on sustainability of family owned enterprises in Kenya.

2.2.2 Scharmer’s Theory U

The theory was developed by Scharmer (2007) who argued that the top management team should embrace and act in order to implement Human resource management practices. In the first instance, this model view Human resource management practices as beginning from the immediate future and supports a concept of a U process of five movements that can make change possible. These movements are; Co-initiating, Co-sensing, Pre-sensing, co-creating and co-evolving. The first movement is co-initiating. In the words of Scharmer, at this stage the organization establishes a common purpose with all stakeholders about a future event. Co-sensing is the second movement stage in which an organization sees the need at hand collectively across boundaries. Also, at this stage new ideas and innovation occur through collective input. The third stage is Pre-sensing, whereby the leadership of organization begins to see the future they envisage in terms of Human resource management practices. This futuristic plan establishes a foundation for change,
thereby spurs an organization to an expected end. Further, at this stage, it is observed that the leadership lets go off unresolved past issues and forges ahead to a more realistic future.

The fourth in this model is co-creating. Scharmer (2007) argues that at this stage, the leadership of the organization explores the future and prototypes what the future might look like. He goes further to suggest that leadership should make Human resource management practices a long-term concept rather than working on organizational immediate requirements. Tibelius (2010) argues that there is need to assess company’s strategy and policy that highlight the required qualifications of the successor in order to have a sustainable and dynamic plan in place. The Scharmer’s fifth movement in Theory U is co-evolving which can help an organization to embrace change and implement Human resource management practices strategies in the context of an emerging future (Scharmer, 2007; and Hassan et al., 2013). The theory extensively explains the need for training in an organization and how it can be utilized to enhance firm performance and growth. This made the theory appropriate for the study to add more support on the second objective of the study which was to establish the influence of training and development on sustainability of family owned enterprises in Kenya

2.2.3 Stakeholder Theory

Stakeholder theory is one of most relevant models in the field of management. The theory focused on enhancing involvement of key organizational stakeholders in the matters of the organization for an integrated performance (Shoaib, Noor, Tirmizi & Bashir, 2009). The stakeholder theory enhances the management’s vision of its roles
and responsibilities beyond the profit maximization function (Huang, 2011) and stakeholders identified in input-output models of the firm, to also include interests and claims of non-stockholding groups. Patton (2008) elaborated that the stakeholder model entails that all persons or groups with legitimate interests participating in an enterprise do so to obtain benefits and that there is no pre-set priority of one set of interests and benefits over another (Dauda & Mohammed, 2012). Associated corporations, prospective employees, prospective customers, and the public at large, needs to be taken into consideration. The stakeholder theory enables managers to understand stakeholders and strategically manage them (Patton, 2008).

The managerial importance of stakeholder management has been accentuated in various studies (Brum, 2010) that demonstrate that just treatment of stakeholders is related to the long term sustainability of the organization (Smith, 2010). While having its origins in strategic management, stakeholder theory has been applied to a number of fields and presented and used in a number of ways that are quite distinct and involve very different methodologies, concepts, types of evidence and criteria of evaluation. As the interest in the concept of stakeholders has grown, so has the proliferation of perspectives on the subject (Shaw, Gupta & Delery, 2015).

The theory emphasizes the significance of the relationship between the top management staff with the stakeholders. Specifically, managers should understand the success of the projects can be influenced greatly by the participation of various stakeholders. These stakeholders will participate depending on the relationship they foster with the top management and not junior workers acting on their behalf. The stakeholder theory has extensively explained on the need for organizations to engage
their stakeholders and take their views as far as decisions of the firm are concerned. The theory was adopted as a basis to more knowledge on the third objective of the study which was to establish the influence of successor engagement on the sustainability of family owned enterprises.

2.2.4 Social Learning Theory

Social learning theory plays an important role in training and development. The theory was developed by Bandura (1971) in an attempt to bring out a clear understanding on the need for employee training. According to social learning theory, employees acquire new skills and knowledge by observing other members of staff whom they have confidence in and as well believe to be credible and more knowledgeable (Shuck, Rocco & Albornoz, 2011; and Stephens, 2010). The theory posited that training and learning is influenced by person’s self-efficacy and his ability to successfully learn new skills which can be influenced by encouragement, oral persuasion, logical confirmation, observation of others. The manager, by becoming a role model for his/her co-workers, can improve their behaviour. Employees are more likely to imitate their superiors than their peers because of their status, experience and reward power.

Modelling has a considerable role to play in implementing a self-managed approach through self-observation and self-monitoring (Hassan, Mehmet & Demet, 2011). To improve the effectiveness of training, a vicarious or modelling principle has been proposed to be used in four stages, namely, 1) presentation of models displaying the desired behaviours, 2) imitation or rehearsal by the observer of the modelling behaviours; 3) social reinforcement or favourable recognition for adoption of the
modelled behaviours by the observer; and 4) transfer of training to encourage the use of learned behaviours back on the job (Earle, 2013; and Sutherland, 2014). Because of the importance in human interaction in management, social learning theory (particularly modelling and role-playing) provides general framework for many aspects of management education. Coaching and monitoring are commonly used management development techniques that attempt to harness social learning in the work place (Wells & Thelen, 2009).

2.2.5 Two-Factor Theory

The Two-factor theory developed by Herzberg in 1959 originated from the need to promoting employee retention through minimizing the dissatisfiers and maximizing the satisfiers. It is also known as motivation hygiene theory. The theory states that certain factors cause satisfaction, and a separate set of factors cause dissatisfaction in the work place. The two factors that contribute to this are motivation and hygiene factors. Motivators or satisfiers are those factors that cause feelings of satisfaction at the workplace. They come up because the employees have a need for personal growth and they include; recognition, work itself, responsibility, achievement, promotion, and growth. These factors challenge a person to develop their talents and fulfil their full potential.

According to Bogardus (2007), Herzberg suggests that work should be rearranged in three ways which include job enlargement; job rotation and job enrichment to ensure that employees are always motivated. This is because motivated employees do contribute towards the achievement of organizational goals, and will be satisfied with their jobs, thus enhanced retention rate. Hygiene factors or dissatisfiers are those that
the employee expects to be in good condition. They include status, working conditions, salary, job security, company policy and administration, and fringe benefits. Hygiene factors cause dissatisfaction in their absence. For example, salaries or wages must be equivalent to those salaries that other people in the same industry are getting for equal amount of work. The status of the employees must be recognized and maintained, and they must feel that their job is secure. Also, the working conditions should be ideal, that is, clean, sufficiently lit and safe.

According to Hertzberg (1959), as noted by Mondy and Noe (2005), individuals are not content with the satisfaction of lower-order needs at work, for example, those associated with minimum salary levels or safe and pleasant working conditions but rather individuals look for achievement, recognition, responsibility, advancement, and the nature of the work itself. The theory suggest that to improve job attitudes and productivity, administrators must recognize and attend to both sets of characteristics and not assume that an increase in satisfaction leads to decrease in un-pleasurable dissatisfaction.

According to Sandya and Kumar (2011) Herzberg viewed the factor of hygiene or the pay to the work performed as the biggest motivator that helps the employees to remain in a particular place of work for a longer period of time. The theory when applied to work situation may help the firms retain their employees by motivating them to stay, and ensuring that most of their needs are met, such as providing growth opportunities, appreciating them, compensation, and improving the nature and content of the actual job (Sandya & Kumar; 2011). When applied in the human resource management in small family owned business enterprises, the model can best
enable them to cater for the welfare of the employees and thus reduce the turnover due to dissatisfaction.

As Chen (2012) contends, two-factor theory upholds on employers taking care of their employees and making sure that their working environments are well catered for. In family owned small enterprises, studies have shown that the working conditions and areas are not well catered for (Morrell, 2011; and Ssesanga & Garrett, 2015). Herzberg’s two-factor theory was therefore be noteworthy in the study to enable a gamified connection of the literature and the findings for a candid conclusion and recommendation.

2.2.6 Resource Based theory
According to Barney (2011), resource based theory is the approach that best describes how organizations can gain competitive advantage and increase their performance. According to the RBT, organizational resources are the most important determinants of the competitiveness and performance of the organization. The theory suggests that organizations need to integrate their resources which are the key capabilities that they are assured of having for the sake of their internal operations and existence (Shivaraj & Vijayakumara, 2015).

According to Muhammad (2010), resource based theory is based on two assumptions in an effort to bring into light the ways of integrating the organizational resources to win competitive advantage. First, the theory assumes that organizations in a given business environment are unrelated in the sense that their resources defer and the way that they integrate those resources is also different. Secondly, the theory assumes that due to immobility of some of the resources that make the strategies of
the firms in a business environment differ, the heterogeneity of the firms may persist for a long period of time.

According to Samaha, Palmatier and Dant (2011) resource based theory is basically based on the uniqueness of the firm’s resources as compared to those of the competitors. Employees (human resources) and the skills are some of the resources that according to RBT make organizations produce different products and perform differently from the competitors despite them being in the same market and with the same chances of winning the market. Other resources can be copied by the competitors but the skills and the human resources are unique to the organization that they exist in. Kyndt et al. (2009) complements that the resources of the firm and the uniqueness of the resources does not necessarily influence the performance of the organization but other determinants such as the managerial strategies injected on the resources supplement the overall performance of the organization. According to Berny (2008), the organizational resources should be valuable and rare for them to generate an impact in the firm’s competitiveness and performance.

According to Huang 2011, resource based theory has been found to focus on the intangible assets or resources of the organization more than the tangible resources. In this context, skills, capabilities and information of the organization have been found to be the most available unique resources for every organization. The uniqueness of the resource is determined by how much the organization is able to make use of the available resources without exposure of its systems and procedures to the competitors (Heinemann, 2007). Barney, Ketchen and Wright (2011) indicates that the resources of the organization are best beneficial for the company’s performance only if managed well with carefully strategizing the best ways to integrate the
resources different from those of the competitors. For instance, employees own the best skills of the organization. When the employees are not well managed through rewarding and motivation, they are likely to leave the organization and most probably they are going to join the competitors and reveal all the skills that were applied in your organization (Glen, 2016).

Human capital orientation can best be explained by the Resource based theory which considers on the advantages of the firm management concentrating on investing their resources to the employees (Richard et al., 2011). The goals are set by the organizational managers but they are executed by the employees. This therefore means that the employees are the final deciders of how far a decision can go and how it can be implemented thus making them the most important resources in an organization. The theory was adopted in the study to put in more understanding on the need for human resource practices in organizations and this basically supported the entire study.

2.3 Conceptual Framework

According to Dine, McGaghie, Bordage and Shea (2015), a conceptual framework describes the design and results of a given study. Concepts of a particular framework are used to articulate the phenomenon and ensure that the researcher has accounted for and measured all the major variables generally associated with it. The reader should have a gimps of how the researcher chose to frame the area under study accompanied by a diagrammatic depiction of the major variables of the study and how their research align with the existing literature. The independent variables for the study are; Talent management, training and development, successor engagement
and human capital orientation. The dependent variable is sustainability of family owned small enterprises.

**Figure 2.1: Conceptual Framework**

### 2.3.1 Talent Management

Armstrong (2013) refers to talent management as the process of identifying, developing, recruiting and deploying the talented people in an organization. Talent management is presented as a Human resource management practice, forecasting on fast tracking career opportunities of high potential employees (CIPD 2006). Armstrong (2013) lists several career management practices as formal mentoring, career counselling, performance appraisal, assessment centres, Human resource
management practices, retirement preparation, career workshop amongst others. Earle (2013) argues that a person’s individual thinking about careers is influenced by ageing. As one matures, thoughts of career progression are affected by psychological feelings of recognition for status, opportunities for growth and need for self-actualization. Johnson, Griffith and Griffin (2010) contend that good managers therefore should encourage and couch the middle aged potential employees so as to ensure a business enterprise is well managed.

2.3.2 Training and Development

Training is particularly useful for developing improved job performance and involves day-to-day discussions and giving of instructions. Kochachathu (2011) observed that training provides specialized technique and skills to employee and also helps to rectify deficiencies in employee performance. The availability for all employees having access to training and development programs is critical in facilitating organizational growth, particularly with performance and technological improvements. Classroom training, lectures, computer-based learning and e-learning are all examples of formal training. Formal training is typically used to introduce a new concept or theory or to explain the importance of a particular topic. This type of training is most effective when coupled with experience sharing and role-playing (Neville, 2011). Moreover, training can be applied for many purposes to correct deficiencies in performance or to build skills. It is important for sustainability of a business enterprise and management because it can be an important tool in grooming prospective successors for the future. Effective training and development can have a positive impact on an organization. It can produce improved relationships and teamwork between staff at different levels. Organizational training and mentoring
can help to align individual performance with team and organizational objectives, maximize strengths, enhance communication between managers and teams, help individuals take ownership and responsibility for their behaviours and actions, and encourage individuals to stretch beyond their assumed constraints (Leonard, 2012).

2.3.3 Successor engagement

Shivaraj and Vijayakumara (2015) define successor engagement as specific set of human resource management practices that focus on employee decision making, power, and access to information, training and incentives through support by the initiator of the organization. Armstrong (2013) says the underlying hypothesis is that employees will increase their involvement with the company if they are given the opportunity to control and understand their work. In this case, employees are treated as partners of the business whose interest is respected and who have a voice on matters that concern them. In this sense, successor engagement is mainly concerned with communication and involvement. The main aim is to create a climate in which a continuing dialogue between managers and members of their teams takes place in order to define expectations and share information on the organizations’ mission, values and objectives. Employee commitment is more assured if the employees are engaged and made to participate in the development of new employment practices and if they know that their contributions have been welcomed and acted upon.

2.3.4 Human Capital Orientation

Ssesanga and Garrett (2015) define human capital as the person who possesses ability, experience and knowledge to create the economic value of an organization. According to Torrington and Hall (2015) human capital is the employee knowledge,
competence and experience in an organization. Human capital orientation entails the practice of influencing and enhancing employee performance, commitment and retention for the betterment of the organization. According to Steers and Porter (2009) human capital orientation contributes to grooming of employees into reliable organizational leaders through ensuring that they are well paid and motivated for them to continue committed to the organization. Through employee rewarding and motivation, the organization is able to keep the reliable employees so as to take part as the future organizational managers.

