THE INFLUENCE OF STRATEGIC HUMAN RESOURCE MANAGEMENT ON EMPLOYEE INNOVATION AT NATIONAL SOCIAL SECURITY FUND LOWER EASTERN REGION

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ABSTRACT
The purpose of the study was to establish the influence of strategic human resource management on employee innovation at the national social security fund lower eastern region. Descriptive research design was used for the study. The target population consisted of 50 employees of National Social Security Fund, Lower Eastern Branches which are Makueni, Machakos, Kitui, and Mwingi. Data was collected using questionnaires. Both qualitative and quantitative data analysis methods were used to analyze the collected data. Statistical Packages for Social Science (SPSS) was used to analyze the collected data. The study established that performance evaluation, employee development, staffing, employee compensation reward in respect affect employee innovation. The findings of the study established that all the strategic human resource management of performance evaluation ($r= .645$, $P<.000$); employee development ($r= .489$, $P<.049$); staffing($r= .606$, $P<.000$); employee compensation and rewarding ($r= .619$, $P<.000$) have a significance influence on the employee innovation at the National Social Security Fund in the Lower Eastern Region. The study recommended that there is need for the organization to establish how better they can improve employees’ development programs in order to have more impact on both employees and the organization and that the employees’ developments; the organization need to enhance its employee’s development programs in order for the organization employees’ development programs to have more impact on both employees and the organization; there is need for the organization to identify areas for training in order to enhance employees’ innovation; there is need for the organizations to support the staff that come up with new ideas and ensure that the staffs are well compensated; the organization should also improve the employee compensation and reward system and ensure that the staff are well compensated and properly rewarded whenever they come up with a new innovation; while internet was the best method for recruitment preferred by the organization, there is need to consider other methods of recruitment; and there is need for enough time for recruitment process and consider the approximate time adequate for the recruitment process.

Key words: Performance Evaluation, Employee Development, Staffing, Employee Compensation and Rewards, Employee Innovation

INTRODUCTION
According to Muga (2012) Strategic human resource management (SHRM) is the planned human resource activities that ensures a given organization achieves its objectives and goals. In addition, SHRM is used by organizations to link human resources management with organizational strategic plan. SHRM is a philosophy of individual's management based on the belief that HR are extraordinarily critical to continue business achievement. A firm increases upper hand by using its workers effectively, drawing on their ability and creativity to meet doubtlessly characterized targets. The SHRM plans to ensure that the lifestyle, style, and structure of the organization, the quality, obligation and motivation of its laborers contribute totally to the achievement of business objectives.

Strategic human resource management is the act of pulling in, developing, satisfying, and training employees to hold up both the workers as people and the firm all in all. Organizations that practice SHRM don’t work autonomously but cooperate with different departments within the organization so as to comprehend their goals and thereafter make techniques that match up with those targets just as those of the organization. Strategic Human Resource Management has an unquestionable focus on executing imperative change and building up the capacity base of the association to ensure that the organization can stand the test of time in the long term. Adoption of SHRM involves alignment of human resource strategies with general business strategies. By consolidating the HRM work with business system, SHRM mirrors on an increasingly adaptable game plan and use of HR to accomplish the firm objectives, and in like manner assists organizations with picking up competitive advantage (Wei, 2010).

Employee innovativeness is a complex procedure which requires the organizing of the necessary employee strategies, handling assignments as a valuable way to upgrade inventive or imaginative practices (Binyamin and Carmeli, 2010). The work based learning systems develops new thoughts hovering in the organization and encouraging employee learning. This was bolstered by Holman et al., (2012) who focused on the connection between work structure attributes and advancement which was fortified by the interceding variable of work based learning systems. The atmosphere for advancement alludes to the workplace, which incorporates the formal Organization, the authoritative correspondence and the pattern communication and which additionally incorporates the taking into account the uncommon needs of the employees.

The National Social Security Fund was established in 1965 through the Act of Parliament Cap 258 of the Laws of Kenya. From the start, it functioned as a unit of the Ministry of Labor until 1987 when the Act was altered, changing the firm into a state corporation under the organization of a main body of trustees. Under the National Social Security Act of 2013, both employed and self-employed and their dependents qualify as contributing people. The law on annuity requires all Kenyans that are more than 18 years of age to register and contribute to the program. The main gathering of trustees is made up of workers appointed through the Central Organization of Trade Unions, organizations through the Federation of Kenya Employers and the Government of Kenya through the Ministries of Labor and Finance. This piece ensures that the board suits the point of view and wants of the three social accomplices in approach detailing and administration of the organization.

National Social Security Fund (NSSF) is a Kenyan government organization commanded with surveying together part's commitments and directing the resources into speculation ventures to create returns for later appropriation back to dependents as retirement benefits. The scheme accommodates members of both formal and informal sectors. To
necessitate smooth operations, each member is obliged to ensure monthly contributions get submitted in time. Whether individual members or the employer files the deductions, tracking the funds is crucial. An online system has been put in place by NSSF to ensure recorded members can check the status of their contributions at the comfort of their living room. NSSF is a tripartite organization run by the Government, laborers and managers with portrayal from the leading body of trustees, the Government, alliance of Kenya businesses and the Central Organization of Trade Unions- Kenya. In figuring the Fund’s strategies the Board of Trustees acts carefully as per the NSSF Act, which puts the eventual benefits of NSSF individuals over all other considerations.

The organizations is administratively managed through regions in which case the whole country has five regions namely, Nairobi Region, Coast And North Eastern Region, Central And Eastern Region, the Rift Valley Region, and Nyanza Region. This study covered the lower eastern branch offices of the lower eastern region which comprise of Makueni, Machakos, Kitui and Mwingi. A big effort has been put in training of the employees in these branches so that the same standards are applied across all the offices. The service charter has been designed to match similarities with exact amount of waiting time for services, known fees for all services and same design of matching stationary. Performance monitoring and evaluation is centrally monitored and as a result thereof, employees are expected to devise new ideas and creative ways of performing individual tasks so as to achieve competitive advantage over the others. Innovation is playing at its best and rewards are offered.

