ORGANIZATIONAL COMMITMENT AS A MODERATOR OF THE RELATIONSHIP BETWEEN HIGH-PERFORMANCE WORKPRACTICES AND ORGANIZATIONAL PERFORMANCE

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ORGANIZATIONAL COMMITMENT AS A MODERATOR OF THE RELATIONSHIP BETWEEN HIGH-PERFORMANCE WORKPRACTICES AND ORGANIZATIONAL PERFORMANCE

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Abstract

The current study examined the relationship between high performance work practices on organizational performance as moderated by the three element of organizational commitment. We found that the relationship between high performance work practices (such as training and development, participation and involvement, performance appraisal) on organizational performance was moderated by the three element of organizational commitment (affective, continuance and normative commitment). Results extend knowledge about strategic human resource management and suggest the need for further studies to identify other possibilities that may attenuate the general application of these valued practices.

Keywords: Organizational Performance; High Performance Work Practices; Organizational Commitment,

Introduction

Researchers in the field of human resource management focus specifically on 'the pattern of planned human resource policies and activities intended to enable the organization to achieve its strategic goals,' (Wright & McMahan 2005). Many studies have shown that there is a positive link between high-performance work practices and organizational performance measured by various indicators (Delaney & Huselid 2002; Delery & Doty 2006; Snell, Youndt & Wright 2006), and this makes the notion of strategic human resource management a hot fad. But most of the empirical work assessing the relationship between HPWP utilization and organizational performance has taken place in organizations operating in the U.S and Europe (Bae, Chen, David, Lawler & Walumbwa, 2003).

A more fine-tuned analysis of both the human resource management construct and the nature of the contingencies may be desirable to untangle the controversy and provide further insight into the role of human resource practices and contingencies for organizational performance. To further advance our knowledge in this area of research, the study investigated this issue in Kenya and tested the relationship between HPWPs on organizational performance as moderated by organizational commitment and its three element of affective, continuance and normative commitment. The study used data from a sample of State Corporations trading at the Nairobi stock exchange. The study hopes to contribute to the strategic human resource management literature by providing evidence for the HPWPs and organization performance from an under-investigated context in terms of both country and industry. The study also hopes to shed some light on the issues concerning the performance implications of specific HPWPs and organizational performance.

Theoretical background and hypothesis

In recent years, organizations in Kenya have shown a strong attentiveness in human resource management with conviction that practices that support employees as people could make a considerable difference in market competition and in building a sustainable competitive advantage (Wang et al. 2003). In particular, training and development, formal performance appraisal, and employee participation are widely believed to be critical for organizational performance. This response by organizations may have been motivated by a large body of research (Becker and Gerhart 2006; Delaney and Huselid 2002; Cappelli and Neumark 2001) that has demonstrated a positive link between some human resource practices, which also have been referred to as 'high performance work practices' and organizational performance.

Literature Review

Training and development and Organizational Performance

According to Abiodun (2010), Training is a systematic development of the knowledge, skills and attitudes required by employees to perform adequately on a given task. Employee's training is seen as the most important formation of any competent management. Training is central to sustaining economic growth and development because human capital is the greatest asset of any organization. Obadan (2000) saw training as "a specialized process through which one learns to perform direct tasks of varying complexity and acquire expected job behaviours". Employee training and their development have outmost importance for the sake of improving the productivity, which leads towards gaining competitive advantage (Quartey, 2012). The training and development of the employees has direct contributions in the high achievements of the organization which shows better performance.

Several studies conducted in European countries have documented the impact of training on organizational performance. Niazi, (2011) investigated the relationship between training and organizational performance by distributing a survey to 457 small and medium-size businesses in the United Kingdom, the Netherlands, Portugal, Finland, and Spain. Results indicated that some types of training activities, including on-the-job training and training inside the organization using in-house trainers, were positively related to most dimensions of effectiveness and profitability. Ubeda Garc´ıa (2005) conducted a study including 78 Spanish firms with more than 100 employees. This study related organizations' training policies (e.g., functions assumed by the training unit, goals of the training unit, nature of training, and how training is evaluated) with four types of organizational-level benefits employee satisfaction, customer satisfaction, owner/shareholder satisfaction, and workforce productivity (i.e., sales per employee).

Training is very important in achieving the goal of the organization as it increases the efficiency and effectiveness of employees and adds value in the organizational performance. The performance of employees depends on different factors but training is most important because it enhance capabilities, skills and competencies of the employees (Niazi, 2011). The organizational performance depends on employee performance and for employee's performance training as key fact. Therefore the study proposes that:

H_1: Extensive Training and development has a significant positive effect on organizational performance

Employee participation and involvement

In essence, high performance work practices as a system is a variation of the notion of employee participation and empowerment

(Cappelli & Neumark 2001). These practices converge on their potential to raise employees' ability and skills, motivation, and improve the way the work is organized (Delaney & Huselid 2002). According to the Chartered Institute of Personnel and Development (CIPD), Employee involvement is a range of processes designed to engage the support, understanding and optimum contribution of all employees in an organization and their commitment to its objectives. Employee participation is defined as a process of employee involvement designed to provide employees with the opportunity to influence and where appropriate, take part in decision making on matters which affect them. It is commonly argued that the renewed interest in employee participation in decision-making apparent in management and industrial relations literature is part of a number of corporate organizational changes being trialed by firms in response to increasing competitive pressures arising in international markets during the 1990s (Markey & Monat 2008).

Regardless of the political environment, participation and involvement mechanisms are often initiated by management in order to improve the firm's capacity to achieve competitive market standards of quality and price and to respond to market changes under conditions of high uncertainty. Managers can draw upon the willingness and preference of an increasingly educated and skilled work force to participate in decisions which affect their immediate working conditions (US Dept. of Labour 1995). Participation and involvement may result in better decisions. Workers often have information that higher management lacks. Furthermore, participation and involvement permits a variety of different views to be aired. People are more likely to implement decisions they have made themselves. They know better what is expected of them, and helping make a decision commits one to it. Participation and involvement may lower the disutility of effort, by providing intrinsic motivation. The process of participation and involvement may satisfy such no pecuniary needs as creativity, achievement, and the desire for respect (Cappelli & Neumark 2001). Participation and involvement may improve communication and cooperation; workers communicate with each other instead of requiring all communications to flow through management, thus saving management time.

