

## Influence Of Training and Development on Performance of State Owned Entities In Kenya.

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### ABSTRACT

**Purpose:**The purpose of this study was to establish the influence of training and development on performance of state owned entities in Kenya

**Methodology:**This study used the positivist research philosophy by setting up the hypotheses on the basis of the existing theories. The study used descriptive research design. The accessible population of the study was 714 management employees of state owned entities in Nairobi city. This study adopted Yamane's (1967) formula in determining the sample sizes. The sample size for state owned entities is 256. Primary information was collected by the use of semi-structured questionnaires. Using the statistical package for the social sciences, the data were analyzed using simple linear and multiple moderated regression models. To analyze the data, both descriptive and inferential statistics were applied.

**Results:**The correlation results demonstrated a positive and significant relationship ( $r = 0.722$ ,  $p < 0.009$ ) at the 0.01 level of significance between training and development and the performance of state-owned entities. Regression analysis also revealed that training and development significantly and favorably affect state-owned entities' performance in Kenya. The results of the regression analysis also demonstrated that there was a positive and significant moderating effect of human resource policy on the influence of training and development on organizational performance of state-owned entities in Kenya.

**Recommendations:**The study's recommendations were based on the findings, which said that state-owned businesses should prioritize employee development and training. These relate to human resource planning, employee development, fostering job knowledge, and on-the-job training. Improved performance in Kenya's state-owned enterprises will come from the strengthening of these factors.

**Keywords:**Human resource policies, Performance, State owned entities, Training and development.

### ETHICAL DECLARATIONS

1. This article is my original piece and has not been published nor submitted anywhere else for publication.
2. I am the main author of this paper and the co-authors are all my university supervisors at the various Kenyan Universities.
3. All my supervisors (Herein indicated as co-authors) have expressly given their authority and approval for the publication of this article.
4. This article is a requirement for the Jomo Kenyatta University of Agriculture and Technology before the doctorate degree can be conferred on me.
5. I have authorized the sender of this article to act on my behalf and has only the limited rights of correspondences and not right of authorship of this paper. Therefore, he cannot by any chance be in the list of authors of the manuscript.
6. I declare that all the data used in coming up with this article are available and can be provided at any time when and if needed by your review team.

## I. INTRODUCTION

World over, the customer needs are fast-changing, and organizations are increasingly facing fierce competition for their services and products which has increased the need for the employees to be better equipped with all the necessary skills and tools to deliver outstanding services to the customer (Day & Schoemaker, 2016). The area of human resources and human expertise has proved to be a major issue and underlying reason for competition among organizations (Holbeche, 2022). The role of humans has thus become the focus of attention to the researcher and business sectors managers that the organizations need to develop their human resources to sustain their competitive edge (Amjad, Abbas, Zia-Ur-Rehman, Baig, Hashim, Khan & Rehman, 2021). The knowledge and skills of human resources safeguard organizational life. The updating and upgrading of these skills makes organizations able to adapt to the new environment that is almost subject to the constant change. These facts have made managers understand the importance of training their human resources to improve the overall performance of the organizations (Nocker & Sena, 2019).

Activities related to training and development are the foundation of any organization's expansion. Because they are viewed as an investment in the Organization, they are valuable tools. It aids businesses in raising employee commitment and motivation, cutting expenses, increasing profitability, and helping employees reach their full potential (Mudanya, 2019). As stated by Starbucks (2017), a manager who ignores training does so at their own risk. It is a sign of excellent management. High potential employees do not always translate into success. Rather, they must understand your expectations and the proper way to fulfill them.

Training and development is crucial for the survival of any organization in the competitive world. Employees give an organization competitive advantage. Organizations must therefore invest in the training and development of its employees if they are to remain relevant and productive. There are long term and short term benefits accruing from investing in human capital (Teodorovicz, Lazzarini, Cabral, & McGahan, 2023). Training and development is important for effective performance of employees, improvement of their ability to adapt to the changing and challenging business environment and technology and increase employees' knowledge to develop creative and problem solving skills (Nwali & Adekunle, 2021).

Managers like to measure the performance of their employees and improve it. While Technological innovation is gradually taking over, it is not only essential to be aware of these changes but to also emphasize on the need for training and implementation of such developments. The absence of training can force employees out of relevance within an organization. Harsch & Festing (2020) argued that in the dynamic and evolving market that is highly turbulent, an organization needs to focus on the development of its human capital with the intent of gaining competitive advantage. The success of an organization is a function of the number of skilled, experienced, and knowledgeable workforce at its disposal. Thus, to remain competitive in today's dynamic business environments, the organization must therefore rely heavily on training and development to enhance performance. It is equally important that employees at all levels are trained to ensure the required skills are available and at the same time not eroded (Harsch & Festing, 2020).

