

Human Resource and Leadership Journal

(HRLJ)

**INFLUENCE OF COMPETENCE MANAGEMENT IN
ADOPTION OF QMS IN KENYA'S ISO CERTIFIED STATE
CORPORATIONS**

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INFLUENCE OF COMPETENCE MANAGEMENT IN ADOPTION OF QMS IN KENYA'S ISO CERTIFIED STATE CORPORATIONS

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Abstract

Purpose: The purpose of this study was to determine the influence of competence management in adoption of QMS in Kenya ISO certified state corporations.

Methodology: The proposed research consisted of a descriptive survey. The population comprised of fifty nine state corporations that were ISO certified on 9001:2008 series by the Kenya Bureau of Statistics. The study applied a stratified random sampling technique to select a sample size of twenty one state corporations. Purposive sampling technique was further applied to select a total of four respondents in each of the twenty one selected state corporations. Questionnaires were used as the main data collection instruments and a pilot study was undertaken to pretest the questionnaires for validity and reliability. The gathered data was analyzed by use of Statistical Package for Social Scientists (SPSS) version 20. The analysis involved factor analysis; descriptive statistics where the means Standard Deviations and variances were established for all the factors tested in the questionnaires; Correlation analysis was done between the independent sub variables and the dependent variable; Linear regression analysis was also done; and t-test was used for the test of significance of individual coefficients. R-squared was used for the explanatory power of the model. The analysis was presented using tables and charts. The interpretations of data were also given as per the research objectives of the studies.

Results: Results indicate that the organization does not carry out competence management base assessment regularly. Further findings indicate that Kenya's state corporation lack best hiring practices as a result competence is not emphasized in the organizations. Additional results indicate that employees in State owned corporations in Kenya are not well motivated thus there is no drive to achieve organizational goals and in adoption of organizational motivation. Inferential statistics indicate that competence management has a strong positive influence on the adoption of quality management systems.

Unique Contribution to Theory, Practice and Policy: Hiring should be done in line with the competence required to fill in a particular vacancy. Managing competence may be costly to any organization but through proper planning and budgeting organizations are able to achieve this.

Keywords: *Competence management, adoption of QMS and ISO certified state corporations.*

1.0 INTRODUCTION

Organizational quality which is achieved through employee participation and aims at long term success through customer satisfaction and benefits to all members of the organization and the society is a manifestation of continuous improvement on organizational processes for individuals and organization as a whole (Rao & Ashok et al, 2007). This recognition has brought the need to institutionalize quality management systems in organizations worldwide. It has further brought wide recognition that Human resource management as one of the internal processes impacts on the organization's quality in terms of performance and bottom line results, contributing to overall effectiveness; leading to increased interdependency of corporate strategy and human resource management (Guthrie, James 2008). The cornerstone of a quality organization is therefore concept of the customer and supplier working together for their mutual benefit (Kunst & Lemmink, 2007).

A quality management system (QMS) is a set of co-ordinated activities to direct and control an organisation in order to continually improve the effectiveness and efficiency of its performance (Bunch & Rivers, 2007). Bunch and Rivers further note that QMS will ensure that two important requirements are met; the customers' requirements – confidence in the ability of the organisation to deliver the desired product and service consistently meeting their needs and expectations and; the organisation's requirements – both internally and externally, and at an optimum cost with efficient use of the available resources – materials, human, technology and information. These requirements can only be truly met if objective evidence is provided, in the form of information and data, to support the system activities, from the ultimate supplier to the ultimate customer. A QMS enables an organisation to achieve the goals and objectives set out in its policy and strategy. It provides consistency and satisfaction in terms of methods, materials, equipment, etc, and interacts with all activities of the organisation, beginning with the identification of customer requirements and ending with their satisfaction, at every transaction interface. These activities interact and are affected by being in the system. A quality management system (QMS) is also

expressed as the organizational structure, procedures, processes and resources needed to implement quality management (Hitchcock & Willard, 2008).

The ISO Quality Standards and in particular the 9001:2008 series specify requirements for a quality management system where an organization needs to demonstrate its ability to consistently provide product that meets customer and applicable regulatory requirements, and aims to enhance customer satisfaction through effective application of the system, including processes for continual improvement of the system and the assurance of conformity to customer and applicable regulatory requirements (Metri,2007). Each organization that is ISO certified on QMS is required to develop a quality policy that is easily understood by both internal and external customers. The organization is further required to adhere to the eight principles of QMS which include Customer satisfaction, leadership, quality services and products, continuous improvement and management commitment among others. It is further a requirement that the organization trains its own internal ISO auditors that will continually assess the documentation and assess the conformity to the QMS requirements. An external auditor is also required to carry out regular audits to ensure that the organization sustains the QMS (KEBS guidelines, 2010).

