

# **INFLUENCE OF JOB COMPETENCE ON EMPLOYEE'S PERFORMANCE IN PRIVATE UNIVERSITIES IN KENYA**

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## **ABSTRACT**

Human assets are one of the most important resources available to any organization. The demand for effective employees continuously increases both in private and public universities. This is because employee competence and commitment largely determine the objectives that an organization can set for itself and to its success in achieving them. The study sought to determine the influence of job competence on employee's performance in private universities in Kenya. The research study adopted a descriptive survey design which was based on the use of a questionnaire. The population of the study included all the 35 private universities in Kenya. The data was collected using questionnaires from employees of private universities in Kenya. Correlation analysis and regression analysis were conducted as the key analytical tools. The results showed that there was a strong positive relationship between job competence on employee's performance in private universities in Kenya. The study recommends that the universities should place emphasis on the influence of job competence in order to enhance employee's performance and competitiveness.

**Keywords: Employee Competency, Competence gaps, Competitive Advantage, Employee Performance**

## **Introduction**

Performance is defined as the attained outcome of actions with the skills of employees who perform in some situation (Prasetya and Kato, 2011). According to Armstrong (2010), employee performance is the outcome, accomplishment of work as well as the results achieved, which is linked to the strategic goals of the organization, customer satisfaction and economic contributions. Altrasi (2014) suggests that employees are a strategic asset in an organization whose performance at work influences the overall performance of the organization. It is through employee performance that an organization can achieve and exceed its goals of productivity efficiently.

The working definition for study purpose is that, achievement of targets of the tasks assigned to employees within particular period of time in view of the quantity and quality of the product. The success of business depends on employees' performance. One of the most effective ways to increase business performance and profit is to increase the performance of employees, from the lowest levels of the organization to senior management (Ivancevich, 1998). Performance improvement is not only a result of well-functioning system but also depends on effective human resource strategies that succeed in recruiting and maintaining a committed and motivated workforce (Al-Ahmadi, 2009).

Competence is the ability to meet a complex demand successfully or carry out a complex activity or task (Rychen & Salganik, 2002). Competency encompasses the knowledge, skills, abilities, traits and behaviors that allow an individual to perform a task within a specific function or job. According to Mulyasa (2004) competency is a combination of knowledge, skills, values and attitudes that are reflected in the habit of thinking and acting. Competency is the characteristic of

an employee who can make a significant contribution to the successful implementation of work and achievement of organizational performance.

Strategies, business models, products and services can all be copied by competitors, but talented and competent employees represent a sustainable source of differentiation. The demand for effective and competent employees continuously increases in both public and private organizations because a dynamic global marketplace and increasing foreign competition has compelled organizations to become more effective and flexible in response to the rapidly changing environment. According to (Rao, 2000; Rodrigues & Chincholkar, 2005), human resource development encourages competency development by forming opportunities within the organization for employees to develop their competencies for both their own benefit and the benefit of others. Competence can be attributed to an individual when he/she possess the conditions necessary for achieving specific work related goals.

### **Overview of Private Universities**

Private universities in Kenya operate under a full charter or an interim charter as they await full charter. The private universities offer both undergraduate and postgraduate programs. The Commission for University Education (CUE) is mandated with responsibility of ensuring that private universities adhere to the standards of a university.

According to the board of higher learning institutions there are 35 chartered private universities in Kenya grouped into three ; Private Chartered Universities, Private University Constituent Colleges and Institutions with Letters of Interim Authority. Private universities in Kenya have notably increased owing to the growing demand for higher education and a subsequent strain on public universities to handle this demand. Oketch (2004) argues that the growth of Private

University sector in Kenya has been fueled by several factors, including: the limited opportunities available in public universities; the constant closures of state funded universities; and the need to complement government managed higher institutions largely for their followers. As profit making organizations, fees are charged strictly in accordance with market forces on the basis of full cost recovery.

As the number of private universities continue to grow, so does the competition for market survival intensifies. Competition for survival has been the guiding force for existence and it has been associated with the creation of wealth. With the development and progress of civilization, competition has become more complex. The firms are engaged in various activities to minimize their costs and maximize their profits. Thus, the core competencies of the organization are reflected in their commercial activities and the most competent is the winner in grabbing a large chunk of market share and leads the industry (Poddar and Gadhawe, 2007).

