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**AN INVESTIGATION OF THE INFLUENCE OF ELECTRONIC HUMAN RESOURCE
SYSTEMS KNOWLEDGE LEVEL ON EMPLOYEE PERFORMANCE
MANAGEMENT PROCESS: A CASE OF NETWORK SERVICE EQUIPMENT
PROVIDER COMPANIES IN KENYA**

MARGARET WAMUYU KIMENYI



**SUBMITTED IN PARTIAL FULFILLMENT OF THE DEGREE OF MASTER OF
BUSINESS ADMINISTRATION AT STRATHMORE UNIVERSITY**

**STRATHMORE BUSINESS SCHOOL
STRATHMORE UNIVERSITY
NAIROBI, KENYA**

JUNE, 2016

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June 2016

Approval

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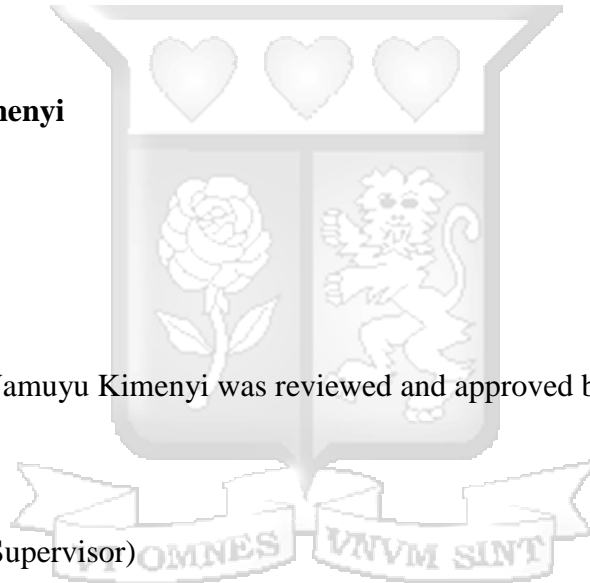
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ABSTRACT

Electronic HR (e-HR) systems is a form of technology that allows HR professionals to assimilate an organization's human resources policies and processes in order to expand overall human resource service supply. The aim of this study was to investigate how the line managers' knowledge level on using electronic human resources (e-HR) systems supports the organization to seamlessly undertake the employees' performance management process in Networks Service Equipment Provider (NEP) Companies in Kenya. The focus of the study was on four (4) factors, to determine the line managers knowledge level on how to use e-HR systems to complete employee individual performance management agreements; to determine the influence of e-HR systems knowledge level on goal setting agreements closure by line managers; to identify the influence of e-HR systems knowledge level on virtual employee management and extent of control on employee performance management process; and to determine the extent to which e-HR systems knowledge level support line managers' compliance with the employee performance management process. The study employed descriptive research design and the design was chosen as it portrays an accurate profile of e-HR systems within the four Service NEPs in Kenya. The target population for this study was sixty one (61) managers, and 72% of them participated in the survey. Closed and open ended questionnaires were used as a tool for gathering primary data from the field. The findings indicated that the use of e-HR systems is a practice that has been adopted in the industry, and investing in the line managers knowledge level has had a positive contribution in the employee performance management process.

Key words: *Electronic HR Systems, Performance Management, Goal Setting, Virtual Employee Management, Extent of control and compliance*

DEDICATION

I dedicate this work to my family and my employer for extending the much needed support to enable me achieve one of my life dreams; to further my studies. Without the financial support, exposure, study leave and relieve from some scope of responsibilities, this journey would not have been possible. May this work inspire the Kenyan girl child to learn, eventually to lead and raise their hand when opportunity comes knocking on their door.



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I acknowledge that there is a group of people without whom this thesis might not have been written, I will forever be indebted. To my family, who has been a source of encouragement and inspiration to me, I say a very special thank you for actively supporting me in my determination to find and realize my potential. Am thankful for the invaluable support and guidance I have received from my supervisor, Dr. Everlyne Makhanu and my good friend Seamel. I couldn't have managed to print this work without their criticisms, suggestions and much needed encouragement when the going got tough. To all of the men and women who participated in this study both formally and informally – you have all contributed greatly to make a positive difference in my life.



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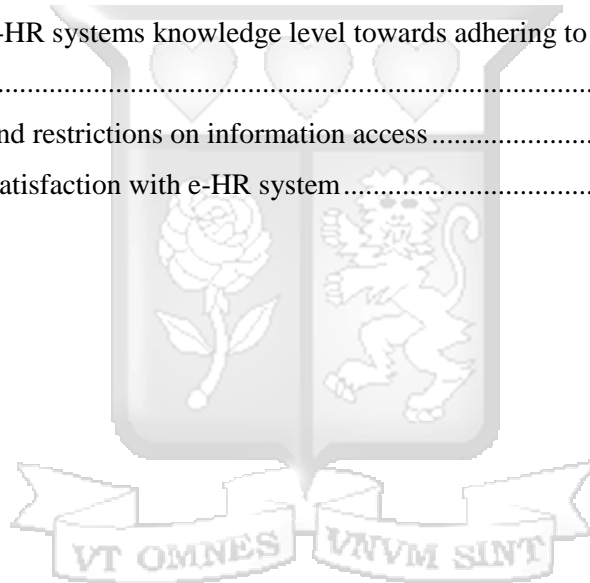
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ABBREVIATIONS / ACRONYMS

CPM:	Computerized performance monitoring
e-HR:	Electronic Human Resource
HCM:	Human Capital Management
HR:	Human Resource
HRMS:	Human Resource Management Systems
IBM:	Integration and Business analytics consultants
IOMA:	Institute of Management and Administration
IT:	Information Technology
MNO:	Mobile Network Operators
RBV:	Resource- Based View
Service NEP:	Network Service Equipment Provider
TAM:	The Applicant Manager



DEFINITION OF TERMS

Compliance in this study refers to adherence to procedures and consistency on composition of the performance review form (Aswathappa, 2005).

Electronic HR systems in this study refers to a term that recognizes a form of technology that allows HR professionals to assimilate an organization's human resources policies and processes in order to expand overall human resource service supply (Ajzen, 2000).

Goal setting agreements closure in this study refers to the managers completing employee performance reviews (Unal & Mete, 2012). Characteristics of automated systems enhance time-saving features through quick online access that speeds up the entire process (Bell, Lee, & Yeung, 2006).

Performance management in this study refers to the process of managers creating and writing appraisals for their direct reports. The process entails filling out appraisal forms via the use of sentences and paragraphs and with an aim of providing meaningful feedback to staff (Whitley, 2007).

Virtual employee management and extent of control in this study measures the degree to which a line manager is able to supervise a given number of employees sitting in various locations at the same time (Amir, Minoo, & Mohammad, 2012).

CHAPTER ONE

INTRODUCTION TO THE STUDY

1.1 Background Information

With the growing effect of technology and globalization, firms have embraced the use of information systems in different business areas and sectors. Human resource management is one of the sectors that frequently make use of management information systems. Human Resource information systems maintain activities such as identifying possible staff, keeping whole history of current employees and generating programs that improve employees' competence. Human Resource systems assist the management team to find the manpower needed to meet the organisation's long term business plans and strategic goals (Gueutal, 2005).

Electronic HR (e-HR) is a term that recognizes a form of technology that allows HR professionals to assimilate an organization's human resources policies and processes in order to expand overall HR service supply (Ajzen, 2000). Due to increase in HR complexity, organizations have been approving ways to integrate electronic and computer tasks into their HR strategies (Bergman, 2002). Organisations continuously look for superior ways to manage costs, deliver improved customer service, and successfully manage human capital, and e-HR has become essential in aiding companies attain these objectives. One of the most successful advances is the transfer of Human Resource Information Systems applications onto an intranet (Cascio, 2006). An intranet is a network that is unified in one organization, using Web technologies to facilitate internal sharing of information. The intranet has aided companies to connect Web-based technology and use Web-based applications to improve Human Resource services. Over 90 per cent of organisations are presently using the Web for HR commitments (Cardy, 2003).

According to Whitley (2007), regulating employee behaviour is one of the main aims of a HR employee performance management system, warranting its placement with organizational objectives. The typical employee performance management system has subsystems dedicated to; creating performance indicators; evaluating employee performance; availing feedback to staff on

the extent to which the performance standards are being achieved; undertaking corrective measures in the case that performance does not meet the required criteria.

To meet the objective of regulating employee behaviour, numerous organisations in Kenya at present use e-HR systems to support the employee performance management procedure. These systems can help to operate performance management, generating forms, analysing and reporting on the result of performance reviews showing the distribution of people with different degrees of potential or performing at different levels, and highlighting individuals with particular skills or special promise. These systems can be linked to others to provide an integrated basis for creating and implementing human resource management policies (Armstrong, 2006).

Computerized performance monitoring (CPM) systems support the measurement of employee performance by observing scores of variables such as number of completed work units, key strokes, and periods spent on tasks, and rate of errors. One of the aims of organizations in Kenya putting in place such systems is to achieve better extents of control and to eradicate the need for managers to devote a lot of time monitoring the behaviour of employees and measuring their performance (Cardy, 2003). In addition, electronic employee performance management systems support managers to create and write appraisals. The systems simplify the process of filling out appraisal forms via the use of sentences and paragraphs. Moreover, e-HR systems are used to support managers to provide meaningful feedback to staff, for instance, intranet systems can be used for multi-rater or 360° feedback (Whitley, 2007). Such a system sends emails to raters and requests them to complete online assessments of the performance of rates. The subsequent data is combined and feedback is delivered to the rates.

Automated systems enable employees to obtain feedback from many raters within a short time, and the information can be used to improve their performance. E-HR employee performance management systems can likewise be used to monitor and compare unit (e.g., group, plant) performance with reference to measures such as attendance, lateness, complaints, and turnover (Stone, Stone-Romero, & Lukaszewski 2003). The unit-level data can be used to; recognize human resource problems; identify extraordinary performance; expose possible rating errors (e.g., compassion, central tendency); avail alerts to managers on the occurrence of such errors.

This study focussed on Network Service Equipment Providers (NEPs) companies in Kenya and sought to investigate the influence of electronic HR systems knowledge level on employee performance management process. A Service NEP is the life line of Mobile Network Operators (MNO). They supply radio, transmission, core network and billing equipment without which mobile operators cannot operate. Further to this they supply integration services to interoperate the various components. They also provide multivendor integration, since mobile operators select different Service NEPs to operate within the network. Over and above being equipment suppliers, Service NEPs are system, integration and business analytics consultants (IBM Global Service Study, 2007).

1.2 Problem Statement

Organizations have found it necessary to go great lengths to manage, develop and appraise employees' performance throughout the employment life cycle. In order to remain competitive in the changing environment, many companies have adopted e-HR systems to manage employees' performance (Armstrong, 2006) as opposed to manual processes.

Manual processes and disjointed IT tools are difficult to administer consistently and accurately especially in situations where employees are not sitting in same locations with their line managers, and hence performance levels becomes very difficult to track. This was the reality of the Network Service Equipment Providers companies and it was noted that there was a problem arising from; incorrect use of electronic HR systems to manage employee's performance; lack of completing performance agreements within specified timelines; difficulty tracking performance management for employees sitting in different locations from their managers; lack of adherence to the employee performance management process guidelines (McKinsey & Company, 2016). There was no actual reference on the specific cause of the problems and this raised the researcher's interest to study the influence of line managers' knowledge level on the use of e-HR systems in the employee performance management process in order to understand if this could be a cause of the challenges.

1.3 Research Objectives

1.3.1 Main Objective

Main objective of this study was to determine the influence of Electronic HR Systems knowledge level on employee performance management process.

1.3.2 Specific Objectives

The study was guided by the following specific objectives;

- i. To determine the line managers' knowledge level on how to use electronic HR systems to complete employee individual performance management agreements.
- ii. To determine the influence of electronic HR systems knowledge level on goal setting agreements closure by line managers.
- iii. To identify the influence of electronic HR systems knowledge level on virtual employee management and extent of control on employee performance management process.
- iv. To determine the extent to which electronic HR systems knowledge level support line managers to comply with the employee performance management process.

1.4 Research Questions

The purpose of the research was to seek answers on the following research questions;

- i. What is the line managers' knowledge level on how to use electronic HR systems to complete employee individual performance management agreements?
- ii. How does the electronic HR systems knowledge level influence goal setting agreement closure by line managers?
- iii. What is the influence of electronic HR systems knowledge level on virtual employee management and extent of control on employee performance management process?
- iv. What is the extent to which electronic HR systems knowledge level help line managers to comply to the employee performance management process?

1.5 Scope of the Study

The companies that this study focussed on were four (4) global players (RCRWireless, August 2013). These companies are Ericsson, Huawei, Alcatel-Lucent, Nokia Solutions and Networks. The researcher undertook an in-depth analysis of the electronic HR systems that manage employees' performance in the four global companies in Kenya.