Participative workers supervise themselves, thus reducing the need for managers and so cutting overhead labor costs. Participation and involvement teaches workers new skills and helps train and identify leaders. Participation and involvement enhances people's sense of power and dignity, thus reducing the need to show power through fighting management and restricting production. Participation and involvement increases loyalty and identification with the organization. If participation and involvement and rewards take place in a group

setting, the group may pressure individuals to conform to decisions (Ahmad & Schroeder, 2003). Therefore the study proposes that:

H_2: Participation and involvement has a significant positive effect on organizational performance

Performance Appraisal and Organization performance

Performance appraisal is an ongoing communication process between employees and supervisors. Supervisors should set expectations, monitor performance, and provide feedback to employees. By having this information, they will direct and develop employee performance by identifying training and development needs, correcting, and determining raises and promotions (Seldon, Ingraham, & Jacobson, 2001). Performance appraisal is the measurement of work and its result by using the scale and index that we can measure the desired quantity and quality with precision and free of personal judgments and vague criteria evaluation. Performance is the way through which employees perform their duties and evaluation is the judging the performance of employees (Scott, 2009).

In the other side, performance appraisal also provides employees with useful feedback which they can apply to improve their performance (Ahmed 2011). The feedback includes suggestions to change and encouragement. Performance appraisal system has a significant impact on the employee perception of justice which affect the attitudes and behavior of the employee; alternately, it will influence the performance of the organization (Ahmed, Ramzan, Mohammad & Islam, 2011). In the performance appraisal, the focus is to identify weaknesses and strengths as well as opportunities for improvement and skills development (Aguinis, 2007). A performance appraisal involves measuring job performance in which mainly captures an essential element of the performance appraisal process without specifying the actual techniques used for measurement (Kavanagh, Benson & Brown, 2007).

Archer North (1998) argued that an effective performance appraisal can lead to higher job satisfaction and reduced absenteeism and turnover rates. Mohrman, Resnick-West, & Lawler (2011) documented some potential benefits of highly performance appraisal policy, such as increased motivation to perform effectively, gained new insight into staff and supervisors, distributed rewards on a fair and credible basis, and encourage increased self-understanding among staff as well as insight into the kind of development activities that are of value. Richards (2010) found that performance appraisal can provide an indication of areas of training need as well as direction for leadership development, performance improvement, and succession planning. Therefore the study proposes that:

H_3: Performance appraisal has a significant positive effect on organizational performance

The moderating effect of Organizational Commitment

Organizational commitment is "the relative strength of an individual's identification with and involvement in a particular organization and represents a high level of affection, loyalty and concentration on a job role in an organization" (Dee, Henkin, & Singleton, 2006). Organizational commitment indicates that individual goal is similar or identical with organizational goals and can stimulate employees' productivity and loyalty (Chen & Aryee, 2007).

MacDuffie (2004) found the bundle of high performance work practices to be associated with firm performance and the relationship was moderated by organizational commitment. Commitment refers to a sort of an obligation on the part of an employee, due to which he is willing to stay (or continue working) in an organization (Alam & Ramay, 2011). It is very important for organizations because of the desire to retain talented employees. Organizational commitment is essential for retaining and attracting well qualified workers as only satisfied and committed workers will be willing to continue their association with the organization and make considerable effort towards achieving its goals (Nagar, 2012).

Meyer and Smith (2000) examined the relationship between HRM practices and employee commitment and found that association between the employee evaluations of HRM practices and their commitment were largely mediated by perceptions of organizational support and procedural justice. Koys (2010) found that employees commitment to their organization was related to their belief that the organization's HR practices were motivated by a desire to attract and retain good employees and to be fair in their treatment of employees. Employees show high level of commitment with their organization when the organization provide them opportunities for growth, help them to increase skills and knowledge (Zaleska & de Menezes, 2007). Now it has been established fact that employee's organizational commitment is multidimensional in nature (Allen & Meyer 2007). The three components explicitly explain that employees show three level of commitment with his/her organization i.e. affective commitment (AC) continuance commitment (CC) normative commitment (NC) (Gellatly, Hunter, Currie & Irving, 2009). Therefore the study proposes that:

H_4: Organizational commitment will moderate the relationship between HPWPs and organizational performance.

H_{4a}: The relationship between Performance appraisal and organizational performance is moderated by affective, continuance and normative commitment.

H_{4b}: The relationship between Participation and involvement and organizational performance is moderated by affective, continuance and normative commitment.

H4c: The relationship between training and development and organizational performance is moderated by [illegible]*ce and normative commit*

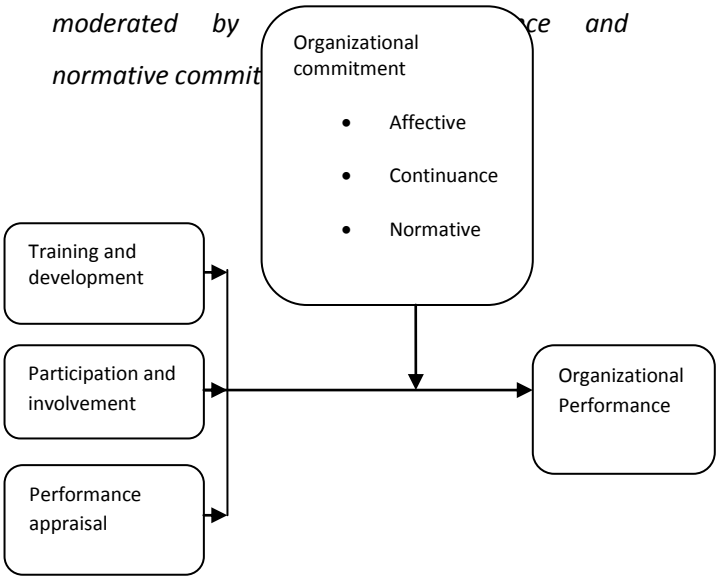

Figure 1: Model of organizational commitment as a moderator of HPWP and Organizational performance