**Statement of the Problem**

Strategic human resource management focuses on shaping a work force through strategic goals and the capability of achieving them. The SHRM is about connecting people with the organization. It is about the integration of Human Resource (HR) and Human Resource Management (HRM) strategies with corporate strategies. The SHRM strategies are plans and programs aimed at addressing and solving fundamental strategic issues related to the management of human capital in different organizations. Effective human resource strategy is crucial in generating, evaluating, realizing and implementing of new ideas in the organization. Effective Human Resource Management can feed innovation or could even hinder it.

While the organization continues to play an important role in services delivery in the public sector, modern business challenges that organization such as NSSF are not only innovative but also consider how the employees in the organization can implement new ideas. Ogolla and Van Lill (2017) on the insights into Kenya’s public sector innovation, established that most public organizations in Kenya have not adapted new idea with little encouragement on new innovation and adaptation of new technology. On the other hand NSSF has not tapped on the innovative capabilities of the younger staff recruited in the organization.

Tjosvold (2013) evaluated the traits, knowledge and abilities of innovative employee, the study through an empirical review established that human resources management is crucial in identifying the employees with the right traits and abilities that can encourage innovation. Another study by Okumu, Bbaale and Guloba (2019), through descriptive study evaluated the association between innovation and employment growth among manufacturing firms in Africa, the study established employment growth in Africa could benefit from regulations and programs that induce firms to embrace innovation. A study by Ndemo and Aiko (2016) on nurturing creativity and innovation in African Enterprises in Kenya, through desk reviews established that innovation and creativity tends to focus on the diffusion of technologies on the continent but fails to question the role of human
resource in encouraging innovation among employees.

While the above studies have covered human resource management what’s more, significance of innovation, the studies have not secured the effect of key human resource management on employee innovation. Also the nearby accessible studies Ndemo and Aiko (2016) didn’t cover human resource management and significance of development. It is essential to set up the impact human resource management and how it influences advancement in urgent organizations in Kenya. Accordingly the investigation tries to build up how key HRM impact employee advancement at the National Social Security Fund in the Lower Eastern Region.

**Objectives of the Study**
The broad objective of the study was to explore the influence of strategic human resource management on employee innovation at the National Social Security Fund in the Lower Eastern Region. The specific objectives were;

- To determine the effects of performance evaluation on employee innovation at the National Social Security Fund.
- To find out how employee development influences innovation at the National Social Security Fund.
- To ascertain the extent to which staffing influences innovation at National Social Security Fund.
- To assess how employee compensation and rewards affects innovation at the National Social Security Fund.

**LITERATURE REVIEW**

**Resource Based Theory**
Resource-Based View (RBV) theory observes that an organization must have important, uncommon, incomparable and non-substitutable resources to have an attainable high ground, and that these resources fuse everything inward to the firm. There must be a rundown of the entirety of the benefits, abilities, organizational processes, firm traits, data, information, etc, as resources on what people, as resources, must have for the organization to be strategically managed. The management must give value to the organization’s production processes; they must have rare skills to promote significant performance. The human capital investment must not be easily imitated. Finally, organization staff members must not be subbed or supplanted by technological other options; be that as it may, the elevated levels of automation in numerous ventures and the proceeding with move as regards a help economy have made replacement more uncertain.

**Stewardship Theory**
Stewardship Theory promotes the view that a manager or administrators of an organization are the stewards. As per this theory, the key authority, aside from being a creative shirker, fundamentally wants to make a tolerable showing, to be a satisfactory steward of the corporate resources. Subsequently, the stewardship theory grasps the view that there is no intrinsic, general issue of official inspiration. The stewardship theory likewise grasps the view that performance contrasts emerge dependent on the physical circumstance in which the official discovers it. In this manner, the inquiry that asks answers is whether the organization game plan preferences the management to pass on and actualize policies for high corporate performance. The stewardship hypothesis presents two inverse theories with respect to CEO administration: CEO polarity prompts propelled come back to partners and the hopeful impacts of CEO dichotomy are not because of the fashioned impacts of long term compensation (Dryabs, 2010).

**Human Capital Theory**
The human capital theory was developed by Samuel Bowels and Gary Becker in 1930. It is defined as the knowledge, skills, assets, and experiences that an individual has which add value to an organization.
Human capital is an approach to decide economic performance in a workforce and this thought of human capital itself offered to ascend to human capital theory (Armstrong, 2010). The hypothesis clarifies that only one out of every odd representative has a similar worth; it relies upon their insight, abilities, and resources. Additionally, the human capital theory recognizes the qualities that individuals can add to an organization and sees individuals as resources. Focusing on that speculation by organizations in individuals can create beneficial returns.

**Empirical Literature**

Dodek, Cahill and Heyland (2010) expressed that the way of life is to an organization is what character is to the individual, yet binding together subject that gives significance, heading, and assembly. As indicated by Chegini (2010), organizational culture is the convictions, qualities and practices, which structure the attributes of an organization. The idea from a more extensive perspective characterizing it as an arrangement of shared qualities and convictions that interfaces with an organization's kin, organizational structure, and control frameworks to deliver behavioral standards. Past studies has indicated that corporate way of life has a foot print on worker performance. The connection between authoritative culture and the employee performance in organizations shows that there is positive outcome.

Ojokuku, Odetayo and Sajuyigbe (2012) discovered that leadership styles are key determinants of the accomplishments or disappointment of any organization and authority is extremely fundamental for any organization and its criticalness can’t be thought little of. A leader impacts, guides and propels others to achieve accurate errands and furthermore empower his subordinates for proficient execution to the fulfillment of the recorded corporate objectives. The initiative is the core of any organization.