1.6 Limitation of the Study

The e-HR systems in each organisation did not follow a particular standard global structure but were tailor made to suit specific needs of the different companies. This made it difficult for the researcher to independently formulate a robust questionnaire, but this challenge was overcome through conducting structured interviews with HR Managers and conducting pilot studies with line managers who understood their own internal systems and the scope of operations.

Another limitation was that some respondents were not willing to reveal all information since the information in research is considered as confidential information in the organisations. This was overcome by seeking approval to carry out the study from the executive management in the selected companies, and assuring them of confidentiality in handling of the data that will be provided.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter highlights the theoretical review where the concept of employee performance management was covered, empirical review on the influence of e-HR systems on employee performance management process, research gap and conceptual framework.

2.2 Theoretical review

2.2.1 The concept of employee performance management

The need for an effective and efficient HR function is currently inevitable for most if not all organizations. In the more contemporary sense, e-HR has gained prominence due to the benefits of reduced HR running costs and better return on investment. Armstrong (2006) highlights that performance management is a systematic process directed towards improving organizational performance. This is achieved through developing the performance of individuals and teams within the organization. It is a way of getting better results by understanding and managing performance within an agreed framework of planned objectives, standards and competency requirements. Performance management emphasizes on people doing the right things by clarifying their objectives. It is owned and driven by line management and the overall aim of performance management is to establish a high performance culture. A high performance culture is one in which individuals and teams take responsibility for unceasing improvement of business processes, and for their own skills and contributions, within a framework provided by effective leadership. Employee performance management process is paramount to achieving organization's goals and objectives. In definition, Deb (2006) states that employee performance management is a continuous process of communication between management and the employees, that occurs in support of accomplishing an organization's strategic objectives.

Wright and Haggerty (2005) outlines three types of HRM namely: operational HRM which concerns basic HR activities like Salary administration, personnel data and general administration; relational HRM as advanced HR activities referring to HR tools that support basic business processes such as recruiting and selection of new personnel, training, performance management appraisal and rewards; and transformational HRM which comprises of strategic HR activities including organizational change processes, strategic re-orientation, strategic competence management and strategic knowledge management. This implies that HR as function is wide and highly requires automation in order to be effective and efficient.

Effective performance management systems have a well coherent process for accomplishing evaluation activities, with defined roles and timelines for both managers and employees. In organizations that use e-HR performance management as a basis for pay and other HR decisions, it is important to ensure that all employees are treated in a fair and equitable manner. An effective HRM system requires planning and coordination as well as constant evaluation and readjustment. Human resource planning also serves to align the various HR activities with each other (Werner & DeSimone, 2011). Researchers and experienced practitioners have identified various characteristics for effective performance management systems. One such characteristic is the use of electronic systems for improvement in HR strategic orientation; improvement in client focus and satisfaction; and decrease in costs and improved efficiency (Wright & Haggerty, 2005; Pulakos, 2004; and Werner & DeSimone, 2011).

While there is no theory that directly explains the human-centred automation, automation is thought to improve efficiency and effectiveness in organizational activities (Kaber & Endsley, 2003; Parasuraman, Sheridan, & Wickens, 2000). This research was based on some theories as follows; resource-based view theory, work motivation theory and vroom's expectancy theory.

2.2.2 Resource-based view theory

The resource-based view theory is one of the more significant paradigms from the field of strategic management. The theory emphasises on the resources that firms have developed to compete in the environment and draws attention to the firm's internal environment as a driver for

competitive advantage. The theory states that for an organization to have a sustained competitive advantage, it requires heterogeneous resources both tangible and intangible. These resources should be valuable, rare and should not be easily imitated or substituted (Kor & Mahoney, 2004).

In order for an organization to achieve strategic HR functions and maintain sustainable competitive advantage, the management should focus should be on the internal resources as the principal influencing factor. The value brought by human resource is the core of this approach where flexibility is optimized in order to increase efficiency and reduce costs. Human resource tend to increase the competitive advantage of a company in comparison to another by adding value, uniqueness and implementation of the most effective way to use resources. Basic employee performance provides a basis on the linkage between management and resources (Sheridan, & Wickens, 2000). Resource-based theory suggests that employee performance is influenced by availability of support resources and mutual interaction between an organization's top management and its human resource leading to higher performance. This theory links to this study as the e-HR systems create a seamless interaction between employees, their line managers leading to an enhanced performance management process geared to achieve high performance levels.

2.2.3 Work motivation theory

On the other hand, work motivation theory according to Herzberg's Two-factor theory suggests that for employees to perform exceptionally well, the work environment ought to be motivating and hygienic. Application of e-HR system enhances equity theory. John Stacey Adams' equity theory explains that when people feel fairly or advantageously treated they are more likely to be motivated and when they feel unfairly treated they are highly prone to feelings of disaffection and demotivation. Therefore, employees seek to maintain equity between the inputs that they bring to a job and the outcomes that they receive from it against the perceived inputs and outcomes of others. The belief in equity theory is that people value fair treatment which causes them to be motivated to keep the fairness maintained within the relationships of their co-workers and the organization (Pinder, 2014). The e-HR systems in the context of this study would create equality and hence motivation to employees as they are all measured on the same standard

metrics as provided for by the e-HR systems hence eliminating any feeling of favouritism in the employee performance management process.

2.2.4 Vroom's expectancy theory

Additionally, Vroom's expectancy theory (1964) posits that behavior results from conscious choices among alternatives, whose purpose is to maximize pleasure and to minimize pain. Vroom further states that an employee's performance is based on individual factors such as experience, knowledge, personality, skills and abilities. Expectancy theory hypothesizes that it is the anticipated satisfaction of valued goals which causes an individual to adjust his behaviour in a way which is most likely to lead to his attaining them (Christopher, Hapwood, & Shields, 2009). Linked to this theory line managers do benefit from powerful insights from collated data. Data proves to be of value when collated and grouped in a manner that enables consumers to gain access and draw inference from it (Armstrong, 2006). The link of this theory to this study is that e-HR systems outputs can influence management decisions regarding pay, promotions reduction of work force, training and HR development with fairness. Employee performance information can easily be accessed by line managers for rewarding or training for improved performance. When employees have this knowledge, they are bound to be motivated to perform.

2.3 Empirical Review

2.3.1 Technology and HR systems

Electronic-HR refers to the process of undertaking HRM transactions using the Internet and other technologies. An e-HR system purposes to provide useful information to managers and employees anytime and anywhere. For example, it permits staff to take over some of the administrative roles of the HR department, by updating records, controlling their personal information and keeping control of timing and agenda. When it comes to line managers, it helps them to access information and data, conduct analyses, and make HR related decisions without consulting the HR department (Panayotopoulou, Vakola, & Galanaki, 2007).

E-HRM is a more specific vision of how HRM and associated processes can benefit from a rational use of IT. According to Voermans and Veldhoven, (2007), a positive relation was expected between reported ease of use, usability, user support and output quality of an IT system and the attitude towards e-HRM. The cost of undertaking HR transactions is significantly reduced, response times are improved and there exists increased quality and consistency of the HR information (Olivas-Lujan, Ramirez & Zapata-Cantu, 2007).

HR systems refer to the software used to enter, store, analyze, validate, interpret and retrieve data on human resources and this is the principle underlying the notion of e-HRM. Information technology can only support true competitive advantages in combination with soft HRM practices, knowledge management and trust relationships as stipulated by Kearns and Lederer (2000). In this regard, firms must enhance their employees' skills, attitudes and behaviors towards creating and sharing knowledge in technology-based work environments, like an intranet. An intranet is a private computer network that works through use of internet protocols, network connectivity, and possibly the public telecommunication system to securely share part of an organization's information or operations with its employees. Intranets have inherited from web parenting the low cost, inexpensive fees, scalability and excellent support advantages, but these benefits will only be realized in organizations where proper design and management is put in place (Chen, Hsu, Chang, & Yeh, 2005). This means that the Internet's interactivity and real-time interaction collude with the advantages of having the information on HR systematized, allowing for most efficient decision making.

Chen et al. (2005) further indicate that Human Resources Management Systems (HRMS) or Human Capital Management (HCM) Software makes management of a large or growing workforce more efficient. The softwares are developed to suit different sizes of organizations as well as varied functions. These solutions simplify the traditional HR functions of benefits administration, personnel tracking and payroll administration. In addition to increasing productivity by automating numerous administrative processes, HR software also supports an organization's top management at a strategic level, by aiding in recruitment, development and management of the company's human resource. The Cedar Human Resources Self-Service/Portal Survey (2001) revealed that organisations using information technologies could

potentially decrease HR transaction costs by up to 75% and recuperate costs associated with the technology in less than two years. In addition to cost reduction, many organizations utilize e-HR systems in an effort to enhance the efficiency and effectiveness of HR activities. For example, a recent study by the Institute of Management & Administration (IOMA, 2002) established that 70% of companies reported that technology led to improvements in the quality and timeliness of HR services to staff and 67% reported that e-HR has led to improvements in overall organizational efficiency (IOMA, 2002).

2.3.2 Influence of line managers knowledge level on how to use e-HR systems

Ruël, Bondarouk and Looise, (2004) advised that e-HRM allows HR function to improve the level of service that is provided to the organisation by empowering managers and employees to control and manage many aspects of human resources. Healthcare Information and Management Systems Society, (H/MSS), 2008 asserted that e-HR system provides managers and employees with remote access to HR information by enhancing their ability to connect with other parts of the organisation in order for them to perform HR activities effectively. This transfer of HRM activities to line managers is a commonly cited characteristic of strategic HRM (Larsen & Brewster, 2003; Whittaker & Marchington, 2003). A positive relationship arises from the use of e-HRM and the transfer of HR activities to line managers by facilitating the performance of HR tasks by managers through manager self-service.

Line managers are responsible for HR activities within and without an organization. Line managers refer to professionals with direct managerial responsibilities to particular employee(s). Recently, there has been a strong interest in the relationship between line managers and the way they add value to organizational performance other than the assessment of the effectiveness of HR policies and practices (Teo, 2002).

Research has it that technology-based competencies were earlier considered less competitive but a drastic change has evolved in HR which affects everyone within and on the borders of the organization (Boselie, & Paauwe, 2005). The change is supported and led by information technology (IT), specifically Internet, which is infiltrating slowly but surely on the line

manager's function. This change compels companies to adapt to business environmental changes that enhance information flows. HR professionals, line managers and employees normally vary in the way they interact and use e-HR systems. Since they are all end users of the system, they are expected to be the cause of interaction between e-HR usage and the strategic contribution of e-HR to the organization. The line managers' use of the e-system may fail to have strategic contribution if not used frequently and in alignment with its intention.

Regardless of the advantages of web based online performance management system that a company chooses to purchase, it still requires managers to change how they use performance appraisal information. Collou (2014) argue that the e-HR system, if not used frequently, may not achieve any strategic contribution to the organizations. Since the HR functions are cyclic in nature, the process has to be continuous for success to be realized. Further, appropriation is paramount in the line managers' selection of technologies based on their intentional use, for example, the technologies chosen should solely be used for their intended purpose failure to which strategic contribution is lost.

E-HR systems should be of task significance to the line managers i.e. the systems must be influential in the sense that the information provided should be beneficial to the line managers. E-HR systems that provide information that line managers can use to make short and long term decisions affecting the internal and the external environment of an organization are thought to lead to higher strategic contribution. To increase correct usage of these systems, therefore, extensive training of managers is required (Noe, Hollenbeck, & Gerhart, 2013).

2.3.3 Influence of electronic HR systems knowledge level on goal setting turnaround time

The benefits of goal setting on performance have been shown in virtually several empirical studies (Locke & Latham, 1990). According to Locke's and Latham (1990) clear and challenging goals advance employee motivation in the workplace. Goals that are well defined and challenging to attain are more likely to be met because they hold intrinsic and extrinsic value to the employee. The success of both the organization and the employees heavily depends on setting appropriate and realistic goals. Organizations that opt to automate the process of goal

setting, monitoring and measuring performance in relation to achievement of set goals is bound to achieve greater visibility by managers on employees and organizational goals ; and ability to undertake evaluations effectively and efficiently hence high achievement (Ordóñez, Schweitzer, Galinsky, & Bazerman, 2009).

Ordóñez et al. (2009) indicate that managers have access to the organizational strategic plan, while employees have a good understanding on how they can work out their departmental deliverables to their teams. Timelines can be better managed by managers as a result of direct access to employees' progress. Constant communication becomes easy at every stage of goal completion, and where necessary managers can take quick remedial steps such as coaching and mentoring to support progress.

Pertinent to the discussion of performance management, a goal setting theory established by Locke (1968) argued that goals pursued by employees can play an important role in motivating superior performance. In following these goals people examine the consequences of their behaviour. If they surmise that their goals will not be achieved by their current behaviour, they will either modify their behaviour, or choose more realizable goals. Accordingly, if managers can intervene to establish the organization's goals as being meaningful for employees to accept, they can harness a foundation of motivation to perform, and direct it to securing strategic outcomes (Oracle, 2012).