Methodology

The principle research method employed for testing of the hypothesis was the distribution of self- administered questionnaire. This study adopted descriptive survey design. Survey is important in gathering information about the characteristics, Actions or opinions of a large group of people, assess needs, evaluate demand, and examine effect (Salant & Dillman, 1994). In this study, the target population was 5866 employees obtained from all the 3 organization listed on Nairobi stock exchange. The sample was obtained using formular proposed by (Mugenda & Mugenda, 2003) as shown below.

$$n = \frac{z^2 pq}{d^2} = \frac{(1.96)^2 (0.5)(0.5)}{0.05^2} = 384.16$$

$$\text{n adjusted} = \frac{nN}{n+N} = \frac{385 \times 5866}{385+5866} = 361$$

To avoid common method biases the study collected information from different sources and also allowed the respondents' answers to be anonymous. A total of 361 questionnaires were sent to three State Corporation trading on Nairobi stock exchange. This study used simple random and stratified sampling techniques. Simple random sampling was adopted because the population constituted a homogeneous group (Kothari, 2004). The sample to be selected from Kengen was 126 employees, 122 from Kenya Power and 113 from Mumias Sugar Company. The sample was based on the proportion of employees each company had. Stratified sampling was used to group the employees into two so that each gender was included in the sample.

Out of the 361 questionnaire send to employees, 291 were returned successfully, which translated to 80.6% of total questionnaires received. From the study 58.3% of the respondents were male while 41.7% of the respondents were female. 20.8% of the respondents were between 41- 45 years and 20.1% of the respondents were 30 -35 years while 50% of the respondents were below 30 years old. On education level 72.1% had university degrees, 22.4% had college diplomas while 5.1% of the respondents has secondary school certificates.

Measures

Organizational performance

The study used a variety of performance measures of the firm, including Market share (Huselid 2006), productivity (Cappelli & Neumark 2001) and competitive position (Delaney and Huselid 2002). Research has shown that organizational performance correlated positively and significantly with HPWPs (Powell 2008). Similar with other studies (Wang et al. 2003), the study rely on a perceptual measure of organizational performance on total productivity, market share, competitive position, and overall performance. Five likert scales were used to capture the opinion of employees from 1, 'strongly disagree to 5, 'agree on the role of HPWPs on Organizational performance.

Training and development refers to the extent to which organization provides comprehensive, formal, and continuous development, and had the mean of nine items (Cronbach's Alpha = 0.836).

Employee participation refers to the extent to which employees have opportunities to express themselves and the extent to which the opinions are appreciated by the firm, and had the mean of eight items (Cronbach's Alpha = 0.733). An updated instrument by Guest (2007) was adopted to obtain data on employee participation and involvement.

Performance appraisal refers to the extent to which a firm evaluates employees' contributions by objective and quantitative outcome, and was measured as the mean of nine items (Cronbach's Alpha = 0.818).

Organizational commitment had the mean of seventeen items deriving from Affective, continuance and normative commitment with a (Cronbach's Alpha = 0.894). An updated instrument by Meyer and Allen (2010) was adopted to obtain data on organizational commitment

Organizational Performance

The reliability test of items on organizational performance achieved a Cronbach Alpha of 0.9255 indicating a strong internal consistence, thus verifying reliability of scale.

Analysis and results

Correlation analysis was conducted and the means, standard deviations, and correlations of all the variables are shown in table I. The findings revealed that performance appraisal was significantly correlated with organizational performance at ($r = 0.458^{**}$, $p < 0.001$). This means that utilization of performance appraisal tools resulted into an increase in organizational performance. Employee participation was significantly correlated with organizational performance at ($r = 0.448^{**}$, $p < 0.001$). Organizations that encourage employee participation will benefit from increased organizational performance. Employee training was significantly correlated with organizational performance at ($r = 0.360^{**}$, $p < 0.001$). Organization commitment was significantly correlated with organizational performance at (r =

0.409**, p <0.001). Organizational commitment has been linked to increased productively and organizational effectiveness (Buitendach & De Witte, 2005).

Table 1: Mean, Frequency, Standard Deviation and Correlations of High Performance Work Practices and Organizational Performance

Variables	Mean	Std. D	N	1	2	3	4	5
performance Appraisal	3.2082	0.717	290	1				
Training & Development	3.5496	0.719	288	.584**	1			
Employee Participation	3.3699	0.702	285	.597**	.593**	1		
Organizational Commitment	3.4767	0.596	286	.360**	.256**	.276**	1	
Organizational performance	3.3368	0.732	286	.458**	.360**	.448**	.409**	1

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

Interaction of Independent Variable with Different Forms of Commitment (Affective, Continuance and Normative Commitment)

Each of the independent variables had interactions created with the different forms of commitment namely (affective, continuance and normative commitment). The results are shown in the tables II below:

Table II: Interaction Effects between Performance Appraisal and affective Commitment Regressed on Organizational Performance

INDEPENDENT VARIABLE	**Organization Performance**		
	Beta	**SE**	**B**
Step 1-Independent Variable			
Performance Appraisal	.434***	.062	.459
	R^2 =.188*** ΔR^2 =.188 F Change= 54.344df=1, 234		
Step 2- Moderating Variable			
Affective commitment	.306	.062	.321
	R^2 =.271*** ΔR^2 =.083 F Change= 26.501 df=1, 233		
Step 3- Interactions			
Performance Appraisal* affective Commitment	.820	.294	.632
	R^2 =.286*** ΔR^2 =.014 F Change= 4.619 df=3,232		