2.3.5 Sustainability of Family Owned Enterprises

Firm sustainability can be narrowly thought of not only as the management of environmental, social, and governance issues, but more broadly as a business approach or paradigm that seeks to enhance long-term shareholder value by addressing opportunities and managing the associated risks that derive from the economic, environmental and social developments facing the modern corporation (Mensah, 2014). At the heart of current corporate sustainability movement, is the claim that it increases long-term shareholder value i.e., maximizes stock price. It is hypothesized that the companies which are ranked as the leaders in sustainability should demonstrate superior financial performance coupled with favourable risk/return profiles. It is posited that firm sustainability leaders should be able to achieve superior financial performance by focusing their sustainability strategies to develop long-term sustainability products and services by successfully either avoiding or decreasing key sustainability costs and risks to the firm.
2.4 Empirical Review

2.4.1 Talent Management and Firm Sustainability

Studies across the globe have focused on talent management and organizational sustainability and/or performance. Newman, Thanacoody and Hui (2011) conducted a study on effects of talent management on performance of non-governmental organizations in Turkey. The study aimed at finding out the role of employee talent identification, modification and adoption on performance of NGOs in Turkey. The scholars adopted an experimental research design and had a sample of 230 respondents. Deckop et al. (2016) established that talent management helped the organizations to identify the employees that were capable of providing key skills in the organizational operations thus working hard to retain them. Through talent management, organizations are able to attain a full reliable workforce which is more productive and functional thus promoting organizational performance (Newman et al., 2011).

Rich, Lepine and Crawford (2010) did a study on relationship between talent management and firm sustainability. The study focused on establishing the impacts of grooming young talents among SMEs in South Korea. The study adopted a case study research design and had a sample of 109 SMEs. Rich et al. (2010) found that talent management among SMEs promoted the sustainability of the firms by promoting the ability of managerial skills to be surpassed across the employees thus making the firms capable of retaining their performance levels. According to Rich et al. (2010) SMEs’ sustainability is dependent on the capabilities and skills possessed by the entrepreneurs.
Through talent management, the entrepreneurs are able to develop new talents amongst their employees thus enhancing the sustainability. Elsewhere, Kibui (2015) did a study on the influence of talent management on employee performance. Kibui (2015) focused on state corporations in Kenya and their ability to manage employee talent for enhanced performance and commitment. The study used a descriptive research design and had a sample of 180 respondents. The study found that most of the state corporations in Kenya did not practice employee talent management and this affected the performance of the employees since most of them felt that their talents are not well utilized. According to Kibui (2015), management of talents among employees increases their usability to the organization since more skills are identified and used for organizational advantage.

2.4.2 Training and Development

Hassan, Mehmet and Demet (2013) conducted a study on the effects of employee training and development on performance of commercial banks. The study was located in Qatar and targeted licensed commercial banks in the country. The study used a descriptive research design and had a sample of 52 respondents. The study established that training is one of the most important factors in retaining employees in organizations while making them more effective to the organization. According to Hassan et al., (2013) training of employees makes them ready to develop and acquire more skills which they use in promoting their capabilities and productivity in the organization.

Chen (2014) did a study on the relationship between employee training and organizational sustainability and performance. The study aimed at establishing the
role of skills attained by employees during training on continuity of the organization. The study was located in Pakistan and employed an exploratory research design. The sample size for the study was 119 respondents from manufacturing firms in Pakistan. Chen (2014) established that training of employees equipped them with important and essential skills that promote their ability to handle issues and be more compatible with organizational issues. According to Chen (2014), employees have the capability to handle organizational matters but to make them more capable there is need to train them time to time for enhanced performance.

2.4.3 Successor Engagement

Successor engagement is an important aspect of human resource management practices that promotes firm sustainability. Studies have been carried across the globe on Successor engagement and organizational performance. Manzoor (2012) conducted a study on the effects of firm successor engagement and sustainability of financial institutions in UK. The study adopted a descriptive research design and had a sample of 93 respondents. The study established that engaging successors of institutions made the employees understand the needs and strategies that organizations can carry out to sustain its performance. According to Manzoor (2012), engaging successors is essential in establishing the major areas that the organization should focus on to improvise its strategic position in the market.

Elsewhere Chew and Chan (2017) did a study on impacts of human resource management on firm performance and focused on engagement of the employees. The study focused on the employee engagement and how they enhance firm performance. Chew and Chan (2017) established that engagement of the employees by the
successors played a key role in promoting the firm performance through better performance of the employees. According to Chew and Chan (2017), engaging the employees promotes their commitment and willingness to work in the firm.

2.4.4 Human Capital Orientation

Ellis and Sorensen (2017) did a study on the impacts of human capital orientation on firm performance. The study focused on the activities practiced by organizational management to have a proper human capital through improvement of skills and capabilities. The study established that human capital orientation is a key contributor to firm performance through engagement of employee capabilities. According to Ellis and Sorensen (2017) human capital orientation enhances the updating of human skills which are key organizational resources.

Kwenin (2013) did a study on human capital orientation and firm performance and focused on the work environment. The study adopted a descriptive research design and had a sample of 103 respondents. The study established that human capital orientation is a key aspect in firm performance. According to Kwenin (2013) the skills possessed by the organizational employees are critical to firm performance since the ability of a firm to implement the set decisions rely on the ability of the employees to handle specific issues in the firm. This therefore means that enhancing the skills through human capital orientation is critical (Kwenin, 2013).

2.4.5 Sustainability of Family Owned Businesses

A number of studies have focused on the sustainability of family owned business across the globe. For instance, Darren (2013) did a study on the sustainability of the family owned businesses in a global perspective. The study adopted a survey design
and had a sample of 114 respondents. The findings established that most of the family owned businesses enhanced their performance through integrated investments and expansion the firm branches. According to Darren (2013) family owned businesses depend on the efforts made by the family members who are mainly the directors of the businesses to invest more and build stronger foundations to have the businesses sustained for a longer period of time.

Elsewhere, Shilder (2010) did a study on the factors influencing sustainability of family owned enterprises. The study aimed at establishing the role of succession planning, stakeholder involvement, and family issue management. The study adopted a descriptive survey research design and had a sample of 215 respondents. Shilder (2010) established that among the major factors that enhanced sustainability of family owned enterprises was the succession planning whereby the founder of the firm identified the successor and ensured that proper measures are carried out to make them capable of carrying on with the business.

2.5 Critique of existing literature

A review of selected research reveals a tendency by some authors of human resource management practices to have focused on SMEs and other large businesses but failed to focus on SMFEs. Mentoring entrepreneurs should form important aspects of collaboration to ensure effective SMFEs sustainability. Kwenin, Muathe and Nzulwa (2013) did a study of 63 family businesses operated by successors who have been the CEOs for a minimum of five years to uncover significant elements that differentiated effective from less effective successors. This study did not indicate how mentoring would influence sustainability of family businesses. Moreover, this study did not
focus on the effect of mentoring on family FOBEs’ as a human resource management practice and at the same time did not outline the role played by human resource management practices for sustainability of FOBEs after exit of first generation entrepreneurs Giambatista (2014) study focused on prevalence and characteristics of mentoring relationships among third- and fourth-year medical students. The study did not link the mentorship to sustainability in the medical field neither did it identify the growth that would result from Human resource management practices. The study did not indicate the effect of mentorship on a Human resource management practices on sustainability of FOBEs.

Msengeti and Obwogi (2015) study focused on examining the innovativeness, pro-activeness and openness to risk displayed by a group of small high technology firms and to try to assess the extent to which such behavior was related to the objectives held by their CEOs. The study did not show the effects of innovativeness, pro-activeness and openness to risk on the growth of FOBEs in Kenya. The study was only limited to small high technology firms whereas it is evident that not all FOBEs are high technology firms. Finally, this study was generally examining small high technology firms regardless of the country and regardless of whether family owned or not.

Kirema (2016) study focused on how secondary school learners valued life skill education; the perceived effects of life skills on secondary school learners’ health and social behaviors; whether secondary education addressed life skill issues adequately; and the impact of life skills on student’s performance. The study did not evaluate on how the skills learned would be applied by school leavers in succeeding their parents.
or relatives in their family owned small businesses. This study also failed to determine the effects of skills on human resource management practices and on the sustainability of FOBEs after the exit of first generation entrepreneurs.

Cohen, Manion and Morrison (2017) study focused on interventions to improve access to education as well as effective participation of African women in decision making in selected institutions of higher learning in Kenya. The study established that there is a great gender disparity which affects a sustainable and focused development process in tertiary education, refocusing concern on proper targeting of these disparities for fair and equitably distributed benefits to all. This study did not provide insights on how interventions to lower gender disparity, to enable women achieve high level of education would influence sustainability of small family owned business. The study did not establish how level of education to women would influence the sustainability of family SMEs in Kenya. In addition the study did not indicate how level of education to the community in general would influence sustainability of FOBEs after exit of first generation entrepreneur.

2.6 Research Gaps

Studies have been carried out on the relationship between human resource management practices and firm performance. These studies however left some gaps which were filled by the current study. A study by Earle (2013) on the human resource management practices affecting firm performance, found that human resources were the most beneficial organizational resources leading to enhanced competitiveness. The study was conducted in Canada which is a developed country thus there is need for a similar study to be conducted in a developing country such as
Kenya so as to find out whether the findings can differ based on the area of study. Earle (2013) also focused on large manufacturing organizations in Canada whereas the current study focused on the small family businesses. Earle too was only concerned on performance but did not look into the sustainability of this business. A study by Dauda and Mohammed (2012) on the human resource management practices and organizational performance among government owned corporations established that human resource management practices such as job satisfaction and training and development enhanced the organizational performance through a better engaged and committed workforce. The study however focused on the government corporations and performance of the business unlike the current study that focused on small family owned businesses and their sustainability. Dauda and Mohammed (2012) focused on organizations in Dubai unlike the current study that focused on the Small family owned businesses in Kenya. The study was also conducted in close to five years ago where much has happened with changes in technology and awareness among the employees thus there is need for a study to be conducted so as to update the study incorporating these changes.

Taneja, Taneja and Gupta (2014) did a study on the relationship between human resource management practices and performance of organizations in Pakistan. The scholars adopted secondary data and established that human resource management practices such as employee training and development and employee rewarding enhanced organizational performance through increased employee commitment and productivity. The study however focused on non-governmental organizations in Pakistan and performance but the current study focused on small family owned businesses in Kenya and their sustainability. Taneja et al. (2014) utilized secondary
data to make conclusions and recommendations for the study. This study adopted both primary and secondary data to make a conclusions and recommendations. Hence, the current study was conducted to determine if there is a relationship between human resource management practices and sustainability of family owned small enterprises in Kenya.

2.7 Summary of the Chapter

This chapter focused on the literature on the human resource management practices and sustainability of family owned enterprises. The theories reviewed show that human resource management practices are a key concept in firm sustainability. For instance, the competency models and Scharmer’s theory U reveals that competency of the organizational management, as well as the ability of the employees to handle specific issues in an organization play a key role in promoting firm sustainability. Other theories reviewed in the chapter are; the two-factor theory, stakeholder theory and resource based theory which is found to be of great significance in enhancing the understanding of the independent variables and their importance in promoting organizational sustainability.

Empirical studies reviewed in the study revealed that human resource management practices play a key role in promoting sustainability and performance of the business. As the studies portray, talent management is a key aspect that keep the employees well-kept and the best talents identified in an organization thus grooming it to be essential in the firm sustainability. On the employee training and development, the studies portrayed employee training as a key aspect in enhancing the ability of the employees to handle diverse issues in an organization. The studies reveals that
successor engagement and human capital orientation are essential in firm sustainability through enhancement of the ability, skills and knowledge of the employees to have the capability to hold up the firm and management it even at the exit of the founders.
CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction
This chapter highlights the research design, research philosophy, the study variables, the study area, the study population, sampling techniques and sample size determination, construction of research instruments, pilot study, validity and reliability of the instruments, methods of data collection and data analysis.

3.2 Research Design
Research design refers to 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 the procedure (Babbie, 2002). In addition, Kothari (2004) observed that research design is a blueprint which facilitates the smooth sailing of the various research operations, thereby making research as efficient as possible hence yielding maximum information with minimal expenditure of effort, time and money. A descriptive research design was used in this study. The research design is both quantitative and qualitative with the aim of determining the relationship between the Human resource management practices (independent variables) and sustainability of family owned enterprises (dependent variables).

3.2.1 Research Philosophy
Research philosophy is the prototype that has the capability of reinforcing a research (Ryan, 2018). According to Ryan, positivist paradigm and phenomenological paradigm are commonly applied. Positivist paradigm uses quantitative data but phenomenological paradigm applies the qualitative data. This study employed a
positivist research philosophy since it deals with quantitative data which is precise and therefore can be easily compared thus generating reliable evidence from the responses collected through use of questionnaires (Bryman, 2011). Positivists believe that reality is stable and can be observed and described from an objective viewpoint (Levin, 1988), i.e. without interfering with the phenomena being studied. They contend that phenomena should be isolated and that observations should be repeatable.