E-HRM promotes the functions of HRM from operational to strategic level that makes the role of HRM turn to a partner, creator and administration supporter. It aims to make information of each HR function available to everyone from top executive to line managers and employees at any time anywhere. Swaroop (2012) states that this can occur through application of e-HRM on the recruitment process, employee development and strategic management process. Since there are many job applicants, they can be tracked using an e-system for e-selection and e-recruitment. This significantly reduces recruiting costs and time that would have been used for advertising and administration.

Web based systems enable managers to complete employee performance reviews in considerably less time as compared to paper based processes. Electronic HR Systems allows HR professionals to spend less time on routine tasks and makes it easier to acquire and analyze information for example; research indicates that recruiting process shortens by 40% (Unal & Mete, 2012). Characteristics of automated systems that enhance time-saving features comprise of: work flow; cost reduction; efficiency; improvement of employee relationship, automatic information management, and self-support system for employees and information sharing through quick online access, automated email reminders that speed up the entire process by informing the participants of open tasks; and in built Writing assistants to shorten review-writing time by 90% through availing to managers comprehensive options of mandatory competencies for common job clusters (Bell, Lee, & Yeung, 2006).

E-HR system is highly effective due to the adoption of technology. The performance of human resource management therefore depends on the application of software and larger management systems that include self-service capacity based on internet and intranet hence efficient work flow. Application of e-HR system is thought to result in a more dynamic workflow in the business process, productivity and employee satisfaction. E-HRM comes with ease of administering employee records thus reductions to cost, time and labour (de Juana Espinosa, Luján-Mora, & Milosz, 2013).

2.3.4 Influence of electronic HR systems knowledge level on virtual employee management and extent of control

Virtual employee management is the ability of managers to lead virtual teams over time and distance via electronic media to combine effort and achieve common goals (Hoch J & Kozłowski, 2014). Extent of control measures the degree to which a line manager is able to supervise a given number of employees sitting in various locations at the same time. Though the exact number of reports that are to be received per manager is not documented, extent of control is critical in understanding organizational design and the behaviours within an organization, such as the approach used to interact with employees and the effectiveness of communication between each level within an organization. Therefore, many factors will need to be appraised before determining the best ratio within an organization (Amir, Minoo, & Mohammad, 2012).

On organizational design, Amir et al. (2012) states that, a small number of direct reports will create a narrow extent of control. Narrow extent of control is more expensive for organizations, but on the other hand it allows for line managers to spend more time in direct supervision of their direct reports, and they tend to spark professional growth and advancement. In contrast, a wide extent of control refers to a larger number of direct reports supervised by one manager. Narrow extent of control creates a ‘tall’ organization while a wide extent of control creates a ‘flat’ organization. Flat organizational approach increases the number of interactions between the manager and his or her direct reports, which could cause managers to become overwhelmed but can also provide more autonomy. Application of e-HR system for a flat organization could ease the burden of workload and increase efficiency.

Amir et al. (2012) further indicate that to determine the appropriate extent of control for a manager one should consider factors such as the size of the organization, workforce skill level, organizational culture and managers’ responsibilities. Large organizations tend have a narrow extent of control, whereas smaller organizations often have a wider extent of control. This difference is usually due to the costs involved with more managers and the financial resources available to an organization. Communication may be slower with narrow extents if it must pass through several levels of management. Additionally, workforce skill level defines the complexity or simplicity of the tasks performed by the employees which affect the number of desirable direct reports. Generally, routine tasks involving repetition will require less supervisory control of a manager, allowing a wider extent of control, whereas complex tasks or dynamic workplace conditions may be best suited for a narrower extent of control, where managers can provide more individualized attention.

Organizations on the other hand, need to determine the desired culture when designing managers’ extent of control. Flexible workplaces usually have a wider extent of control because employees are given more independence and flexibility in the production of their work. Finally, organizations ought to review if the organizational expectations allow the managers to be effective with the number of direct reports they have, especially related to individual tasks,

departmental planning and training, for instance, executives often have fewer direct reports than other managers in the organization.

Ruël et al. (2004) states that in a broader sense, e-HR systems play a vital role in enhancing managers' responsibilities in order to achieve organizations' set goals. E-HR systems are meant to improve an organization's strategic orientation and client and/ or employee satisfaction and focus while reducing costs and improving efficiency. To achieve this, e-HR systems increase goal visibility and boosts shared accountability. Employees ought to beware of an organization's specific corporate objectives in order for them to deliver the profitability results that an organization aims to achieve.

According to Success Factors SAP Company (n.d), e-HR reinforces management skills and increases quality of feedback. Automated systems that are reliable include writing assistants, tutoring programs and a wide range of innovative functionality geared to increase quality of review feedback. The systems support managers to a large extent to undertake appropriate performance reviews with their direct reports. When managers write reviews that are meaningful and concise, employees are bound to gain more insight and better understanding of their deliverables against the organizational goals. Consistency is achieved by writing assistants given that organizations will always have many managers at any one given time, which helps them to deliver feedback at a deeper level. Managers are more easily empowered to make decisions on promoting employees who are achievers, because they have access to guiding information availed by the integrated coaching tools.

Success Factors SAP Company (n.d) further indicate that the integrated systems provide managers with advice on mentoring and coaching employees through a wide area of focus, for example, communication, interpersonal skills, and business competencies. Besides, e-HR enhances easy implementation of best practices in employee performance management process. In order to remain relevant, companies should incorporate in their employee performance management process, best practices acknowledged by prominent companies and experts in the field. Manual systems can accommodate some of these best practices, but automated systems make it significantly easier to adopt them.

2.3.5 Influence of electronic HR systems knowledge level on compliance

Automation enables companies to track and screen the end to end performance review process ensuring alignment and compliance across all departments. The systems boost lawful compliance, compliance to procedures and consistency on composition of the review form. Due to probable costs related to discrimination and unjust dismissal suits, an organization needs to regulate exactly what the courts consider as legally defensible performance management system (Noe et al., 2013; Aswathappa, 2005).

Superior automated systems are designed to include built-in legal scan functions to support managers in writing reviews that conform to legal requirements and this protects the organization from facing exposure to legal lawsuits. Two significant and interrelated issues are associated with the legal compliance when it comes to security of employee data, whether it is kept manually or processed electronically by an automated system. First, assuring confidentiality in possession and use of data; and, second, determining who should have access to data. This concern for confidentiality is often heightened when the records are kept electronically. Automated performance review management systems have built sophisticated security systems which allow individual user profiling to ensure that access is on a need-to-know basis (Noe et al.).

Compliance to procedures ensures that employee participation is encouraged by automated processes hence the 360 degrees feedback becomes achievable as well as planning on targets in the performance management process. Automated systems support monitoring mechanisms on which individuals have pending tasks and this facilitates alignment of performance management goals across the organization. There is also elimination of challenges brought about by manual paper based processes (Pulakos, 2004). Centralization of the performance reviews enables managers to gain instant access to records and can route electronic forms that require further review or approval to the appropriate people. Online performance review systems permit managers to easily dispatch communication and reminders to staff to keep track on the process. Manual processes can make it easy for radical managers to make alterations that are not desirable on performance review forms. Automated systems bring in control and tracking mechanism by

assigning rights to individuals to enable them to make alterations on review forms. The systems will have the flexibility to accommodate unique aspects of specific jobs and will enable managers to customize some sections on the forms hence consistency on composition of the review form. According to Success Factors (n.d), automated systems encourage legal compliance, process compliance and review form consistency.

While Armstrong (2006) outlines challenges associated with e-HR systems, other researchers such as Waddill, and Marquardt, 2011; Bondarouk, 2009; and Jackson, DeNisi, and Hitt, 2003, argue that e-HR systems give organizations a competitive advantage since it facilitates learning by prompting an interactive process to occur during the performance development cycle. Organizational cycle is developed between managers and employees. Many companies are therefore adopting web based and online paperless performance systems. Kavanagh, Thite, and Johnson (2014) outlines several HR systems gains including assisting organisations to make sure that performance goals at all levels of the organizations are aligned, enhancing managers' access to employee performance data, providing tools for understanding and using the data and improving the efficiency of the appraisal systems.

Ruël et al. suggested that e-HRM has the ability to change the HR function by improving the strategic orientation of HRM. A strategic HR function is one in which HRM is linked to the strategic management process of the business (Wright & McMahan, 2011). This means that HRM uses an integrated set of policies and practices developed to execute the company's implicit or explicit business strategy through managing the firm's human resources (Martin-Alcazar, Romero-Fernandez, & Sánchez-Gardey, 2005).

There exists debate in the academic literature around whether a transformational influence of e-HRM can be realised. There are researchers who have indicated that e-HRM may assist the HR function in becoming a business partner (Ruta, 2005; Ruël et al.), on the other hand, others have suggested that e-HRM has not achieved its potential to facilitate a more strategic role for the HR function (Tansley, Newell, & Williams, 2001). In reference to case study research from Ruël et al. and Olivas-Lujan et al. (2007) evidence is provided that e-HRM aided the strategic integration of e-HRM with the company strategy. They also demonstrated a relationship between use of e-

HRM and a more strategic HR function. Burbach and Dundon (2005) however found that e-HRM was generally used for administrative rather than strategic decision making purposes; although they found that some firms with e-HRM had better HRM information compared to non e-HRM using companies. Gardner, Lepak, and Bartol (2003) advised that, rather than freeing up the time of HR staff, the introduction of e-HRM systems simply led to the replacement of administrative activities with technology related activities. In this regard, there remains lack of clarity on whether e-HRM contributes to a transformational influence on the human resource function.

Additionally, Wright and Haggerty, (2005) state that performance management systems have the ability to support major organizational decisions such as remuneration decisions, promotion decisions, employee development and reductions in work force. A performance management system that attempts to realise too many goals is likely to be ineffective owing to its lack of focus and weight. There is no one type of system or set of goals that is best suited for all organizations. The purposes for a given performance management system should be determined by considering business needs, organizational culture and the system's integration with other human resource management systems. While performance management can be used for purposes of decision-making and employee development, the two goals are seldom supported equally well by a single system. In instances where a performance management system is used for decision making, the appraisal information is used as a basis for salary increases, promotions, transfers, assignments, and work force reduction or other administrative HR actions. Where a performance management system is used for development, the appraisal information is used to guide the training, job experiences, mentoring and other developmental activities that employees will engage in to develop their capabilities (Pulakos, 2004).

Whereas it is theoretically probable to have a performance management system that serves both decision making and development purposes well, it is very difficult to achieve in practice. Further research by Werner and DeSimone, (2011) indicates that the purpose of rating decision-making versus development, affects the ratings that are observed. Ratings used for decision making tend to be lenient, with most employees receiving ratings on the high end of the scale.

Ratings for developmental purposes tend to be more variable, reflecting both employee strengths and development needs.

Ruël et al. in their empirical study recommended a fourth goal of e-HRM: standardisation of HR processes in order to improve the global orientation of the firm. By “global orientation”, Ruël et al. referred to making things to follow the same rules across units or departments rather than necessarily across geographical boundaries. In this study the researcher explored this recommendation by seeking to determine the effect of e-HR on standardisation of processes. Standardised processes allows an organisation to secure compliance with specific HR requirements, and improves the process of management thus making a strategic contribution, since it enhances quicker and more correct decision-making and attainment of e-HRM goals.

2.4 Research gap

A flaw in the foregoing literature is the propensity not to see improvements to the HR process such as improvements in efficiency or service delivery as having a strategic value. In this explanation of strategy, the efficiency and effectiveness of management processes are as important as any other strategic objective. There is also some indication that numerous processes of strategy formation assist firms to perform well (Parry & Tyson 2011). The influence of e-HR systems on employee performance management process is a study that has been undertaken and the focus has been on industries other than telecommunications. In Kenya, this area of study is unclear in the Service NEP companies and this formed a basis for this research.