The result in table II showed the percent of variability in the dependent variable (organizational performance) that could be accounted for by the independent variables (interpretation of R-square). The findings reveal that the first model, Performance appraisal interaction was significant (F (1, 234) = 54.344, p < 0.001) with R^2 value of 0.188 which is 18.8 per cent of variation. The moderating variable Affective commitment was added to the model in the step 2. The change in R^2 evaluated how much predictive power was added to the model by the addition of moderator variable (Affective

commitment) in second step. In this study, the percentage of variability accounted for went up from 18.8 per cent to 27.1 per cent when Affective commitment was added. In the second model (affective commitment) was significant ($F(2, 233) = 26.501$, $p < 0.001$). There was change in R^2 when the interaction terms obtained by multiplying the moderating variable (affective commitment) with independent variable (performance appraisal) in the step three. The percentage of variability accounted for went up from 27.1 per cent to 28.6 per cent. The third model with interaction obtained by multiplying the moderating variable (affective commitment) with independent was significant ($F(3, 232) = 4.619$, $P < 0.001$). The result therefore shows that affective commitment is a moderator on the relationship between performance appraisal and organizational performance. Therefore, hypothesis $H0_{6c}$: Affective commitment moderates the relationship between performance appraisal and organizational performance is supported. The association between performance appraisal and organizational performance is contingent on the level of affective commitment. The nature of this moderation effect is shown in Figure II below.

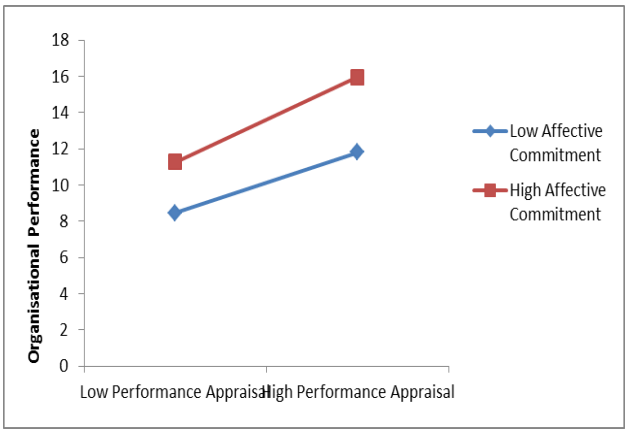

Figure II Interactions between performance appraisal and Affective commitment

The results show a slight moderating effect between performance appraisal and affective commitment. Organizational performance increases when an organization increases the utilization of good performance appraisal. The strength of the relationship between performance appraisal and organizational performance is higher when there is high affective commitment as compared to when affective commitment is low as shown in the figure above. Hence when employees perceive that performance appraisal is good then the affective commitment increases leading to high organizational performance.

Table III Interaction between Performance Appraisal and Continuance Commitment Regressed on Organizational Performance

INDEPENDENT VARIABLE	Organization Performance		
	Beta	**SE**	**B**
Step 1- Independent Variable	.439***	.062	.468
Performance Appraisal			
	R^2 =.192*** ΔR^2 =.192 F Change= 56.181df=1,236		
Step 2- Moderating Variable	.215***	.075	.276
Continuance commitment			
	R^2 =.237*** ΔR^2 =.044 F Change= 13.658 df=1,235		
Step 3 Interactions			
Performance Appraisal * Continuance Commitment	.378**	.289	.295
	R^2 =.240*** ΔR^2 =.003 F Change= 1.039 df=1, 234		

The result in table III showed the percent of variability in the dependent variable (organizational performance) that could be accounted for by the independent variables (interpretation of R-square). The findings reveal that the first model, Performance appraisal interaction was significant (F (1, 236) = 56.181, p < 0.001) with R^2 value of 0.192 which is 19.2 per cent of variation. The moderating variable continuance commitment was added to the model in the step 2. The change in R^2 evaluated how much predictive power was added to the model by the addition of moderator variable (continuance commitment) in second step. In this study, the percentage of variability accounted for went up from 19.2 per cent to 23.7 per cent when continuance commitment was added. In the second model (continuance commitment) was significant (F (2, 235) = 13.658, p < 0.001). There was change in R^2 when the interaction terms obtained by multiplying the moderating variable (continuance commitment) with independent variable (performance appraisal) in step three. The percentage of variability accounted for went up from 23.7 per cent to 24.0 per cent. The third model with interaction obtained by multiplying the moderating variable (continuance commitment) with independent was significant (F (3, 234) = 1.039, P < 0.001). The result therefore shows that continuance commitment is a moderator on the relationship between performance appraisal and organizational performance. Therefore, hypothesis $H0_{6c}$: continuance commitment moderates the relationship between performance appraisal and organizational performance is supported. The association between performance appraisal and organizational performance is contingent on the level continuance commitment. The nature of this moderation effect is shown in Figure III below

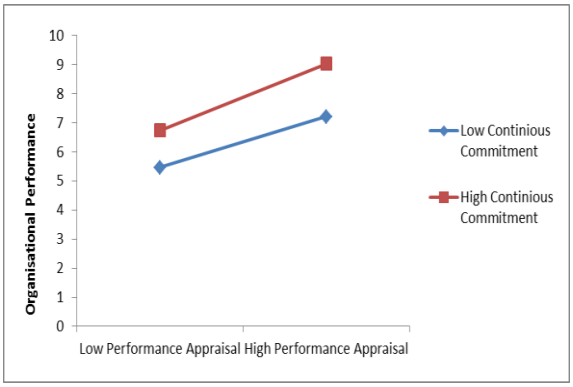

Figure III Interactions between performance appraisal and continuance commitment

The results show that there is a slight moderating effect between performance appraisal and continuance commitment. Organizational performance increases when an organization increases the utilization of good performance appraisal. The strength of the relationship between performance appraisal and organizational performance is higher when there is high continuance commitment as compared to when continuance commitment is low as shown in the figure above. Hence when employees perceive that performance appraisal is good then the continuance commitment increases leading to high organizational performance.