3.3 Target Population

Bernard (2011) described population as, the entire group of individuals or items under consideration in any field of inquiry and have a common attribute. Thus, if an enquiry is intended to determine the average per capita income of people in a particular city, all the people with some form of income in that city comprised the population. The target population of this study comprised of the family owned small enterprises in Nairobi Kenya. There are 23,273 registered family owned enterprises in Nairobi County. Family owned businesses are registered by the Association of Family Business Enterprises (AFBE). The firms consist of manufacturing, services and trading (AFBE, 2016). The study specifically targeted the owners or managers of these firms. This was informed by the fact that the managers and/or owners have more information regarding their businesses and they are more involved in carrying out the HRM practices. The table below shows the distribution of the target population as highlighted by AFBE (Nairobi City County, 2017).
Table 3.1: Target Population

<table>
<thead>
<tr>
<th>Description</th>
<th>Target Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing</td>
<td>9,371</td>
</tr>
<tr>
<td>Trading</td>
<td>10,408</td>
</tr>
<tr>
<td>Services</td>
<td>3,494</td>
</tr>
<tr>
<td>Total</td>
<td>23,273</td>
</tr>
</tbody>
</table>

Source: Mulei (2015)

3.4 Sample and Sampling Technique

Sampling frame is the listing of all elements of the population from which a sample is drawn. It is a complete and correct listing of population members only (Cooper & Schindler, 2006). A sample is a set of entities drawn from a population with the aim of estimating characteristic of the population (Siegel, 2003). It is a fraction or portion of a population selected such that the selected portion represents the population adequately. Cooper and Schindler (2003) explained that the basic idea of sampling is, selecting some of the elements in a population, so that the same conclusions can be drawn about the entire population. This results to reduced cost and greater accuracy of the findings.

The study used Kothari (2008) formulae to determine the sample size as shown below:

\[
n = \frac{z^2 \cdot p \cdot q \cdot N}{\varepsilon^2 (N - 1) + z^2 \cdot p \cdot q}
\]

Where:

\(n\) = sample size

\(N\) is the total population

\(\varepsilon^2\) = acceptable error (the precision level at 0.05)
\( p \)= the proportion in the target population that assumes the characteristics being sought. In this study, \( a = 50:50 \) basis is assumed which is a probability of 50 percent (0.5).

\( q \)= The balance from \( p \) to add up to 100 percent. That is \( 1 - P (1 - 0.5) \), which in this case is 100 - 50 percent (0.5)

\( z^2 \)= number of standard deviation units of the sampling distribution corresponding to the desired confidence level of 95% which is 1.96.

Kura (2012) recommended that if there are no estimates in the target population assumed to have interest, 50% should be used as the proportion of the target population with characteristics being measured. At 95% confidence level and a 5% level of significance, the sample size (\( n \)) was as follows:

\[
\begin{align*}
    n &= (1.96*1.96)*(0.5*0.5)*23273 \\
    &+ (0.05*0.05)*23273 + (1.96*1.96*0.5*0.5) \\
    n &= 377
\end{align*}
\]

The sample size for the study therefore comprised of 377 respondents as shown in the table 3.2 below. Simple random sampling was used to obtain the sampled respondents since it gave equal probability for the respondents thus avoiding biasness.

Table 3.2: Sample Size

<table>
<thead>
<tr>
<th>Description</th>
<th>Target Population</th>
<th>Percentage</th>
<th>Sample Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing</td>
<td>9371</td>
<td>40.30 %</td>
<td>151</td>
</tr>
<tr>
<td>Trading</td>
<td>10408</td>
<td>44.20 %</td>
<td>169</td>
</tr>
<tr>
<td>Services</td>
<td>3494</td>
<td>15.50 %</td>
<td>57</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>23273</strong></td>
<td><strong>100%</strong></td>
<td><strong>377</strong></td>
</tr>
</tbody>
</table>
3.5 Data collection Procedures

Primary data according to Kothari (2008) is the data collected a fresh for the first time while secondary data is that data that has already been collected and passed through statistical process. Andre (2004) explains that primary data is data that is used for a scientific purpose for which it was collected. During this research, primary data was used and collected using questionnaires. The questionnaires included both closed and open ended questions. Closed ended questions were used in an effort to conserve time as well as to facilitate an easier analysis as they are in immediate usable form while the open ended questions were used as they encouraged the respondent to give an in-depth and felt response without feeling held back in revealing of any information. With open ended questions, a respondent’s response gave an insight to their feelings, background, hidden motivation, interests and decisions.

The study used the primary data that was collected using questionnaires which were administered individually by the researcher to all respondents. Care and control was exercised to ensure that most of the questionnaires issued to the respondents were received. To achieve this, a register of questionnaires was maintained showing the ones which were issued and the ones received. The questionnaires were administered using a drop and pick method to the sampled respondents. This was to give the respondents ample time to respondent to the research questions and avoid biasness as a result of the researcher’s influence.

3.6 Pilot testing

A pilot study is a research done prior to the main study used in order to determine reliability and validity of the problem area. It gives an estimate of adverse events,
expenses involved and time consumed to improve upon the study design before conducting a full-scale research project (Eldridge, Lancaster, Campbell, Thabane, Hopewell, Coleman, & Bond, 2016) A questionnaire designed based on the research questions was pilot-tested to refine the questions before it could be administered to the selected sample. A pilot test was conducted to detect weakness in design and instrumentation and to provide proxy data for selection of a probability sample. This was done by use of 4% of the sample size which totalled to 15 respondents (4/100*377). The respondents were drawn from an area within Nairobi that was avoided during the actual study. Mugenda and Mugenda (2016) asserted that, the accuracy of data to be collected largely depended on the data collection instruments in terms of validity and reliability.

3.6.1 Validity of the Research Instruments
Validity is the degree by which a sample of test items represents the content the test is designed to measure (Somekh & cathy 2005). Content validity and face validity were employed in this study. Content validity is used when the method to be used provides enough coverage of the area under study. The required items and adequate sample is measured which is both adequate and has appropriate target groups. Face validity is used when tests can be seen at face value to measure their content with a straight forward purpose (Dulan, Rege, Hogg, Gilberg, Tesfay & Scott 2012).

Experts were randomly picked from the Human resource department and their opinions requested on the representativeness and suitability of questions and gave suggestions of corrections that were adjusted to the structure of the research tools in order to establish the validity of the research instrument. This was done especially from the owners and managers of small family owned enterprises. This helped to
improve the content validity of the collected data. It facilitated the necessary revision and modification of the research instrument thereby enhancing validity.

3.6.2 Reliability of the Research Instruments
Reliability of a measuring instrument is the degree of consistency with which it measures whatever it is meant for and that it yields the same results or data after repeated trial (Mugenda 2016). Reliability is increased by including many similar items on a measure, by testing a diverse sample of individuals and by using uniform testing procedures. The researcher selected a pilot group of 15 individuals from the target population to test the reliability of the research instruments. In order to test the reliability of the instruments, internal consistency techniques were applied using Cronbach’s Alpha. The alpha value ranges between 0 and 1 with reliability increasing with the increase in value. Coefficient of 0.6-0.7 is a commonly accepted rule of thumb that indicates acceptable reliability and 0.8 or higher indicates good reliability (Mugenda, 2016).

3.7 Data Analysis and Presentation
After data collection data analysis was done. This process is important as it makes data sensible. Data analysis tool used is dependent on the type of data to be analysed depending on whether the data is qualitative or quantitative. The quantitative data in this research was analyzed by descriptive statistics using statistical package for social sciences (SPSS) version 22 which is the latest version and compatible in giving more appropriate results. Descriptive statistics includes mean, frequency, standard deviation and percentages to profile sample characteristics and major patterns emerging from the data. In addition to measures of central tendencies, measures of dispersion and graphical representations were used to tabulate the information. Data
was presented in tables, charts and graphs. Content analysis was used in processing of this data and results presented in prose form.

In addition, a multivariate regression model was applied to determine the relative importance of each of the four variables with respect to family owned business sustainability. Multiple regressions is a flexible method of data analysis that may be appropriate whenever quantitative variables (the dependent) is to be examined in relationship to any other factors (expressed as independent or predictor variable). Relationships may be non-linear, independent variables may be quantitative or qualitative and one can examine the effects of a single variable or multiple variables with or without the effects of other variables taken into account, (Cohen, West & Aiken, 2003). The regression model was as follows:

\[ Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \epsilon \]

Where:
\( Y \) = Sustainability of family owned enterprises
\( \beta_0 \) = Constant Term
\( \beta_1, \beta_2 \) and \( \beta_3 \) = Beta coefficients
\( X_1 \) = Talent management
\( X_2 \) = Training and development
\( X_3 \) = Successor engagement
\( X_4 \) = Human capital orientation
\( \epsilon \) = Error term

The multiple regression model was used to generate the correlation between variables. This helped to prove the connection between the independent variables (Talent management, Training and development, successor engagement, Human
capital orientation) and the dependent variable (Sustainability of family owned small enterprises). The variation coefficients were generated by the SPSS software for each of the variables.

3.8 Diagnostic tests

3.8.1 Normality Test

An assessment of the normality of data is a prerequisite for many statistical tests because normal data is an underlying assumption in parametric testing. Before analysis of the data, the model was tested for normality. This test was performed to validate the model and the methodology used in the study. As previous studies have revealed, normal distributions take the form of a symmetric bell-shaped curve. The quantile-quantile plot (Q-Q plot) was used to test for normality in the study. The plot enables the respondent to identify whether the data is normally distributed or not. This compares ordered values of a variable with quantiles of a specific theoretical normal distribution. If two distributions match, the points on the plot formed a linear pattern passing through the origin with a unit slope.

3.8.2 Linearity

According to Cuestas and Regis (2013) linearity refers to a situation where a dependent variable has a liner relationship with one or more independent variables and, thus, can be computed as the linear function of the independent variable(s). In this study, linearity test was carried out where the Goodness of Fit test was applied. This helped in summarizing the discrepancy between the observed values and the projected values under a statistical model. If the F significance value for the nonlinear component is below the critical value (ex., < .05), then there is significant nonlinearity (David, 2012).
3.8.3 Multicollinearity
According to Damodar (2010), linear regression analysis assumes that independent variables are not correlated with each other meaning there is no linear relationship among the explanatory variables. On that matter therefore, Multicollinearity is the existence of a perfect relationship between two variables which are both predictors in a given model. As noted by Joshi, Kulkarni and Deshpande (2012) this relationship in many cases makes it extremely difficult to estimate the individual coefficients of the variables. In this study, multicollinearity test was carried out by the use Variance Inflation Factor (VIF). This method involves giving the estimation of the increase in variance of the coefficients after the correlation of the predictors (Independent variables). If no factors are correlated, the VIFs are 1 but if the VIF is greater than 1, the regressors may be moderately correlated. A VIF between 5 and 10 indicates high correlation that may be problematic and that would require the researcher to remove highly correlated predictors from the model.

3.8.4 Autocorrelation
One of the basic assumptions in linear regression model is that the random error components or disturbances are identically and independently distributed. This is what is called autocorrelation. In a regression model, therefore, it is assumed that the correlation between the successive disturbances is zero. In this study, the DW statistic was used to test for autocorrelation where Ordinary Least Square (OLS) residuals with values ranging from 0 to 4 were adopted. If the D value is 4 then there is negative autocorrelation, 2 means no autocorrelation and 0 means positive autocorrelation. In the event of autocorrelation, there is need to transform the model
so that the error term is serially independent, then apply OLS to the transformed model to give the usual Best Linear Unbiased Estimator (BLUE).

3.9 Hypotheses Testing
Hypothesis is a statement made about the value of a population parameter. The population is so large that it may not be possible to study all the items or persons in the population (Bernard, 2011). It is procedure based on sample evidence and probability theory used to determine whether the hypothesis is a reasonable statement and should not be rejected or is unreasonable and should be rejected. According to Mason & Lind (1996), there are five steps in hypothesis testing which include stating null (H₀) and alternative hypothesis (H₁), selecting the level of significance or risk, the test statistics, decision rule and making a decision.

According to Mason, Lind, & Marchal, (1999), 0.05 level of significance is used for consumer research project, 0.01 for quality assurance and 0.10 for political polling. In this case therefore, 0.05 significance level was used since the study sought to establish the sustainability of family businesses. For a large population that is more than 30, z-test is to be done (Lind, Marchal, & Wathen, 2008). In this case therefore, a z-test was adopted.

i. H₀: Talent management has no relationship with sustainability of family owned small enterprises in Kenya

\[ H₀: \mu = 0 \]

Hₐ: Talent management has a positive relationship with sustainability of family owned small enterprises in Kenya

\[ Hₐ: \mu \neq 0 \]

Level of significance is 0.05 (p<0.05) and the test statistic was z-test where
\[
    z = \frac{\bar{x} - \mu}{\sigma / \sqrt{n}}
\]

Decision rule: Accept Null hypothesis if \(-1.96 \leq z \leq 1.96\)

ii. \(H_0\): Training and development has no relationship with sustainability of family owned small enterprises in Kenya

\(H_0\): \(\mu = 0\)

\(H_A\): Training and development has a positive relationship with sustainability of family owned small enterprises in Kenya

\(H_A\): \(\mu \neq 0\)

Level of significance is 0.05 and the test statistic was \(z\)-test where

\[
    z = \frac{\bar{x} - \mu}{\sigma / \sqrt{n}}
\]

Decision rule: Accept Null hypothesis if \(-1.96 \leq z \leq 1.96\)

iii. \(H_0\): Successor engagement does not influence sustainability of family owned business enterprises in Kenya

\(H_0\): \(\mu = 0\)

\(H_A\): Successor engagement has a positive relationship with sustainability of family owned small enterprises in Kenya

\(H_A\): \(\mu \neq 0\)

Level of significance is 0.05 and the test statistic was \(z\)-test where

\[
    Z = \frac{\bar{x} - \mu}{\sigma / \sqrt{n}}
\]

Decision rule: Accept Null hypothesis if \(-1.96 \geq z \leq 1.96\)
iv. $H_0$: Human capital orientation has no relationship with sustainability of family owned small enterprises in Kenya

$H_0: \mu = 0$

$H_A$: Human capital orientation has a positive relationship with sustainability of family owned small enterprises in Kenya

$H_A: \mu \neq 0$

Level of significance is 0.05 and the test statistic was $z$-test where

$$z = \frac{\bar{x} - \mu}{\sigma / \sqrt{n}}$$

Decision rule: Accept Null hypothesis if $-1.96 \geq z \leq 1.96$

The analysis was presented in chapter four to explain the findings after which conclusions and recommendations were drawn.
CHAPTER FOUR
RESEARCH FINDINGS AND DISCUSSION

4.1 Introduction
The section presents the analysis of findings and the discussion of the study as set out in the research methodology. This chapter begins by analysing and presenting the results of the pilot study, the response rate and illustrating the designation of the respondents. The main findings are presented in relation to the overall objective of this study which was to establish the relationship between human resource management practices and sustainability of Family owned enterprises in Kenya. The chapter culminates by presenting the analysis of the study model through inferential statistics.