2.5 Conceptual framework

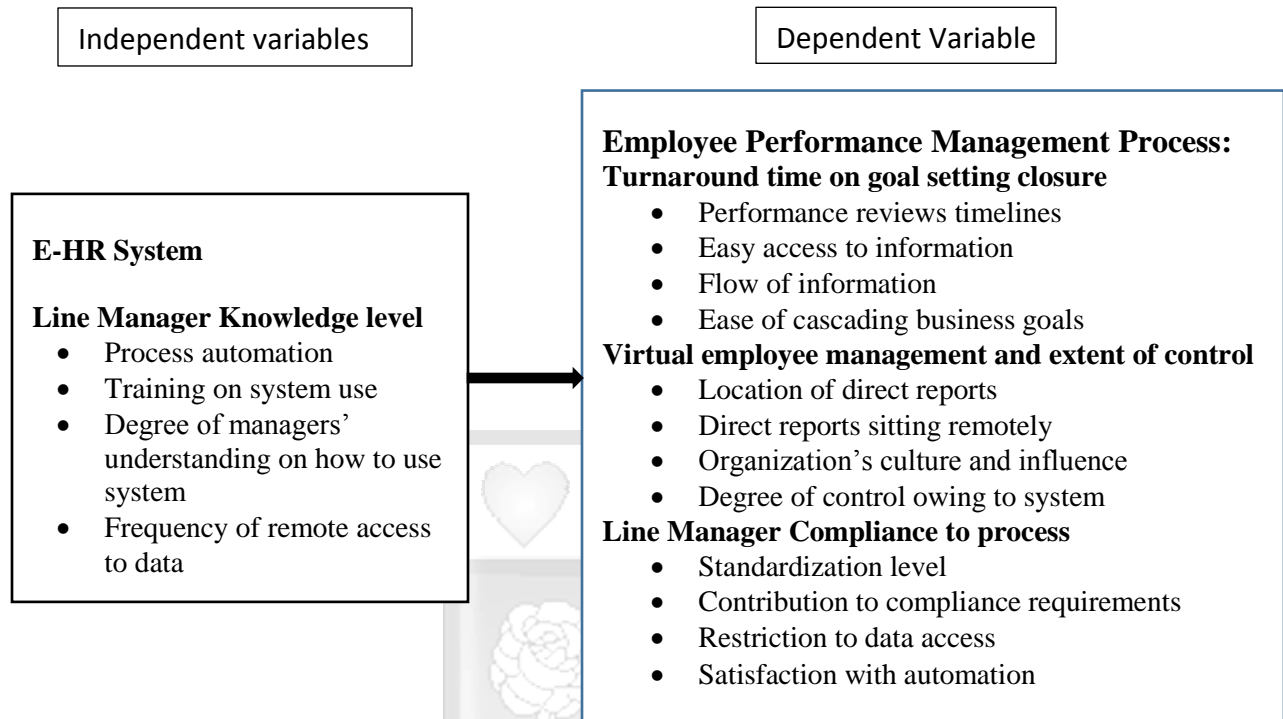


Figure 2.1: Conceptual framework

2.5.1 Operationalization of variables

The independent variable was the e-HR System that an organization chooses to use and parameter of measurement was the line managers' knowledge level which was determined by the following variables; process automation, knowledge on system use, training on system use, degree of understanding of how to use the system and frequency of remote access to data. The dependent variable was the employee Performance Management process which was determined by the following variables; turnaround time on goal setting closure, virtual employee management and extent of control and lastly line managers' compliance to process.

The line managers' knowledge level on the use of e-HR systems may determine the turnaround time with which the managers were able to close on goal setting for their employees. The goal setting process could either take a short time or a long time based on the managers proficiency in using the system. This study measured the line managers' knowledge level against performance

reviews timelines, ease of access to information, flow of information and ease of cascading business goals in an attempt to determine the relationship between line managers knowledge level and turnaround time on goal setting closure in the employee performance management process.

The line managers' knowledge level on the use of e-HR systems may determine the ability to virtually manage and control the employee performance management process for employees sitting in locations away from their managers. The units of measurements were, location of direct reports, number of employees sitting in other locations, the type of organization culture and the related influence on the process and lastly the line managers' degree of control on the performance management process. The outcome of the relationship between these parameters was to determine to what extent knowledge level enables managers to adequately manage employees virtually and also to be in control of the performance management process.

The line managers' knowledge level on the use of e-HR systems may determine the ability of managers to comply with the guidelines governing the employee performance management process. The units of measurements were standardization of the employee performance management process, compliance requirement, restriction on data access and managers satisfaction with the automation of the process. The target outcome of the relationship between these parameters was to determine to what extent knowledge level enables managers to adequately comply with guidelines on the employee performance management process.

While some studies have identified problems related to the use of automated employee performance management systems (Armstrong, 2006), reports from software vendors (SuccessFactors, n.d) identify the aforementioned dependent variables as gains derived from automating the employee performance management process.

2.6 Chapter conclusion

This chapter has shed insight into views of different scholars on managing employee performance by use of e-HR systems and to see how commentary has changed and is still

changing. The concept of employee performance management was evaluated and literature and various theories were evaluated and discussed to evaluate what has been researched before and build on the need for this research on topic of the influence of e-HR systems knowledge level on employee performance management process. From the literature review, it is clear that influence of e-HR systems knowledge level on employee performance management process continues to be studied and analyzed in order to most benefit organizations and employees. The chapter concluded with an outline on the research gap and a defined conceptual framework that acted as a guide to the researcher in the course of the research work.



CHAPTER THREE

RESEARCH AND METHODOLOGY

3.1 Introduction

This chapter presents the methodology that was used to carry out the study. It is much concerned with the way in which the researcher collected data to answer the research questions. The research employed the philosophy of positivism whereby the researcher collected data about an observable reality and searched for regularities and causal relationships to create law-like generalizations (Gill & Johnson, 2010). The research design was descriptive and quantitative as it used predetermined and highly structures data collection techniques. The approach was a deductive approach whereby the focus was on using data to test theory. The research examined relationships between variables which were measured numerically and analyzed using statistical techniques. Probability sampling techniques were used to ensure generalizability, which was conducted through the use of questionnaires and structured interviews (Saunders, Lewis & Thornhill, 2012).

3.2 Research design

The study employed descriptive and quantitative research design. This design was chosen because it portrays an accurate profile of e-HRM within the four Service NEPs in Kenya. Descriptive and quantitative survey research designs are used in preliminary and exploratory studies to allow researchers to gather information, summarize, present and interpret for the purpose of clarification (Orodho & Kombo, 2002). Grimes and Schulz (2002) give the purpose of descriptive research as determining and reporting the way things are. The study fits within the provisions of descriptive survey research design because the design helped the researcher to obtain information concerning the descriptive profile of e-HRM in four Service NEPs in Kenya by providing the most detailed and up to date picture of the e-HRM and thus relate the information to the objective of the research.

3.3 Target population

Population refers to the whole group of individuals, events or objects having common observable characteristics (Mugenda & Mugenda, 2003). It is the aggregate of all that conforms to a given specification. On his part, Denscombe (2007) defines a sampling frame as “an objective list of the population from which the researcher can make his or her selection”. The target population for this study comprised of 61 line managers in all the four (4) network service equipment provider companies in Kenya to determine the influence of Electronic HR Systems knowledge level on employee performance management process. Forty four (44) managers participated in the research.

3.4 Sampling

The total population was sixty-one (61) line managers and since the number was of a manageable size, data was collected from the entire population. Another reason as to why the researcher chose to collect data from the entire population is to increase the chance of a high response rate because the population comprised of a number of executive managers and there was a perception that they may fail to respond to the survey and there was need to reduce the risk of non-response bias as much as possible. The respondents were 15 from Huawei Kenya, 9 Alcatel-Lucent Kenya, 20 from Ericsson Kenya and 17 from Nokia Siemens Networks Kenya. 44 line managers completed the questionnaires while 17 did not.

3.5 Data collection methods and procedures

Questionnaires were used as a tool for gathering primary data from the field and involved both closed and open-ended questions (Appendix 2). The reason for opting to use a questionnaire was because questionnaires work best with standardized questions that are in a certain predetermined order, that the researcher was confident they would be interpreted in the same way by all respondents (Robson, 2011). The questionnaire was designed to acquire information on; the line managers' knowledge level on how to use electronic HR systems to complete the employee individual performance management agreements; the influence of electronic HR systems

knowledge level on goal setting agreements closure by line managers; the influence of electronic HR systems knowledge level on virtual employee management and on control of performance management process; and the extent to which electronic HR systems support line managers to comply with the employee performance management process. During the data collection, the researcher intended to explain the purpose of the survey and shed more light on questions that were not clear to the respondents.

According to Mathers, Fox, and Hunn (2007) questionnaires are used owing to their low cost and because they are free from bias. Also, large samples can be utilized and respondents have adequate time to give concise answers. The results tend to be more reliable and will inform the approach towards addressing the research objectives. According to Mugenda and Mugenda (2003) questionnaire method is commonly used to obtain data about population, since each item is developed to address a specific objective. Besides, questionnaires guarantee confidentiality as respondents act without any fear or embarrassment. They also have standard answers that make it simple to compile data.

The secondary data included the analysis of documents for example identifying the sources and getting the relevant materials. These included published books, projects, internet, newspapers and journals. The questionnaire was administered through, drop and pick or by personal administration depending on which method was convenient to the specific respondents. HR managers were also questioned on their various responsibilities to authenticate the responses obtained and detect bias. This also allowed triangulation of data to determine validity of data, objectivity of data and reduce bias.

3.7 Data validity and reliability

3.7.1 Validity of the instrument

Validity is the accuracy and meaningfulness of inferences which are based on research. It is the degree to which results obtained from the analysis of data actually represent the phenomenon under study. According to Guest, Paauwe, and Wright, (2012), validity cannot be assessed directly and defines it as “*the congruence or goodness of fit*” between an operational definition and the purpose it is purported to measure. In logical analysis the adequacy of the reasoning as opposed to the truth of the premises.

The instrument validity was measured by content validity test to check for appropriateness (Kimberlin & Winterstein, 2008). Also, expert advice was sought to determine whether the set of items in the questionnaire represented the concept under study. According to Donald, Laurie, Chard, Nancy, Mona, Elizabeth, and Lena, (2011) content validity of an instrument is improved through expert judgment. The pilot study also assisted in ascertaining the degree to which data obtained from the questionnaire represented the theoretical concept under study.

3.7.2 Reliability of the instrument

According to Moskal & Leydens (2000) reliability is concerned with a question of stability and consistency. It is a measure of the degree to which a research instrument yields consistent results or data after repeated trials. There was a trial run of the survey instrument with a small number of preliminary respondents to evaluate and rehearse the study procedures. To achieve this purpose, a pilot study with at least two companies was conducted to test the reliability of the questionnaire. Where necessary the questionnaire was amended for optimal relevance. This helped the researcher to rephrase questions which were vague, discover deficiencies and rectify the procedure of data collection and analysis before administering instruments to the sample population. This enhanced the reliability of the instruments, saved time and money.

Pre-testing and test re-test method was used, where the respondents completed the questionnaire twice within a period of seven calendar days. The researcher attempted to minimize random

errors that arose from ambiguity, respondents fatigue and biases through triangulation and during data coding. According to Saunders et al., test re-test estimates of reliability are obtained by correlating data collected with those from the same questionnaire collected under as near equivalent conditions as possible.

3.8 Data analysis and presentation

Monette, Sullivan, and DeJong, (2013) define data analysis as the process of systematically searching and arranging field findings for presentation. The researcher used both descriptive and Pearson's correlation inferential statistics. The descriptive statistics is concerned with organizing and summarizing the data at hand to make it more intelligible (Plonsky, 2015). Statistical Package of Social Sciences (SPSS) software was used to analyse qualitative data where tables with frequencies and percentages were generated and critical analysis and description of the outcome made accordingly. It involved working with data, coding data, organizing, breaking into manageable units, synthesizing, searching for patterns, discovering what's important and deciding what to tell others. Inferential statistics was used to generalize and draw inferences from the sample data to the entire study area. Inferential statistics was in the form of factor analysis that is, Pearson correlation. Organized and coded data was used for cross tabulations to generate frequency distribution tables and percentages. Anderson (2009) points out that the most commonly used methods of reporting descriptive survey research is by developing frequency distributions, calculating percentages and tabulating them appropriately.

3.9 Ethical considerations

The researcher ensured that all the research ethics and logical considerations were observed in carrying out this research study. Ethics has been defined as that branch of Philosophy which deals with one's conduct and serves as a guide to behaviour (Babu, 2007). There exists three extensive areas of ethical concern in scientific research: the ethics of data collection and analysis, the ethics of responsibility to the society, and the ethics of treatment of participants as stipulated by Emanuel, Abdoler, and Stunkel (n.d). This research study observed and undertook all the ethical expectations through; prioritizing the privacy of the research participants by obtaining

their full consent to participate prior to the study, issuing a letter guaranteeing respondent of utmost confidentiality on their identity, briefing the participants on the objectives of the study and expected outcomes without exaggerating the aims and objectives of the research and finally a declaration of the researcher's employment with Ericsson Kenya Limited was made in order to avoid any possible conflict of interest.



CHAPTER FOUR

DATA ANALYSIS, PRESENTATION AND INTERPRETATION

4.1 Introduction

This chapter highlights the results of the findings of the study. The section starts by an overview of the demographics/characteristics of those interviewed (line managers) followed by an in-depth analysis of the influence of Electronic HR Systems knowledge level on employee performance management process. Other sections in this chapter include: Discussion of Line Manager's characteristics/demographics; Determination of line managers' knowledge level on the use of electronic HR systems to complete employee individual performance management agreements; Determination of the Influence of electronic HR systems knowledge level on goal setting agreements closure by line managers; Identifying the Influence of electronic HR systems knowledge level on virtual employee management and on control of performance management process; and concludes with the determination of the extent to which electronic HR systems knowledge level support line managers to comply with the employee performance management process.