The adoption of quality management systems in Kenya took its roots through the private sector as early as 1950s, this was during the establishment and development of international companies such as Bata Shoe company, Kenya Breweries Company Limited (KBL), Barclays Bank and Kenya Power and Lighting Company (KPLC) among others, which needed to set standards of operations that are in tandem with other similar organizations in the world (Metri, 2007). The private sector in Kenya has over the time acquired certain international standards and has endeavoured to sustain them in ensuring standardization of processes globally.

The adoption of quality management systems in Kenya public service dates back in July 1974 when the Kenya Bureau of Standards (KEBS) was established. The KEBS Board of Directors known as the National Standards Council (NSC) was subsequently established as the policy-making body for supervising and controlling the administration and financial management of the Bureau. The public organizations are required to adopt QMS through certification to the ISO standards currently documented under 9001:2008 series. Kenya Bureau of Standards certifies public organizations to ISO 9001: 2008 QMS as a means of adding value to products and services offered by certified firms. The ISO 9001:2008 standard is a set of quality practices that ensures that public enterprises use effective processes that are consistently monitored and continually improved. There are however, other certifying bodies that certify organizations with ISO, QMS standards like Bureau VERITAS, United Kingdom Accreditation Service (UKAIS) and Societe Generale de surveillance (SGS) among others but the focus on this study concentrated on organizations certified by Kenya Bureau of Standards.

The entire public service including state corporations is currently required to initiate the process of ISO certification and at least be certified within a period of three years. The institutions that have been certified include some Ministries like the Ministry of planning and vision 2030, Ministry of Trade, and Ministry of Environment and Ministry of Housing among others (KEBS, Report, 2012).

According to KEBS, 2011 report on State Corporations standardization there were 60 state corporations certified on the ISO 9001; 2008 series as at December 31st 2011. Corporations that have been ISO certified and are continually maintaining the standards are Jomo Kenyatta University of Agriculture and Technology, Kenyatta University, University of Nairobi, Nyayo Tea Development Zones, Moi Teaching and Referral Hospital, and Kenya Energy Generating Company Limited among others. In Kenya's state corporations, the role of human resource management in facilitating adoption of quality management systems has not achieved a wide recognition and this has narrowed human resource roles to focus only on general employees' matters such as recruitment, training and performance management. Key roles of HRM identified as contributing towards achievement of better quality standardization include performance management, core competencies management effective leadership practices and Human resource information system but it is noted that the practices have not been embraced leading to underutilization of human resource roles towards adoption of quality management systems (KEBS,2011).

Human resource management (HRM) plays a predominant role in management of organizations' most important asset; the human resource, the people and lifeblood of organizations. HRM is an approach to people management, a distinctive philosophy in carrying out people-oriented organizational activities, (Torrington, Hall & Taylor, 2008). Armstrong, 2010 says it is the strategic and coherent approach to management of an organization's most valued assets – the people working there who individually and collectively contribute towards the achievement of its goal.

Human Resource Management took a new turn at the end of the 20th century where increased free market competition at global level and the proliferation of technology and knowledge based industries raised the importance of human resources, and from an obscure role a century ago, human resource management rose to become the most critical function of an enterprise. The workforce, hitherto considered as “resources” now becomes “assets” and a valuable source of competitive advantage (Dery, 2009). The thrust of human resource management now lies in trying to align individual goals and objectives with corporate goals and objectives, and rather than enforce rules or dictate terms, act as a facilitator and promotes a participative approach (Torrington, Hall & Taylor, 2008). The role of HRM in many organizations has shifted from that of managing employee resources to that of advocating standardization of organization functions through implementation of quality management system infrastructure in the organization. In Kenya in particular, ISO certified private enterprises have evolved rapidly as a result of effective human resource management. Examples of such enterprises whose organizational performance has been tremendous include Equity Bank of Kenya, Kenya Airways and East Africa Breweries among others (Nairobi Securities exchange Report, 2012). In Kenya's state corporations, this kind of an effect is yet to be felt and therefore sustaining organization operations within the ISO:9001:2008 operational frameworks have become a major challenge towards realization of increased organization performance (Dery, 2009).

1.1 Statement of the Problem

The overall objective of introducing ISO standards on Quality Management Systems in the Kenya public service in early 2000 was to improve on service delivery and for organizational success. It is however noted that in the last ten years, the performance of the Public Service and in particular the State Corporations has not been to the expectations of the stakeholders. According to a report by the Inspectorate of State Corporations (ROK, 2011), out of the fifty nine ISO (9001:2008 series) certified state corporations, only 10% recorded increased performance in performance evaluation results while the rest 90% exhibited poor performance. This is evident in the results of the performance contract evaluation results for the last three contract years which indicate that some ISO certified State Corporations continue to perform below the expectations and the set targets (ROK, 2012). The performance of some of the ISO: 9001:2008 certified state corporations showed poor as well as declining performance (based on the rating between '1' and '5' where '1' is for excellence and '5' for poor). On the other hand, some state corporations that are ISO certified recorded very good performance while others showed continuous improvement.