4.2 Response rate
The study sought to find out the rate at which the targeted respondents participated in the study. This would therefore help to determine whether the study attained a reliable number of respondents to make conclusions and recommendations. The study had a sample of 377 respondents who were surveyed using a structured questionnaire. A response rate of 78.5% (296 respondents) was achieved and the data used for analysis. This therefore makes the collected data relevant formatting conclusions and recommendations since according to Creswell (2005) and Kingslay (2012) a response rate of 30-60% in a study is adequate for making conclusions and recommendations. The non-response was 21.50% which means only 81 respondents did not give back their questionnaires for analysis. The response rate and non-response rate are as shown in table 4.1 where they are presented in form of the nature of the enterprise.
Table 4.1: Response Rate

<table>
<thead>
<tr>
<th>Category</th>
<th>Sample size</th>
<th>Response Frequency</th>
<th>Response Percentage</th>
<th>Non-Response Frequency</th>
<th>Non-Response Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing</td>
<td>149</td>
<td>113</td>
<td>75.84</td>
<td>36</td>
<td>24.16</td>
</tr>
<tr>
<td>Trade</td>
<td>172</td>
<td>134</td>
<td>77.91</td>
<td>38</td>
<td>22.09</td>
</tr>
<tr>
<td>Service Firms</td>
<td>56</td>
<td>49</td>
<td>87.50</td>
<td>7</td>
<td>12.5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>377</strong></td>
<td><strong>296</strong></td>
<td><strong>78.5</strong></td>
<td><strong>81</strong></td>
<td><strong>21.50</strong></td>
</tr>
</tbody>
</table>

4.3 Results of the Pilot Study

A pilot study is a small scale preliminary study used in order to evaluate feasibility, adverse events, cost and time to improve upon the study design before conducting a full-scale research project (Eldridge, Lancaster, Campbell, Thabane, Hopewell, Coleman, & Bond, 2016). To ensure reliability and validity of the research instruments, a pilot test was carried out. This was done using a total of 15 respondents which was 4% of the sample size (377). The pilot obtained a 100% response rate. The data from the pilot study was analysed and the results presented herewith.

4.3.1 Reliability Test

To ensure the reliability of the instrument for the study, Cronbach’s Alpha was carried out. The findings indicated that all constructs had Cronbach’s Alpha values within the suggested value of between 0.6 and 0.7 thus the data collection tool was reliable (mugenda 2016). On the basis of reliability test it was supposed that the
scales used in this study are reliable to capture the constructs. Findings of the reliability test are shown in table 4.2.

**Table 4.2: Reliability Results**

<table>
<thead>
<tr>
<th>Construct</th>
<th>Cronbach's Alpha Value</th>
<th>Number of Items</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Talent Management</td>
<td>0.741</td>
<td>9</td>
<td>Accepted</td>
</tr>
<tr>
<td>Training and Development</td>
<td>0.738</td>
<td>6</td>
<td>Accepted</td>
</tr>
<tr>
<td>Successor Engagement</td>
<td>0.624</td>
<td>8</td>
<td>Accepted</td>
</tr>
<tr>
<td>Human Resource Orientation</td>
<td>0.693</td>
<td>6</td>
<td>Accepted</td>
</tr>
</tbody>
</table>

4.3.2 Validity
Content validity and face validity were employed by this study to measure the degree to which data collected using the questionnaires represented a specific domain or content of a particular concept. Opinions from supervisors and other experts in the field of human resource management were sought to comment on the representativeness and suitability of questions and gave suggestions of corrections and were made to the structure of the questionnaire. The validity results gave the researcher the confidence to conduct the actual study after adjusting the questionnaire.

4.3.3 Diagnostic tests
In a study such as the one at hand, diagnostic tests are necessary so as to enhance the viability of the study model. The study therefore conducted diagnostic tests which
include; the normality test, correlation test, multicollinearity test, and autocorrelation test with an aim of ensuring the model was reliable.

**Normality Test**

Q-Q Plot was used to test for the normality distribution in the study variables. The findings as shown in figure 4.1 indicated that the points on the plot formed a linear pattern passing through the origin with a unit slope. This therefore implies that the variables in the study were normally distributed thus giving a go-ahead for the analysis. The study therefore failed to reject the null hypothesis and thus the conclusion that the residuals are normally distributed. It is clear that the residuals were normally distributed and therefore, the model could be applied in the analysis (Brooks, 2008).

![Q-Q Plot for Normality Test](image)

**Figure 4.1: Q-Q Plot for Normality Test**

**Linearity Test**

A linearity test was carried out as was discussed in the previous chapter. The test was done using Pearson’s correlation. The findings as presented on table 4.3 below
revealed that talent management, training and development, human capital orientation as well as successor engagement had a significant linearity given that each of the variables had a P-value with less than the standard p-value of 0.05 with at least one independent variable (predictor). If the F significance value for the nonlinear component is below the critical value (ex., < .05), then there is significant nonlinearity (David, 2012). The linearity of the model was therefore upheld since all the independent variables had a p-value less than 0.05.

**Table 4.3: Linearity Test**

<table>
<thead>
<tr>
<th></th>
<th>Sustainability of FOBs</th>
<th>Talent management</th>
<th>Training and development</th>
<th>Human capital orientation</th>
<th>Successor engagement</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sustainability of FOBs</strong></td>
<td>Pearson Correlation</td>
<td>Sig. (2-tailed)</td>
<td>N</td>
<td>15</td>
<td>15</td>
</tr>
<tr>
<td><strong>Talent Management</strong></td>
<td>Pearson Correlation</td>
<td>Sig. (2-tailed)</td>
<td>N</td>
<td>15</td>
<td>15</td>
</tr>
<tr>
<td><strong>Training and Development</strong></td>
<td>Pearson Correlation</td>
<td>Sig. (2-tailed)</td>
<td>N</td>
<td>15</td>
<td>15</td>
</tr>
<tr>
<td><strong>Human capital Orientation</strong></td>
<td>Pearson Correlation</td>
<td>Sig. (2-tailed)</td>
<td>N</td>
<td>15</td>
<td>15</td>
</tr>
<tr>
<td><strong>Successor engagement</strong></td>
<td>Pearson Correlation</td>
<td>Sig. (2-tailed)</td>
<td>N</td>
<td>15</td>
<td>15</td>
</tr>
</tbody>
</table>

*. Correlation is significant at the 0.05 level (2-tailed).

**Multicollinearity**

The study carried out a test for multicollinearity as mentioned in the previous chapter. The results as shown in table 4.4 revealed that the VIF values of the independent variables were within the threshold VIF of 10. The tolerance value was
greater than 0.1 ruling out the possibility of multicollinearity (Field, 2009). The result, therefore, revealed that there was non-existence of a multicollinearity problem among the independent variables and hence the level of multicollinearity in the model could be tolerated.

**Table 4.4: Results for Multicollinearity Test**

<table>
<thead>
<tr>
<th></th>
<th>Tolerance</th>
<th>VIF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Talent Management</td>
<td>0.785</td>
<td>1.275</td>
</tr>
<tr>
<td>Training and Development</td>
<td>0.785</td>
<td>1.274</td>
</tr>
<tr>
<td>Successor Engagement</td>
<td>0.642</td>
<td>1.513</td>
</tr>
<tr>
<td>Human Capital Orientation</td>
<td>0.661</td>
<td>1.513</td>
</tr>
</tbody>
</table>

**Autocorrelation**

The test for autocorrelation was performed to establish whether residuals were correlated across time. Regression analysis assumptions require that residuals should not be correlated across time and thus the Wooldridge test for autocorrelation which is also an LM test was adopted in this study. The null hypothesis is that no first order serial /auto correlation exists. The results indicated that the study failed to reject the null hypothesis that there is no serial autocorrelation of any order and that residuals are not auto correlated (Durbin-Watson (D) = 2.269).

**Table 4.5: Autocorrelation Tests Results**

<table>
<thead>
<tr>
<th>Autocorrelation Tests</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Wooldridge test for autocorrelation in panel data</td>
<td></td>
</tr>
<tr>
<td>H0: no first order autocorrelation</td>
<td></td>
</tr>
</tbody>
</table>

Prob > D = 2.269
4.4 Demographic information

This subsection contains the general information of the respondents. The main aim to seek general information from the respondents is to enhance the interaction and better understanding of the respondent so as to foster a good environment for the respondent to respond to the main questions of the study. The information sought in this case included the gender of the respondents, the respondents’ age bracket, the level of education and number of years that the enterprises had been operating. According to Creswell (2010), a researcher ought to develop a rapport with the respondents by first seeking the demographic information out of which the respondents is more open to participate in the study.

4.4.1 Distribution of Respondents by Gender

The study sought to establish the gender of the respondents. As indicated on figure 4.2, 71.28% of the respondents were males whereas 28.72% were female. This implies that the males dominated the study but both genders were presented in the study. According to Kiplagat (2017), most of the family owned enterprises are headed by men who in many cases are initiators of the business and this is confirmed by the study results. According to Kothari (2005), a good study should incorporate all the targeted gender respondents such that they are all represented.
4.4.2 Age of the Respondents

The study sought to find out the distribution of the respondents by their age brackets. The respondents were asked to indicate their age bracket on the questionnaire and their responses presented as shown on Figure 4.3. Results depicted in that a majority of the respondents were of the age bracket of 31-40 years comprising of 32%, closely followed by 41-50 years respondents who comprised 24%. A further 20% of the respondents were aged between 21-30 years. Only 6% of the respondents were aged below 20 years.

The findings imply that all the age brackets as targeted by the study were represented thus making the study to have diverse views based on the experience of the respondents. Samaha et al. (2011) established that many of the owners and managers of family enterprises are middle-aged, that is, between 30 to 40 years and this is
confirmed in the current study findings. The findings implied that imply that the age
distribution id well-articulated hence

![Age Distribution of Respondents](image)

**Figure 4.3: Age of the Respondents**

### 4.4.3 Distribution of Respondents by Education level

The respondents’ views were sought on their level of education. The findings as
presented on table 4.6 showed that a majority of the respondents had a college level
of education comprising 49%, closely followed by 25% who were graduates. The
findings further portrayed that 13% had a post graduate level of education and 13%
had primary and secondary as their highest level of education. The findings imply
that many of the people in family businesses are college graduates which mean that
the sectors had the capacitiated potential to provide adequate human resource
management and enhance sustainability. The findings also compare with those by
Giambatista (2014) who found that most of the persons in family businesses have a
background education which enables them to take over the businesses and also start
the ventures. Sustainability of family businesses has been affected by the education
level attained by the entrepreneurs hence educational level of the entrepreneurs was sought.

Table 4.6: Education level

<table>
<thead>
<tr>
<th>Description</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary and Secondary</td>
<td>42</td>
<td>13%</td>
</tr>
<tr>
<td>College</td>
<td>134</td>
<td>49%</td>
</tr>
<tr>
<td>Graduate</td>
<td>80</td>
<td>25%</td>
</tr>
<tr>
<td>Post graduate</td>
<td>40</td>
<td>13%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>296</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

4.4.4 Nature of the Business

The study targeted family owned businesses in Nairobi County. However, these family owned businesses are focused on different industries which include trading, manufacturing and service. The study therefore sought to find out distribution of the respondents by the industry of their businesses. The findings as presented on Figure 4.4 revealed that 42.27% of the respondents were in the trade sector, 38.18% were in manufacturing sector and 16.55% were in service sector. The findings imply that most of the family owned enterprises are in the trade sector which incorporates of the wholesale and retail outlets. According to Kirema (2016) in many cases, majority of the small family owned enterprises are focused on trading which is seemingly easy to conduct and manage. This implies that manufacturing is common as a family business hence their sustainability is critical to the economic growth and development.
4.4.5 Number of years in operation

The respondents’ views on the number of years their businesses had been in operation were sought. The findings as shown on table 4.7 revealed that a majority of the businesses had been in operation for a period of 1-5 years comprising of 38% of the total respondents, closely followed by 26% of the businesses which had been in operation for a period of over 10 years. A further 20% of the businesses had been in operation for less than 1 year whereas 16% of businesses had been in operation for a period between 6 and 10 years. The findings implied that most of the family owned enterprises were ranging between 1 to 10 years old. This supports the argument by Huang (2011) that many family businesses would hardly survive for one generation meaning they close-up even during the tenure of the first initiator.
### Table 4.7: Number of years in operation

<table>
<thead>
<tr>
<th>Description</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 1 year</td>
<td>64</td>
<td>20%</td>
</tr>
<tr>
<td>1-5 years</td>
<td>106</td>
<td>38%</td>
</tr>
<tr>
<td>6-10 years</td>
<td>54</td>
<td>16%</td>
</tr>
<tr>
<td>Over 10 years</td>
<td>72</td>
<td>26%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>320</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

### 4.5 Analysis of the Study Variables

The main aim of the study was to find out the influence of human resource management practices on the sustainability of the family owned enterprises in Kenya. The study adopted four independent variables which were based on the specific objectives. The variables were; talent management, training and development, successor engagement and human capital orientation. The findings are herein discussed based on the variables of the study.

#### 4.5.1 Talent Management and Firm Sustainability

The first objective of the study was to find out the influence of talent management on the sustainability of family owned enterprises. Managing talent is one important metric of ensuring that the best talents are retained thus promoting the continued firm performance and sustainability. The study sought to find out the respondents’ views on the talent management among their firms based on the specific measures of talent management which included; talent shows, informational interviews and mentoring.
4.5.2 Frequency of Embracing Talent Management Aspects

The views of the respondents on their embrace of talent management aspects were sought in the study. The findings as shown on table 4.8 revealed that a majority of the respondents frequently made and kept positive relationships with the employees as shown by 80% and identifying and separating employees based on their abilities as was shown by 70%. In addition, 32% of the respondents frequently recruited talented employees whereas 10% of the respondents never and identified and separated employees based on their abilities. Recruitment of talented employees had a mean of 2.33 and a standard deviation of 1.04, identification and separation of employees based on their abilities had a mean of 2.15 and a standard deviation of 0.98 whereas making and keeping positive relationships with the employees had a mean of 1.77 and a standard deviation of 1.01.