4.2 Response rate

A total of 61 questionnaires were sent out and 44 line managers responded. This study had a response rate of 72% which is representative sample for meaningful generalization because according to Mugenda and Mugenda (2003), a response rate of 70% and above is good.

4.3 Line manager's bio data

The biodata of line managers is summarized in table 4.1

Table 4.1 Line manager’s characteristics / demographics

		Frequency	Percent
1.	Length of stay in organization		
	1-5 years	6	13.6%
	6-10 years	26	59.1%
	> 10 years	12	27.3%
2.	Number of direct reports		
	0-10 staff	32	72.7%
	11-20 staff	11	25%
	20-30 staff	1	2.3%
3.	Experience as a line manager		
	< 1 year	5	11.4%
	1-5 years	33	75%
	6-10 years	5	11.4%
	> 10 years	1	2.3%
4.	Educational Qualification		
	Post graduate degree	18	40.9%
	Undergraduate degree	20	45.5%
	Professional diploma	4	9.1%
	Other	2	4.5%

Majority of the line managers were not newly hired, and had worked in their respective organizations for; over 10 years (27.3%), between 6-10 years (59.1%), leaving 13.6% of line managers with working experience of between 1 to 5 years. Insights into the reporting structure indicated that majority (72.7%) of the line managers had between 1 to 10 employees directly reporting to them; 25% had between 11 to 20 employees reporting to them while the remaining 2.3% had between 21 to 30 employees reporting directly to them.

In as much as the majority of line managers had been employed in their respective organizations for over five years, in terms of length of service, they have very few years of experience as line managers. Majority of the line managers had held managerial roles for a period between 1-5 years (75%), 11.4% for a period between 6-10 years, 2.3% for a period above 10 years and 11.4% of the line managers had held the managerial positions for a period under one year. Looking at the academic qualification of the line managers, majority of them (45.5%) were in

possession of an undergraduate degree followed by 40.9% who possess a post graduate degree. Only 9.1% are holders of a professional diploma while 4.5% have other academic qualifications. The line managers' high level of academic qualification indicates that there exists a high educational qualification demand on the job holders by the employers.

4.4 ANALYSIS ACCORDING TO THE RESEARCH OBJECTIVES

This section discusses the findings from the data that was collected from line managers through filling in questionnaires.

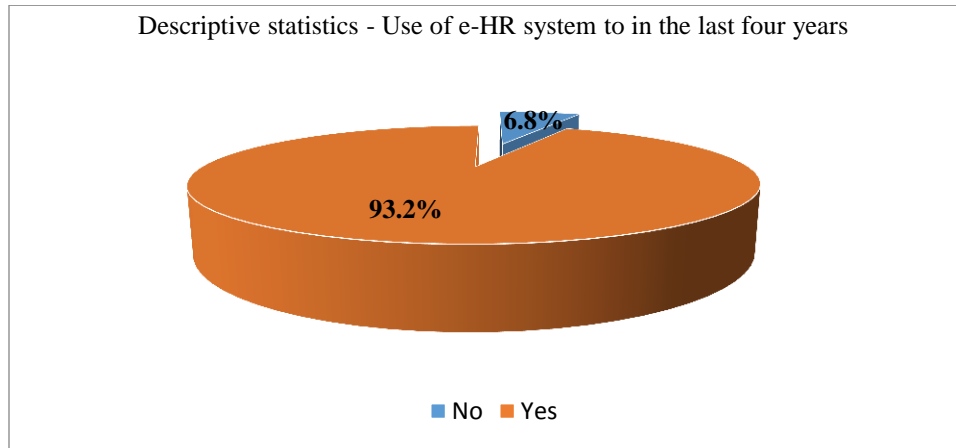
4.5 Objective 1: To determine the line managers knowledge level on how to use electronic HR systems to complete employee individual performance management agreements.

The purpose of this section is to find out the line managers' knowledge level on how to use electronic HR systems to complete employee individual performance management agreements and the findings are in the sections that follow.

4.5.1 Line managers' use of e-HR system in the last four years

The study sought to find out the number of managers who had used an e-HR system in the employee performance management process in the last four years i.e. 2011-2014 and the findings are as shown in figure 4.1.

Figure 4.1 Line managers' use of e-HR system in the last four years



Since the majority of the line managers were already using an e-HR system, it means that the feedback obtained will be relevant to this study.

4.5.2 Training of line managers on how to use e-HR system

The aim of this question was to gain more insight on the number of companies that support line managers to gain knowledge on how to use e-HR systems. The usefulness of the systems' output will depend on how well the line managers use the systems and this will usually depend on training received and knowledge level that is achieved. The results are as captured in table 4.3.

Table 4.2 Training of line managers on how to use e-HR system

Number of trained and untrained managers	Frequency	Percent
Managers who were not trained on how to use e-HR system	4	9.1%
Managers who were trained on how to use e-HR system	40	90.9%
Total	44	100%

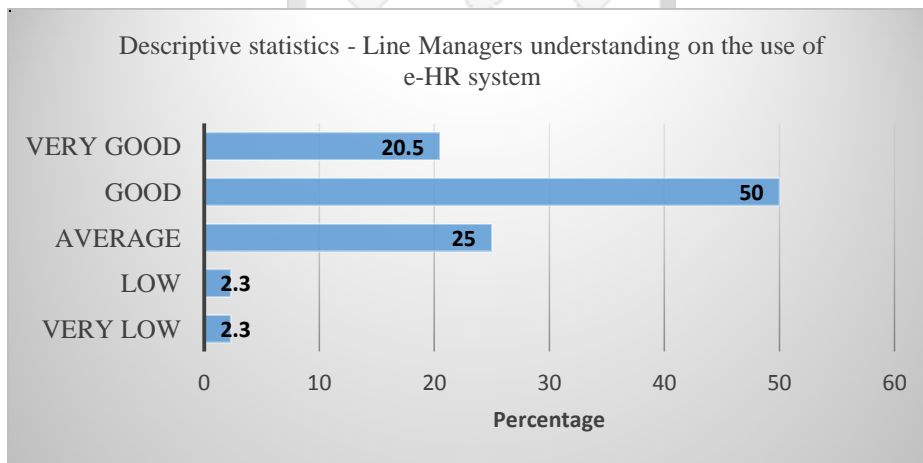
Majority of the line managers (90.9%) indicated that their organisations provided training to line managers on how to use e-HR systems. E-HR systems that provide information that line managers can use to make short and long term decisions affecting the internal and the external environment of an organization are thought to lead to higher strategic contribution. To increase

correct usage of these systems, therefore, extensive training of managers is required (Noe et al., 2013).

4.5.3 Line managers' understanding on how to use e-HR system

Offering training to impart knowledge is important but more so testing the understanding on what to do with the knowledge gained is most important. This aim of this section was to test how well the line managers understand and use the e-HR systems when undertaking the employee performance management process. Figure 3 indicates the line managers' understanding on how to use the e-HR systems.

Figure 4.2 Line managers' understanding on how to use e-HR system



The response indicated that most of the line managers (75.5%) were conversant and understood how to use applicable e-HR systems while undertaking the employee performance management process in their respective organisations. The line managers' high level of understanding corresponds to the high number of trained line managers on how to use the e-HR systems. These results collaborate with the findings by Noe et al., 2013 who stated that to increase correct usage of e-HR systems extensive, training of managers, is required (Noe et al., 2013).

4.5.4 Line managers' knowledge level of e-HR systems and facilitating remote access to information

With automated systems, familiarity and ease of use could improve as the frequency on use of the system increases. This does not necessarily reflect the efficiency and accuracy of the output but maybe a measure of the comfort of using a system. This section aimed at testing the frequency of e-HR systems use based on line managers' knowledge level to facilitate remote access to HR information. The responses are captured in the table 4.5.

Table 4.3 Line managers' frequency of using the E-HR system

Frequency of using the E-HR system	Frequency	Percent
Rarely	2	4.5%
Neutral	2	4.5%
Often	21	47.7%
Very often	19	43.2%
Total	44	100%

Majority (90.9%) of the line managers indicated to using the e-HR system frequently which implies that the systems are useful to them and helps them to achieve their goals. The findings are supported by Collou (2014) who stated that the e-HR system, if not used frequently, may not achieve any strategic contribution to the organizations.

From the findings, at least 70% of line managers had a good understanding on how to use e-HR systems and this could be attributed to training offered because 90.9% of them indicated to have been trained on how to use e-HR systems. This is an indicator that the line managers had a good knowledge level (table 4.4) on use of e-HR systems which on a scale of 1 to 100% would be at 70%.

4.6 Objective 2: To determine the influence of electronic HR systems knowledge level on goal setting agreements closure by line managers.

The purpose of this section was to find out if the e-HR systems enabled employees’ goal setting agreements to be signed off by line managers in a timely manner. The tables that follow below capture the line managers’ feedback.

4.6.1 Degree to which e-HR system knowledge level enable managers to complete goal setting agreements in less time as compared to paper based processes

The results from this section indicated that e-HR systems enable line managers to complete employee performance reviews faster as compared to paper based processes. Table 4.6 highlights the findings and the various correlations are also discussed;

Table 4.4 E-HR systems knowledge level on goal setting agreements closure

Descriptive statistics		
Degree to which e-HR system knowledge level enable managers to complete goal setting agreements in less time	Frequency	Percent
Very high degree	13	29.5%
High degree	27	61.4%
Neutral	4	9.1%
Total	44	100%
Correlations		
Pearson Correlation	.307**	
Sig. (2-tailed)	0.043	
N	44	
**. Correlation is significant at the 0.05 level (2-tailed).		

The findings indicated that majority of line managers (90.9%) were of the view that e-HR systems enabled them to complete employees’ goal setting agreements in less time as compared to the paper based processes. These results are aligned to Unal and Mete (2012) findings where they drew the conclusion that Web based systems enable managers to complete employee performance reviews in considerably less time as compared to paper based processes.

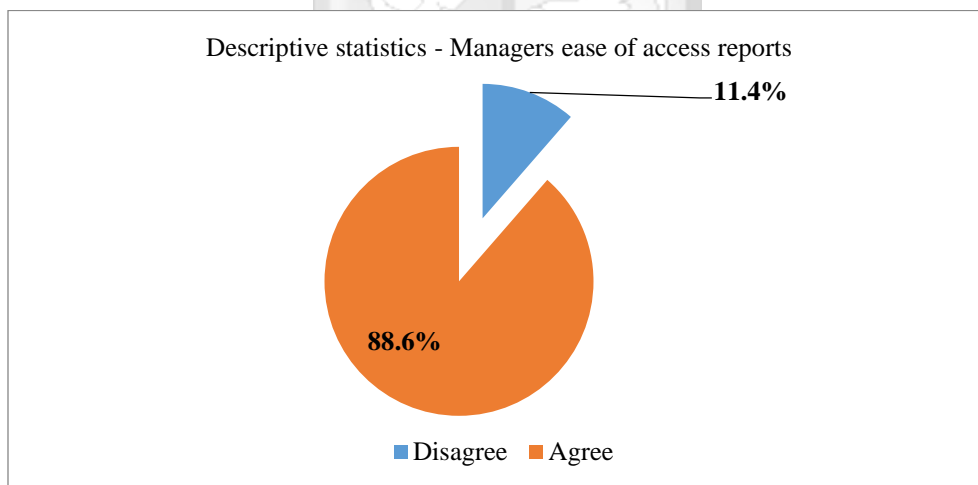
A significant positive relationship exists between e-HR Systems Knowledge level and enabling line managers to complete employee performance reviews in considerably less time as compared

to paper based processes. The correlation was found to be 0.307 with a significance of 0.043. Given that the significance is a value less than 0.05 it was established that at 5% level of significance, increased e-HR system knowledge level enable line managers to complete employee performance reviews in considerably less time as compared to paper based processes. The rest of the relationships were found to be insignificantly related.

4.6.2 The e-HR system knowledge level and managers ease of access to staff progress reports.

Line managers were asked whether the e-HR systems enabled them to easily access staff progress reports and the finding in figure 4 indicated that majority (88.6%) of the managers were in agreement that e-HR systems knowledge level did increase their ease on accessing staff reports.

Figure 4.3 E-HR system knowledge level and ease of access to staff progress reports.



These findings collaborate with the findings by de Juana Espinosa et al. (2013) which stated that e-HRM comes with ease of administering employee records thus reductions to cost, time and labour.