Performance evaluation is an important technique that can be used by any management if the institution really wants to achieve its set objectives. The performance of employees rely upon the perceived expectation regarding effort expended and achieving the desired result when evaluation is carried (Ridge, 2009). A high performance is based on high job satisfaction, which in turn becomes feedback to influence the outcome. In performance the administration is the key person that monitors performance of the employees. The importance of the innovation and learning perspective lies in the direct link between the institutions value and institutions ability to innovate, improve and learn. The aim of the employee performance evaluation or assessment system is to ensure that performance of the employees is attained through minimal absenteeism and also ensure management and administration practices are carried out effectively (Armstrong, 2010).

As maintained by Dessler (2011), performance evaluation is additionally alluded to as performance review, performance assessment and performance estimation. Performance assessment involves nonstop procedure of building up, estimating and evaluating performance of the worker with a perspective on knowing the zones that should be improved. The data assembled from execution assessment builds worker fulfillment, responsibility and motivation. One significant term in assessment is to give comprehensible criticism to employees about their performance. As indicated by Gichuki (2015) performance assessment and improvement results can profit helpful data to organizations which is utilized by human resource division to settle on choices identifying with employees development, move and preparing among the others.

The purpose of development programs is to improve employee abilities and organizational capacities. The data and capacities of its employees and the endeavor is returned as logically beneficial and
ground-breaking laborers. Placing resources into HR through getting ready and headway improves solitary delegate capacities and authoritative limits (Nzuve, 2009). There is extending care in organizations that the enthusiasm for getting ready could improve definitive performance to the extent extended arrangements and benefit, redesigned quality and bit of the general business, diminished turnover, nonappearance and strife (Mullins, and Gankar, 2010).

The principal objective of training and development division division is to confirm there is accessibility of a gifted and willing workforce to an organization. Besides that, there are four different goals: personal, institutional, Functional, and Societal. personal Objectives help representatives in accomplishing their own objectives, which thus, improves the individual commitment to an association. Functional Objectives help the association with its essential goal by bringing singular adequacy. Useful Objectives keep up the office's commitment at a level appropriate to the association's needs. Societal Objectives guarantee that an association is morally and socially dependable to the necessities and difficulties of the general public (Laurie, 2010).

External staffing can be tedious, costly and dubious, however it is conceivable to lessen these detriments somewhat by thinking ahead and arranging. Outer sources might be separated into two classes those which are nearly cheap however offer a constrained decision, for instance, spontaneous applications, work focuses, direct connections with schools and universities, and those which are relatively costly yet give the business access to a more extensive scope of competitors, for example, publicizing and utilization of private organizations. In any event, when joblessness is high sure classifications of worker who have rare abilities are hard to track down and the business may need to utilize the more costly methods for staffing. Senior supervisors are in some cases selected by a procedure known as official inquiry or scouting. Its backers accept that the best up-and-comers are not the individuals who answer to commercials or search for new openings in different manners, however the individuals who are effective in their current employments and are not considering moving somewhere else (Hoskins, 2010).

Compensation and reward is an important feature of the strategic Human Resources Management. Armstrong (2010) recognizes four classes of reward every one of which has equivalent potential criticalness as a wellspring of remuneration from the representative viewpoint. The classifications are, individual, for example, base compensation, unexpected compensation, rewards, motivations, offers, and benefit-sharing frequently alluded to as remuneration. Value-based prizes incorporate annuities, occasions, human services, different advantages, and adaptability. Social prizes incorporate professional advancement while mutual prizes involve administration, organizational qualities, voice, and acknowledgment, and accomplishment among others. The reward systems that an organization offers to its workers assume a significant job in deciding the responsibility levels of representatives and their retention (Tiwari, 2014).

Compensation is one of the essential issues similarly as far drawing in and keeping ability in organizations is concerned. The central speculation is that cash impacts employee conduct through molding their perspectives (Swapna, 2011). Workers stay in an organization on the off chance that they are very much remunerated since an appropriate prize system raises the degree of occupation fulfillment and furthermore in light of the fact that they may leave on the off chance that they are ineffectively compensated. Employees are probably going to remain in organizations where they accept that their abilities, commitments, and endeavors are valued. The prize should be possible by the method of strengthening, acknowledgment, inspiration and these will at last lead to organizational adequacy.
Acknowledgment and strengthening have both a constructive outcome a representative inspiration, which in the long run prompts worker performance (Northouse, 2014).

A reward is defined as anything that outwardly or characteristically strengthened, keep up and improve employees's behaviour in an organization. Money related prizes are a useful resource that can be utilized to inspire workers to perform. So as to persuade workers to perform, human asset supervisors utilize budgetary awards to invigorate their employees to perform (Swivvan, 2011). Subsequently reward systems are concentrating on strengthening positive conduct employees who are remunerated for staying at work longer than required, stepping up to the plate, cooperation, unwavering quality, extraordinary participation, remarkable client input, complying with time constraints or practicality, efficiency. Most organizations in business part should plan assessment systems for remunerations that can reveal workers' shortcomings and qualities in a particular activity, and prize factors that inspire employees towards upgraded performance. Bosses and directors are then to structure or to think of a system to gauge or evaluate every one of these perspectives with the goal that prizes are then given likewise (Armstrong, 2010).

**Figure 1: Conceptual Framework**

*Source: Researcher, (2020)*
METHODOLOGY
The study used descriptive research design. The design helped the researcher to gather, summarize, present and interpret information for the purpose of clarification. The target population was 50 workers engaged to work for National Social Security Fund in Lower Eastern Region. The study covered the 50 respondents in total. The main tools of data collection for this study was surveys. The questionnaires were used for data combination since it offers great inclinations in the organization. The pilot study was carried before actual data collection. The motivation behind the pilot study was to empower the analyst to discover the unwavering quality and legitimacy of the instruments, and to acquaint with the organization of the questionnaires in this manner improve the instruments and methods. This went about as a pre-test survey and any recommendations for development experienced during the directing procedure was joined in the questionnaires. They were appropriated to the respondents through deliver and collect. Both qualitative and quantitative information investigation techniques utilized to break down the collected data. Thematic analysis was used to disintegrate the subjective data gathered from open-finished reactions and was founded on the examination destinations.