The findings implied that many family-owned enterprises were focused in recruiting talented employees and identifying the best talents as indicated by Johnson, et al. (2010) that many enterprises find it worthy to recruit the best talents and do their best to retain them although in many cases they are not aware of the right dimension to keep so as to retain the best talents.
Table 4.8: Aspects of Talent Management

<table>
<thead>
<tr>
<th>Statement</th>
<th>Frequent ly</th>
<th>Sometime s</th>
<th>Rarel y</th>
<th>Not at all</th>
<th>Mea n</th>
<th>Std. Dev.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recruitment of talented employees</td>
<td>62%</td>
<td>20%</td>
<td>10%</td>
<td>8%</td>
<td>2.33</td>
<td>1.04</td>
</tr>
<tr>
<td>Identification and separation of employees based on their abilities</td>
<td>70%</td>
<td>14%</td>
<td>6%</td>
<td>10%</td>
<td>2.16</td>
<td>0.98</td>
</tr>
<tr>
<td>Making and keeping positive relationships with the employees</td>
<td>80%</td>
<td>10%</td>
<td>10%</td>
<td>0%</td>
<td>1.77</td>
<td>1.01</td>
</tr>
</tbody>
</table>

4.5.3 Frequency of holding Talent Showing Seminars

The respondents’ views were sought on the frequency at which they held talent shows and other seminars to showcase talents in their firms. The findings as presented on figure 4.5 revealed that majority of the businesses held talent showing seminars on an annual basis as was shown by 42%. A further 28% of the businesses held talent showing seminars twice a year whereas 14% held talent showing seminars on a monthly basis whilst 8% held talent showing seminars on a weekly basis. These findings compare with those by Govaerts, Kyndt, Dochy, & Baert, (2011), who established that most of the businesses fail to retain their employees due to lack of frequent talent identification showcases whereby they are unable to identify the best talents that they need to retain. In our case, the talent shows were mainly held once a year and others did not even hold the talent shows at all. This means that the firms face the threat of failing to identify the best employees and thus working their best to retain them.
Figure 4.5: Frequency of holding talent showing seminars

4.5.4 Criteria used to identify talents among Employees

The respondents’ views were sought on the criteria that they used to identify the talents among the employees. The findings as shown on table 4.9 revealed that most respondents used roles played by employees as the main criteria when identifying talents amongst employees as was shown by 66%. On the other hand, the findings showed that 25% of the respondents employed roles use of case scenarios as the criteria when identifying talents amongst employees. The findings further had it that 9% of the respondents used setting up of assessment centres as the criteria of identifying talents amongst employees. The findings compared to those by Ramlall (2013) who established that among the major criteria that best identified the best talents among the employees for the purpose of retaining them was using case scenario and focusing on the roles that the employees played.
Table 4.9: Identifying talents among employees

<table>
<thead>
<tr>
<th>Description</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Roles played by the employees</td>
<td>186</td>
<td>66%</td>
</tr>
<tr>
<td>Use of case scenarios</td>
<td>80</td>
<td>25%</td>
</tr>
<tr>
<td>Putting up assessment centres</td>
<td>30</td>
<td>9%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>296</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

4.5.5 Developing Talents among Employees

When one wants to develop talents among the employees, there are the key aspects that have to be taken into consideration for the purpose of making the process successful and resourceful. It is against this background that the study sought to find out the factors that the respondents considered when developing talents among their employees. Aspirations of the employees in an organization are key to organization success. The findings as shown in figure 4.6 revealed that a majority of the respondents considered aspirations of the individual when developing talents among employees as was shown by 38%, while 26% considered organizational opportunities and expectations when developing talents among employees. On the other hand, 20% and 16% of the respondents considered age of existing directors and organizational history respectively when developing talents among employees. According to Robert, Matthew and Sonfield (2012) when developing talents among the employees for the purpose of promoting and rewarding them or any other purpose, it is always
necessary to consider the aspirations of the employees, history of the organizations as well as available opportunities in the organization for the said employee.

![Figure 4.6: Factors considered when developing talents among employees](image)

**4.5.6 New Talents Identified**

The study sought to find out the new talents identified as a result of talent identification process among the employees. The findings as shown in figure 4.7 revealed that majority of the businesses had identified 4-6 new talents in the last 5 years as was shown by 32% whereas 24% and 20% of the businesses had identified 1-3 and 11-15 new talents in the last respectively. The findings concurred with those by Tibelius (2010) that many talents are identified when employee analysis and talent shows are held frequently. This means that the more an organization holds talent identification platforms, the more they are likely to identify bigger number of talents.
4.5.7 Talent Management and Firm Sustainability

The respondents’ views on the relationship between talent management and sustainability of family owned enterprises were sought in the study. The findings as shown in table 4.10 revealed that 52% of the respondents highly related talent management and sustainability of family owned enterprises, 26.9% moderately related, 7.8% said the duo was lowly related whereas 13.5% indicated that talent management was not related to sustainability of family owned enterprises.

Table 4.10: Talent management and Family Enterprises

<table>
<thead>
<tr>
<th>Description</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>High</td>
<td>154</td>
<td>52%</td>
</tr>
<tr>
<td>Moderate</td>
<td>79</td>
<td>26.9%</td>
</tr>
<tr>
<td>Low</td>
<td>23</td>
<td>7.8%</td>
</tr>
<tr>
<td>Not at all</td>
<td>40</td>
<td>13.5%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>296</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>
4.5.8 Inferential Statistics on Talent Management

*H₀: Talent management has a positive relationship with sustainability of family owned small enterprises in Kenya*

The study sought to find out the statistical relationship between talent management and sustainability of family owned enterprises in Kenya. This was in an attempt to test for the first alternative hypothesis of the first study. The model for the variable was \( Y = \beta_0 + \beta_1X_1 + \epsilon \). The model summary is as presented on table 4.11 which revealed that the coefficient of determination (\( R^2 \)) shows the degree of association between talent management and sustainability of family owned businesses in Kenya. The R value was 0.762 and the \( R^2 \) was 0.578. This means that there is a goodness of fit for the model in the study and therefore its applicable for conclusions and recommendations in the study. ANOVA analysis was also conducted in the study. The output is as presented in table 4.12 and it revealed that the P-value for the model was 0.000 which is lower than the standard P-value of 0.05 thus implying that the model was statistically significant.

Further, the regression coefficients were sought and the results presented as shown in table 4.13. The results revealed that the coefficient of talent management was 0.657 which means that a unit change in talent management can explain up to 65.7% of sustainability of family owned enterprises. The p-value for the variable was 0.000 which is lower than the standard p-value of 0.05 implying that talent management is significantly and positively related to sustainability of family owned enterprises.

To prove the relationship further, a scatter plot diagram was used. As shown in figure 4.8 the scatter plots shows a positive gradient which means that talent management has a positive relationship with sustainability of family owned enterprises. The
findings imply that talent management is a key to the performance of family enterprises hence it should be upheld.

### Table 4.11: Model Summary, ANOVA and Regression Coefficients (Talent Management)

#### Model Summary (Talent Management)

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>.762&lt;sup&gt;a&lt;/sup&gt;</td>
<td>.580</td>
<td>.580</td>
<td>.51006</td>
</tr>
</tbody>
</table>

<sup>a</sup> Predictors: (Constant), Talent Management

#### ANOVA (Talent Management)

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Regression</td>
<td>105.576</td>
<td>1</td>
<td>105.576</td>
<td>405.81</td>
<td>.000&lt;sup&gt;b&lt;/sup&gt;</td>
</tr>
<tr>
<td>Residual</td>
<td>76.486</td>
<td>294</td>
<td>.260</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>182.062</td>
<td>295</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<sup>a</sup> Dependent Variable: Sustainability of Family owned enterprises

<sup>b</sup> Predictors: (Constant), Talent management

#### Regression Coefficients (Talent Management)

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1 (Constant)</td>
<td>1.419</td>
<td>.118</td>
<td></td>
<td>11.980</td>
</tr>
<tr>
<td>Talent</td>
<td>.657</td>
<td>.033</td>
<td>.762</td>
<td>20.145</td>
</tr>
</tbody>
</table>

<sup>a</sup> Dependent Variable: Talent Management
4.5.9 Training and development
Modern organizations uphold the need for enhancing the skills possessed by their employees through training and development. This is one way towards promoting competitiveness, performance and sustainability. The second objective of the study was therefore to find out the influence of training and development on sustainability of family owned enterprises. The respondents were asked specific questions based on the measures of training and development. The measures included; job rotation, workshops, study leaves, seminars and conferences. The findings are as systematically presented herein.

4.5.10 Frequency of job rotation in your organization
The study sought to find out the frequency of job rotation among the employees in the organizations. The findings as presented on figure 4.9 revealed that most of the businesses conducted employee job rotation frequently as was shown by 55%. On the other hand, 30% of the businesses performed employee job rotation sometimes whereas 5% of the businesses did not conduct employee job rotation. The findings concur with those by Manzoor (2012) who found that as a strategy of developing an
employee and making them grow as far as their career is concerned, it is worthwhile to rotate the employee from one position to another within the organization from time to time.

Figure 4.9: Job rotation

4.5.11 Frequency of holding up training seminars and conferences

The respondents’ views were sought on the frequency at which they held training seminars and conferences among their employees. The study established that majority of the businesses held training seminars and conferences twice in a year and on a monthly basis as shown by 35% each. Further, 20% of the businesses held training seminars and conferences once in a year. All employees agreed that seminars and conferences play a role in enhancing the knowledge of the employees. The findings compare to those by Kochachathu (2011) that training seminars and conferences should be held as frequently as possible for the purpose of promoting employee motivation and enhancing knowledge sharing among the employees.
The respondents’ views were sought on the response of the employees after they undergo training and development. The findings presented on table 4.14 revealed that most of the respondents agreed that employees adhered to the set rules and guidelines, showed high level of leadership skills and reported to work earlier and being more punctual to their duties to a very high extent as was shown by 52%, 48% and 44% respectively.

Showing high level of leadership skills had a mean of 1.64 and a standard deviation of 1.06, Reporting to work earlier and being more punctual to their duties had a mean of 3.14 and standard deviation of 1.09, Adhering to the set rules and guidelines had a mean of 1.71 and a standard deviation of 1.05 whereas Showing high customer service values when serving customers had a mean of 1.51 and a standard deviation of 1.15. The findings compare with those by Manzoor (2012) and Freyermuth (2007) who found that most employees positively responded after training and development whereby they embrace earlier attendance to their duties, embracing better leadership skills as well as enhancing customer service and overall performance.
Table 4.12: Employee response after training

<table>
<thead>
<tr>
<th>Description</th>
<th>Very high</th>
<th>Highly</th>
<th>Uncertain</th>
<th>Low</th>
<th>Very low</th>
<th>Mean</th>
<th>Std. Dev.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Showing high level of leadership skills</td>
<td>44%</td>
<td>30%</td>
<td>13%</td>
<td>10%</td>
<td>4%</td>
<td>1.64</td>
<td>1.06</td>
</tr>
<tr>
<td>Reporting to work earlier and being more punctual to their duties</td>
<td>48%</td>
<td>34%</td>
<td>16%</td>
<td>7%</td>
<td>4%</td>
<td>3.14</td>
<td>1.09</td>
</tr>
<tr>
<td>Adhering to the set rules and guidelines</td>
<td>52%</td>
<td>30%</td>
<td>13%</td>
<td>5%</td>
<td>0%</td>
<td>1.71</td>
<td>1.05</td>
</tr>
<tr>
<td>Showing high customer service values when serving customers</td>
<td>42%</td>
<td>32%</td>
<td>13%</td>
<td>10%</td>
<td>4%</td>
<td>1.51</td>
<td>1.15</td>
</tr>
</tbody>
</table>

4.5.13 Training and Development and Sustainability of Family owned Enterprises
The study sought to find out the respondents’ views on the relationship between training and development and sustainability of family owned enterprises. The findings as depicted on figure 4.11 revealed that majority of the respondents highly related Training and development with the effectiveness of Human resource management practices management as was shown by 52% whilst 30% of the
respondents moderately Training and development with the effectiveness of Human resource management practices. The findings support the argument by Darren (2013) that the success and sustainability of a firm lies to the bigger extent on the skills and level of training that is possessed by the employees.

![Figure 4.11: Training and development and Family owned enterprises](image)

**4.5.14 Inferential Statistics on Training and Development**

**H₀: Training and development has a positive relationship with sustainability of family owned small enterprises in Kenya**

To bring out a clear relationship between training and development and sustainability of family owned businesses, inferential statistics were carried out. This was through use of the model for the variable which was \( Y = \beta_0 + \beta_2 X + \epsilon \). The results on the model summary as presented on table 4.15 revealed that the R value for the variable was 0.686 and the \( R^2 \) was 0.471. This implies that the model was fit and could explain up to 47.1% of the relationship between training and development and sustainability of family businesses.

ANOVA results were also presented and as shown in table 4.16, the results reveal that the P-value for the model was 0.000 which is less than the standard p-value of
0.05 thus implying that training and development is positively and significantly related to Sustainability of Family Owned Businesses.