### **Statement of the Problem**

Private institutions in Kenya will be critical in realization of Vision 2030 which is Kenya's development blueprint covering period between 2008 to 2030. Their role in the provision and development of manpower required for the social economic and technological advancement of any nation cannot be over-emphasized. According to Kipkebut (2010) there is lack of commitment in universities in Kenya, private universities being largely affected. Over the last five years private universities in Kenya have experienced poor employee performance. This is due to the fact that employees do not have clear guidance on how to perform their jobs and what is expected from them in order to achieve specific objectives and increase performance.

Kipkebut (2010) asserts that without well qualified and committed academic and non-academic staff, no academic institution can really ensure sustainability and quality over the long haul. Another problem that brought poor performance is incompetence staff, overlapping of jobs and role ambiguity which leads to low commitment and poor morale among the employees. According to Ng'ethe, Iravo, and Namusonge (2012) institutions are expanding at an alarming rate and are greatly challenged with the delivery of quality and relevant education, training and learning. Several studies have been carried out on employee performance practices in various governments, private and international organizations but little research has been done on the influence of job competence on employee's performance especially in private universities in Kenya. It is through this realization that this study sought to find out if job competence practices have an influence on employee performance in Private universities in Kenya which can in turn lead in improvement in general performance and competitiveness and also fill the gap.

### **Value of the Research Study**

This study assists the private universities management to understand the importance of job competence as a human resource management tool, which contributes positively to the achievement of set targets and obligations.

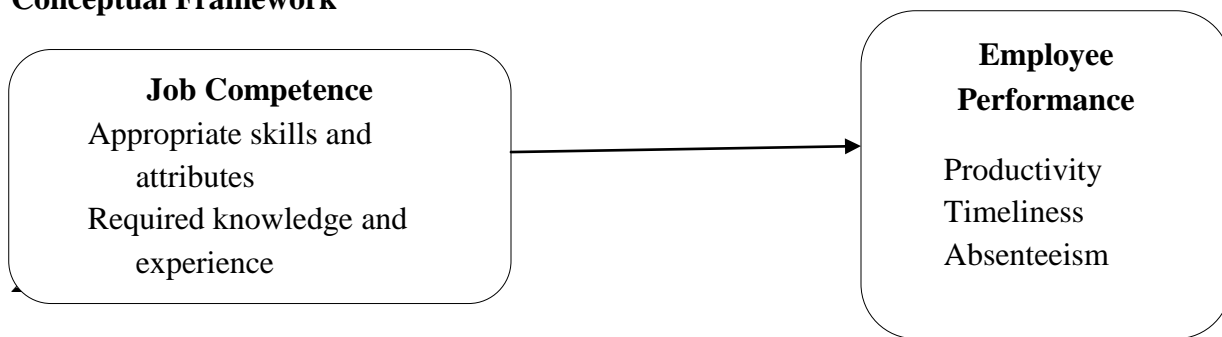
### **Literature Review**

#### **Theoretical Foundations of the Research Study**

The study was guided and supported by the Resource based view theory. According to this theory sustainable competitive advantage is attainable when firms have a human resource pool which cannot be imitated or substituted by rivals. According to the Resource-Based view, firms should constantly evaluate their workforce to ensure that they have the right people with the right skills in the right places to ensure sustainable competitive advantage (Barney, 2001). The theory

maintain that the major part of any firm’s strength or weakness stem from the calibre of the people employed and the quality of their working relationships. Having a competitive advantage is necessary for a firm to compete but what is more important is whether the competitive advantage is sustainable (Kimando, Njogu, & Sakwa, 2012). Technology and capital can be acquired by most firms any time, for a price, but it is not easy to acquire a ready pool of highly qualified and motivated employees. Thus, in order to be differentiated, the companies need to have a stronger pool of workforce with different competences.