FINDINGS
Effects of performance evaluation on employee innovation at the National Social Security Fund
The study had sought to establish the effects of performance evaluation on employee innovation at the National Social Security Fund. The following were the results.

Table 1: Effects of performance evaluation on employee innovation at the National Social Security Fund

<table>
<thead>
<tr>
<th>Performance Evaluation</th>
<th>SA&amp;A</th>
<th>Neutral</th>
<th>SA&amp;A</th>
<th>Mean</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance evaluation influences the employee innovation in the organization.</td>
<td>56.3</td>
<td>25.0</td>
<td>18.8</td>
<td>3.31</td>
<td>1.206</td>
</tr>
<tr>
<td>The organization carries out proper appraisal as a strategic tool for innovation.</td>
<td>72.9</td>
<td>16.7</td>
<td>10.4</td>
<td>3.13</td>
<td>1.123</td>
</tr>
<tr>
<td>Performance evaluation support the organizational goals and objectives</td>
<td>58.4</td>
<td>22.8</td>
<td>18.8</td>
<td>3.31</td>
<td>1.075</td>
</tr>
<tr>
<td>The organization carries out job knowledge evaluation often to identify employee</td>
<td>54.2</td>
<td>33.3</td>
<td>12.5</td>
<td>3.15</td>
<td>1.111</td>
</tr>
<tr>
<td>performance gaps.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The performance evaluation has enhanced employee innovation in the organization.</td>
<td>75.0</td>
<td>20.8</td>
<td>4.2</td>
<td>2.88</td>
<td>.937</td>
</tr>
</tbody>
</table>

The findings of the study indicated that 56.3% of the respondents felt that the performance evaluation influences the employee innovation in the organization, 25.0% were neutral while only 18.8% of the respondents felt that the performance evaluation did not influence the employee innovation in the organization. The response registered a mean of 3.31 and a difference in response of 1.206 standard deviation. This indicated that there was a high difference in response on whether the performance evaluation influences the employee innovation in the organization.

On whether the organization carries out proper appraisal as a strategic tool for innovation, the findings of the study indicated that 72.9% of the respondents felt that the organization carries out proper appraisal as a strategic tool for innovation, 16.7% were neutral while only 10.4% of the respondents felt that the organization does not carry out proper appraisal as a strategic tool for innovation.
This indicated a mean of 3.13 and a standard deviation of 1.123. This indicated that there was a high difference in response on whether the organization carries out proper appraisal as a strategic tool for innovation.

The findings of the study indicated that 58.4% of the respondents felt that performance evaluation support the organizational goals and objectives, 22.8% were neutral while another 18.8% of the respondents felt that performance evaluation did not support the organizational goals and objectives. The response registered a mean of 3.31 and a standard deviation of 1.075. This showed an average response difference on whether performance evaluation supports the organizational goals and objectives.

On the other hand the findings of the study indicated that 54.2% of the respondents felt that the organization carries out job knowledge evaluation often to identify employee performance gaps, 33.3% were neutral while 12.5% of the respondents felt that the organization did not carry out job knowledge evaluation often to identify employee performance gaps. The response in this part indicated a mean of 3.15 and a Standard deviation of 1.111 which indicated that there was slightly average deference in terms of responses on whether the organization carries out job knowledge evaluation often to identify employee performance gaps.

The results of the study also indicated that the performance evaluation have enhanced employee innovation in the organization where 75.0% of the respondents agreed, 20.8% were neutral while 4.2% of the respondents felt that the performance evaluation have not enhanced employee innovation in the organization. The response indicated a mean of 2.88 and a standard deviation of .937 which indicated that there was an average difference in response on whether the performance evaluation have enhanced employee innovation in the organization.

The study had sought to establish the best time for performance evaluation of the organization and the response was as follows. The findings of the study indicated that 18.8% of the respondents felt that the best time for performance evaluation of the organization is after two years, 56.3% felt that the best time was after once a year while 25.0% of the respondents felt that the best time for performance evaluation of the organization is after two years. The findings indicated that the most appropriate time for evaluation was once a year.

Effects of employee development on the employees’ innovation at the National Social Security Fund

The study had sought to establish whether the employee development influenced the innovation at the National Social Security Fund and the response was as follows.

<table>
<thead>
<tr>
<th>Employee Development</th>
<th>SA&amp;A</th>
<th>Neutral</th>
<th>SA&amp;A</th>
<th>Mean</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee development influence the employee innovation in the organization</td>
<td>60.4</td>
<td>27.1</td>
<td>12.5</td>
<td>3.15</td>
<td>1.111</td>
</tr>
<tr>
<td>The organization develops its employees</td>
<td>58.3</td>
<td>18.8</td>
<td>22.9</td>
<td>3.29</td>
<td>1.202</td>
</tr>
<tr>
<td>The organization has different programs for employees mentoring and training</td>
<td>52.1</td>
<td>6.3</td>
<td>41.6</td>
<td>3.35</td>
<td>1.120</td>
</tr>
<tr>
<td>The employees development programs have had an impact on both employees and the organization</td>
<td>54.2</td>
<td>20.8</td>
<td>25.0</td>
<td>2.79</td>
<td>1.051</td>
</tr>
<tr>
<td>The employees development through coaching have improved employee innovation in the organization</td>
<td>70.8</td>
<td>14.6</td>
<td>14.6</td>
<td>2.75</td>
<td>1.021</td>
</tr>
</tbody>
</table>
The findings of the study indicated that 60.4% of the respondents felt that the employee development influence the employee innovation in the organization, 27.1% were neutral while only 12.5% of the respondents felt that the employee development did not influence the employee innovation in the organization. The response registered a mean of 3.15 and a difference in response of 1.111 standard deviation. This indicated that there was a high difference in response on whether the employee development influences the employee innovation in the organization.

