BUSINESS STRATEGY, ORGANIZATIONAL STRUCTURE, HUMAN RESOURCE STRATEGIC ORIENTATION AND PERFORMANCE OF LARGE PRIVATE MANUFACTURING FIRMS IN KENYA

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A Doctoral Research Thesis submitted in Partial Fulfillment of the Requirement for the Award of the Degree of Doctor of Philosophy in Business Administration, School of Business,

University of Nairobi

November, 2013
DECLARATION

This Thesis is my original work and has not been presented for purposes of examination and award of a degree in any other university.

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DEDICATION
I dedicate this work to my late mother, ‘mama’ Margaret Kiprono Busienei and my late father, Kiprono Kiptoo arap Busienei (Senior Driver, Perkera Irrigation Scheme-Marigat, Baringo County) for moulding my future and to my wife and children: Zipporah Chemutai, Moses Kipkemboi, Yvonne Cherop and Patience Chepleting (‘Tingi’) respectively for giving me the motivation and the challenge to mould their lives too. I love you all for giving me the courage and determination to wither the storms of the course. God Bless You.
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## ABBREVIATIONS AND ACRONYMS

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<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tbody>
<tr>
<td>AS</td>
<td>Analyzer Strategy</td>
</tr>
<tr>
<td>BRIJS</td>
<td>Brayfield and Rothe Index of Job Satisfaction</td>
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<tr>
<td>BS</td>
<td>Business Strategy</td>
</tr>
<tr>
<td>CHRSO</td>
<td>Contingency Human Resource Strategic Orientation</td>
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<tr>
<td>DS</td>
<td>Defender Strategy</td>
</tr>
<tr>
<td>ED</td>
<td>Employee Development</td>
</tr>
<tr>
<td>EE</td>
<td>Employee Empowerment</td>
</tr>
<tr>
<td>FP</td>
<td>Firm Performance</td>
</tr>
<tr>
<td>HPWP</td>
<td>High Performance Work Practices</td>
</tr>
<tr>
<td>HRM</td>
<td>Human Resource Management</td>
</tr>
<tr>
<td>HRMS</td>
<td>Human Resource Management Strategy</td>
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<tr>
<td>HRS</td>
<td>Human Resource Strategy</td>
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<tr>
<td>HRSO</td>
<td>Human Resource Strategic Orientation</td>
</tr>
<tr>
<td>JS</td>
<td>Job Satisfaction</td>
</tr>
<tr>
<td>MSQ</td>
<td>Minnesota Satisfaction Questionnaire</td>
</tr>
<tr>
<td>OC</td>
<td>Organizational Commitment</td>
</tr>
<tr>
<td>OS</td>
<td>Organizational Structure</td>
</tr>
<tr>
<td>PS</td>
<td>Prospector Strategy</td>
</tr>
<tr>
<td>QWL</td>
<td>Quality of Work Life</td>
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<tr>
<td>RBV</td>
<td>Resource Based View</td>
</tr>
<tr>
<td>SHRM</td>
<td>Strategic Human Resource Management</td>
</tr>
<tr>
<td>THRM</td>
<td>Traditional Human Resource Management</td>
</tr>
<tr>
<td>UHRSO</td>
<td>Universalistic Human Resource Strategic Orientation</td>
</tr>
<tr>
<td>VRIN</td>
<td>Value, Rarity, In-imitability, Non-substitutability</td>
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ABSTRACT

This research was done in Kenya and focused on the private manufacturing firms that are registered members of Kenya Association of Manufacturers. The study set out to investigate the moderating effect of business strategy and organizational structure on the relationship between human resource strategic orientation and performance of large private manufacturing firms in Kenya. This study relied on primary data which was collected using a structured questionnaire. The respondents were senior managers drawn from the departments of human resources management, finance and corporate planning. The questionnaires were self-administered. A total of 108 questionnaires were administered but only 75 questionnaires were completed. Prior to processing the responses, the filled questionnaires were edited and checked for completeness and consistency. The questionnaires were coded and entered into the Statistical Package for Social Sciences. Both descriptive and inferential statistics were used to analyze the data. Both correlation and regression analysis were used in hypothesis testing. All the hypotheses were confirmed. The research findings revealed that there was high positive correlation between human resource strategic orientation and firm performance. It was further established that there was moderate positive effect of organizational structure on the relationship between human resource strategic orientation and firm performance. The researcher recommends that large private manufacturing firms in Kenya should align their business strategy and organizational structure with human resource strategic orientation since it ensures performance. As for the direction for further study, the researcher recommends that future research in human resource strategic orientation should focus on public manufacturing firms and for the sake of knowledge, consider the use of longitudinal research design as opposed to the survey research designed. Longitudinal research design provides the researcher with in-depth understanding of cause and effect regarding a phenomenon.