The regression coefficients for the variable indicated a positive relationship between the two variables whereas the P-value (0.000<0.05) indicated a significant relationship between Sustainability of Family Owned Businesses and training and development. The results are as indicated in table 4.17. The new model now becomes
\[ Y = 0.623 + 0.791X_2 + 0.049. \]

To attest the relationship between training and development and sustainability of family owned enterprises further, a scatter plot was used. The plot as shown in figure 4.12 revealed that the model had positive gradients thus implying that training and development was positively and significantly related to sustainability of family owned enterprises. A scatter plot shows a more flowing relationship between the variables by indicating the flow of the plots. The plots revealed that most gradients were on the positive
Table 4.13: Model Summary, ANOVA and Regression Coefficients (Training and Development)

Model Summary (Training and Development)

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.686&lt;sup&gt;a&lt;/sup&gt;</td>
<td>.471</td>
<td>.469</td>
<td>.73715</td>
</tr>
</tbody>
</table>

<sup>a</sup> Predictors: (Constant), Training and Development

<sup>b</sup> Dependent Variable: Sustainability of Family Owned Businesses

ANOVA Results (Training and Development)

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig. &lt;sup&gt;b&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td>142.189</td>
<td>1</td>
<td>142.189</td>
<td>261.669</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>159.757</td>
<td>294</td>
<td>.543</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>301.946</td>
<td>295</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<sup>a</sup> Dependent Variable: Sustainability of Family Owned Businesses

<sup>b</sup> Predictors: (Constant), Training and Development

Regression Coefficients (Training and Development)

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>.62</td>
<td>.186</td>
<td>3.358</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Training &amp; Development</td>
<td>.79</td>
<td>.049</td>
<td>.686</td>
</tr>
</tbody>
</table>

<sup>a</sup> Dependent Variable: Sustainability of family owned enterprises
Engaging the successor is one aspect that human resource managers in best performing organizations across the globe have been undertaking. This serves to promote the sustainability of the business through grooming of future leaders to run the business. The third objective of the study was therefore to establish the role of successor engagement on sustainability of family owned enterprises in Kenya. The findings are herein presented based on the specific measures of the successor engagement which included duty delegation, secondment and replacement charts.

4.5.15 Initiator of the business

The study sought to find out whether the current owners of the businesses were the initiators of the same. The findings as shown in figure 4.13 portrayed that most of the respondents were the initiators of the business as was shown by 66% whilst 34%
were no the initiators of the business. This gains support from the contention by Scharmer (2007) that many of the family owned enterprises are managed by their initiators which again gives the threshold that many of them do not survive up to the second generation.

Figure 4.13: Initiator of the business

4.5.16 Engagement by the predecessor before getting into the business

The study sought to find out whether those that were not the initiators of the businesses were engaged by the predecessors before they got into the businesses. The findings as shown on figure 4.14 revealed that 81% of those that had inherited their businesses were engaged by the predecessors whereas 19% were not engaged. The findings imply that engaging successors is necessary and plays a key role in promoting the survival and sustainability of the enterprises (Samaha, et al. 2011).
4.5.17 Frequency of delegating duties to employees

The study sought to find out the frequent at which the respondents delegated duties to the employees as a way of engaging them. The findings as shown on table 4.18 revealed that most of the respondents frequently delegated duties to employees as was shown by 56% whereas 28% of the employees sometimes delegated duties to the employees as was shown by 28%. On the other hand, 13% of the total respondents rarely delegated duties to employees. The findings concur with those by Tettey (2016) that among the aspects of enhancing employee performance and firm sustainability is through frequent delegation of duties which makes the capability rotational.
Table 4.18: Frequency of delegating duties to employees

<table>
<thead>
<tr>
<th>Description</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequently</td>
<td>156</td>
<td>56</td>
</tr>
<tr>
<td>Rarely</td>
<td>40</td>
<td>13</td>
</tr>
<tr>
<td>Sometimes</td>
<td>90</td>
<td>28</td>
</tr>
<tr>
<td>Not at all</td>
<td>10</td>
<td>3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>396</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

4.5.18 Level of agreement on duty delegation

The respondents’ level of agreement on the statements related to duty delegation and sustainability of family owned enterprises was sought. The findings as shown on table 4.19 revealed that most of respondents strongly agreed that they gave their employees opportunity to choose who took their duties, chose who to delegate their duties to and delegated their duties only when they away from the firm as was shown by low means of 1.25, 1.34 and 1.48 respectively.

Table 4.14: Level of agreement on Duty Delegation

<table>
<thead>
<tr>
<th>Statement</th>
<th>SA</th>
<th>AA</th>
<th>U</th>
<th>D</th>
<th>SD</th>
<th>Mean</th>
<th>Std. Dev.</th>
</tr>
</thead>
<tbody>
<tr>
<td>I choose who to delegate my duties to</td>
<td>52%</td>
<td>30%</td>
<td>13%</td>
<td>5%</td>
<td>0%</td>
<td>1.34</td>
<td></td>
</tr>
<tr>
<td>I delegate my duties only when am away from the firm</td>
<td>48%</td>
<td>34%</td>
<td>16%</td>
<td>7%</td>
<td>4%</td>
<td>1.48</td>
<td></td>
</tr>
<tr>
<td>I give the employees opportunity to choose who to take my duties</td>
<td>55%</td>
<td>30%</td>
<td>10%</td>
<td>5%</td>
<td>0%</td>
<td>1.25</td>
<td></td>
</tr>
<tr>
<td>I have a specific person/employee to whom I delegate my duties</td>
<td>42%</td>
<td>32%</td>
<td>13%</td>
<td>10%</td>
<td>4%</td>
<td>1.69</td>
<td></td>
</tr>
</tbody>
</table>
4.5.20 Presence of organizational replacement charts
The study sought to find out whether the respondents had embraced organizational replacement charts. The results portrayed in table 4.15 showed that most of the businesses did not have organizational replacement charts as was shown by 60% while 40% had organizational replacement charts. This is in connection to the findings by Yamamoto (2011) that replacement charts are not effectively embraced among organizations especially the small businesses despite them being very crucial as far as survival of the firms is concerned.

Figure 4.15: Organizational replacement charts

4.5.21 Effectiveness of organizational replacement charts
For the organizational charts to be embraced and enhance sustainability through employee engagement, they had to be made effective. The study therefore sought to find out the respondents views on the effectiveness of the organizational charts. The findings as shown on figure 4.16 revealed that most respondents agreed that organizational replacement charts were very effective as was shown by 45%. A further 25% of the respondents agreed that organizational replacement charts were moderately effective. Moreover, 15% however cited that organizational replacement

85
The findings imply that majority of the respondents that have embraced organizational charts have made them effective for the employee engagement and firm sustainability (Yamamoto, 2011).

Figure 4.16: Effectiveness of organizational replacement charts

4.5.22 Successor engagement and Sustainability of Family Owned Enterprises

The respondents’ views on the relationship between successor engagement and sustainability of family owned enterprises were sought. The findings revealed that most of the respondents agreed that successor engagement highly related with the sustainability of family owned enterprises as was shown by 38%, 32% of the respondents agreed that successor engagement moderately related with effective of sustainability of family owned enterprises. On the other hand, 20% of the respondents were not sure while 10% cited that successor engagement had no relation with the sustainability of family owned enterprises.
4.5.23 Inferential Statistics on Successor Engagement

\( H_A: \) Successor engagement has a positive relationship with sustainability of family owned small enterprises in Kenya

The study sought to establish the statistical relationship between successor engagement and sustainability of family owned businesses in Kenya. The model summary results as presented in table 4.20 revealed that the standardized coefficient (R) was 0.711 whereas the \( R^2 \) was 0.505. This implied that the model portrayed a goodness of fit thus making it suitable for conclusions and recommendations.

The ANOVA results shown in table 4.21 revealed that the model was positively significant where the p-value was 0.000 which is below the standard p-value of 0.05. Table 4.22 shows the regression coefficient for the variable successor engagement. The model for the variable was \( Y = \beta_0 + \beta_3 X_3 + \epsilon \) which becomes \( Y = 0.386 + 0.850X_3 + 0.049 \). The findings imply that a unit change in successor engagement can determine up to 85% change in sustainability of family owned enterprises. The P-value for the variable was 0.000 implying that successor
engagement is positively and significantly related to sustainability of family owned businesses in that it is lower than the standard p-value of 0.05.

To further reveal the relationship between the variables, a scatter plot was used. The findings as shown in figure 4.18 revealed that the model had positive gradients implying that successor engagement is significantly and positively related to sustainability of family owned enterprises in Kenya.

**Table 4.15: Model Summary, ANOVA and Regression Coefficients (Successor Engagement)**

<table>
<thead>
<tr>
<th>Model Summary (Successor Engagement)</th>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
<td>.711&lt;sup&gt;a&lt;/sup&gt;</td>
<td>.505</td>
<td>.504</td>
<td>.71280</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Successor Engagement  
b. Dependent Variable: Sustainability of family businesses

**ANOVA Results (Successor Engagement)**

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td>152.571</td>
<td>1</td>
<td>152.571</td>
<td>300.288</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>149.376</td>
<td>294</td>
<td>.508</td>
<td>.000&lt;sup&gt;b&lt;/sup&gt;</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>301.946</td>
<td>295</td>
<td>.508</td>
<td>.000&lt;sup&gt;b&lt;/sup&gt;</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Sustainability of Family Businesses  
b. Predictors: (Constant), Successor Engagement

**Regression Coefficients (Successor Engagement)**

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td>2.065</td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>.386</td>
<td>.187</td>
<td>2.065</td>
</tr>
<tr>
<td></td>
<td>Successor Engagement</td>
<td>.850</td>
<td>.049</td>
<td>.711</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Sustainability of Family owned enterprises
4.5.24 Human capital orientation

Human capital orientation entails taking into action practices that shape the behaviour of the employees as well as making them used to what is required of them in the organization. This is one aspect that ensures employee performance is well enhanced for better firm performance in the long-run. The fourth objective of the study was to find out the influence of human capital orientation on the sustainability of family owned enterprises. The findings are herein presented based on the measures of the variable which include; employee retention, employee motivation and employee promotion.

4.5.25 Frequency of Adopting Human capital Orientation Aspects

The study sought to find out the frequent at which human capital orientation aspects were adopted among the family owned enterprises. The findings as presented on
Table 4.23 shows that most of the businesses frequently rewarded, promoted and recognized employees as was shown by 80%, 70% and 62%. Moreover, 20% of the businesses sometimes recognized their employees whilst 10% never promoted their employees at all. The findings compare with those by Kwenin (2013) who found that adopting effective human capital orientation aspects is key to promoting a good working environment for the employee as well as making the employee perform better.

Table 4.16: Human Capital Orientation Aspects

<table>
<thead>
<tr>
<th>Aspect</th>
<th>Frequently</th>
<th>sometimes</th>
<th>Rarely</th>
<th>Not at all</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee rewarding</td>
<td>80%</td>
<td>10%</td>
<td>10%</td>
<td>0%</td>
</tr>
<tr>
<td>Employee Promotion</td>
<td>70%</td>
<td>14%</td>
<td>6%</td>
<td>10%</td>
</tr>
<tr>
<td>Employee recognition</td>
<td>62%</td>
<td>20%</td>
<td>10%</td>
<td>8%</td>
</tr>
</tbody>
</table>

4.5.25 Level of Agreement on Human Capital Orientation

The study sought to find out the respondents’ level of agreement on the statements on human capital orientation and sustainability of family owned enterprises. The findings as shown on table 4.24 revealed that most respondents strongly agreed that they offered educational support to the employees, encouraged employee participation in organizational matters and took employees responsible for their actions as was shown by 52%, 48% and 44% respectively. The findings compare
with the arguments by Brum (2010) and Msengeti & Obwogi (2015) that human capital orientation puts the employees motivated and up to task thus enabling them to perform better and enhance firm sustainability.

Table 4.17: Human Capital Orientation

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly agree</th>
<th>Agree</th>
<th>Uncertain</th>
<th>Disagree</th>
<th>Strongly disagree</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Encourage employee participation in organizational matters</td>
<td>44%</td>
<td>30%</td>
<td>13%</td>
<td>10%</td>
<td>4%</td>
<td>1.67</td>
</tr>
<tr>
<td>Creating time to meet employees and hold discussions</td>
<td>48%</td>
<td>34%</td>
<td>16%</td>
<td>7%</td>
<td>4%</td>
<td>1.48</td>
</tr>
<tr>
<td>Offering educational support to the employees</td>
<td>52%</td>
<td>30%</td>
<td>13%</td>
<td>5%</td>
<td>0%</td>
<td>1.34</td>
</tr>
<tr>
<td>Taking employees responsible for their actions</td>
<td>42%</td>
<td>32%</td>
<td>13%</td>
<td>10%</td>
<td>4%</td>
<td>1.69</td>
</tr>
</tbody>
</table>

4.5.26 Relationship between human capital orientation and Sustainability of Family owned enterprises

The respondents’ views were sought on the relationship between human capital orientation and sustainability of family owned enterprises in Kenya. The responses as presented in figure 4.16 revealed that most respondents highly related human capital orientation with effectiveness as was shown by 52%. A further 30% moderately related human capital orientation with effectiveness. Moreover, 14% of the respondents indicated that they were not sure on whether human capital orientation
related with sustainability of family owned enterprises. As indicated by Shoai, Noor, Tirmizi and Bashir (2009) human capital orientation serves a central role in enhancing the sustainability of the firms through proper employee motivation which makes them more productive and competitive.

![Graph showing the relationship between human capital orientation and sustainability of family owned enterprises](image)

**Figure 4.19: Human capital orientation and its effectiveness**

### 4.5.27 Inferential Statistics on Human Capital Orientation

**H_A:** *Human capital orientation has a positive relationship with sustainability of family owned small enterprises in Kenya*

The study sought to bring out a clear relationship between human capital orientation and sustainability of family owned enterprises using inferential statistics analysis. The coefficient of determination $R^2$ and correlation coefficient $R$ shows the degree of association between human capital orientation and sustainability of family owned business enterprises in Kenya. The results of the linear regression indicate that $R^2 = 0.625$ and $R = 0.791$ this is an indication that there is a strong linear relationship between human capital orientation and sustainability of family owned business enterprises.
enterprises in Kenya. ANOVA results were also presented and as table 4.26 reveals, human capital orientation positively and significantly influenced sustainability of family owned enterprises with a p-value of 0.000 which was lower than the critical p-value of 0.05.

The regression coefficient results in table 4.27 also revealed a positive and significant relationship between human capital orientation and sustainability of family owned enterprises. The model for the variable was $Y = \beta_0 + \beta_3X_4 + \varepsilon$ which becomes $Y = 0.362 + 0.887X_4 + 0.040$. This implies that a unit change in human capital orientation can explain up to 88.7% variation in sustainability of family owned enterprises in Kenya.