The success and improved performance in some of the state corporations may have been influenced by incorporation of strategic human resource management as an integral function in adoption of Quality management systems. According to a study carried out by Inspectorate of State Corporations (ROK, 2010), some of the major draw backs on effective quality management systems included inadequate core competences coupled with poor management of the competences; poor leadership techniques/styles hindering execution of good governance and high turnover of both board of directors and top management; poor performance management strategies in assessing the performance of both individuals and the organization and lack of/ poor implementation of human resource information system among others. This study was carried out in an endeavour to find out why some ISO certified corporations continued to perform poorly in spite of the certification. Globally, some international organizations that have given human resource a priority as a means of influencing effective adoption of quality management systems have registered high organizational performance. For instance, in Germany TDK-Lambda, is one of the world's leading power supply manufacturers, achieved ISO 9001:2008 in the year 2008 following a rigorous assessment of its quality processes and procedures by the British Standards Institution (BSI). According to Gerry French, 2010 the Leading ISO auditor, TDK-Lambda strategic human resource functions gave much emphasis on quality management system, as it was the role of human resource management to lay down QMS implementation framework. On the other hand other international companies have given little or no attention to the strategic role of human resource management towards implementation of quality management systems and have declined in their performance while others have collapsed as witnessed in the Collapse of Enron Company, which had a lot to do with improper utilization of the human resource (Olalla and Castillo, 2008).

These studies among others however have concentrated much on the role of human resource management in adoption of QMS in various other contexts leaving out the state corporations

where QMS has not been well adopted. This is despite the critical role played by the state corporations in handling and offering services to the public. This research therefore focused on the role of competence management on adoption of quality management systems for Kenya's ISO certified state corporations. The Kenya's state corporations which were ISO (9001:2008 series) certified were the context of focus.

1.2 Objective of the Study

The objective of this study was to determine the influence of competence management in adoption of QMS in Kenya ISO certified state corporations.

2.0 LITERATURE REVIEW

2.1 Theoretical Framework

2.1.1 European Foundation for Quality Management Excellent Model

The European foundation for quality management (EFQM) helps organization to establish an appropriate management system to set them on the path to excellence (Steven et al 2008). This model explains gaps in performance and helps identify improvements. This model is based on the premise that excellent results with respect to performance, customers' people and society are achieved through partnership, resources and processes. People play a key role and therefore human resources should be carefully planned managed and improved. People knowledge and competencies should be identified developed and sustained and people should be recognized and cared for (Steven et al, 2008).

Steven et al developed a model to show the interrelationship of various inputs and outputs as below:

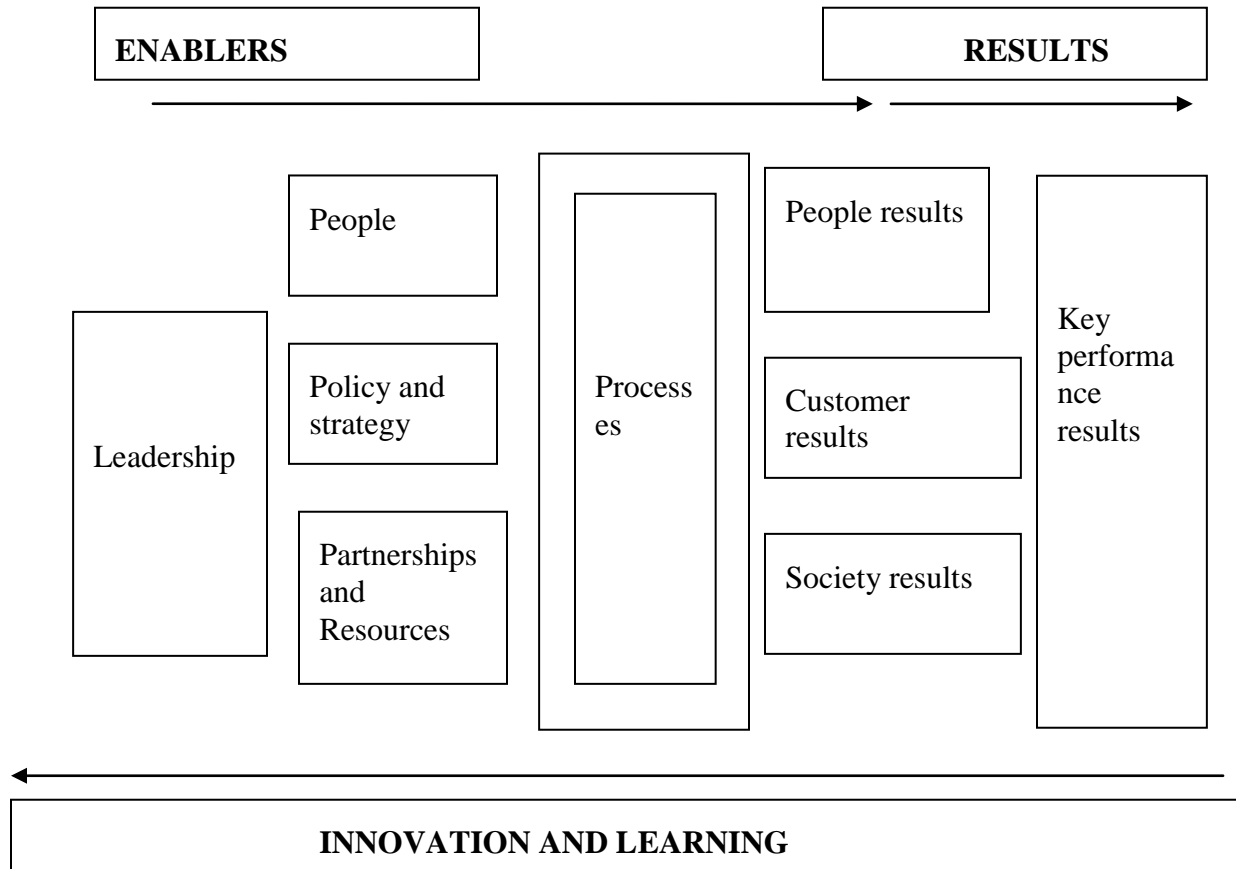


Figure 1: EFQM model

Source: Steven et al. (2008)

Other key factors of this model as depicted in the figure above include policy and strategy, partnerships and resources, leadership and key performance results. It is therefore evident in this model that human resource function is an all-round requirement for organizational improvement and success. Certain large companies like Renault, Philips and Ciba Geigy have used this model successfully. The model is closely related to the TQM model and has successfully been implemented in about 30,000 companies in Europe (Steven et al, 2008).

EFQM is the most widely used Business Excellent framework in Europe with over 30,000 businesses using the excellent model to improve performance and increase their bottom line. The model takes a holistic view of an organization and when used as a diagnostic tool, it allows your organization to assess its strengths and areas for improvement in detail across the key areas. There is an over-arching philosophy of continuous improvement that is applied to all sectors (Steven et al, 2008).

A key feature of this model is its use as a diagnostic tool for self-assessment where organizations grade themselves against a set of detailed criteria under each of the nine headings. EFQM is however not a standard framework or a diagnostic tool used for benchmarking with other organizations (Steven et al, 2008).

2.2 Conceptual Framework

Competence management is a system used to evaluate current strengths and needs within an organization and then implement the necessary corrective actions. Competency management is a proactive method of gap analysis (Armstrong, 2010). Competence is a cluster of extraordinary abilities or related excellences that a firm acquires from its founders, after consistently striving over the years, and which cannot be easily imitated. Competence is what gives a firm one or more competitive advantage, in creating and delivering value to its customers in its chosen field, also called core capabilities or distinctive competencies. For organization to determine how to embrace QMS, human resource management must first establish core organization competencies that could effectively ease the adoption of QMS (Horton, 2010).

Beyond communicating the TQM philosophy, the specific training and development needs for making QMS a reality must be assessed in order to determine the available and the required employees' competencies. Basically, HR professionals must decide the following: What knowledge and skills must be taught? How? What performance (behaviors) will be recognized, and how will we reward them? HRM has faced these questions before and can best confront them in the QMS process. Training and development that does not fit within the realm of these questions will more likely encounter heavy resistance. However, training and development does fall within the realm of these questions and probably will be accepted more readily (Miguel, 2007).

Human resource management can play a vital role in implementing and maintaining a quality management system. HR managers are responsible for recruiting high-quality employees, the continual training and development of those employees, and the creation and maintenance of reward systems. Thus, competence management is necessary to enhance involvement of skilled personnel in execution of quality management functions and training of unskilled staff to equip them with required competencies for adoption of quality management systems (Dorothy, 2009).

The role of competence management in assisting the HR function in adoption of QMS for organizational success can be looked at in different aspects. Broadly, and for the purpose of study, competence management will address the competence base assessment, Hiring practices, Human Resource development and reward management. Rita Laakso & Riitta Viitala, 2007 identified competence management system to have the following elements in formulation and communication of the company's core competences: Past and future identification of current expertise, personal development discussions, performance management and score cards development, dialogue at the corporate level, strategies and systems for knowledge transfer and human resource development methods.

It is therefore evident that in deed competence management and development needs to play a great role in ensuring that an organization, together with other systems, adopts Quality Management systems for organizational success. Riita Viitala, 2007 further states that competence development that lags behind the demands of the environment can become a competitive bottleneck. Such bottlenecks may arise from lack of qualified people, lack of competencies in some areas, wrong combination of competences and a low competence level. In QMS implementation is noted that a personnel performing work affecting conformity to product requirements shall be competent on the basis of appropriate education, trainings, skills and experience (Everitt, 2009). In terms of competence management, the organization therefore will be required to determine the necessary competence for personnel performing work affecting conformity to product requirements, provide training or take other actions to achieve the necessary competence, evaluate the effectiveness of any actions taken, ensure that employees are aware of the relevance and importance of their activities and their contribution to the quality objectives of the organization and also maintain appropriate records of education, training, skills and experience.