**Conceptual Framework**



**Job Competence and Employees’ Performance**

Competency encompasses the knowledge, skills, abilities, traits and behaviors that allow an individual to perform a task within a specific function or job. Job specifications can include job requirements such as written communication skills or prior experience in a certain field. Job specifications allow companies to determine the educational, professional and certification requirements for a person performing a job. Prien and Hughes (2004) demonstrated that minimum qualifications, such as education requirements, can be established by utilizing a quantitative job analysis designed to measure the educational achievement needed to perform a task.

In implementing effective HRM the introduction of competency building programs for each job or task should be considered, as an employee’s competencies are usually linked to their job and,

hence, to organizational performance. Therefore, improving employee competencies would improve both job and organizational performance and an organization needs to polish the competencies of individual employees to support a competitive strategy. HayGroup (2004) point out that an organization's best source of competitive advantage lies with its employees. Strategies, business models, products and services can all be copied by competitors, but talented and competent employees represent a sustainable source of differentiation. Organizations try to increase their capabilities by investing more in training and management development. Moreover, human resource development encourages competency development by forming opportunities within the organization for employees to develop their competencies for both their own benefit and the benefit of others (Rao 2000; Rodrigues & Chincholkar, 2005).

Competence and performance have been seen to be related. Vroom (1964) indicated that employee performance is a function of individual ability and motivation. According to Borman and Motowidlo (1997), abilities and skills tend to predict task performance, while personality and related factors tend to predict contextual performance. Employees' performance is the product of their competence, the support to adequately perform their job, and the motivation to perform their job at high levels.

## **Research Methodology**

### **Research Design**

The research study adopted a descriptive survey design which is based on the use of a questionnaire. According to Zikmund, (2010) a descriptive research design includes a process of collecting data in order to answer questions concerning the current status of the subjects under study and that it uses a pre-planned design for analysis. The variables under investigation in this study were job competence and employee performance.

### **Population of the Study**

(Kombo and Tromp, 2011) refers to population sample as entire group of persons or elements that have at least one thing in common. The population of the study includes all the private universities in Kenya. The target population involve the employees in the human resource departments of the various private universities in Kenya.

### **Data Collection Instruments and Procedures**

The data was collected using questionnaires from employees of private universities in Kenya. A five-point Likert Scale was adopted for scale measurement. Questionnaires were distributed to selected staff in their respective offices with instructions on how to fill them. The questionnaires were dropped and picked by the researcher in the selected universities. In each section, the respondents were given clear instructions on how to complete the questionnaire.

### **Tests of Validity and Reliability**

**Table 1: Reliability Test**

Variables	Cronbach's Alpha Estimated
Employees performance	0.77
Job competence	0.76

In this study to ensure the reliability of the instrument Cronbach’s Alpha was used. Cronbach Alpha value is widely used to verify the reliability of the construct. Table 1 presents the results from the pilot study where 10 % of the target population was involved. It was observed that the reliability and internal consistency of the items constituting Employees performance and Job competence structure constructs was established. The individual Cronbach’s Alphas for these variables were 0.77 and 0.76 respectively which were above the required cut off minimum value of 0.7, therefore all the item in the questionnaire were reliable. The interpretation was that all the



items in the research instrument were eligible for the inclusion in further collection of data and analysis to interpret the relationship between job competence and employees performance.

### Data Analysis and Interpretation

**Table 2: Response Rate**

	<b>Number</b>	<b>Percentage</b>
Responded	177	84
Did Not Respond	33	16
Total	210	100

Table 2 indicates that out of the 210 questionnaires administered, only 177 were returned. The overall response rate was thus found to be 84% which was very high and above the average. The 16% of the respondents did not respond. The interpretation was that the high response rate was essential to obtain sufficient observations for further analysis. According to Coppers (2003) the recommended response rate for further analysis and interpretation should be above average, 50% and above.