On whether the organization develops its employees, the findings of the study indicated that 58.3% of the respondents felt that the organization develops its employees, 18.8% were neutral while only 22.9% of the respondents felt that the organization does not develop its employees. This indicated a mean of 3.29 and a standard deviation of 1.202. This indicated that there was a high difference in response on whether the organization develops its employees.

The findings of the study indicated that 52.1% of the respondents felt that the organization has different programs for employees mentoring and training, 6.3% were neutral while another 41.6% of the respondents felt that the organization does not have different programs for employees mentoring and training. The response registered a mean of 3.35 and a standard deviation of 1.120. This showed a slightly high response difference on whether the organization has different programs for employees mentoring and training.

On the other hand the findings of the study indicated that 54.2% of the respondents felt that the employees development programs have had an impact on both employees and the organization, 20.8% were neutral while 25.0% of the respondents felt that the employees development programs have not had an impact on both employees and the organization. The response in this part indicated a mean of 2.79 and a standard deviation of 1.051 which indicated that there was an average deference in terms of responses on whether the employees' development programs have had an impact on both employees and the organization.

On the other hand the findings of the study indicated that 70.8% of the respondents felt that the employees development through coaching have improved employee innovation in the organization, 14.6% were neutral while 14.6% of the respondents felt that the employees development through coaching have not improved employee innovation in the organization. The response in this part indicated a mean of 2.75 and a Standard deviation of 1.021 which indicated that there was an average deference in terms of responses on whether the employees development through coaching have improved employee innovation in the organization.

The study had sought to establish the methods of training that were effective in relation to employee development and the following were the responses. The findings of the study indicated that 58.3.8% of the respondents felt that on job training was the most effective methods of training that were effective in relation to employee development, 22.2% of the respondents felt that off job training was the most effective while 18.8% of the respondents felt that both on job training and off job training were most effective methods of training that were effective in relation to employee development.

The findings of the study indicated that the on job training was the most effective methods of training that were effective in relation to employee development compared to the other options.

Influence of staffing on employees’ innovation at National Social Security Fund

The study had sought to establish whether the staffing influenced the employees’ innovation at the National Social Security Fund and the response was as follows.
Table 3: Influence of staffing on employees’ innovation at National Social Security Fund

<table>
<thead>
<tr>
<th>Staffing</th>
<th>SA&amp;A</th>
<th>Neutral</th>
<th>SA&amp;A</th>
<th>Mean</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organization staffing influence the employee innovation in the organization</td>
<td>62.4</td>
<td>18.8</td>
<td>18.8</td>
<td>3.19</td>
<td>1.024</td>
</tr>
<tr>
<td>The organization has improved in its innovation by recruiting the right staff</td>
<td>58.4</td>
<td>25.0</td>
<td>16.6</td>
<td>2.88</td>
<td>1.064</td>
</tr>
<tr>
<td>The organization encourages the staff to innovate in order to improve performance</td>
<td>62.4</td>
<td>8.4</td>
<td>29.2</td>
<td>2.85</td>
<td>1.052</td>
</tr>
<tr>
<td>Effective selection of employees with the right skills helps the organization enhance its innovations.</td>
<td>64.6</td>
<td>16.7</td>
<td>18.8</td>
<td>3.15</td>
<td>1.203</td>
</tr>
<tr>
<td>The organization retains innovative staff to maintain organization performance</td>
<td>68.8</td>
<td>25.0</td>
<td>6.2</td>
<td>2.94</td>
<td>.998</td>
</tr>
</tbody>
</table>

The findings of the study indicated that 62.4% of the respondents felt that the organization staffing influence the employee innovation in the organization, 18.8% were neutral while another 18.8% of the respondents felt that the organization staffing did not influence the employee innovation in the organization. The response registered a mean of 3.19 and a difference in response of 1.024 standard deviation. This indicated that there was an average difference in response on whether the organization staffing influences the employee innovation in the organization.

On whether the organization has improved in its innovation by recruiting the right staff, the findings of the study indicated that 58.4% of the respondents felt that the organization has improved in its innovation by recruiting the right staff, 25.0% were neutral while only 16.6% of the respondents felt that the organization has not improved in its innovation by recruiting the right staff. This indicated a mean of 2.88 and a standard deviation of 1.064. This indicated that there was an average difference in response on whether the organization has improved in its innovation by recruiting the right staff.

The findings of the study indicated that 62.4% of the respondents felt that the organization encourages the staff to innovate in order to improve performance, 8.4% were neutral while another 29.2% of the respondents felt that the organization does not encourage the staff to innovate in order to improve performance. The response registered a mean of 2.85 and a standard deviation of 1.052. This showed that there was an average response difference on whether the organization encourages the staff to innovate in order to improve performance.

On the other hand, the findings of the study indicated that 64.6% of the respondents felt that effective selection of employees with the right skills helps the organization enhance its innovations, 16.7% were neutral while 29.2% of the respondents did not feel that effective selection of employees with the right skills helps the organization enhance its innovations. The response in this part indicated a mean of 3.15 and a standard deviation of 1.203 which indicated that there was a high deference in terms of responses on whether effective selection of employees with the right skills helps the organization enhance its innovations.

Lastly, when the study sought to establish whether the organization retains innovative staff to maintain organization performance, the findings of the study indicated that 68.8% of the respondents felt that the organization retains innovative staff to maintain organization performance, 25.0% were neutral while only 6.2% of the respondents felt that the organization does not retain innovative staff to maintain organization performance. This indicated a mean of 2.94 and a standard deviation of .998.
indicated that there was an average difference in response on whether the organization retains innovative staff to maintain organization performance.