In Kenya, especially for public organizations that are ISO certified and others working towards certification, there is little emphasis on the competencies of the personnel. In spite of Government directive on need for competitive recruitment of staff, some organizations continue to disregard this and appoint individuals without adequate competences and skills necessary for achieving the quality objectives (ROK, 2010). The main aspects therefore identified to support competence management include competence base assessment, hiring practices, training and development and reward management.

2.3 Empirical Review

For organization to determine how to embrace QMS, human resource management must first establish core organization competencies that could effectively ease adoption of QMS (Horton, 2010). The core competencies further need to be sustained through effective human resource planning, competitive recruitment of competent employees, training and development and reward management to ensure retention of the employees. The ability by an organization to identify its core competencies, nurture them and utilize them effectively gives it a competitive advantage over other organizations and has ability to produce high-quality customer service. Examples of such successful organizations include polar Electro and Nokia in Finland (Manninen& Viitala, 2007).

According to Steve H. H,2006 an organization is required to carry out a competency-based assessment which involves five major steps: Developing broad competency categories to determine the critical skills that employees at a given level or job classification in the organization need to be most effective; developing specific competencies from the broad ones; developing a resource guide and a competency manuals that will aid employers and employees in developing skills; preparing development plan for each employee and; evaluating employee progress and developing a new plan. This tells us therefore that competency development is a systematic process that must be followed in order to ensure that the competencies are identified,

nurtured and utilized effectively in line with other integrated quality management systems. It is therefore hypothesized that:

Hypothesis 2a: *Competence base assessment is a determinant in adoption of Quality Management Systems in Kenya's ISO certified state corporations.*

Human resource development (HRD) is a process through which knowledge accumulates through training, education as well as work and life experiences. According to Pierce, 2001 HRD is the systematic maintenance, improvement and broadening of competencies, knowledge, experiences and skills and development of personal qualities helpful in the execution of organizational role and task. According to Vicere, 2007 HRD should support the organization to achieve its strategic objectives and build a culture suitable for this direction. This is therefore evident that for continuous improvement and employee satisfaction HRD must take priority in competence management of an organization. It is however difficult to show a payoff from HRD in the short term and HRD performance indicators are difficult to define precisely. For example, a study carried out by McClelland, 2004 found out that organizations generally do not consider development issues to be part of their competitive strategy formulation. He also found out that organizations that explicitly linked HRD with strategy formulation did get a long term payoff in terms of gaining and maintaining competitive advantage. Steve, H. H., 2006 further notes that an organization that continually trains and develops its employees do it essentially for the purposes of reinforcing skills and the organization's service, for customer service standards, and for employee motivation. Such companies that have embraced human resource development as a performance improvement tool include general Electric and IBM who conduct lifelong training beginning at the selection process and continues until an employee's retirement. It is therefore hypothesized that:

Hypothesis 2b: *Training and development influences the adoption of Quality Management Systems in Kenya's ISO certified state corporations.*

Although training and development has been cited as a key factor in enhancing quality in an organization, other studies show that training alone may not precipitate reform without reworking other strategies like the reward systems and hiring practices. For example in a study carried out by Wiggenhorn, A. W., 2007 the Japanese electronics companies, in exchange for meeting tough organizational goals, hand out incentive bonuses to their employees. Wiggenhorn however notes that the Japanese electronics companies spend three times as much money and time on training as their American counterparts. *It is therefore hypothesized that:-*

Hypothesis 2c: *Hiring practices influence the adoption of Quality Management Systems in Kenya's ISO certified state corporations.*

Hypothesis 2d: *Reward management influences the adoption of Quality Management Systems in Kenya's ISO certified state corporations.*

3.0 RESEARCH METHODOLOGY

The proposed research consisted of a descriptive survey. The population comprised a total of fifty nine state corporations that were ISO certified on 9001:2008 series by the Kenya Bureau of Statistics. The study applied a stratified random sampling technique to select a sample size of twenty-one state corporations from the fifty-nine, which was a third of the target population. Purposive sampling technique was further applied to select a total of four respondents in each of the twenty one selected state corporations. These respondents were; Head of human resource, Head of technical services, Head of ISO Internal Audit and Chair of Human resource Committee of the Board thus contributing to a total of eighty four respondents. Questionnaires were used as the main data collection instruments and a pilot study was undertaken to pretest the questionnaires for validity and reliability. The gathered data was analyzed by use of Statistical Package for Social Scientists (SPSS) version 20. The analysis involved factor analysis to determine the factors that were suitable for further analysis; descriptive statistics where the means Standard Deviations and variances were established for all the factors tested in the questionnaires; Correlation analysis was done between the independent sub variables and the dependent variable; Linear regression analysis was also done to determine the influence of the independent variables on the dependent variable; and t-test was used for the test of significance of individual coefficients. R-squared was used for the explanatory power of the model. The analysis was presented using tables and charts. The interpretations of data were also given as per the research objectives of the studies.