A scatter plot was also used to bring out clearer relationship between human capital orientation and sustainability of family owned enterprises. The findings revealed that the gradients for the variables were positive implying that there was a positive and significant correlation between human capital orientation and sustainability of family owned enterprises in Kenya. Figure 4.20 has the presentation.

Table 4.18: Model Summary, ANOVA and Regression Coefficients (Human Capital Orientation)

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>0.791a</td>
<td>0.625</td>
<td>0.624</td>
<td>0.62067</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Human capital orientation
b. Dependent Variable: Sustainability of family owned businesses
ANOVA Results (Human capital Orientation)

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>188.689</td>
<td>1</td>
<td>188.689</td>
<td>489.810</td>
<td>.000b</td>
</tr>
<tr>
<td>Residual</td>
<td>113.257</td>
<td>294</td>
<td>.385</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>301.946</td>
<td>295</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Sustainability of family owned enterprises
b. Predictors: (Constant), Human capital Orientation

Regression Coefficients (Human Capital Orientation)

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1 (Constant)</td>
<td>.362</td>
<td>.148</td>
<td>2.444</td>
<td>.015</td>
</tr>
<tr>
<td>Human capital orientation</td>
<td>.887</td>
<td>.040</td>
<td>.791</td>
<td>22.132</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Sustainability of family owned enterprises

Figure 4.20: Scatter plot (Human Capital Orientation)
4.6 Sustainability of family owned small enterprises

The aim of the study was to find out the role of human resource management practices on sustainability of family owned enterprises in Kenya. The key theme in the study was therefore the sustainability of the family owned enterprises. The study therefore sought to find out the respondents’ views on the sustainability of these enterprises based on the key measures of sustainability which included; sales turnover, number of employees and capital reinvestment.

4.6.1 Re-investment

The respondents’ views were sought on whether they invested back the capital raised from the firms. The findings as presented on figure 4.21 revealed that most businesses frequently reinvested as was shown by 48%. On the other hand, 26% of the respondents occasionally re-invested while 14% re-invested sometimes. Moreover, 10% of the respondents indicated that they rarely re-invested their capital back into the businesses. The findings imply that as much as the majority of the respondents invested their capital back into the business, there rate at which they invested was still below the mark. The findings compare with those by Shaw et al. (2015) who found that investing back profits is important in enhancing the organization sustainability and continued performance and growth.
4.6.2 Number of years the business has been in operation

The study sought to find out the number of years that the businesses had been in operation so as to establish their probability of getting sustained in future. The results as indicated on table 4.19 showed that most of the businesses had been in operation for 7-10 years as was shown by 34% 26% of the businesses had been in operation for 3 to 5 years while 17% had been in operation for 5 to 7 years. Only 4% of the businesses had been in operation for more than 11 years. The findings concur with those by Torrington and Hall (2015) who argued that most of the small family businesses operate for a period of between 1 and 10 years.

Table 4.19: Number of years the business has been in operation

<table>
<thead>
<tr>
<th>Description</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Below 2 years</td>
<td>60</td>
<td>19</td>
</tr>
<tr>
<td>3- 5 years</td>
<td>82</td>
<td>26</td>
</tr>
<tr>
<td>5 – 7 years</td>
<td>54</td>
<td>17</td>
</tr>
<tr>
<td>7 – 10 years</td>
<td>86</td>
<td>34</td>
</tr>
<tr>
<td>Above 11 years</td>
<td>14</td>
<td>4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>296</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>
4.7 Overall Regression Model Analysis
A multivariate regression model was applied to determine the relative importance of each of the four variables with respect to the status of competitive advantage in their respective companies.

The regression model was as follows:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \varepsilon$$

Where:

- $Y$ = Sustainability of family owned enterprises
- $\beta_0$ = Constant Term
- $\beta_1, \beta_2, \beta_3$ and $\beta_4$ = Beta coefficients
- $X_1$ = Talent management
- $X_2$ = Training and development
- $X_3$ = Successor engagement
- $X_4$ = Human capital orientation

Adjusted $R^2$ is called the coefficient of determination and tells us how sustainability of family owned enterprises varied with Talent management, training and development, successor engagement and human capital orientation. From Table 4.29 above, the value of $R^2$ is 0.690. This implies that, there was a variation of 69% of sustainability of family owned enterprises varied with the compliance with talent management, training and development, successor engagement and human capital orientation.

From the data in the above table 4.31, there is a positive relationship between sustainability of family owned enterprises and the Predictor factors which are talent
management, training and development, successor engagement and human capital orientation.

In the established regression equation was:

\[ Y = 5.833 + 0.771X_1 + 0.516X_2 + 0.358X_3 + 0.574X_4 \]

From the above regression model, talent management, training and development, successor engagement and human capital orientation would be 5.833, its established that a unit increase in talent management would cause an increase in sustainability of family owned enterprises by a factor of 0.771, a unit increase training and development would cause an increase in sustainability of family owned enterprises by a factor of 0.516, also a unit increase in successor engagement, would cause an increase in sustainability of family owned enterprises by a factor of 0.358,further unit increase inhuman capital orientation would cause an increase in sustainability of family owned enterprises by a factor of 0.574.

The results are as well shown on the scatter plot and they reveal a positive and significant relationship between the predictors (human capital orientation, successor engagement, training and development and talent management) and the sustainability of family owned business enterprises. This is evidenced by the positive gradients obtained as shown in the scatter plot on figure 4.22.
Table 4.20: Model Summary, ANOVA and Regression Coefficients (Overall Model)

Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.831a</td>
<td>.690</td>
<td>.659</td>
<td>.71720</td>
</tr>
</tbody>
</table>

a Predictors: (Constant), Talent management, training and development, successor engagement and human capital orientation

ANOVA Results (Human capital Orientation)

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Regression</td>
<td>171.602</td>
<td>4</td>
<td>42.901</td>
<td>319.614</td>
<td>.000b</td>
</tr>
<tr>
<td>Residual</td>
<td>125.297</td>
<td>294</td>
<td>.426</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>296.899</td>
<td>298</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Sustainability of family owned enterprises
b. Predictors: (Constant), Talent management, training and development, successor engagement and Human capital Orientation

Coefficients results

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1 (Constant)</td>
<td>5.833</td>
<td>3.156</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Talent management</td>
<td>0.771</td>
<td>.361</td>
<td>.097</td>
<td>2.136</td>
</tr>
<tr>
<td>Training &amp; development</td>
<td>0.516</td>
<td>.217</td>
<td>.214</td>
<td>2.378</td>
</tr>
<tr>
<td>Successor engagement</td>
<td>0.358</td>
<td>.311</td>
<td>.190</td>
<td>1.151</td>
</tr>
<tr>
<td>Human capital orientation</td>
<td>0.574</td>
<td>.418</td>
<td>.316</td>
<td>1.373</td>
</tr>
</tbody>
</table>

a Predictors: (Constant), Talent management, training and development, successor engagement and human capital orientation
Figure 4.22: Scatter Plot on the Overall Model
CHAPTER FIVE
SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction
The main motive of the study was to establish the influence of human resource practices on sustainability of family owned businesses in Kenya. This chapter therefore lays the summary of the research findings based on the results presented in the previous chapter. The section also presented the conclusions of the study and recommendations of the study. The summary, conclusions and recommendations of were presented systematically based on the study variables which were talent management, training and development, successor engagement and human capital orientation.

5.2 Summary of research findings.
The study obtained a response rate of 78% which was considered adequate for analysis and making conclusions and recommendations. The study revealed that a majority of the respondents were male while majority were aged between 31 and 50 years. Most of the respondents had college qualification as their highest level of education. Majority of the businesses were in manufacturing sector and had been in operation for a period of between 2 and 8 years.

5.2.1 Talent Management
The study established that a majority of the respondents frequently made and kept positive relationships with the employees as was shown by 80% and identified and separated employees based on their abilities as was shown by 70%. In addition, 32% of the respondents frequently recruited talented employees. 10% of the respondents however never and identified and separated employees based on their abilities. In
addition, most of the businesses held talent showing seminars on an annual basis as was shown by 42%. A further 28% of the businesses held talent showing seminars twice a year. 14% held talent showing seminars on a monthly basis whilst 8% held talent showing seminars on a weekly basis.

The study established that a majority of the respondents considered level of education, individual aspirations and intellectual capacity as the individual characteristics when developing talents as was shown by 34%, 26% and 20% respectively. 12% of the respondents also considered level of managerial expertise as an individual characteristic to consider when developing talents. On new talents, majority of the businesses had identified 4-6 new talents in the last 5 years as was shown by 32%. 24% and 20% of the businesses had identified 1-3 and 11-15 new talents in the last 5 years. The study revealed that a majority of the respondents highly related talent management with the success of Human resource management practices as was shown by 23% whilst 25% of the respondents moderately related talent management with the success of Human resource management practices.

5.2.2 Training and Development
The study established that most of the businesses conducted employee job rotation frequently as was shown by 55%. 30% of the businesses performed employee job rotation sometimes. 5% of the businesses did not conduct employee job rotation. In addition, majority of the businesses held training seminars and conferences twice in a year and on a monthly basis as was shown by 35%. Further, 20% of the businesses held training seminars and conferences once in a year. All employees agreed that seminars and conferences play a role in enhancing the knowledge of the employees.
Further, most of the respondents agreed that employees adhered to the set rules and
guidelines, showed high level of leadership skills and reported to work earlier and
being more punctual to their duties to a very high extent as was shown by 52%, 48%
and 44% respectively. The study further revealed that most of the respondents highly
related Training and development with the effectiveness of Human resource
management practices management as was shown by 52% whilst 30% of the
respondents moderately Training and development with the effectiveness of Human
resource management practices.

5.2.3 Successor engagement

The study established that most of the respondents were the initiators of the business
as was shown by 66% whilst 34% were no the initiators of the business. Further,
most of the respondents had been engaged by the predecessor before getting into the
business as was shown by 66% whilst 34% had not been engaged by the predecessor
before getting into the business. In addition, most of the respondents frequently
delegated duties to employees as was shown by 56%. 28% of the employees
sometimes delegated duties to the employees as was shown by 28%. Furthermore,
most of the businesses did not have organizational replacement charts as was shown
by 60% while 40% had organizational replacement charts.

The study established that most respondents agreed that organizational replacement
charts were very effective as was shown by 45%. A further 25% of the respondents
agreed that organizational replacement charts were moderately effective. 15%
however cited that organizational replacement charts were not effective. In addition,
most of the respondents agreed that successor engagement highly related with
effective of Human resource management practices as was shown by 38%. 32% of
the respondents agreed that successor engagement moderately related with effective of Human resource management practices. 20% were not sure while 10% cited that successor engagement highly had no relation with effective of Human resource management practices.

5.2.4 Human capital orientation

The study revealed that most of the businesses frequently rewarded, promoted and recognized employees as was shown by 80%, 70% and 62%. 20% of the businesses sometimes recognized their employees whilst 10% never promoted their employees at all. Further, most respondents strongly agreed that they offered educational support to the employees, encouraged employee participation in organizational matters and took employees responsible for their actions. In addition, most respondents highly related human capital orientation with effectiveness as was shown by 52%. A further 30% moderately related human capital orientation with effectiveness. 14% were not sure. On reinvestment, most businesses frequently reinvested as was shown by 48%. 26% occasionally re invested while 14% re invested sometimes. 10% however rarely re invested. Further, most of the businesses had been in operation for 7-10 years as was shown by 34% 26% of the businesses had been in operation for 3 to 5 years while 17% had been in operation for 5 to 7 years. Only 4% of the businesses had been in operation for more than 11 years.

5.3 Conclusion

The study sought to find out the relationship between human resource management practices and sustainability of family small business enterprises in Nairobi County, Kenya. The findings revealed that human resource management practices have a
positive relationship with sustainability of family owned businesses in Kenya. The study therefore concluded that talent management is an important aspect in sustainability of family owned small enterprises in Kenya since through talent management, organizations are able to attain a full reliable workforce which is more productive and functional thus promoting organizational performance. FOBEs’ sustainability is dependent on the capabilities and skills possessed by the entrepreneurs. Through talent management, the entrepreneurs are able to develop new talents amongst their employees thus enhancing the sustainability.

The study findings also show that among the main factors leading to sustainability of family owned businesses is training and development. Training of employees makes them ready to develop and acquire more skills which they use in promoting their capabilities and productivity in the organization. Training and development of employees equipped them with important and essential skills that promote their ability to handle issues and be more compatible with organizational issues. Employees have the capability to handle organizational matters but to make them more capable there is need to train them time to time for enhanced performance.

The study too found out that successor engagement is an important aspect in enhancing sustainability of family owned small enterprises in Kenya, hence a strong relationship since engaging successors of institutions made the employees understand the needs and strategies that organizations can carry out to sustain its performance. Engagement of the employees by the successors plays a key role in promoting the firm performance through better performance of the employees and also promotes their commitment and willingness to work in the firm.
The study concluded that there is a relationship between human capital orientation and sustainability of family owned small enterprises in Kenya. Human capital orientation is a key contributor to firm performance through engagement of employee capabilities and it enhances the updating of human skills which are key organizational resources. The skills possessed by the organizational employees are critical to firm performance since the ability of a firm to implement the set decisions rely on the ability of the employees to handle specific issues in the firm. This therefore means that enhancing the skills through human capital orientation is critical.

5.4 Recommendations of the Study

The study recommends that the management of the family businesses and other small enterprises should embrace talent management among their employees as a way of promoting their sustainability. Well management talents were found to be essential in pushing forward the agenda and goals of the businesses thus making them able to cope with modern market constraints. The businesses should ensure that they hold frequent talent shows as well as conducting informational interviews and mentoring young employees to showcase their abilities and support them to grow such abilities.