The study had the best staffing methods and procedures for recruitment and the response was as follows. The findings of the study indicated that 3.3% of the respondents felt that employee referral was the best method for recruitment, 20% of the respondents felt that advertisement in the local dailies was the best method for recruitment, 41.7% felt that internet was the most preferred method for recruitment while 4.2% felt that use of professional bodies was the best method for recruitment. The findings of the study also indicated that 20.8% of the respondents felt that both internet and advertisement in the local dailies were the best method for recruitment for the organization. This indicated that use of internet was the best method for recruitment by the organization.

The study had sought to establish the approximate time taken for recruitment by the organization. The findings of the study indicated that 31.3% of the respondents felt that the approximate time taken for recruitment was one month, 54.2% felt that it was two months while 14.6% of the respondents felt that the approximate time taken for recruitment by organization was three months. Therefore the findings of the study also indicated that the approximate time taken for recruitment was two months.

The findings of the study also sought to establish the staffing procedures and methods ought to be followed by the organization.

The findings of the study established that 6.3% of the respondents felt that practical test was the staffing procedure and method ought to be followed by the organization, 12.5% felt that written test was the staffing procedures and methods ought to be followed by the organization while 64.6% of the respondents felt that personal interview was the staffing procedure and method ought to be followed by the organization.

The findings of the study established that 16.7% of the respondents felt that aptitude test was the staffing procedure and method ought to be followed by the organization. The findings indicated that personal interview was the staffing most preferred procedure and method that ought to be followed by the organization when recruiting.

**Effects of employee compensation and rewards on the employees’ innovation at the National Social Security Fund**

The study had sought to establish whether the employee compensation and rewards influenced the employees’ innovation at the National Social Security Fund and the response was as follows.

<table>
<thead>
<tr>
<th>Employee Compensation and Reward</th>
<th>SA&amp;A</th>
<th>Neutral</th>
<th>SA&amp;A</th>
<th>Mean</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee compensation and reward influence the employee innovation in the organization</td>
<td>52.1</td>
<td>6.3</td>
<td>41.6</td>
<td>2.73</td>
<td>1.047</td>
</tr>
<tr>
<td>The organization has a good employee compensation and reward system</td>
<td>58.3</td>
<td>10.4</td>
<td>31.3</td>
<td>3.33</td>
<td>.907</td>
</tr>
<tr>
<td>The staff are well compensated and properly rewards</td>
<td>54.2</td>
<td>20.8</td>
<td>25.0</td>
<td>3.21</td>
<td>.874</td>
</tr>
<tr>
<td>The organization staff reward of good performance encourages staff to innovate</td>
<td>75.0</td>
<td>14.6</td>
<td>10.4</td>
<td>3.40</td>
<td>.869</td>
</tr>
<tr>
<td>The staff that come up with new ideas are well compensated</td>
<td>72.9</td>
<td>16.7</td>
<td>10.4</td>
<td>2.92</td>
<td>.871</td>
</tr>
</tbody>
</table>
The findings of the study indicated that 52.1% of the respondents felt that the employee compensation and reward influence the employee innovation in the organization, 6.3% were neutral while only 41.6% of the respondents felt that employee compensation and reward does not influence the employee innovation in the organization. The response registered a mean of 2.73 and a difference in response of 1.047 standard deviation. This indicated that there was an average difference in response on whether employee compensation and reward influence the employee innovation in the organization.

On whether the organization has a good employee compensation and reward system, the findings of the study indicated that 58.3% of the respondents felt that the organization has a good employee compensation and reward system, 10.4% were neutral while only 3.13% of the respondents did not feel that the organization has a good employee compensation and reward system. This indicated a mean of 3.33 and a standard deviation of .907. This indicated that there was an average difference in response on whether the organization has a good employee compensation and reward system.

The findings of the study indicated that 54.2% of the respondents felt that the staff are well compensated and properly rewards, 20.8% were neutral while another 25.0% of the respondents did not feel that the staff are well compensated and properly rewards. The response registered a mean of 3.21 and a standard deviation of .874. This showed that low response difference on whether the staff are well compensated and properly rewards.

On the other hand the findings of the study indicated that 72.9% of the respondents felt that the staff that come up with new ideas are well compensated, 16.7% were neutral while 10.4% of the respondents did not feel that the staff that come up with new ideas are well compensated. The response in this part indicated a mean of 2.92 and a Standard deviation of .871 which indicated that there was a low deference in terms of responses on whether the staff that come up with new ideas are well compensated.

Lastly, the study sought to establish whether the organization has a work life balance that is good for employees, the findings of the study indicated that 60.4% of the respondents felt that the organization does not have a work life balance that is good for employees, 25.0% were neutral while only 14.6% of the respondents felt that the organization has a work life balance that is good for employees. The response registered a mean of 3.15 and a difference in response of .714 standard deviation. This indicated that there was a very low difference in response on whether the organization has a work life balance that is good for employees.

The findings of the study also sought to establish the methods the organization used to compensate or reward staff. The findings of the study indicated that 54.2% of the respondents felt that bonuses was the method used by the organization to compensate or reward staff, 33.3% of the respondents felt that pay rise was the method mostly used while 12.5% of the
respondents felt that promotion of staff was the method mostly used by the organization to compensate or reward staff. Out of the three methods used for compensating or reward staff by the organization, bonuses were the mostly used.

**Employees innovation factors**

The study had sought to establish whether the employee innovation influenced the innovation at the National Social Security Fund and the response was as follows.