4.0 RESULTS AND DISCUSSIONS

4.1 Response Rate

Initially the administered questionnaires to the respondents were 80 in number. However, the duly filled and returned questionnaires were 69 which is equivalent to 86% successful response rate. In research statistics, a response rate of more than 50% is considered adequate (Mugenda and Mugenda, 2003). Additionally Holbrook, Krosnick and Pfent (2007) support that surveys with response rates lower than 50% are less accurate.

4.2 Characteristics of Respondents

4.2.1 Respondents' Level of Education

The respondents were asked to indicate their level of education and this is presented in Figure 2. The results shows that majority of the respondents are university graduates as they constitute of 87%. Thirteen percent (13%) of the respondents have attained education upto to the PhD level. These results imply that majority of the top management in State Owned Corporations have satisfactory background in education.

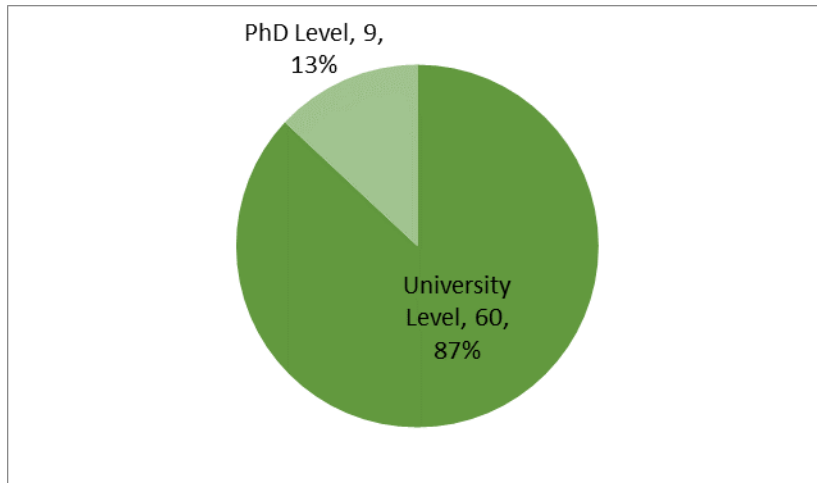


Figure 2: Level of Education

4.2.2 Job Titles of the Respondents

The targeted respondents for the study were Heads of; Human Resource, Technical Services, Internal Audit and Board Directors. Results in Figure 3 shows that majority 32% of the respondents were in the position of the head of human resource, 28% were heads of internal audit, 21% were head of technical services while another 10% were board directors. These results imply that the information gathered for the study was objective enough as the targeted respondents participated reasonably in the survey.

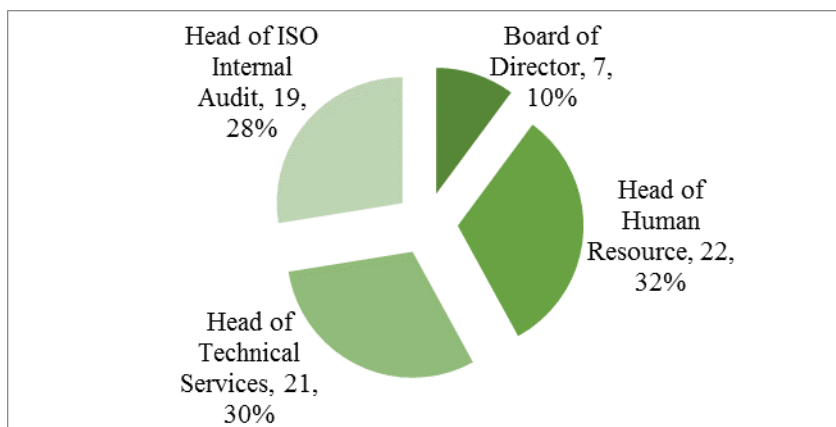


Figure 3: Respondents' Job Titles**4.3 Competence Management and Adoption of QMS**

The objective of the study was to examine the influence of competence management in adoption of QMS in Kenya's ISO certified State corporations. Seventy three percent of the responses indicated that competence management is not considered an important in adoption of QMS in State owned organizations. Another 70% indicate that State Organization does not carry out competence base assessment regularly. Further results indicate that the organization has not adopted best hiring practices as supported by 73% responses. Forty six percent of the respondents disagreed that training and development is considered an important part of competence management. Seventy percent of the respondents also disagreed that employees are well rewarded as a motivation towards achieving organizational goals. The mean score for the responses was 2.48 which indicates that majority of the respondents disagreed on statements that measured influence of competence in adoption of QMS.