The management of the family businesses and other businesses as well should promote employee training and development as a strategy of enhancing growth and sustainability of their firms. Through job rotation, frequent seminars and conferences, study leaves as well as workshops employees are able to grow and develop their career which in turn enhances their capability to solve modern-day
business problems. This makes them of more use to the organization thus enhancing firm sustainability and performance.

Organizational stakeholders especially in the family businesses which face high risk of failure should embrace successor engagement as an aspect of promoting survival of such firms even after the exit of their predecessors. The study found that engagement the successors enabled organizations to have better leaders and thus serving the firm requirements competently. The study recommends that the management of the firms should embrace duty delegation, secondment and replacement charts which enhance nurturing of the future firm leaders.

Firm managers should put forward human capital orientation through retention of the best performing employees, motivation of the employees and promotion. These aspects ensure that employees are put on note to fully support firm activities thus enhancing firm sustainability through proper implementation of the decisions of the firm.

5.5 Areas for further Studies

The study focused on establishing the influence of human resource practices on sustainability of the family owned businesses in Nairobi County, Kenya. There is need for a similar study to find out other factors that affect sustainability of family owned businesses which are facing poor sustainability and survival.

The study was limited to family owned enterprises in Kenya. There is therefore need for a similar study to focus on other sectors such as the government agencies, NGOs
and other enterprises that are not family owned since they also face sustainability issues.

The study used a descriptive research design to carry out the primary research. There should be a similar study but utilizing a different research design to attest whether the results may differ based on the research design utilized.

From the model analysis, the study established a $R^2$ value of 0.690 which implies that the human resource aspects used in the study contributed up to 69% of sustainability of family owned enterprises in Kenya. This means that there is a remainder of 31% of other factors determining sustainability of family owned enterprises not covered in the study. There should be a study therefore to find out the remaining 31% as a dimension of filling the study gaps.

5.6 Contribution of the Study to the Existing Knowledge

The future scholars seeking to focus on HRM should mainly address it in terms of talent management, training and development, successor engagement and human capital orientation.

The four main aspects of HRM have a sequence of arrangement in the conceptual framework based on their level of significance where talent management is the most significant followed by human capital orientation, training and development and lastly successor engagement. This is portrayed by P-values and coefficients ($\beta$).

The study findings mainly supported the constraints of resource based theory and Competency theory which uphold the essence of employee skills and capabilities to enhance firm sustainability and competitiveness where the study is majorly rooted.
REFERENCES


Brum, S. (2010). What impact does training have on employee commitment and employee turnover. *In Schmidt Labour Research Centre Seminar Research Series*.


APPENDICES

Appendix I: Introduction Letter to Respondents

Ogoro Esther Boyani
Jomo Kenyatta University of Agriculture and Technology (JKUAT)
P.O Box 62000-00100
NAIROBI

Dear Respondent,

RE: DATA COLLECTION BY OGORO ESTHER BOYANI

My name is Esther Boyani Ogoro, a PHD student from Jomo Kenyatta University of Agriculture and Technology. In partial fulfilment of the requirements of the award of doctor of philosophy in human resource management, I am conducting an academic research on **Human resource management practices and sustainability of family owned small enterprises in Nairobi County, Kenya.** This letter is to humbly request you to respond to the questions in the attached questionnaire to enable me carry out this research. This is an academic exercise and you are assured of anonymity and confidentiality.

Thank you in advance for your willingness to generously contribute to this research.

Yours truly,

Ogoro Esther Boyani
Appendix II: Questionnaire

SECTION A: DEMOGRAPHIC INFORMATION

1. Please indicate your gender

   Male [ ]    Female [ ]

2. Please indicate your age bracket

   20 yrs and below [ ]
   21-30 [ ]
   31-40 [ ]
   41-50 [ ]
   Above 51 [ ]

3. What is your education level? (Tick as applicable)

   a) Primary and Secondary [ ]
   b) College [ ]
   c) Graduate [ ]
   d) Post graduate [ ]

   Others-specify…………………………………………………………

4. Which industry has your business focused on?

   a) Manufacturing [ ]
   b) Service Delivery [ ]
   c) Trading [ ]

   Other (Specify) …………………………………………

5. For how long have you been operating the business?

   a) Less than 1 year [ ]
b) 1-5 years [ ]
c) 6-10 years [ ]
d) Over 10 years [ ]

SECTION B: TALENT MANAGEMENT

1. Please indicate how effective you embrace/consider the following in your firm:

<table>
<thead>
<tr>
<th></th>
<th>Frequently</th>
<th>Sometimes</th>
<th>Rarely</th>
<th>Not at all</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recruitment of talented</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>employees</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Identification and separation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>of employees based on their</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>abilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Making and keeping positive</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>relationships with the employees</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2. How often do you hold up talent showing seminars in your firm?

- Weekly [ ]
- Monthly [ ]
- Twice per year [ ]
- Annually [ ]
- Not at all [ ]

3. Which criteria do you use to identify talents among the employees?

- Roles played by the employees [ ]
- Use of case scenarios [ ]
- Putting up assessment centres [ ]
- Any other (Specify) .................................................................

4. What do you consider when developing talents among your employees?

- Aspirations of the individual [ ]
- Organizational opportunities and expectations [ ]
5. What are some of the characteristics in an individual that you consider when developing talents?

   - Level of education [ ]
   - Individual aspirations [ ]
   - Intellectual capacity [ ]
   - Level of managerial expertise [ ]
   - Job-related traits [ ]

6. How many new talents have you identified among your employees in the last five years?

<table>
<thead>
<tr>
<th>0-3</th>
<th>4-7</th>
<th>8-11</th>
<th>11-14</th>
<th>Above 15</th>
</tr>
</thead>
<tbody>
<tr>
<td>[ ]</td>
<td>[ ]</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

7. How would you relate talent management with success of Human resource management practices?

   - High [ ]
   - Moderate [ ]
   - Low [ ]
   - Not at all [ ]

**SECTION C: TRAINING AND DEVELOPMENT**

1. How often do you carry out job rotation in your organization?

   - Frequently [ ]
   - Sometimes [ ]
   - Rarely [ ]
   - Not at all [ ]

2. How frequent do you hold up training seminars and conferences in your firm?

   - Weekly [ ]
   - Monthly [ ]
   - Twice per year [ ]
   - Annually [ ]
3. Do you think the seminars and conferences play a role in enhancing the knowledge of the employees?
   Yes [ ] No [ ]

4. What is your annual budget on training and development for the last five years?

<table>
<thead>
<tr>
<th>Year</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budget</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

5. How do the employees respond to the following after training is offered to them?

<table>
<thead>
<tr>
<th>Response</th>
<th>Very high</th>
<th>Highly</th>
<th>Uncertain</th>
<th>Low</th>
<th>Very low</th>
</tr>
</thead>
<tbody>
<tr>
<td>Showing high level of leadership skills</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reporting to work earlier and being more punctual to their duties</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adhering to the set rules and guidelines</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Showing high customer service values when serving customers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

6. How would you relate training and development with the effectiveness of Human resource management practices?
   Highly relate [ ] moderately relate [ ]
   Not sure [ ] No relation [ ]

7. What are some of the challenges that you encounter when embracing training and development of your employees?

   ……………………………………………………………………………………………
   ……………………………………………………………………………………………
   ……………………………………………………………………………………………
   ……………………………………………………………………………………………
SECTION D: SUCCESSOR ENGAGEMENT

1. Are you the initiator of the business?
   Yes [ ]  No [ ]
   If not, were you engaged by the predecessor before you got the business?
   Yes [ ]  No [ ]

2. How often do you delegate your duties to the employees?
   Frequently [ ]  Sometimes [ ]
   Rarely [ ]  Not at all [ ]

3. Please respond to the following:

<table>
<thead>
<tr>
<th>I choose who to delegate my duties to</th>
<th>Strongly agree</th>
<th>Agree</th>
<th>Uncertain</th>
<th>Disagree</th>
<th>Strongly disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>I delegate my duties only when am away from the firm</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I give the employees opportunity to choose who to take my duties</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I have a specific person/employee to who I delegate my duties to</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

4. Do you have replacement charts for your organization?
   Yes [ ]  No [ ]
   If yes how effective are the charts adhered to?
   Very effective [ ]  Moderate effective [ ]
   Not sure [ ]  Not effective [ ]

5. How would you relate the successor engagement with the effective of Human resource management practices in your firm?
   Highly relate [ ]  Moderately relate [ ]
   Not sure [ ]  No relation [ ]
6. What are some of the challenges that you face when engaging other employees on mentorship process?

…………………………………………………………………………………………
…………………………………………………………………………………………
…………………………………………………………………………………………

SECTION E: HUMAN CAPITAL ORIENTATION

1. How often do you embrace the following amongst your employees

<table>
<thead>
<tr>
<th></th>
<th>Frequently</th>
<th>sometimes</th>
<th>Rarely</th>
<th>Not at all</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee rewarding</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee Promotion</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee recognition</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2. What is the rate of employee turnover in your organization over the last five years?

<table>
<thead>
<tr>
<th>Year</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee turnover</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

3. What is your opinion on the following statements?

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly agree</th>
<th>Agree</th>
<th>Uncertain</th>
<th>Disagree</th>
<th>Strongly disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Encourage employee participation in organizational matters</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Creating time to meet employees and hold discussions</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Offering educational support to the employees</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taking employees responsible for their actions</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

4. Which other strategies do you use to ensure employee retention in your firm?

…………………………………………………………………………………………
…………………………………………………………………………………………
…………………………………………………………………………………………
…………………………………………………………………………………………

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5. How would you relate the human capital orientation and its effectiveness as one of the Human resource management practices?

- Highly relate [  ]
- Moderately relate [  ]
- Not sure [  ]
- No relation [  ]

6. How would you comment on the employee retention, employee promotion and employee rewarding on sustainability of your enterprises?

……………………………………………………………………………………
……………………………………………………………………………………
……………………………………………………………………………………
……………………………………………………………………………………

SECTION F: SUSTAINABILITY OF FAMILY OWNED SMALL ENTERPRISES

1. Please respond to the following in the table below based on the size of the firm;

<table>
<thead>
<tr>
<th>Size of the firm</th>
<th>Year</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of employees</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No. of Branches</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Capital Investment**

2. How much initial capital did you invest into the business?

……………………………………………………………………………………

**Re-investment**

3. How often do you re-invest back the profits to the business?

- Frequently [  ]
- Occasionally [  ]
- Sometimes [  ]
- Hardly [  ]
- Not at all [  ]

4. How many years has your business been operational?

- Below 2 years [  ]
- 3-5 Years [  ]
- 5-7 Yrs [  ]
- 7-10 [  ]
- Above 11 years [  ]

5. How would you comment on the performance of your firm in the near future?

……………………………………………………………………………………

……………………………………………………………………………………
# Appendix IV: List of Small Family Businesses in Nairobi County

<table>
<thead>
<tr>
<th>BUSINESS</th>
<th>BUSINESS</th>
<th>BUSINESS</th>
<th>BUSINESS</th>
</tr>
</thead>
<tbody>
<tr>
<td>360 advertising limited</td>
<td>Transporters</td>
<td>Investments Ltd</td>
<td>Supplies services</td>
</tr>
<tr>
<td>3m overseas education advisory centre</td>
<td>Eunim general</td>
<td>Esteams</td>
<td>Etop system</td>
</tr>
<tr>
<td>Aarafa communication solutions limited</td>
<td>Supplies</td>
<td>Enterprises</td>
<td>Investments</td>
</tr>
<tr>
<td>Esrinnet ventures</td>
<td>Eunim general Supplies</td>
<td>Limited</td>
<td>Eunim general Supplies</td>
</tr>
<tr>
<td>Essah general supplies</td>
<td>Eunim general Supplies</td>
<td>Ested enterprises</td>
<td>Etrique Enterprises Limited</td>
</tr>
<tr>
<td>Esse limited</td>
<td>Eunimak Enterprise limited</td>
<td>Esthon</td>
<td>Eunimak Enterprise limited</td>
</tr>
<tr>
<td>Essel enterprises Limited</td>
<td>Eunimwa Investment</td>
<td>Eunimo general Supplies</td>
<td>Eunimwa Investment</td>
</tr>
<tr>
<td>Essential group Limited</td>
<td>Eunipen general Enterprises And supplies Limited</td>
<td>Estmat hardware</td>
<td>Euna ventures Investment</td>
</tr>
<tr>
<td>Essential Manufacturing Co. Limited</td>
<td>Eunitech</td>
<td>Eswabe limited</td>
<td>Eunitech enterprises</td>
</tr>
<tr>
<td>Essential upgrade Enterprises</td>
<td>Eunitech International Enterprises</td>
<td>Eswam suppliers</td>
<td>Eunitech International Enterprises</td>
</tr>
<tr>
<td>Essentials Solutions</td>
<td>Eunmac</td>
<td>Eunev enterprise</td>
<td>Eunmac</td>
</tr>
<tr>
<td>Essie investments</td>
<td>Investments</td>
<td>E-time office Solutions</td>
<td>Investments</td>
</tr>
<tr>
<td>Etom speed Supplies services</td>
<td>Evastar Enterprises</td>
<td>Eupen co.limited</td>
<td>Evacute</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Events in motion</td>
</tr>
</tbody>
</table>
Etop system Investments
Services
Evatech Enterprises
Evaton computer & stationers Investments
Etrique Enterprises Limited
Evaton general Supplies
Etronics Technology
Evaton systems Limited
Eumimo general Supplies
Evemiko ventures
Eurobrand
Eumimo general Supplies Limited
Evenet enterprises
Evensis ventures Limited
Euncem technologies Enterprises
Euwanfee
Euneefa Enterprises
Event guru Solutions
Euneva solutions
Evachi Construction Agency Evacieygeneral supplies Ltd co.
Evax enterprises
Evoking Telecommunication
Everest suppliers Evlan enterprises
Evolving Ewanyo enterprise Excella limited
Evopasu enterprises Ewells and daniel Excella services
Evoke media Limited
Evolet enterprises
<table>
<thead>
<tr>
<th>Company Name</th>
<th>Subsidiaries</th>
<th>Services Offered</th>
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</thead>
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