### Descriptive Statistics

#### Descriptive analysis of Job Competence on employee’s performance

**Table 3: Job Competence**

<b>Statement</b>	<b>Mean</b>	<b>Standard deviation</b>
Employee with right skill are acquired for the job	4.34	1.177
Employees output is determined by the level of my education, experience and commitment.	4.42	1.199
Organization embraces on the job training to help the employees improve their performance.	4.37	1.185
Employee with high level of education perform better than those less educated	4.34	1.141
Long serving employees in the institution perform better than those recently recruited	4.44	1.181

The study sought to examine the respondent’s level of agreement or disagreement on the various measures of job competence. Table 3, presents the relevant results which show that on a scale of 1 to 5 (where 1= strongly and strongly disagree=5). These values showed that the respondents were in agreement with the various measurers of job competence. From the results of the study, long serving employees in the institution perform better than those recently recruited which reported a mean of 4.44. Majority of respondents agreed that output is determined by the level of education with a mean of 4.42. Organization embraces on the job training to help the employees improve their performance recorded a mean of 4.37. While employees with right skills and are highly educated perform better than those who are less educated both recorded a mean of 4.34. When employees had the requisite skills and expertise and the comfort to express their ideas in an environment that is not hostile, it brings out the best and improve employees performance. The results were in agreement with Rao 2000; Rodrigues & Chincholkar, 2005, who noted that human resource development, encourages competency development by forming opportunities within the organization for employees to develop their competencies for both their own benefit and the benefit of others.

**Regression Analysis of Job Competence on employee’s performance**

**Table 4: Model Summary for goodness of fit**

Model	Coefficients	Std. Error	t-statistic	p-value
(Constant)	2.086	0.240	8.692	0.000
Job competence	0.283	0.033	8.469	0.000

From table 4, the regression coefficient of Job competence was found to be 0.283. This value shows that holding other variables in the model constant, an increase in Job competence by one

unit causes the employees performance to increase by 0.283 units. The value of the coefficient is also positive. The positive effect shows that there is a positive relationship between Job competence and employees performance. That is when employee’s competence is increased through training and acquiring of new knowledge, performance of the corresponded employee’s increases.

The coefficient was not just positive but also statistically significant with a t-statistic value of 8.469. The standard error was found to be 0.033 and the p-value was found to be 0.000. Rao 2000; Rodrigues & Chincholkar, 2005, note that human resource development encourages competency development by forming opportunities within the organization for employees to develop their competencies for both their own benefit and the benefit of others. The interpretation was that Job competence causes the employees performance to increase. The private universities in the country should consider the effect of Job competence to their employee’s performance. From the study findings all the measurers of Job competence were found to have influence on employee’s performance in private universities in Kenya as depicted by the various responses from the respondents that were presented using tables.

**Correlation Analysis on the influence of Job Competence on employees performance**

**Table 5: Correlation Matrix**

		Employees performance	Job competence
employee performance	Pearson Correlation	1	
	Sig. (2-tailed)		
job competence	Pearson Correlation	0.778**	.421**
	Sig. (2-tailed)	.000	.000

From table 5, it can be observed that the correlation between the independent variable and the dependent variable was strong and positive at 0.77. The implication was that the high correlation between employees performance and its determinants was good for regression analysis. The correlation between the independent variable was relatively low. The interpretation was that the level of multicollinearity between the independent variable was not very high which meant that the influence of the variable in the regression model could be isolated. Similar findings were supported in the research by Kim (2005), Kuvaas (2006) Obong'o (2009) and Mekonnen (2014) who found that Job Competence, have a strong relationship on performance.

### **Summary of Findings**

The study found out that organization that embraces on the job analysis helps the employees improve their performance. The study also found out that employees with high level of education perform better than those less educated. In order to obtain effective performance in private universities, the department needs to have job incumbents well equipped with job competencies. A well-defined skill competency for a position encourages job incumbents to work more effectively and efficiently. The study found out that there is need for effective training and assigning responsibilities according to the employee's skills and knowledge in order for employees to perform better.

### **Recommendations**

Based on the findings, the discussions and the conclusion drawn so far, the study makes the following recommendations: To obtain a competitive advantage and survive in the current dynamic world, private universities should adapt in many contexts to respond to changing trends

and one key factor that has been primarily examined is human capital. The competency gap, or gap between expected and existing competence, also needs to be assessed because this is considered as a measure of the need for development of private institution employees. The need for competency development of private institution officials at each position level should be identified through the requirements of organizational vision, mission and strategies.

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