Table IV Interaction between Performance Appraisal and Normative Commitment Regressed on Organizational Performance

INDEPENDENT VARIABLE	Organization Performance		
	Beta	**SE**	**B**
Step 1-Independent Variable			
Performance Appraisal	.447***	.062	.479
	R^2 =.199*** ΔR^2 =.199 F Change= 59.310 df=1,238		
Step 2- Moderating Variable			
Normative commitment	-.019***	.026	-.008
	R^2 =.200*** ΔR^2 =.000 F Change= .103 df=2, 237		
Step 3 Interactions			
Performance Appraisal * Normative Commitment	-.955**	.290	-.719
	R^2 =.220*** ΔR^2 =.020 F Change= 6.143 df=3, 236		

The result in table IV showed the percent of variability in the dependent variable (organizational performance) that could be accounted for by the independent variables (interpretation of R-square). The findings reveal that the first model, Performance appraisal interaction was significant ($F(1, 238) = 59.310$, $p < 0.001$) with R^2 value of 0.199 which is 19.9 per cent of variation. The moderating variable normative commitment was added to the model in the step 2. The change in R^2 evaluated how

much predictive power was added to the model by the addition of moderator variable (normative commitment) in second step. In this study, the percentage of variability accounted for went up from 19.9 per cent to 20.0 per cent when normative commitment was added. In the second model (normative commitment) was significant (F (3, 237) = 0. 103, p < 0.001).

There was change in R^2 when the interaction terms obtained by multiplying the moderating variable (normative commitment) with independent variable (performance appraisal) in step three. The percentage of variability accounted for went up from 20.0 per cent to 22.0 per cent. The third model with interaction obtained by multiplying the moderating variable (normative commitment) with independent was significant (F (3, 236) = 6.143, P < 0.001). The result therefore shows that normative commitment is a moderator on the relationship between performance appraisal and organizational performance. Therefore, hypothesis $H0_{6c}$: normative commitment moderates the relationship between performance appraisal and organizational performance is supported. The association between performance appraisal and organizational performance is contingent on the level normative commitment. The nature of this moderation effect is shown in Figure IV below

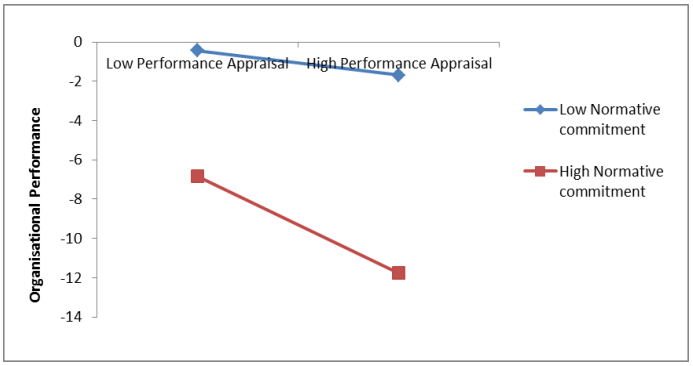

Figure IV Interactions between performance appraisal and normative commitment

The results show that there is a slight moderating effect between performance appraisal and normative commitment. Organizational performance decreases when an organization decreases the use of performance appraisal. The strength of the relationship between performance appraisal and organizational performance is low when there is high normative commitment as compared to when normative commitment is low as shown in the figure above. Hence when employees perceive that performance appraisal is not good then the normative commitment decreases leading to low organizational performance.

Table V: Interaction between Training and development and Affective Commitment Regressed on Organizational Performance

INDEPENDENT VARIABLE	Organization Performance		
	Beta	**SE**	**B**
Step 1- Independent Variable			
training and Development	.375***	.066	.407
	R^2 =.140*** ΔR^2 =.140 F Change= 37.848 df=1,232		
Step 2- Moderating Variable			
Affective commitment	.310***	.067	.332
	R^2 =.224*** ΔR^2 =.083 F Change= 24.776 df=2, 231		
Step 3 Interactions			
training and Development affective Commitment	.407**	.304	.317
	R^2 =.227*** ΔR^2 =.004 F Change= 1.084 df=3, 230		

The result in table V showed the percent of variability in the dependent variable (organizational performance) that could be accounted for by the independent variables (interpretation of R-square). The findings reveal that the first model, training and development interaction was significant (F (1, 232) = 37.848, p < 0.001) with R^2 value of 0.140 which is 14.0 per cent of variation. The moderating variable affective commitment was added to the model in the step 2. The change in R^2 evaluated how much predictive power was added to the model by the addition of moderator variable (affective commitment) in second step. In this study, the percentage of variability accounted for went up from 14.4 per cent to 22.4 per cent when affective commitment was added. In the second model (affective commitment) was significant (F (3, 231) = 24.776, p < 0.001).

There was change in R^2 when the interaction terms obtained by multiplying the moderating variable (affective commitment) with independent variable (training and development) in step three. The percentage of variability accounted for went up from 22.4 per cent to 22.7 per cent. The third model with interaction obtained by multiplying the moderating variable (affective commitment) with independent was significant (F (3, 230) = 1.084, P < 0.001). The result therefore shows that affective commitment is a moderator on the relationship between (training and development) and organizational performance. Therefore, hypothesis $H0_{6d}$: affective commitment moderates the relationship between training and development and organizational performance is supported. The association between (training and development) and organizational performance is contingent on the level affective commitment. The nature of this moderation effect is shown in Figure V below

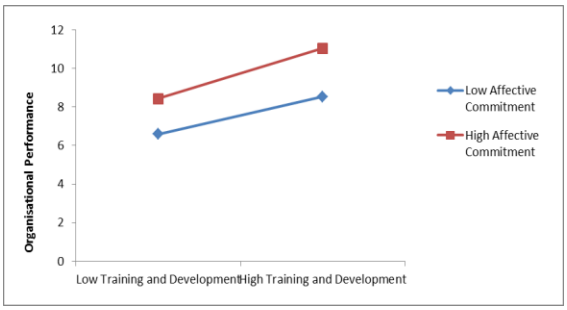

Figure V Interactions between (training and development) and Affective commitment

