

HUMAN RESOURCE MANAGEMENT PRACTICES AND EMPLOYEE PERFORMANCE IN NOT-FOR-PROFIT ORGANIZATIONS IN TANZANIA: A STUDY OF SELECTED CIVIL SOCIETY ORGANIZATIONS IN ARUSHA

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Abstract: Human resource management practices refer to organizational activities and processes directed at managing human resources through attracting, developing, motivating and retention of employees for the fulfillment of organizational goals. The purpose of the study was to determine the effects of the HRM practices; namely recruitment and selection, training and development and performance appraisal on employee performance in civil society organizations in Arusha. The study adopted a descripto-explanatory design and covered a population of 50 employees from four CSOs in Arusha which include; HakiMadini, Faida MaLi, PINGOS forum and CORDS. A semi-structured questionnaire was used to collect primary data. Content analysis was used to analyze qualitative data and quantitative data was analyzed using descriptive (mean) and inferential statistics (correlation analysis). The study revealed that recruitment and selection, training and development and performance appraisal are common practice in civil society organizations with a positive effect on employee performance. The study revealed a positive correlation between human resource practices and employee performance with a correlation coefficient at 0.018 for Recruitment and selection and 0.564 performance appraisal practices in CSOs received above average rating with training and development receiving highest rating at 0.623. The study recognized a linkage between HRM practices and employee performance was less than 0.05 significance level which implies that organizations with functional HRM practices enables employees to perform better than those that do not.

Keywords: HRM practices, Recruitment and Selection, Training and Development, Performance Appraisal and Employee Performance.

1. INTRODUCTION

Organizational performance is a product of employee performance. Satisfactory performance of employees does not happen automatically it requires time, effort and processes that enables employees to acquire the required skills and information to perform. Human resources management practices involve the processes of hiring and developing employees so that they become more valuable to the organization, this evolved throughout history to fit to the changing work environments. According to Armstrong (2010), the practice of human resource management is concerned with all aspects of how people are employed and managed in organizations. It covers activities such as strategic HRM, human capital management, corporate social responsibility, knowledge management, organization development, resourcing (human resource planning, recruitment and selection, and talent management), performance management, learning and development, reward management, employee relations, employee well-being and health and safety and the provision of

employee services. HRM practice has a strong conceptual basis drawn from the behavioral sciences and from strategic management, human capital and industrial relations theories. This foundation has been built with the help of a multitude of research projects.

The HRM practices for not-for-profit organizations is very important for NGOs to understand and assess organizational behavior and functioning; manage organizations through planning, implementing and monitoring activities strategically; improve the performance of their staff; build effective management systems, policies and plans to improve long term sustainability and resource mobilization (Chakraborty, 2018). Although human resources management is not a priority for many NGOs researches show that, small and medium NGOs begin to understand the importance of HRM practices. Civil society organizations currently engage in the activities that encourage employee behaviors needed to achieve the organizations strategic goals.

2. PURPOSE

The purpose of the study was to assess the influence of human resources practices on employee performance in Not for profit organizations in Tanzania, as study of selected civil society organizations in Arusha region. Specifically the study sought to assess different HRM practices including recruitment and selection, training and development and performance appraisal influence on employee performance in not for profit organizations.

3. RESEARCH METHODOLOGY

The study adopted a descripto-explanatory research design to gain depth understanding of the effect that various human resource management practices have on individual employee performance. The design facilitated a detailed description and analysis of the variables under study; describing and presenting their characteristics and explaining their relationships without manipulation as supported by Saunders *et al.* (2009). The study covered a total population of 50 employees from four CSOs HakiMadini Tanzania, FaidaMaLi, PINGOS Forum and CORDS.

The study employed both primary and secondary data. Before administration, the questionnaire was pre-tested to ensure collection of valid and reliable data. Primary data were gathered through questionnaires, whereas secondary data were obtained through reports obtained from the organization reports. This was supplemented by the primary data received from questionnaires.

Both descriptive and inferential statistical tools were used in the data analysis. Descriptive statistical tools included frequencies, percentages and mean while inferential statistical tool included correlation analysis. Whereas descriptive statistics were used to determine and describe the status of the variables under study, inferential statistics were used to compute the correlation between independent variables i.e recruitment and selection, training and development and performance appraisal and dependent variable which is employee performance.