4.6.3 Extent to which e-HR systems knowledge level facilitates for quick communication and flow of information in organization

In this study there was interest to find out if e-HR systems knowledge level facilitated for quick communication flow within the organisation. The results in table 4.8 indicate that majority (84.1%) of managers felt that to either to a very great or a great extent, e-HR system facilitated for quick communication and flow of information in their organizations.

Table 4.5 Communication and flow of information in organization

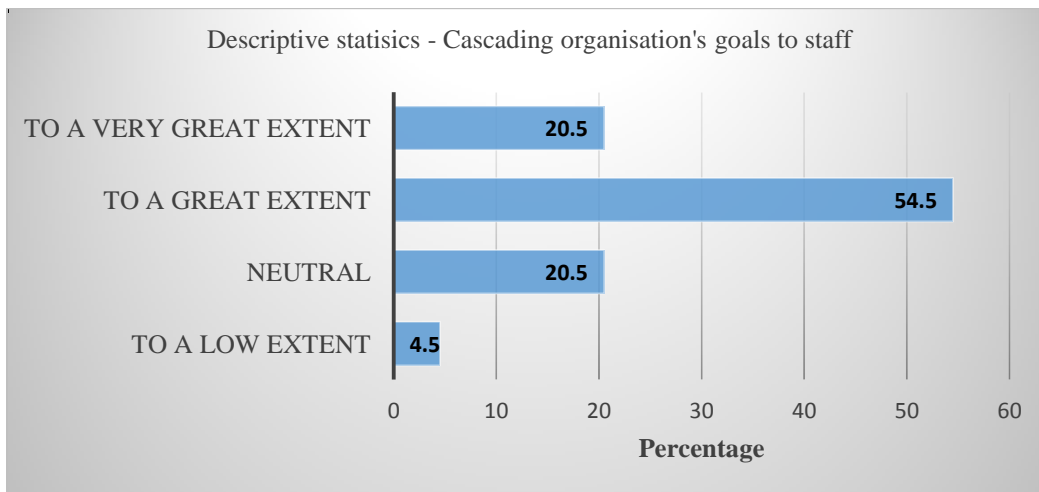
Descriptive statistics		
Extent to which e-HR systems knowledge level facilitates for quick communication and flow of information	Frequency	Percent
To a very great extent	10	22.7%
To a great extent	27	61.4%
Neutral	4	9.1%
To a low extent	3	6.8%
Total	44	100%
Correlations		
Pearson Correlation	0.263*	
Sig. (2-tailed)	0.084	
N	44	
*. Correlation is significant at the 0.1 level (2-tailed).		

E-HR Systems Knowledge level had a significant positive influence on facilitating for quick communication and flow of information in the organisation. This had a correlation of 0.263 with a significance of 0.084 which though bigger than 0.05 is smaller than 0.1 implying that increased e-HR systems knowledge level facilitates faster communication and flow of information in the organization at 10% significant level. E-HR Systems Knowledge level and its significant positive influence on facilitating for quick communication and flow of information in the organisation are consistent with the results obtained by Nivlouei, 2014. The rest of the relationships were found to be insignificantly related.

4.6.4 Influence of e-HR systems knowledge level on cascading organization's goals to direct reports

The success of both the organization and the employees heavily depends on setting appropriate and realistic goals. Figure 5 indicated the results obtained from managers, measuring the influence that e-HR systems knowledge level has on cascading organization's goals to their direct reports.

Figure 4.4 Cascading organization's goals to direct reports



Managers who indicated that e-HR systems knowledge level to a very great extent or to a great extent influenced the process of cascading goals to their direct reports were 75% which is a majority of the group. These findings are in line with the findings that organizations that opt to automate the process of goal setting, monitoring and measuring performance in relation to achievement of set goals is bound to achieve greater visibility by managers on employees and organizational goals; and have ability to undertake evaluations effectively and efficiently hence high achievement (Ordóñez et al.).

The findings in this section indicated that 90.9% of line managers were of the view that e-HR systems knowledge level enabled them to complete goal setting agreements in less time. Furthermore, 88.6% of the line managers indicated that the e-HR systems knowledge level enabled ease of access to staff progress reports. This shows that the knowledge level had a high degree (table 4.6) of influence on goal setting agreements closure by line managers.

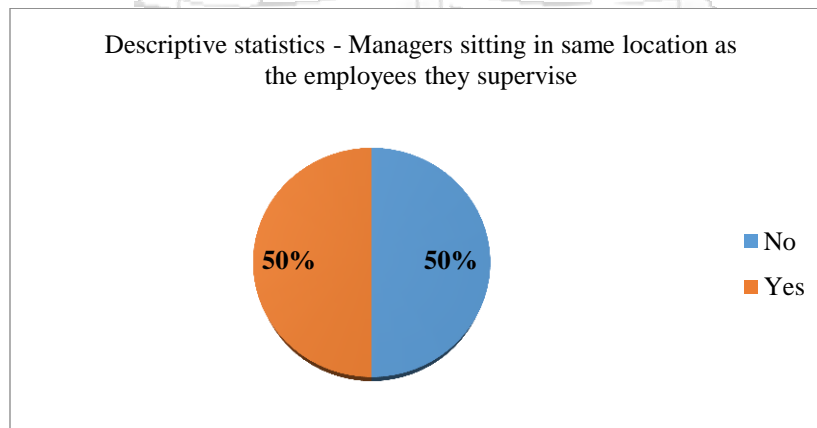
4.7 Objective 3: To determine the influence of electronic HR systems knowledge level on virtual employee management and on control of performance management process

The importance of conducting this investigation was to find out the degree to which managers are able to supervise a given number of employees sitting in different locations at the same time. The extent of control is critical in understanding organizational design and the behaviours within an organization, such as the approach used to interact with employees and the effectiveness of communication between each level within an organization (Amir et al., 2012). Important correlations were performed to determine the interrelationships that exist between the various variables on the influence of electronic HR systems knowledge level on virtual employee management and on control of performance management process. The results are highlighted and discussed in the sub-sections below.

4.7.1 Line managers sitting in the same location as their direct reports

This section is very relevant to this study because its only by focusing on the employees sitting away from their line managers that extent of control can be determined. The findings are indicated in figure 6.

Figure 4.5 Line managers sitting in same location as their direct reports



The results from this section indicated that half of the participating managers were sitting in the same location as their direct reports. The other half of participating managers were sitting in different locations away from the employees who report directly to them.

4.7.2 Number of direct reports sitting in different location from their line managers

The number of direct reports sitting in different locations away from their line managers were distributed as captured in the table 4.11.

Table 4.6 Direct reports sitting in different location from their line managers

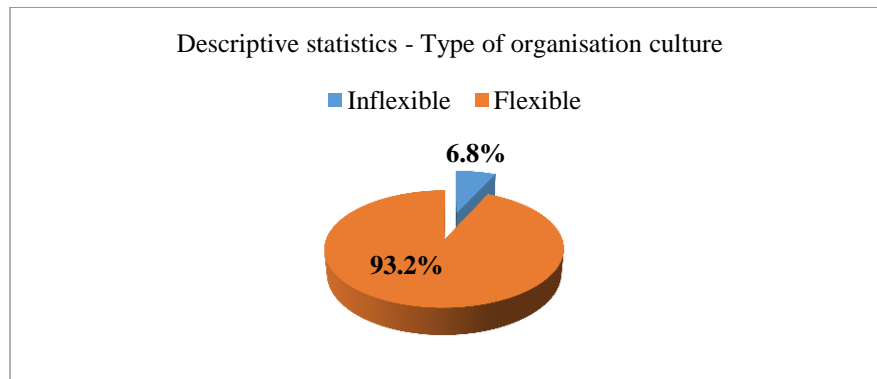
Descriptive Statistics		
Direct reports in different location from their managers	Frequency	Percent
1 – 10	20	45.5%
11 – 20	2	4.5%
Total	22	50%

The results in this section indicated that majority of line managers (45.5%) supervised not more than ten (10) employees sitting in remote locations. On organizational design, Amir et al. (2012) state that, a small number of direct reports will create a narrow extent of control. Narrow extent of control is more expensive for organizations, but on the other hand it allows for line managers to spend more time in direct supervision of their direct reports, and they tend to spark professional growth and advancement. In contrast, a wide extent of control refers to a larger number of direct reports supervised by one manager.

4.7.3 Type of organisational culture

This section was to determine whether the organisation had either a flexible or an inflexible culture. This was important in order to determine if the managers had a wide or a narrow extent of control over the employee performance management process. The findings are captured in the figure 7.

Figure 4.6 Type of organization's culture

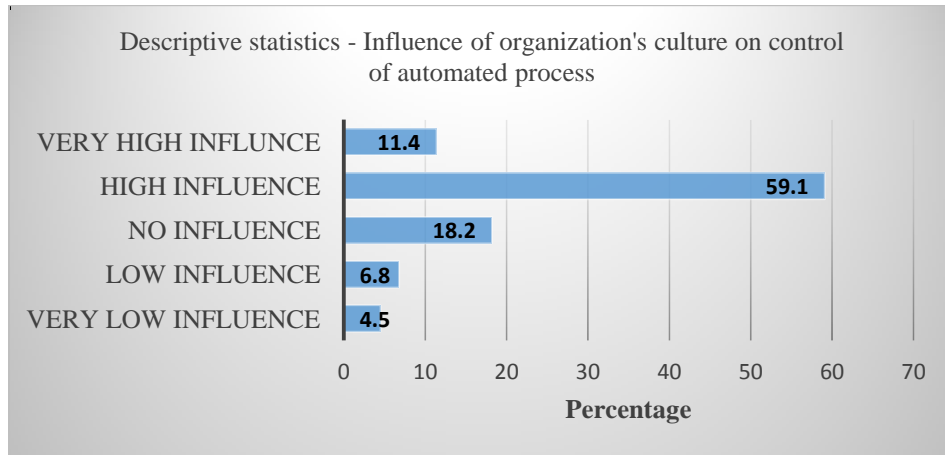


A majority of the managers reported that their organisational culture was flexible while only 6.8% of the respondents indicated that they worked for companies with an inflexible culture. According to Amir et al. (2012) flexible workplaces usually have a wider extent of control because employees are given more independence and flexibility in the production of their work. A wide extent of control creates a 'flat' organization and flat organizational approach increases the number of interactions between the manager and his or her direct reports, which can also provide more autonomy.

4.7.4 Organization's culture influence on line managers' control of the automated process

The purpose of this section was to test the influence of the organisation's culture on the line managers' control of the automated employee performance management process. Figure 8 highlights the results.

Figure 4.7 Culture influence on line managers' control of the automated process



There was a very high rating by line managers on the influence of organisational culture on line managers' control of the automated employee performance management process, with over 70% stating that there is either very high or high influence on their control. On organizational design, Amir et al. (2012) state that to determine the appropriate extent of control for a manager, one should consider factors such as the size of the organization, workforce skill level, organizational culture and managers' responsibilities. Organizations on the other hand, need to determine the desired culture when designing managers' extent of control. Flexible workplaces usually have a wider extent of control.

4.7.5 The degree to which e-HR system knowledge level enables line managers to be in control of employee performance management process

It was important to measure the degree to which the managers' e-HR system knowledge level influenced their control on the employees performance management process. The results are highlighted in the table 4.14.

Table 4.7 Degree to which e-HR system knowledge level enables managers to be in control of employee performance management process

Descriptive statistics		
Degree of line managers control	Frequency	Percent
Very high degree	12	18.2%
High degree	24	54.5%
Neutral	8	27.3%
Total	44	100
Correlations		
Pearson Correlation	0.413**	
Sig. (2-tailed)	0.005	
N	44	
**. Correlation is significant at the 0.01 level (2-tailed).		

The results in this section indicated that majority of line managers (72.7%) reported that their e-HR systems knowledge level enabled them to be in control of the employee performance management process either to a very high degree or to a high degree. There was a significant positive relationship between e-HR Systems Knowledge level and enabling line managers to be in control of the employee performance management process. The correlation was found to be 0.413 with a significance of 0.005. Given that the significance is a value less than 0.05 it was established that at 1% level of significance, increased e-HR system knowledge level enable line managers to be in control of the employee performance management process. This is supported by Johnson and Gueutal, (2011) who stated that e-HR knowledge level improves the efficiency of line managers in controlling employee performance process. The rest of the relationship was found to be insignificantly related.

A contradiction arose on the findings on this objective. It was found that on one hand the organizations under study had a narrow extent of control based on number of direct reports to the line managers, and on the other hand, the organizations had a flexible culture. According to Amir et al. (2012) organisations with a flexible culture have a wide extent of control. Based on these findings no clear conclusions can be derived and further studies are recommended.