The results show that there is a slight moderating effect between (Training and development) and affective commitment. Organizational performance increases when an organization increases the utilization of good Training and development. The strength of the relationship between (Training and development) and organizational performance is higher when there is high affective commitment as compared to when affective commitment is low as shown in the figure above. Hence when organization put in place Training and development programs for its employees then their affective commitment increases leading to high organizational performance

Table VI Interaction between training and Development and Continuance Commitment Regressed on Organizational Performance

INDEPENDENT VARIABLE	**Organization Performance**		
	Beta	**SE**	**β**
Step 1- Independent Variable	.394***	.065	.434
training and Development			
	R^2 =.155*** ΔR^2 =.155 F Change= 43.975 df=1, 239		
Step 2- Moderating Variable	.275***	.075	.364
Continuance commitment			
	R^2 =.231*** ΔR^2 =.075 F Change= 23.324 df=2, 238		
Step 3 Interactions			
training and Development Continuance Commitment	.456**	.294	.358
	R^2 =.236*** ΔR^2 =.005 F Change= 1.483 df=3, 237		

The result in table VI showed the percent of variability in the dependent variable (organizational performance) that could be accounted for by the independent variables

(interpretation of R-square). The findings reveal that the first model, training and development interaction was significant ($F(1, 239) = 43.975$, $p < 0.001$) with R^2 value of 0.155 which is 15.5 per cent of variation. The moderating variable continuance commitment was added to the model in the step 2. The change in R^2 evaluated how much predictive power was added to the model by the addition of moderator variable (continuance commitment) in second step. In this study, the percentage of variability accounted for went up from 15.5 per cent to 23.1 per cent when continuance commitment was added. In the second model (continuance commitment) was significant ($F(3, 238) = 23.324$, $p < 0.001$).

There was change in R^2 when the interaction terms obtained by multiplying the moderating variable (continuance commitment) with independent variable (training and development) in step three. The percentage of variability accounted for went up from 23.1 per cent to 23.6 per cent. The third model with interaction obtained by multiplying the moderating variable (continuance commitment) with independent was significant ($F(3, 237) = 1.483$, $P < 0.001$). The result therefore shows that continuance commitment is a moderator on the relationship between (training and development) and organizational performance. Therefore, hypothesis $H0_{6d}$: continuance commitment moderates the relationship between training and development and organizational performance is supported. The association between (training and development) and organizational performance is contingent on the level continuance commitment. The nature of this moderation effect is shown in Figure VI below

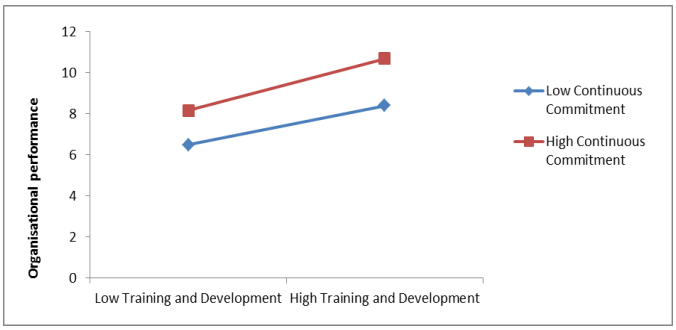

Figure VI Interactions between (training and development) and continuance commitment

The results show that there is a slight moderating effect between (Training and development) and continuance commitment. Organizational performance increases when an organization increases the utilization of good Training and development programs. The strength of the relationship between (Training and development) and organizational performance is higher when there is high continuance commitment as compared to when continuance commitment is low as shown in the figure above. Hence when organization put in place Training and development programs for its employees then their continuance commitment increases leading to high organizational performance

Table VII: Interaction Between training and Development and Normative Commitment Regressed on Organizational Performance

INDEPENDENT VARIABLE	Organization Performance		
	Beta	**SE**	**β**
Step 1- Independent Variable	.388***	.065	.426
training and Development			
	R^2 =.151*** ΔR^2 =.151 F Change= 42.362 df=1, 239		
Step 2- Moderating Variable	-.003***	.027	-.001
normative commitment			
	R^2 =.151*** ΔR^2 =.000 F Change= .002 df=2, 238		
Step 3 Interactions			
training and Development * Normative Commitment	-1.224**	.400	-.935
	R^2 =.170*** ΔR^2 =.019 F Change= 5.459 df=3, 237		

The result in table VII showed the percent of variability in the dependent variable (organizational performance) that could be accounted for by the independent variables (interpretation of R-square). The findings reveal that the first model, training and development interaction was significant (F (1, 239) = 42.362, p < 0.001) with R^2 value of 0.151 which is 15.1 per cent of variation. The moderating variable normative commitment was added to the model in the step 2. The change in R^2 evaluated how much predictive power was added to the model by the addition of moderator variable (normative commitment) in second step. In this study, the percentage of variability accounted for did not change (15.1 per cent) when continuance commitment was added. In the second model (normative commitment) was not significant (F (3, 238) = 0.002, p < 0.001).

There was change in R^2 when the interaction terms obtained by multiplying the moderating variable (normative commitment) with independent variable (training and development) in step three. The percentage of variability accounted for went up from 15.1 per cent to 17.0 per cent. The third model with interaction obtained by multiplying the moderating variable (normative commitment) with independent was significant (F (3, 237) = 5.459, P < 0.001). The result therefore shows that normative commitment is a moderator on the relationship between (training and development) and organizational performance. Therefore, hypothesis $H0_{6d}$: normative commitment moderates the relationship between training and development and organizational performance is supported. The association between (training and development) and organizational performance is contingent on the level normative commitment. The nature of this moderation effect is shown in Figure 4.VII below

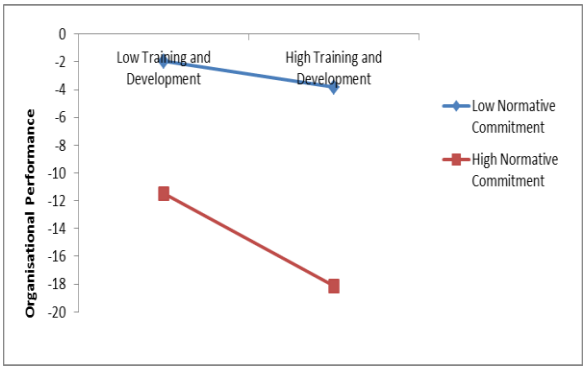

Figure 4.13 Interactions between (training and development) and normative commitment

The results show that there is a slight moderating effect between performance appraisal and normative commitment. Organizational performance decreases when an organization decreases the use of training and development. The strength of the relationship between training and development and organizational performance is low when there is high normative commitment as compared to when normative commitment is low as shown in the figure above. Hence when employees perceive that training and development is not good then the normative commitment decreases leading to low organizational performance.