4. RESULTS AND DISCUSSION

Human resources practices influencing employee performance in not for profit organizations in Tanzania

The study considered recruitment and selection, training and development and performance appraisal as the three major variables of human resource management practices which affect employee's performance. The range was "strongly disagree" (1) to "strongly agree" (5). The scores of disagreeing have been taken to represent a variable which had a mean score of 0 to 2.5 on the continuous Likert scale; ($0 \leq S.D \leq 2.4$). The scores of "moderately agree" have been taken to represent a variable with a mean score of 2.5 to 3.4 on the continuous Likert scale: ($2.5 \leq M.E \leq 3.4$) and the score of both agree and strongly agree have been taken to represent a variable which had a mean score of 3.5 to 5.0 on a continuous Likert scale; ($3.5 \leq S.A. < 5.0$). A standard deviation of > 0.9 implies a significant difference on the impact of the variable among respondents.

4.1 Recruitment and Selection on Employee Performance

The study sought to get from the respondents the effect of recruitment and selection on employee performance. According to the results presented in Table 4.6, it shows that respondents agree that in the organizations they work for have a recruitment policy by a mean of 4.12 .Respondents are aware and involved in the recruitment process of the organization with a mean of 4.10 and also the recruitment process in their organizations is transparent makes them trust the organization by a mean of 3.84. On the other hand respondent's supports on adequate and relevant information about the organization and job are provided to the candidate at the time of recruitment by a mean of 3.99 and the advertising of

new posts starts from within by a mean of 4.07. Recruitment process may vary depending on the organization’s size, manufacture, or task. In addition to the mentioned characteristics, differences in recruitment process wave to public and private sector. These differences have root to the distinctions between their structures (Boyne, 2002). Moreover, as Zheng (2006) and Croucher (2008) point out, there is a positive and significant relationship between recruitment and selection and the performance of a firm. Sang (2005) also discovered a positive association between recruitment and selection and business performance. Ichniowski and Shaw (1999), Katou and Bedhwar (2006), and Wright *et al.* (2005) also reported similar positive results between recruitment and selection and performance in Canada, in Finland and in New Zealand. The respondents agree that their organization is an equal opportunity employer and they are proud of it by a mean of 3.73.

In terms of selection process the respondents are aware and involved in the selection process by a mean of 3.68 and they have clearly defined selection criteria by a mean of 3.59. The respondents agree that the selection process in their organizations is strictly based on merit with a mean of 3.55 and the selected candidates fit well with their organization’s culture by a mean of 3.53. The selection process is transparent and makes me trust the organization by a mean 3.51. After recruitment and selection, qualifications of employees toward doing their jobs are evaluated by performance evaluation. The results are consistent with Adu-Darkoh, (2014) who states that; employees who have passed all recruitment and selection phases successfully are tended to be prosperous, honest, and independent. However, when recruitment and selection process is manipulated in favor of someone, the employees may not be able to have independence in doing tasks and good performance is not expected from employees who are selected with corruption and manipulation of selection process. However the respondents slightly agree that the selection process in their organizations is very inclusive by a mean of 3.47.

Table 4.6: Recruitment and Selection and Employee performance

Indicators	Mean	Std. Deviation
Recruitment Practices		
My organization has a recruitment policy.	4.12	0.583
I am aware and involved in the recruitment process of the organization.	4.10	0.572
The advertising of new posts starts from within.	4.07	0.558
Adequate and relevant information about the organization and job are provided to the candidate at the time of recruitment.	3.99	0.627
The recruitment process is transparent makes me trust the organization.	3.84	0.711
My organization is an equal opportunity employer and I am proud of it.	3.73	0.726
Selection Practices		
I am aware and involved in the selection process.	3.68	0.722
We have a clearly defined selection criteria	3.59	0.713
Selection in our organization is strictly based on merit.	3.55	0.669
Selected candidates fit well with our organization culture.	3.53	0.687
The selection process is transparent and makes me trust the organization.	3.51	0.674
The selection process is very inclusive	3.47	0.656

4.2 Correlation between Recruitment and Selection and Employee Performance

The study revealed a weak but positive correlation between recruitment & selection and employee’s performance as shown by correlation coefficient of 0.018, the significant value was 0.024 which is less than 0.05. Hence, the null hypothesis which stated that recruitment and selection do not influence employee performance was rejected.