The results revealed that there are poor hiring practices and competence management in Kenya's State Owned Corporations. It is the role of the human resource management to employ competent and skilled labor which is essential in the adoption of quality management systems. These findings agree with those of Dorothy (2009) who found out that managers are responsible for recruiting high-quality employees, the continual training and development of those employees, and the creation and maintenance of reward systems competence management is necessary through training is required for adoption of quality management systems. Vitala (2007) further states that competence development that lags behind the demands of the environment can become a competitive bottleneck, thus, it is important to identify knowledge and skills gaps among the employees and maintaining an up to date staff through training.

Table 1: Competence Management and Adoption of QMS

Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly agree	Mean
Competence management is considered important in adoption of QMS in my organization	23.20%	49.30%	2.90%	23.20%	1.40%	2.3
My organization carries out	17.40%	53.60%	1.40%	24.60%	2.90%	2.42

competence base assessment regularly						
Our organization has adopted best hiring practices	15.90%	58.00%	5.80%	20.30%	0.00%	2.3
Training and Development is considered an important part of Competence management	10.10%	36.20%	13.00%	27.50%	13.00%	2.97
Employees are well rewarded as a motivation towards achieving organizational goals	20.30%	49.30%	5.80%	17.40%	7.20%	2.42
Mean	17.38%	49.28%	5.78%	22.60%	4.90%	2.48

Table 2 shows results on factor analysis for responses to the statements on the influence of competence in adoption of quality management systems in Kenya's ISO certified state corporations. The statements attracted a coefficient of more than 0.4 thus; they were reserved for further analysis.

Table 2: Factor Analysis for Competence Management

Statement	Coefficient
Competence management is considered important in adoption of QMS in my organization	0.77
My organization carries out competence base assessment regularly	0.409
Our organization has adopted best hiring practices	0.745
Training and Development is considered an important part of Competence management	0.587
Employees are well rewarded as a motivation towards achieving organizational goals	0.411

4.3.1 Relationship between Competence Management and Adoption of QMS

Results in Figure 4 shows the scattered plot of competence management and adoption of quality management systems. This shows that there is a positive relationship between competence and adoption of QMS thus an increase in competence will positively increase the adoption of quality management systems.

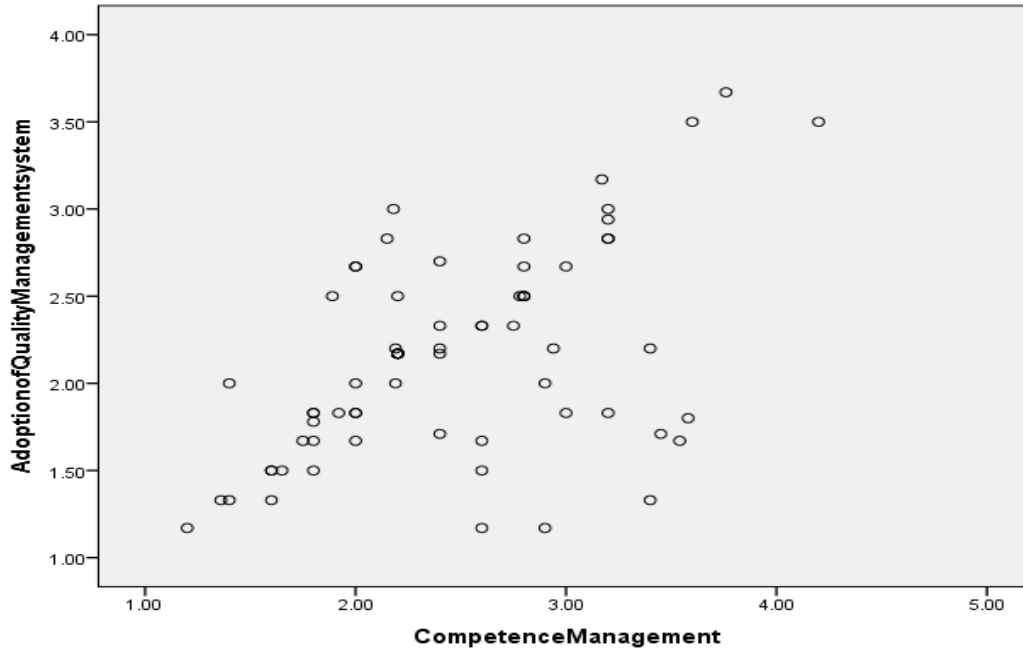


Figure 4: Scatter Plot Relationship between Competence Management and Adoption of QMS

Table 3 presents Pearson’s bivariate correlation of competence management and adoption of quality management. Results show that competence was positively correlated with adoption of QMS. This is supported by a significant value of 0.000 and a strong positive correlation of 0.514. This implies that an increase in competence management in Kenya’s State Corporations will increase quality management system adoption.

Table 3: Relationship between Competence Management and Adoption of QMS

Variable	Correlation	Competence Management	Adoption of Quality Management system
Competence Management	Pearson Correlation Sig. (2-tailed)	1	
Adoption of Quality Management system	Pearson Correlation Sig. (2-tailed)	0.514 0.000	1

Figure 5 presents a graphical representation of the linear relationship between competence and adoption of quality management systems. The results show that competence is positively related to adoption of QMS.