4.8 Objective 4: To determine the extent to which electronic HR systems knowledge level support line managers to comply with the employee performance management process

According to Noe et al., 2013, organization needs to regulate exactly what the courts consider as legally defensible performance management system in order to avoid costs related to discrimination and unjust dismissal suits by ensuring that the organization is aligned and consistent to legal compliance and compliance to procedures. Compliance to employee performance management process is therefore inevitable for line managers. This section analyses the findings obtained from the managers' responses. The descriptive statistics and correlations in this section are as follows;

4.8.1 Influence of e-HR systems knowledge level on alignment and standardization in the employee performance management process

Organizations have many processes and if being undertaken by different people and at different times, it is likely to have more than one method used. In such a circumstance, there is potential to have problems with the uniformity of output. One solution to these problems is to work with owners of the processes in order to standardize them, to ensure that each instance the process is required, it's done in uniformity. Benefits of processes standardization are that the organization achieves certainty on consistent output from the process (Umble, Haft, & Umble, 2003). The aim of this section was to test the influence of the standardization of the e-HR system on employee performance and the results are highlighted in the table 4.15.

Table 4.8 Influence of e-HR systems knowledge level on alignment and standardization

Descriptive Statistics		
Increasing alignment and standardization	Frequency	Percent
No	5	11.4%
Yes	39	88.6%
	44	100
Correlations		
Pearson Correlation	0.302**	
Sig. (2-tailed)	0.046	
N	44	
**. Correlation is significant at the 0.05 level (2-tailed).		

Majority of the line managers (88.6%) indicated that e-HR systems knowledge level increased levels of alignment and standardization in the employee performance management process. This implies that in these organisations, things follow the same rules across units or departments. The results above collaborate with the findings by Ruël et al who recommended a fourth goal of e-HR systems which is standardisation. They went further to state that Standardised processes allows an organisation to secure compliance with specific HR requirements, and improve the process of management thus making a strategic contribution, by enhancing quicker and more correct decision-making and attainment of goals.

From the table above, there was a significant positive relationship between e-HR systems knowledge level and increase in levels of alignment and standardization of the employee performance management process. The correlation was found to be 0.302 with a significance of 0.046. Given that the significance is a value less than 0.05 it was established that at 5% level of significance, e-HR system knowledge increase levels of alignment and standardization of the employee performance management process.

4.8.2 Contribution of e-HR systems knowledge level towards adhering to compliance requirements of process

Studies undertaken by Noe et al., 2013 indicate that the e-HR systems knowledge level boosts lawful compliance, compliance to procedures and consistency on composition of the review form. The aim in this section was to test how the e-HR knowledge level influences adherence to compliance requirements in the employee performance management process and the results are presented in table 4.16.

Table 4.9 Contribution of e-HR systems knowledge level towards adhering to compliance requirements of process

Degree of adhering to compliance requirements of process	Frequency	Percent
Very high degree	12	27.3%
High degree	28	63.6%
No contribution	3	6.8%
Low degree	1	2.3%
Total	44	100
Correlations		
Pearson Correlation	0.497***	
Sig. (2-tailed)	0.001	
N	44	
***. Correlation is significant at the 0.01 level (2-tailed).		

Majority (90.9%) of the line managers rated e-HR system knowledge level contribution as either very high or high towards adhering to compliance requirements in the employee performance management process. These results collaborate with the findings by Noe et al., 2013. The correlation table above highlights findings that support that e-HR systems knowledge level contributed towards adhering to compliance requirements in the employee performance management process with a correlation coefficient of 0.497 at 1% significance level. Sims (2002) stated that e-HR systems enhance compliance to legal procedures, protection of both individual and organizational rights and general compliance to employee management process.

4.8.3 E-HR systems and providing for restrictions on access to particular types of data for different category of staff

In the employee performance management process, the information captured is of confidential nature. This therefore calls for a high level of confidentiality to be maintained and in an automated process through restriction of access to data. This section aimed to test how well the e-HR systems provided for restriction to access to certain data and the findings are highlighted in table 4.17.

Table 4.10 E-HR systems and restrictions on information access

E-HR systems and restrictions on information access	Frequency	Percent
Yes	37	84.1%
No	7	15.9%
Total	44	100
Correlations		
Pearson Correlation		0.004
Sig. (2-tailed)		0.982
N		44
***. Correlation is significant at the 0.01 level (2-tailed).		

Majority of the managers indicated that the e-HR systems in place provided for restrictions on access to particular types of data for different category of staff. These results support the findings of Noe et al., 2013, which indicated that e-HR systems assure confidentiality in possession and use of data; and, second, determine who should have access to data. This concern for confidentiality is often heightened when the records are kept electronically. The results on the correlation table indicate that providing for restrictions on access to particular types of data for different category of staff in the organization is found to have positive but insignificant relationship with e-HR system knowledge level.

4.8.4 Line managers satisfaction with automation of employee performance management process

This section was targeted towards measuring the Line Managers level of satisfaction with automation of the employee performance management process and the results are captured in table 4.18.

Table 4.11 Line managers satisfaction with e-HR system

Manager satisfaction with the automation of employee performance management process	Frequency	Percent
Very satisfied	11	25%
Satisfied	30	68.2%
Neutral	3	6.8%
Total	44	100.1%
Correlations		
Pearson Correlation		0.438***
Sig. (2-tailed)		0.003
N		44
***. Correlation is significant at the 0.01 level (2-tailed).		

On the level of line managers' satisfaction with automation of employee performance management process in their workplace, majority of the line managers were either very satisfied or satisfied with the automated process. The results above are consistent with reports from researchers and experienced practitioners who have identified various characteristics for effective performance management systems. One such characteristic is the use of electronic systems for improvement in client focus and satisfaction (Wright & Haggerty, 2005; Pulakos, 2004; and Werner & DeSimone, 2011).

From the correlation matrix table above e-HR Systems Knowledge level also had a significant positive influence on the managers' overall satisfaction with the automation of employee performance management process in the work place. This had a correlation of 0.438 with a significance of 0.003 which is smaller than 0.05 implying that e-HR systems knowledge level increases the overall satisfaction of line managers with the automation of employee performance management process in the work place. The findings in this section indicated that 90.9% of the line managers (table 4.16) indicated that the e-HR systems knowledge level had a

high influence towards adhering to compliance, 84.1% (table 4.17) indicated that the systems provided for restrictions on levels of access to information and 93.2% of the managers (table 4.18) were satisfied with the use of e-HR systems in their organisations.

4.9 Chapter Conclusion

This chapter reported numerous statistics and related analysis whereby the specific statistical test indicated negative and positive relationships which were either significant or insignificant. It is based on these findings that inferences and recommendations of the study were based and the discussions of the findings are covered in the next chapter.



CHAPTER FIVE

DISCUSSIONS, STUDY SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter highlights the findings of the study and makes comparisons with similar studies that have been undertaken by other researchers. Conclusions have been drawn and recommendations indicated in order to have a better understanding of the employee performance management process in the Network Service Equipment Provider companies in Kenya.

5.2 Discussions and study summary

The aim of this study was to determine the influence of Electronic HR Systems knowledge level on employee performance management process. The study investigated specific objectives, namely: to determine the line managers knowledge level on how to use electronic HR systems to complete employee individual performance management agreements; to determine the influence of electronic HR systems knowledge level on goal setting agreements closure by line managers; to identify the influence of electronic HR systems knowledge level on virtual employee management and extent of control on employee performance management process; and to determine the extent to which electronic HR systems knowledge level support line managers to comply with the employee performance management process. 72% of line managers responded to the survey from the target population. According to Mugenda and Mugenda (2003), a response rate of 70% and above is good.

From the responses received, majority of line managers (86.4%) had employment service period well above six (6) years. However, only (27.3%) of the line managers supervised a headcount of more than 10 employees. Despite majority of line managers having been employed in their respective organizations for over five years, in terms of length of service, majority (86.4%) had between 1 and 5 years of experience in the line management positions. This is an indicator that the organisations had a tendency to either recruit externally for managerial positions or promote people who had not been in the organization for long and this is a clear indicator that

performance and competence formed the basis for promotion to line management positions and not the length of stay in the organization. Looking at the academic qualification of the line managers, 86.4% of them had a post graduate or an undergraduate degree, which is an indication that the organisations emphasised on high academic qualifications in their recruitment practices.

The first objective of this study sought to establish the line managers' knowledge level on how to use e-HR systems. The findings were that 93.2% of line managers had used an e-HR system to undertake the employee performance management process in the last four years i.e. between year 2011 and year 2014. This was a good measure that the responses received would be very relevant to the study. A majority of the line managers (90.9%) indicated that their respective organisations provided training on how to use e-HR systems. The study findings also indicated that most (70.5%) of the line managers were conversant and fully understood how to use applicable e-HR systems while undertaking the employee performance management process in their respective organisations. The line managers' high level of understanding corresponded to the high number of trained line managers on how to use the e-HR systems. The results collaborated with the findings by Noe et al., 2013, who stated that to increase correct usage of e-HR systems extensive, training of managers, is required. 90.9% of the line managers pointed out that they frequently used the e-HR system to remotely access data which implied that the systems were useful to them and helped them to achieve their goals. These findings are supported by Collou (2014) who stated that if the e-HR systems are not used frequently, they may not achieve any strategic contribution to the organizations.

The findings also indicated that majority (90.9%) of line managers were of the view that e-HR systems enabled line managers to complete employee performance reviews in considerably less time compared to paper based processes. These findings concur with the studies of Unal and Mete (2012) which indicated that web based systems enable managers to complete employee performance reviews in considerably less time as compared to paper based processes. Based on the correlations, a significant positive relationship existed between e-HR Systems Knowledge level enabling line managers to complete employee performance reviews in considerably less time as compared to paper based processes and the rest of the relationships were found to be insignificantly related. On the ease of accessing staff progress reports and majority (88.6%) of

the line managers indicated that e-HR systems knowledge level indeed contributed to their ease of accessing staff reports. The results collaborated with the findings by de Juana Espinosa et al. who stated that e-HRM comes with ease of administering employee records thus reductions to cost, time and labour. The results from the study also indicated that e-HR systems knowledge level facilitated for quick communication flow within the organisation. Majority (61.4%) of line managers outlined that to great extent e-HR systems facilitated for quick communication and flow of information in their organizations. From the correlations done, e-HR Systems Knowledge level had a significant positive influence on facilitating for quick communication and flow of information in the organisation. The rest of the relationships were found to be insignificantly related.

Majority (54.5%) of line managers were of the view that e-HR systems knowledge level to a great extent influenced the process of cascading goals to their direct reports. Studies by Ordóñez et al. supported these findings by stating that organizations that opt to automate the process of goal setting, monitoring and measuring performance in relation to achievement of set goals is bound to achieve greater visibility by managers on employees and organizational goals.

The third objective of this study was to investigate the degree to which line managers are able to supervise a given number of employees sitting in different locations, with an intention of determining the extent of line managers' control on the employee performance management process. The findings from this study indicated that 50% of the managers were sitting in the same location as the employees under their supervision. The other half of participating managers were sitting in different locations away from the employees who report directly to them, which is very relevant to this study when it comes to determining the effectiveness virtual employee performance management. In addition, majority of line managers (45.5%) supervised not more than ten (10) employees which is a small number of direct reports. According to Amir et al. (2012), a small number of direct reports will create a narrow extent of control. Narrow extent of control allows for line managers to spend more time in direct supervision of their direct reports, and they tend to spark professional growth and advancement. In contrast, a wide extent of control refers to a larger number of direct reports supervised by one manager. Therefore, there is alignment between the findings in this study and the literature by Amir et al. (2012), on the

relationship of small number of direct reports, narrow extent of control and time spent by line managers supervising direct reports.

There was interest to also analyse the type of organisation culture in the respective organisations which was either flexible or inflexible. This was important in order to determine if the managers had a wide or a narrow extent of control over the employee performance management process. A majority (93.2%) of the line managers reported that their organisational culture was flexible while only 6.8% of the respondents indicated that they worked for companies with an inflexible culture. According to Amir et al. (2012), flexible workplaces usually have a wider extent of control because employees are given more independence and flexibility in the production of their work. A wide extent of control creates a 'flat' organization and flat organizational approach increases the number of interactions between the line manager and his or her direct reports, which can also provide more autonomy. There was a very high rating by line managers on the influence of organisational culture on line managers' control of the automated employee performance management process, with over 70% stating that there was either very high or high influence on their control.

The findings in this objective contradict each other in that, on one hand the organizations are found to have a narrow extent of control based on number of direct reports to the managers. On the other hand, the organizations have a flexible culture based on majority of the respondents. In this regard, it is difficult to determine whether the number of direct reports has an influence on the extent of line managers' control on the employee performance process and likewise, if an organisation's culture indeed does influence the line managers' control on the employee performance process. These findings should be a basis for further research on this topic.

On knowledge level of the e-HR systems, majority of line managers (72.7%) reported that e-HR systems knowledge level enabled them to be in control of the employee performance management process either to a very high degree or to a high degree. The correlations in this section indicated a significant positive relationship whereby increased e-HR system knowledge level enabled line managers to be in control of the employee performance management process. The insights here collaborated with the study by Johnson and Gueutal, (2011) who stated that e-

HR knowledge level improves the efficiency of line managers in controlling employee performance process. The rest of the relationships were found to be insignificantly related.