<table>
<thead>
<tr>
<th>Employee Innovation</th>
<th>SA&amp;A</th>
<th>Neutral</th>
<th>SA&amp;A</th>
<th>Mean</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic human resource management influence the employee innovation in the organization</td>
<td>56.3</td>
<td>25.0</td>
<td>18.8</td>
<td>3.21</td>
<td>.944</td>
</tr>
<tr>
<td>The organization supports staff with new ideas service diversity</td>
<td>58.3</td>
<td>31.3</td>
<td>10.4</td>
<td>3.19</td>
<td>1.085</td>
</tr>
<tr>
<td>The HR function encourages the staff to innovate and develop new business model.</td>
<td>54.2</td>
<td>33.3</td>
<td>12.5</td>
<td>3.33</td>
<td>1.078</td>
</tr>
<tr>
<td>The employees are encouraged to develop new service delivery processes learning.</td>
<td>66.6</td>
<td>27.1</td>
<td>6.3</td>
<td>3.65</td>
<td>1.082</td>
</tr>
<tr>
<td>The organization through effective have improved employee trust</td>
<td>60.4</td>
<td>14.6</td>
<td>25.0</td>
<td>3.54</td>
<td>1.383</td>
</tr>
</tbody>
</table>

The findings of the study indicated that 56.3% of the respondents felt that strategic human resource management influence the employee innovation in the organization, 25.0% were neutral while only 18.8% of the respondents felt that strategic human resource management does not influence the employee innovation in the organization. The response registered a mean of 3.21 and a difference in response of .944 standard deviation. This indicated that there was an average difference in response on whether strategic human resource management influence the employee innovation in the organization.

On whether the organization supports staff with new ideas service diversity, the findings of the study indicated that 58.3% of the respondents felt that the organization supports staff with new ideas service diversity, 31.3% was neutral while only 10.4% of the respondents did not feel that the organization supports staff with new ideas service diversity. This indicated a mean of 3.19 and a standard deviation of 1.085. This indicated that there was an average difference in response on whether the organization supports staff with new ideas service diversity.

The findings of the study indicated that 47.1% of the respondents felt that the HR function encourages the staff to innovate and develop new business model, 54.2% were neutral while another 12.5% of the respondents felt that the HR function does not encourage the staff to innovate and develop new business model. The response registered a mean of 3.33 and a standard deviation of 1.078. This showed that an average response difference on whether the HR function encourages the staff to innovate and develop new business model.

On the other hand the findings of the study indicated that 66.6% of the respondents felt that the employees are encouraged to develop new service delivery processes learning, 27.1% were neutral while 6.3% of the respondents felt that the employees are not encouraged to develop new service delivery processes learning. The response in this part indicated a mean of 3.65 and a standard deviation of 1.082 which indicated that there was an average
deference in terms of responses on whether the employees are encouraged to develop new service delivery processes learning.

Lastly, the findings of the study indicated that 60.4% of the respondents felt that the organization though effective have improved employee trust, 14.6% were neutral while 25.0% of the respondents felt that that the organization though effective have not improved employee trust. The response in this part indicated a mean of 3.61 and a Standard deviation of 0.888 which indicated that there was a lower deference in terms of responses on whether the organization though effective have improved employee trust.

Inferential Analysis

Table 6: Correlation Analysis

<table>
<thead>
<tr>
<th></th>
<th>Y</th>
<th>X1</th>
<th>X2</th>
<th>X3</th>
<th>X4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Innovation</td>
<td>Pearson Correlation 1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>48</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Performance Evaluation</td>
<td>Pearson Correlation .645**</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>48</td>
<td>48</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee Development</td>
<td>Pearson Correlation .489</td>
<td>.050</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td></td>
<td>.733</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>48</td>
<td>48</td>
<td>48</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Staffing</td>
<td>Pearson Correlation .606**</td>
<td>.775**</td>
<td>- .114</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
<td>.440</td>
<td></td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>48</td>
<td>48</td>
<td>48</td>
<td>48</td>
<td></td>
</tr>
<tr>
<td>Employee compensation and rewards</td>
<td>Pearson Correlation .619**</td>
<td>.659**</td>
<td>.017</td>
<td>.562**</td>
<td>1</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
<td>.909</td>
<td>.000</td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>48</td>
<td>48</td>
<td>48</td>
<td>48</td>
<td>48</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.01 level (2-tailed).

This part of the study contained the analysis to establish whether each of the independent variables: strategic human resource management (performance evaluation, employee development, staffing and employee compensation and rewards), influence the Dependent Variable: employee innovation at the National Social Security Fund in the Lower Eastern Region. The findings of the study showed that performance evaluation (X1) has a significance influence employee innovation at the National Social Security Fund in the Lower Eastern Region ($r=0.645$, $P<0.000$). This suggested that the National Social Security Fund in the Lower Eastern Region can be enhanced if performance evaluation aspects are improved.
The findings of the study also showed that employee development (X2) has a significance influence on the employee innovation at the National Social Security Fund ($r=0.489$, $P < .049$). This suggested that the employee innovation at the National Social Security Fund can be improved if employee development can be improved.

The findings of the study showed staffing (X3) has a significance influence on the employee innovation at the National Social Security Fund ($r=0.606$, $P < .000$). This suggested that employee innovation at the National Social Security Fund can be improved if staffing can be improved.

The findings of the study also showed that employee compensation and rewarding (X4) has a significance influence on employee innovation at the National Social Security Fund ($r=0.619$, $P < .000$). This suggested that employee innovation at the National Social Security Fund can be improved if employee compensation and rewards can be improved.

This indicated that performance evaluation, employee development, staffing and employee compensation and rewards all have a significance influence on the employee innovation at the National Social Security. While employee development would also have a significance influence on employee innovation at the National Social Security Fund, the influence was less significant.

Regression Analysis

Table 7: Effects of strategic human resource management on employees’ innovation at the National Social Security Fund: Model Summery

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.716</td>
<td>.512</td>
<td>.467</td>
<td>.57934</td>
</tr>
</tbody>
</table>

The coefficient of determinant (R-squared) of 0.575 that presented a .512% of the total variation in on innovation at the National Social Security Fund. On the other hand the Adjusted R Squared of .467 indicated these strategic human resource management (performance evaluation, employee development, staffing and employee compensation and rewards), in exclusion of constant variable, explained in the changes in the employee innovation at the National Social Security Fund under investigation by 46.7%. The remaining (53.3%) can be explained by the other factors not included in the regression model under investigation.