Table 4.7: Correlation between Recruitment & Selection and Employee’s performance

		Employee’s Performance
Recruitment and Selection	Pearson Correlation	.018*
	Sig. (2-tailed)	.024
	N	95

4.3 Linkage between Training and Development, and Employee Performance

As presented in Table 4.8, all training programs respondents attended have been relevant to their job and the changing business environments by a mean of 4.09 and organizations provide adequate training opportunities for its staff by a mean of 4.15. The staff who miss their performance targets are provided with tailor-made training programmes by a mean of 4.18 and the respondents agree that their organizations have a precise staff training policy with a mean of 4.26. Training and development improves the workforce competence in order to create a competitive advantage and contribute to organizational success. It is important to note that training and development is also a means for employers to address the employee needs. By offering the training and development opportunities employers help employees develop their own competitive advantage and ensure long term employability (Jackson, 2008). The ultimate purpose of training is to help organizations achieve their performance results. This is further supported by Storey (1999) who contends that training activities have effect on relative competitiveness and economic performance, at both the aggregate level of the national economy or industrial sector, and at the level of individual enterprises.

However, the respondents slightly agree that they will continue to work in the organization because of its staff training programme by a mean of 3.97. As Reynolds (2004) points out, training has a complementary role to play in accelerating learning. It should be reserved for situations that justify amore directed expected approach rather than viewing it as a comprehensive and all-pervasive people development solution. He also commented that the conventional training model has a tendency to emphasize subject specific knowledge rather than trying to build core learning abilities. In terms of staff development the results revealed that managers and supervisors support individual employee development plans by a mean of 3.86 and managers and supervisors provide flexible work schedules to employees pursuing development programmes by a mean of 3.72; as Armstrong (2009) indicates individual development is the progression by individuals in their career with guidance encouragement and help from the manager. The respondents agree that their organizations supports career development aspirations of individual employees by a mean of 3.89 and the respondents have the opportunity for professional growth in their organization with a mean of 3.65. Development is a process which involves an employee undergoing a long term education process or learning to acquire knowledge and skills utilizing a systematic and organized procedure by which managerial personnel learn conceptual and theoretical knowledge for general purpose. Lastly respondents agree that organization has a staff development policy by a mean of 3.94.

Table 4.8: Training and Development and Employee’s Performance

Indicators	Mean	Std. Deviation
Staff Training		
My organization has a precise staff training policy.	4.26	0.635
Staff who miss their performance targets are provided with tailor-made training programmes.	4.18	0.617
My organization provides adequate training opportunities for its staff.	4.15	0.594
All training programs I have attended have been relevant to my job and the changing business environments.	4.09	0.558
I will continue to work in the organization because of its staff training programme.	3.97	0.765
Staff Development		
Our organization has a staff development policy.	3.94	0.697
My organization supports career development aspirations of individual employees.	3.89	0.675
Managers and supervisors support individual employee development plans.	3.86	0.683
Managers and supervisors provide flexible work schedules to employees pursuing development programmes.	3.72	0.661
I have the opportunity for professional growth in this organization.	3.65	0.604
I will continue working in this organization because of its staff development programme.	3.51	0.677

4.4 Correlation between Training & Development and Employee’s Performance

Further, the study sought to determine the effect of training and development on employee’s performance using correlation analysis. The testing was based on a null hypothesis which stated that training and development has no significant influence on employee performance. As shown in Table 4.9, the study found positive correlation between training & development and employee performance as demonstrated by correlation coefficient of 0.623, the significant value was 0.001 which is less than 0.05; hence the null hypothesis was rejected.

Table 4.9: Correlation between Training & Development and Employee’s Performance

		Employee’s Performance
Training and Development	Pearson Correlation	.623
	Sig. (2-tailed)	.001
	N	95

4.5 Performance Appraisal and Employee Performance

From the results in Table 4.10, it is clear that majority of respondents agree that their involved in setting work targets against which their performance is measured with a mean of 4.14 and they are aware of performance appraisal system by a mean of 4.07. Performance appraisal provides guidelines on organization’s targets and how performance would be gauged by a mean of 4.07 and performance appraisals in their organization are transparent and fair to all employees make them trust the organization more with a mean of 3.94 consistent to the finding of Murphy and Margulies (2004) who claims that performance appraisal might benefit in multiple functions such as helping in employee training and for giving pay. Moreover, it is has been known that the objective of the performance system come to be a serious issue.

The respondents have faith / trust in the appraisal system of the organization with a mean of 3.91 and appraisal of the employee’s work performance is always in line with their job description by a mean of 3.80. Through appraisal employees clearly understand what the organization expects from them by a mean of 3.82 and recognition of good performance in the organization is based on performance reports by a mean of 3.69. The findings are supported by Lillian, Mathooko, & Sitati (2011) who contend that the information performance appraisal provide basis for recruitment and selection, training and development of existing staff, and motivating and maintaining a quality human resource through correct and proper rewarding of their performance.