Table VIII: Interaction between Employee participation and affective Commitment Regressed on Organizational Performance

INDEPENDENT VARIABLE	Organization Performance		
	Beta	**SE**	**β**
Step 1- Independent Variable	.492***	.064	.557
Employee participation			
	R^2 =.242*** ΔR^2 =.242 F Change= 76.820 df=1,241		
Step 2- Moderating Variable	.258***	.062	.275
Affective commitment			
	R^2 =.299*** ΔR^2 =.058 F Change= .19.718 df=2,240		
Step 3 Interactions			
Employee participation * affective Commitment	.865**	.292	.725
	R^2 =.317*** ΔR^2 =.018 F Change= 6.158 df=3,239		

The result in table VIII showed the percent of variability in the dependent variable (organizational performance) that could be accounted for by the independent variables (interpretation of R-square). The findings reveal that the first model, employee participation interaction was significant ($F(1, 241) = 76.820$, $p < 0.001$) with R^2 value of 0.242 which is 24.2 per cent of variation. The moderating variable affective commitment was added to the model in the step 2. The change in R^2 evaluated how much predictive power was added to the model by the

addition of moderator variable (affective commitment) in second step. In this study, the percentage of variability accounted for went up from 24.2 per cent to 29.9 per cent when affective commitment was added. In the second model (affective commitment) was significant ($F (3, 240) = 19.718$, $p < 0.001$).

There was change in R^2 when the interaction terms obtained by multiplying the moderating variable (affective commitment) with independent variable (employee participation) in step three. The percentage of variability accounted for went up from 29.9 per cent to 31.7 per cent. The third model with interaction obtained by multiplying the moderating variable (affective commitment) with independent was significant ($F (3, 239) = 6.158$, $P < 0.001$). The result therefore shows that affective commitment is a moderator on the relationship between (employee participation) and organizational performance. Therefore, hypothesis $H0_{6b}$: Affective commitment moderates the relationship between employee participation and organizational performance is supported. The association between (employee participation) and organizational performance is contingent on the level affective commitment. The nature of this moderation effect is shown in Figure VIII below

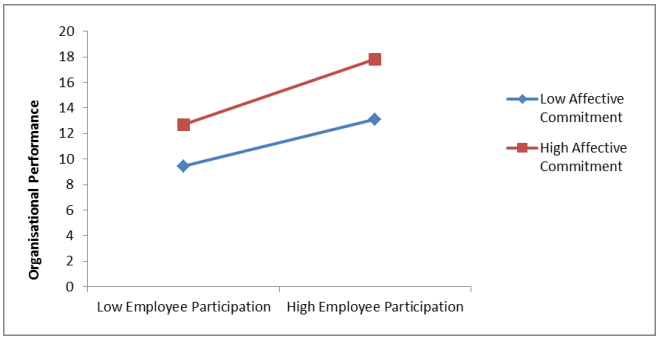

Figure VIII Interactions between employee participation and affective commitment

The results show that there is a slight moderating effect between employee participation and affective commitment. Organizational performance increases when an organization involves employee in matters that affect it. The strength of the relationship between employee participation and organizational performance is high when there is high affective commitment as compared to when affective commitment is low as shown in the figure above. Hence when employee's participation is high then the affective commitment increases leading to high organizational performance.

Table IX: Interaction Effects Between Employee participation and Continuance Commitment Regressed on Organizational Performance

INDEPENDENT VARIABLE	Organization Performance		
	Beta	**SE**	**β**
Step 1- Independent Variable	.496***	.063	.565
Employee participation			
	R^2 =.246*** ΔR^2 =.246 F Change= 79.554 df=1,244		
Step 2- Moderating Variable	.228***	.070	.295
Continuance commitment			
	R^2 =.297*** ΔR^2 =.051 F Change= 17.604 df=2, 243		
Step 3 Interactions			
Employee participation * Continuance Commitment	.441**	.268	.358
	R^2 =.302*** ΔR^2 =.005 F Change= 1.781 df=3,242		

The result in table IX showed the percent of variability in the dependent variable (organizational performance) that could be accounted for by the independent variables (interpretation of R-square). The findings reveal that the first model, employee participation interaction was significant (F (1, 244) = 79.554, p < 0.001) with R^2 value of 0.246 which is 24.6 per cent of variation. The moderating variable continuance commitment was added to the model in the step 2. The change in R^2 evaluated how much predictive power was added to the model by the addition of moderator variable (continuance commitment) in second step. In this study, the percentage of variability accounted for went up from 24.6 per cent to 29.7 per cent when continuance commitment was added. In the second model (continuance commitment) was significant (F (3, 243) = 17.604, p < 0.001).