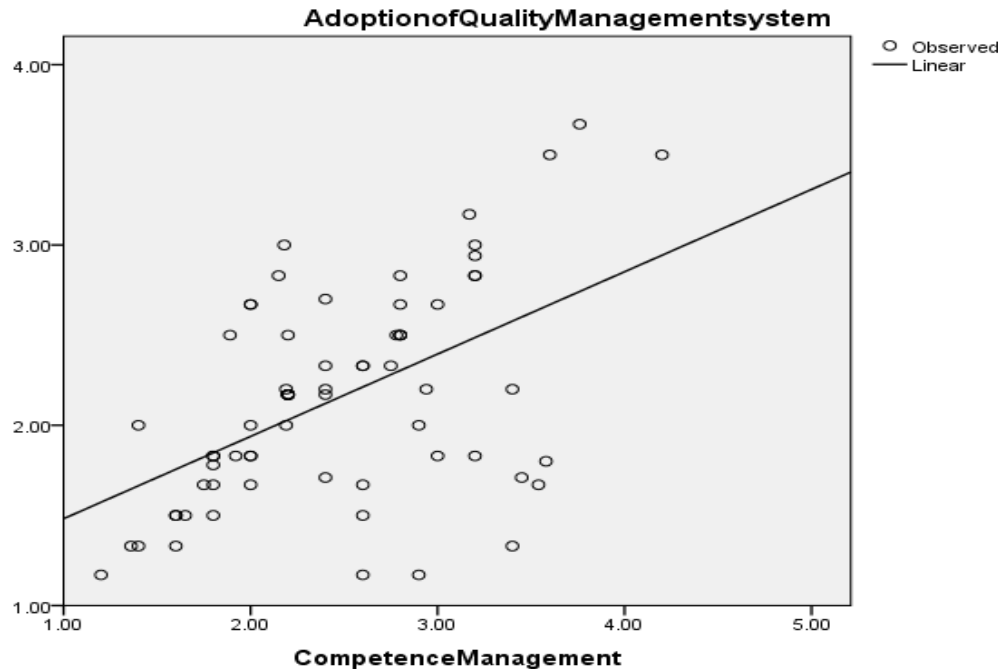


Figure 5: Linear Relationship between Competence Management and Adoption of Quality Management System

Table 4 presents the goodness of fit for the independent variable (competence) in determining adoption of QMS. Regression was done to analyze the significance of competence in the adoption of Quality management System. The R square of 0.265 that indicates that 26.5% of the variances in the adoption of quality management systems are explained by the variances in competence supports this. The correlation coefficient of 51.4% indicates that the combined effect of competence have a strong and positive correlation with adoption of QMS.

Table 4: Model Fitness for Competence Management

Indicator	Coefficient
R	0.514
R Square	0.265
Std. Error of the Estimate	0.50747

Table 5 indicates that the overall model was significant as indicated by a probability value of 0.049. The probability value is lower than the conventional value of 0.05, which determines significance. The significance was further supported by an F statistic of 4.009

Table 5: Analysis of Variance for Competence Management

Indicator	Sum of Squares	df	Mean Square	F	Sig.
Regression	6.211	1	6.211	24.117	0.000
Residual	17.254	67	0.258		
Total	23.465	68			

Table 6 displays the regression coefficients of competence management. The results reveal that competence management is statistically significant and has a positive relationship with the adoption of quality management systems. This is supported by a significant value of 0.000 and a positive beta of 0.457.

Table 6: Competence Management Regression Coefficient

Variable	Beta	Std. Error	T	Sig.
Constant	1.025	0.237	4.327	0.000
Competence	0.457	0.093	4.911	0.000

5.0 SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Summary of Findings

Results indicate that the organization does not carry out competence management base assessment regularly. Further findings indicate that Kenya's state corporation lack best hiring practices as a result competence is not emphasized in the organizations. Additional results indicate that employees in State owned corporations in Kenya are not well motivated thus there is no drive to achieve organizational goals and in adoption of organizational motivation. Inferential statistics indicate that competence management has a strong positive influence on the adoption of quality management systems. Thus, hiring of skilled employees with required knowledge promotes competence management which promotes ease on adoption of QMS.

5.2 Conclusion

Competence management is highly important to facilitate change and adoption of quality management systems. The study led to the conclusion that Kenya's State Corporation have poor hiring practice which does not emphasize on competence management. This makes the corporations lag behind in adopting the quality management systems. Based on the findings it can be concluded that state corporations in Kenya have deficiencies in their recruitment systems

and talent management which leads to lower levels of competence management which are crucial prerequisites in the adoption of quality management system.

5.3 Recommendations

Hiring should be done in line with the competence required to fill in a particular vacancy. Managing competence may be costly to any organization but through proper planning and budgeting organizations are able to achieve this.

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