Table 4.10: Performance Appraisal and Employee’s Performance

Indicators	Mean	Std. Deviation
I am involved in setting work targets against which my performance is measured.	4.14	0.673
I am aware of the performance appraisal system.	4.06	0.695
Performance appraisal provides guidelines on organization’s targets and how performance would be gauged.	4.07	0.728
Performance appraisals in our organization are transparent and fair to all employees make me trust the organization more.	3.94	0.732
I have faith / trust in the appraisal system of the organization.	3.91	0.748
Appraisal of my work performance is always in line with my job description.	3.80	0.751
Through appraisal I clearly understand what the organization expects from me.	3.82	0.770
Recognition of good performance in the organization is based on performance reports	3.69	0.731

4.6 Correlation between Performance Appraisal and Employee’s Performance

From the findings in Table 4.11, the study revealed a positive correlation between performance appraisal and employee performance as shown by correlation coefficient of 0.564; and significant value of 0.026 which is less than 0.05. Therefore, the null hypothesis which stated that performance appraisal has no significant correlation with employee performance was rejected.

Table 4.11: Correlation between Performance Appraisal and Employee’s Performance

		Employee’s Performance
Performance Appraisal	Pearson Correlation	.564*
	Sig. (2-tailed)	.026
	N	95

4.7 Employee Performance

On employee performance, the findings in the Table 4.12 indicate that most of the respondents understand what is expected from them on the job and they strive to achieve that as supported by a mean score of 3.61 and their supervisor is always satisfied with their work performance with a mean of 3.57. Further, the results reveal that the respondents slightly agree that they perform their tasks with ease with a mean of 3.52 and slightly agree that they always achieve their targets with a mean of 3.47. This is supported by Randhawa (2007) who argues that job performance information is used to manage employee performance through the process of performance management. Employee performance is how well a person executes their duties and responsibilities; based on expectation or set standards.

Employees put more time and efforts to achieve expected performance; with a mean score of 3.53 and they slightly agree that they are motivated by work done by a mean of 3.49. The findings are consistent to Armstrong (2009) who indicates that performance as both behavior and results and emphasizes that both behavior (input) and results (output) need to be considered when managing performance. Performance of an organization is the outcome of acrostic of individuals and units of the organization. Except for the external influences on individual behavior and personal traits, organizations can either influence or control all factors affecting performance of individuals and units through formal and informal means. Greater influence of individuals can be exercised formally through communication, work culture and management style (Kasturi, 2006).

Table 4.12: Employee’s Performance

Indicators	Mean	Std. Deviation
I understand what is expected of me on the job and I strive to achieve that.	3.61	0.698
I perform my tasks with ease.	3.52	0.714
My supervisor is always satisfied with my work performance.	3.57	0.736
I always achieve my targets.	3.47	0.729
I put more time and efforts to achieve expected performance.	3.53	0.715
I am motivated by work done.	3.49	0.716
I feel very happy when I achieve the expected results and always work hard to achieve this.	3.50	0.711
I am committed and trust the organization because, I feel my potential is well used to achieve results.	3.48	0.772

5. CONCLUSIONS AND RECOMENDATIONS

The study established that majority of the respondents agreed to the fact that Human resource practices understudy exist in their organizations and they positively contributes to employee performance in the selected CSOs in Arusha. The study concludes that recruitment and selection practices influence employee performance, were from the results recruitment and selection practices had a weak positively correlation with employee performance; implying that the recruitment and selection practices understudy; recruitment policy, advertisement, selection criteria employee involvements and transparent process that the firm puts in place had less influence on employee performance compared to other variables understudy.

From the results, training and development was positively correlated with employee performance; implying that training and development practices such as the existence of training and development policies, short courses, trainings relevancy to the skill gaps and support for career development and these practices have led to continuous improvement to employee performance.

It is also evident from the findings that performance appraisal has influenced employee performance. A positive and significant relationship between performance appraisal practices including; clear targets, performance feedback, recognition and performance systems existed CSOs in Arusha. There was a positive correlation between performance appraisal and employee performance. This implies that performance appraisals in organisation has led to improvement of employee performance.

Further, the study concludes that the three independent variables under study were positively correlated with employee performance. Among the three independent variables the influence of training and development was higher, then followed by performance appraisal then recruitment and selection. This implies that when human resources practices are taken into account in organizations it leads to improved employee performance.

It is generally acknowledged that employee performance leads to organizational performance. Organizations need to improve employees' performance for growth and sustainability as well as in surviving in the competitive environments. There is a need to improve HR practices in the organizations, and also understand the importance of this practices. Organizations should have regular interface between top managers, seniors and staff to discuss the futuristic goal and plans of the organization and the HR managers should communicate well the importance of the different practices to the organization and employees as a whole.

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