There was change in R^2 when the interaction terms obtained by multiplying the moderating variable (continuance commitment) with independent variable (employee participation) in step three. The percentage of variability accounted for went up from 29.7 per cent to 30.2 per cent. The third model with interaction obtained by multiplying the moderating variable (continuance commitment) with independent was significant (F (3, 242) = 1.781, P < 0.001). The result therefore shows that continuance commitment is a moderator on the relationship between (employee participation) and organizational performance. Therefore, hypothesis $H0_{6b}$: continuance commitment moderates the relationship between employee participation and organizational performance is supported. The association between (employee participation) and organizational performance is contingent on the level continuance commitment. The nature of this moderation effect is shown in Figure IX below

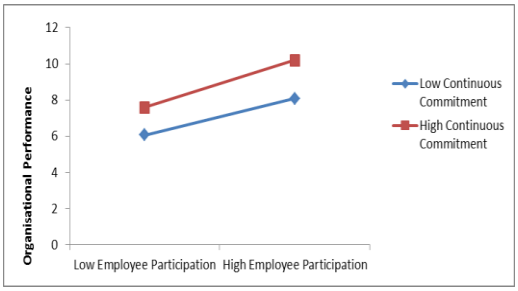

Figure IX Interactions between employee participation and continuance commitment

The results show that there is a slight moderating effect between employee participation and continuance commitment. Organizational performance increases when an organization involves employee in matters that affect it. The strength of the relationship between employee participation and organizational performance is high when there is high continuance commitment as compared to when continuance commitment is low as shown in the figure above. Hence when employee's participation is high then the continuance commitment increases leading to high organizational performance.

Table X: Interaction Effects between Employee participation and Normative Commitment Regressed on Organizational Performance

INDEPENDENT VARIABLE	**Organization Performance**		
	Beta	**SE**	**β**
Step 1- Independent Variable	.496***	.063	.566
Employee participation			
	R^2 =.246*** ΔR^2 =.246 F Change= 80.769 df=1,248		
Step 2- Moderating Variable	-.034***	.025	-.051
normative commitment			
	R^2 =.247*** ΔR^2 =.001 F Change= .361 df=2, 247		
Step 3 Interactions			
Employee participation * Normative Commitment	-.973**	.267	-.745
	R^2 =.270*** ΔR^2 =.023 F Change= 7.789 df=3, 246		

The result in table X showed the percent of variability in the dependent variable (organizational performance) that could be accounted for by the independent variables (interpretation of R-square). The findings reveal that the first model, employee participation interaction was significant ($F(1, 248) = 80.769$, $p < 0.001$) with R^2 value of 0.246 which is 24.6 per cent of variation. The moderating variable normative commitment was added to the model

in the step 2. The change in R^2 evaluated how much predictive power was added to the model by the addition of moderator variable (normative commitment) in second step. In this study, the percentage of variability accounted for went up from 24.6 per cent to 24.7 per cent when normative commitment was added. In the second model (normative commitment) was significant ($F(2, 247) = 0.361$, $p < 0.001$).

There was change in R^2 when the interaction terms obtained by multiplying the moderating variable (normative commitment) with independent variable (employee participation) in step three. The percentage of variability accounted for went up from 24.7 per cent to 27.0 per cent. The third model with interaction obtained by multiplying the moderating variable (normative commitment) with independent was significant ($F(3, 246) = 7.789$, $P < 0.001$). The result therefore shows that normative commitment is a moderator on the relationship between (employee participation) and organizational performance. Therefore, hypothesis $H0_{6b}$: normative commitment moderates the relationship between employee participation and organizational performance is supported. The association between (employee participation) and organizational performance is contingent on the level normative commitment. The nature of this moderation effect is shown in Figure X below

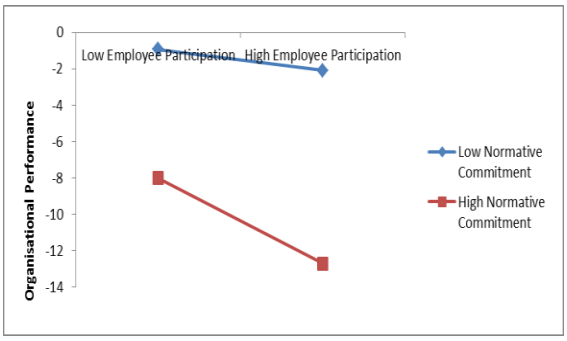

Figure X Interactions between employee participation and normative commitment

The results in figure 4.16 show that there is a slight moderating effect between employee participation and normative commitment. Organizational performance decreases when an organization decreases employee participation. The strength of the relationship between employee participation and organizational performance is low when there is high normative commitment as compared to when normative commitment is low as shown in the figure above. Therefore when employees perceive that employee participation is not good then the normative commitment decreases leading to low organizational performance

Findings

The results of this study provided support for the universalistic theory that HPWPs indeed has positive effect on organizational performance for the organization that have implemented those practices. It also shows that the three element of organizational commitment indeed moderate the relationship between HPWPs and organizational performance. There was a consensus in all the

three organizations that employees were involved and participated in all matters affecting their organization. This in turn boosted organization performance. According to the results of this research, firm performance of the three organizations was positively influenced by employee performance appraisal. This therefore meant that employees had to work hard to meet their set targets and to be remunerated well, hence boosting organization performance. Based on the finding of this study, training and development of employees when measured its impact on organization performance, the variable had a significant and positive impact on organizational performance. Training of employees on multi-tasking and on job skills was required to sustain high levels of performance by ensuring that everyone had the knowledge, skills and competencies required to carry out their work effectively and that employees are developed in way to maximize their potential for growth and promotion. Training and development of employees was identified as one of the key primary component of high performance work practices (HPWPs) that has the potential to enhance organizational performance.

The high performance work practices consisting of extensive training and development, participation and performance appraisal, has a positive association with organization performance. The strong support for the universalistic perspective found by the organization in Kenya is in line with the theory of high performance work practices (Cappelli and Neumark 2001). No matter whether a firm adopts a large scale of other high performance work practices such as training and profit sharing, etc., a short term employment contract to increase flexibility of work force would be preferred. Beyond the universalistic perspective, the most attractive proposition of strategic HRM is its contingency perspective, indicating that beyond the contribution of HPWPs to organization performance, the synergy between HPWPs and organizational commitment will further enhance firm performance (Becker and Gerhart 2006). This study is a cross-sectional design and the results do not preclude the possibility that high performing organizations adopt more high performance work practices. Future longitudinal research would be ideal to strengthen causal inference.

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