Table 8: Effects of strategic human resource management on employees’ innovation at the National Social Security Fund: ANOVA

<table>
<thead>
<tr>
<th>ANOVAa</th>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Regression</td>
<td>15.154</td>
<td>4</td>
<td>3.789</td>
<td>11.288</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>14.432</td>
<td>43</td>
<td>.336</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>29.587</td>
<td>47</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Innovation
b. Predictors: (Constant), Reward, Employee development, Staffing, Evaluation
The table 8 above showed that a regression output of strategic human resource management (performance evaluation, employee development, staffing and employee compensation and rewards), as valid (F (4, 47) = 11.288, P<.000). This meant that strategic human resource management (performance evaluation, employee development, staffing and employee compensation and rewards), can be used as predictors explaining the variation in the employees' innovation at the National Social Security Fund. The P<0.000) which is less than the critical value of 0.05 leads us to reject the null hypothesis and accepting the alternative hypothesis that strategic human resource management (performance evaluation, employee development, staffing and employee compensation and rewards), have a positive and significant influence on the employees' innovation at the National Social Security Fund.

### Table 9: Effects of strategic human resource management on employees’ innovation at the National Social Security Fund: Coefficient

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
</tr>
<tr>
<td>(Constant)</td>
<td>1.124</td>
<td>.653</td>
</tr>
<tr>
<td>Performance Evaluation Employee</td>
<td>.240</td>
<td>.207</td>
</tr>
<tr>
<td>Development Staffing Employee Compensation And Rewards</td>
<td>.114</td>
<td>.122</td>
</tr>
<tr>
<td>1</td>
<td>.385</td>
<td>.253</td>
</tr>
<tr>
<td></td>
<td>.474</td>
<td>.209</td>
</tr>
</tbody>
</table>

From the multi-regression analyzing, the findings of the study indicated that:Y=.124+.240X1+...114X2+.385X3+.474X4+.ε. This indicated that a .240 change in Performance Evaluation, a .114 change in Employee Development while .385 change in Staffing and .474 change in Employee Compensation And Rewards will have unit change in the employees’ innovation at the National Social Security Fund. While all the other variables (performance evaluation, employee development, staffing and employee compensation and rewards) would have a significance influence on employees’ innovation at the National Social Security Fund.

Where; Constant 1.124 indicates that if performance evaluation, employee development, staffing and employee compensation and rewards are all rated at zero, the employees’ innovation at the National Social Security Fund in the Lower Eastern Region would stay at 1.124.

### CONCLUSIONS AND RECOMMENDATIONS

Performance evaluation influences the employee innovation and has enhanced employee innovation at the National Social Security Fund in the Lower Eastern Region; the organization carries out proper appraisal as a strategic tool for innovation and the performance evaluation at the fund support the organizational goals and objectives. The most appropriate time for evaluation was once a year.

The organization develops its employees and has put in place different programs for employees mentoring and training. These employees’ development programs have had an impact on both employees and the organization and that the employees’ developments through coaching have improved employee innovation in the organization. The training and advancement of individuals at work has
progressively come to be perceived as an important part of HRM.

The organization has improved in its innovation by recruiting the right staff and the organization encourages the staff to innovate in order to improve performance. Internet was the best method for recruitment by the organization and that the approximate time taken for recruitment was two months. In terms of recruitment process personal interview was the method of staffing that was most preferred to be followed by the organization when recruiting. Noticeably, the organization retains innovative staff to maintain organization performance and effective selection of employees with the right skills helps the organization enhance its innovations.

The employee compensation and reward at the National Social Security Fund has a significance influence the employee innovation in the organization, the staff that come up with new ideas are well compensated and that out of the three methods used for compensating or reward staff by the organization and the staff are well compensated and properly rewards the organization staff reward of good performance encourages staff to innovate and that the organization has a work life balance that is good for employees. National Social Security Fund in the Lower Eastern Region used bonuses more to reward their staff.

The findings of the study established that all the strategic human resource management of performance evaluation ($r=.645$, $P<.000$); employee development ($r=.489$, $P<.049$); staffing($r=.606$, $P<.000$); employee compensation and rewarding ($r=.619$, $P<.000$) have a significance influence on the employee innovation at the National Social Security Fund in the Lower Eastern Region.

The research recommended that there is need for the organization to establish how bet they can improve employees’ development programs in order to have more impact on both employees and the organization and that the employees’ developments. There is need for the organization to carry out proper appraisal as a strategic tool for innovation in the organization. The organization need to consider the appropriate time for evaluation as once a year.

The organization need to enhance its employee’s development programs in order for the organization employees’ development programs to have more impact on both employees and the organization. Employees’ developments programs should include more coaching in order to improve employee innovation in the organization. There is need for the organization to identify areas for training in order to enhance employees’ innovation.

While internet was the best method for recruitment preferred by the organization, there is need to consider other methods of recruitment. There is need for enough time for recruitment process and consider the approximate time adequate for the recruitment process. The recruitment process should improve personal interview as this provides the recruitment team with an opportunity to recruit the right staff.

The organization should also consider how best they can retain innovative staff to maintain organization performance. There is also need for organization to carry out an effective selection of employees with the right skills in order to help the organization enhance its innovations.

While the organization prefers bonuses as a method for compensating or rewarding staff, there is also need for the organization to consider how the organization can use the other compensation methods.
Suggestion for Further Studies

There is need for a study on the benefits of bonuses as a rewarding system in government agencies. The organization should also consider a study on the effectiveness of various recruitment processes in the organization.

REFERENCES