The fourth objective of this study was to investigate the compliance level to the employee performance management process based on line managers' electronic HR systems knowledge level. In order to come up with findings one of the areas that line managers gave feedback on was level of alignment and standardisation of the employee performance management process. Majority of the line managers (88.6%) indicated that e-HR systems knowledge level increased levels of alignment and standardization in the employee performance management process. This implies that in these organisations, process follows the same rules across units or departments. The results above collaborate with the findings by Ruël et al who recommended a fourth goal of e-HR systems which is standardisation. They went further to state that Standardised processes allows an organisation to secure compliance with specific HR requirements, and improve the process of management thus making a strategic contribution, by enhancing quicker and more correct decision-making and attainment of goals. From the correlations, there was a significant positive relationship between e-HR systems knowledge level and increase in levels of alignment and standardization of the employee performance management process.

As far adhering to compliance in the employee management process is concerned, majority (90.9%) of the line managers rated e-HR system knowledge level contribution as either very high or high. These results collaborate with the studies undertaken by Noe et al. which indicate that the e-HR systems knowledge level boosts lawful compliance, compliance to procedures and consistency on composition of the review form. The correlations from this section support that e-HR systems knowledge level contributed towards adhering to compliance requirements in the employee performance management process.

The employee performance management process, capture information that is of confidential nature, calls for a high level of confidentiality to be maintained and in an automated process through restriction of access to data. Majority (84.1%) of the managers indicated that the e-HR systems in respective organisations provided for restrictions on access to particular types of data for different category of staff. These results support the findings of Noe et al. which indicated

that e-HR systems assure confidentiality in possession and use of data; and, second, determine who should have access to data. This concern for confidentiality is often heightened when the records are kept electronically. Correlations from this section indicate that providing for restrictions on access to particular types of data for different category of staff in the organization is found to have positive but insignificant relationship with e-HR system knowledge level.

Line Managers level of satisfaction with automation of the employee performance management process indicated that a majority (93.2%) of the line managers were either very satisfied or satisfied with the automated process. From the correlation, e-HR Systems Knowledge level also had a significant positive influence on the managers' overall satisfaction with the automation of employee performance management process in the work place. Satisfaction of line manager on compliance and restriction to access is also key in getting their buy in and confidence to use the system as they are assured of confidentiality. This in turn has a possibility of increasing the success of the process.

5.3 Conclusions

The findings enabled the researcher to conclude that majority of the line managers who participated in this study had good knowledge level and understood how to use the applicable e-HR system in their organisations in the process of undertaking the employee performance management process. From the findings, at least 70% of line managers had a good understanding on how to use e-HR systems and this could be attributed to training offered because 90.9% of them indicated to have been trained on how to use e-HR systems.

The research further established that the e-HR systems knowledge level increased effectiveness of managers to close on goal setting agreements with their direct reports in comparison to paper based processes. The line managers had ease of access to staff data remotely and real time processing of information facilitated for quick communication flow to their direct reports. The findings indicated that 90.9% of line managers were of the view that e-HR systems knowledge level enabled them to complete goal setting agreements in less time. Furthermore, 88.6% of the line managers indicated that the e-HR systems knowledge level enabled ease of access to staff

progress reports. This shows that the knowledge level had a high degree of influence on goal setting agreements closure by line managers.

The e-HR systems knowledge level also enabled line managers to supervise employees who sat in different locations virtually. Majority of line managers (45.5%) supervised not more than ten (10) employees which is a small number of direct reports. According to Amir et al. (2012), a small number of direct reports will create a narrow extent of control. A majority (93.2%) of the line managers reported that their organisational culture was flexible. According to Amir et al. (2012), flexible workplaces usually have a wider extent of control. A contradiction arose on these findings in that, on one hand, the organizations under study had a narrow extent of control based on number of direct reports to the line managers, and on the other hand, the organizations had a flexible culture. Based on these findings no clear conclusions can be derived and further studies are recommended.

Owing to the majority of line managers' (90.9%) view, the findings indicated that the e-HR systems knowledge level played a major role in ensuring compliance to the employee performance management process. The line managers (84.1%) were of the view that the process did indeed contribute highly towards increasing confidentiality level by restricting access to employee information. 93.2% of line managers' reported that they were satisfied with the automated process in their organisations.

5.4 Recommendations

Following the findings of this study the researcher recommends the following;

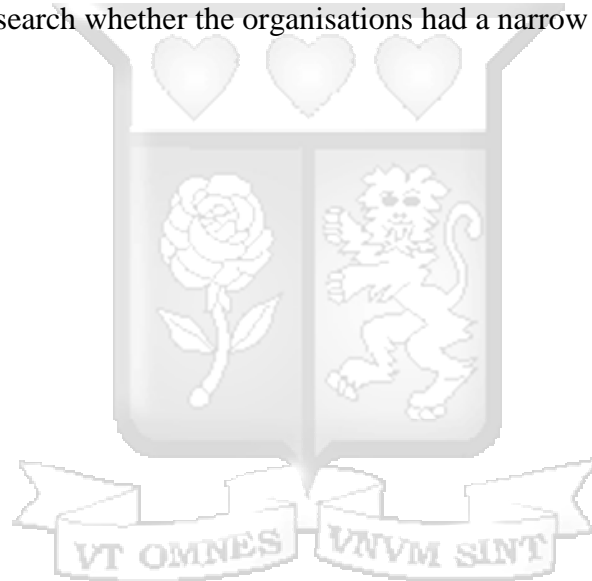
5.4.1 Recommendations to Network Service Equipment Provider companies in Kenya

The researcher recommends that the organisations under study to continue investing in training of line managers on how to use e-HR systems in order to achieve their objectives in the employee performance management process. The researcher further recommends that the organisations continue investing on the e-HR systems as they enabled line managers to; complete

performance management agreements in short time; supervise employees sitting in different locations and control the performance management process; comply to guidelines on the employee performance management process.

5.5 Suggestions for further studies

There is need to undertake further studies in order to establish whether there are other factors that determine the influence of electronic HR systems knowledge level on employee performance management process because this study only considered four factors and some relationships from the correlation studies were insignificant and other studies could state otherwise. Furthermore, it was not clear from the research whether the organisations had a narrow or wide extent of control.



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APPENDIX A: PERMISSION LETTER TO COLLECT DATA



Strathmore Business School

Tuesday, 19 May 2015

To Whom It May Concern:

Dear Sir/Madam,

FACILITATION OF RESEARCH – MUTISYA MARGARET WAMUYU

This is to introduce Mutisya Margaret Wamuyu, admission number 77590 who is an MBA student at Strathmore Business School. As part of our Masters Program, Margaret is expected to do applied research and to undertake a project. This is in partial fulfilment of the requirements of the Master of Business Administration. The outcome would be of immediate benefit to the organizations she is researching on. To this effect, she would like to request for appropriate data from your organization.

Margaret is undertaking a research paper on **'Impact of Electronic HR Systems on Employee Performance Management Process in Service Network Equipment Provider Companies in Kenya'**.

Information obtained from your organization shall be treated confidentially and shall be used for academic purposes only.

Our MBA seeks to establish links with industry, and one of these ways is by directing our research to areas that would be of direct usefulness to industry. We would be glad to share our findings with you after the research, and we trust that you will find them of great interest, if not of practical value to your organization.

We very much appreciate your support and are willing to provide any further information if required.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Eliud Njogu', is placed over a light blue rectangular background.

EliudNjogu

Ag.DIRECTOR – MBA Programs

APPENDIX B: LETTER TO THE RESPONDENTS

Margaret Mutisya
Strathmore Business School
P.O. BOX 59857 - 00200
NAIROBI.

Dear Respondent,

RE: QUESTIONNAIRE ON THE INFLUENCE OF E-HR SYSTEMS ON EMPLOYEE PERFORMANCE MANAGEMENT PROCESS

I am an MBA student at Strathmore Business School conducting a research on “The Influence of Electronic Human Resource Systems knowledge on Employee Performance Management Process in Network Service Equipment Provider Companies in Kenya.” The outcome of this study is intended to provide information that will be useful in informing the sector on appropriate application of e-HRM.

Your organization is an important contributor to the economy of our country and you have been identified as a potential respondent in the study. Please spare ten minutes of your time to respond to the questions presented in this questionnaire as honestly as possible. The information provided will be treated with utmost confidentiality and will only be used for the purpose of this study.

Thank you for your kind consideration,

Margaret Mutisya

APPENDIX C: QUESTIONNAIRE TO THE LINE MANAGERS

QUESTIONNAIRE ON THE INFLUENCE OF ELECTRONIC HR SYSTEMS ON EMPLOYEE PERFORMANCE MANAGEMENT PROCESS

SECTION 1: Bio Data

1. How long have you been an employee of this company? Tick as appropriate.

Under 1 year	1 – 5 years	6 – 10 years	Above 10 years

2. How many employees report to you directly? Tick as appropriate.

0 – 10	11 - 20	21 - 30	31 - 40	Above 40

3. For how long have you served in your current position? Tick as appropriate.

Under 1 year	1 – 5 years	6 – 10 years	Above 10 years

4. What is your Academic Qualification? Tick as appropriate.

Post Graduate Degree	Under Graduate Degree	Professional Diploma	Other qualification

SECTION II: To determine the line managers knowledge level on how to use electronic HR systems to complete employee performance management agreements:

5. In the last four years i.e. 2011 to 2014, was the employee performance management process in your organization undertaken through use of an electronic human resource system? Tick as appropriate.

1. Yes 2. No

If no please specify the system in place in the space provided below)

6. Does your organisation provide training to line managers to impart knowledge on how to use e-HR systems? Tick as appropriate.

1. Yes 2. No

7. On a scale of 1 to 5, how well do you understand how to use the e-HR system to undertake the employee performance management process? (Where 1 is very low, 2 is low, 3 is average, 4 is Good, 5 is very good) Tick as appropriate.

1	2	3	4	5

8. How often does the e-HR system facilitate for line managers to remotely access employee information? Tick as appropriate.

Very often	Often	Neutral	Rarely	Never

SECTION III: To determine the influence of electronic HR systems knowledge level on goal setting agreements closure by line managers:

9. On a scale of 1 to 5, to what degree does the e-HR system knowledge level enable line managers to complete employee performance reviews in considerably less time as compared to paper based processes? (Where 1 is very low degree, 2 is low degree, 3 neutral, 4 is high degree, 5 is very high degree) Tick as appropriate.

1	2	3	4	5

10. The e-HR system knowledge level enables managers to easily access staff progress reports. Tick as appropriate.

1. Agree 2. Disagree

11. To what extent does the e-HR system knowledge level facilitate for quick communication and flow of information in your organisation? Tick as appropriate.

A very great extent	A great extent	Neutral	A low extent	A very low extent

12. In your opinion, to what extent does the e-HR system knowledge level facilitate for the cascading of the organization's business goals to your direct reports? Tick as appropriate.

A very great extent	A great extent	Neutral	A low extent	A very low extent

SECTION IV: To identify the influence of electronic HR systems knowledge level on virtual employee management and on control of performance management process:

13. Do you sit in one location as the employees who are your direct reports? Tick as appropriate.

1. Yes 2. No

14. If your answer is NO, how many of your direct reports are sitting in remote locations? Tick as appropriate.

1 - 10	11 - 20	21 - 30	31 - 40	Greater than 40

15. What is the culture of your organisational? Tick as appropriate.

1. Flexible 2. Inflexible

16. On a scale of 1 to 5 how would you rate the influence of your organisation's culture on your control of the automated employee performance management process? (Where 1 is very low influence, 2 is low influence, 3 no influence, 4 is high influence, 5 is very high influence) Tick as appropriate.

1	2	3	3	5

17. To what degree does the e-HR system knowledge level enable you as a manager to be in control of the employee performance management process? Tick as appropriate.

Very high degree	High degree	Neutral	Low degree	Very low degree

SECTION V: To determine the extent to which electronic HR systems knowledge level support line managers to comply with the employee performance management process:

18. Does the e-HR system knowledge increase levels of alignment and standardisation of the employee performance management process? Tick as appropriate.

1. Yes 2. No

19. To what degree does e-HR system contribute towards adhering to compliance requirements in the employee performance management process? Tick as appropriate.

Very high degree	High degree	No contribution	Low degree	Very low degree
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

20. Does the e-HR system in your organisation provide for restrictions on access to particular types of data for different category of staff? Tick as appropriate.

1. Yes 2. No

21. How satisfied are you with the automation of employee performance management process in your work place? Tick as appropriate.

Very satisfied	Satisfied	Neutral	Dissatisfied	Very ssatisfied
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Thank you very much for taking your time to respond to this Questionnaire