## II. STATEMENT OF THE PROBLEM

Human resources of an organization are one of the most pivotal assets of the organization, which defines the success and the failure of the organization. In the constantly changing business environment companies tend to seek for new opportunities on how they can develop and sustain their competitive advantage and outperform competitors. State owned entities in Kenya have performed poorly compared to their private counterparts. Evidence of this is in the poor performance contracting results by majority of the state owned entities. Specifically, only a few state owned entities have reported profits or surpluses. This is a problem that policy makers are still grappling with. This problem of poor performance of state owned entities represents a drain on the exchequer and also results into non-delivery of intended services. This has a negative implication on the welfare of Kenyan Citizens and may also hinder the realization of the Vision 2030. This is evidenced by Government report in 2016/17, eleven (11) state owned entities made losses, compared to twelve (12) in 2014/15 and sixteen (16) in 2013/12. This represents 21%, 23% and 31% respectively of all commercial oriented Government Owned Entities. A report from the Annual Public Debt 2011/2012 indicates that of the Kshs. 961.3 million payments by the Government on Guaranteed Debt in 2011/12, 95.6% was on two (2) State owned entities, pointing to significant defaults in payments (GoK, 2012). Improvements in performance begins with Human Resources practitioners who can ensure performance management plans are put in place to ensure employees conform to company policies and procedures and consequently realize the goals of the business (Pasmore, 2011).

Since the inauguration of Public Service Boards, in 2013, not much empirical evaluation and achievement of the role of HR towards successful quality objectives of devolved government has been done. With the right HR practices in place, an organization can reduce risk and improve its bottom line performance both essential ingredients to deliver stakeholder and customer value (Chukwu & Igwe, 2012). Further, the human resource practices are significant in attaining organizational goals (Alshammari, 2020). Studies on HR practices and organizational performance have been done. In Kenya, however, not much research has been done, particularly

in state-owned businesses. This gap makes it easier to carry out the current investigation. This study thus aimed at assessing how state-owned enterprises in Kenya perform in relation to training and development.

### Study Objective

- i. To evaluate the influence of training and development on performance of state owned entities in Kenya
- ii. To determine the moderating effect of human resource policy on the influence of training and development on organizational performance in states owned entities in Kenya

### Research Hypothesis

**H<sub>01</sub>:** There is no significant influence of training and development on performance of state owned entities in Kenya.

**H<sub>02</sub>:** Human resource policy has no significant moderating effect on the influence of training and development on organizational performance of state owned entities in Kenya

### Literature review

#### Human Capital Theory

The theory of HC can follow its beginnings to macro-economic development theory. During the 1950s, the fundamental variables of production included land, work, physical capital and the board (Mincer, 1962, Becker, 1993). By 1960s, HR experts had some challenges in clarifying the development of the US economy depending on the previously mentioned factors of production (Schultz, 1961). It was however from the works of Becker (1964), Schultz (1961) and Mincer (1974) that brought out the need for the development of physical capital as a fundamental element of financial achievement.

The human capital theory was thus developed by Becker in 1964. The theory was embraced as a useful framework for understanding the relationship between HR practices and organizational performance. The human capitals are the innate abilities, behavior and personal energy that individuals bring to work. Intellectual capital results from the knowledge and skills that persons generate retain and use. This human capital can result to interactions in an organization generated by organizational capital. The concentration in HRM, from the human capital viewpoint, is to retain, attract, and develop human capital (Armstrong, 2006).

Human capital theory proposes that employees who put resources into practice will build their aptitude level and gain more experience than those who are less talented, hence increase their efficiency and effectiveness in human capital in promoting organizational performance. As Becker (1993) proposes, training and development raises income and efficiency for the most part by giving learning skills and a method for probing issues. Becker's thoughts also assume an essential job in contemporary representative improvement and learning organizations as HC theory improves the workers' knowledge and abilities created through interest in instructions and preparedness in learning (Grant 1996; Hatch & Dyer 2004).

Becker examined discrimination by utilizing a neoclassical system and creating quantified signs of the significance of this phenomenon, estimated by what he called the discrimination coefficient. This was taken with suspicion, particularly because of his perspective on segregation as a sane conduct, however it benefited by the support and impact of certain significant figures of the Chicago Economic Department, specifically Gregg Lewis, his supervisor, and Milton Friedman, who sustained Becker's trust in tending to different social issues with standard financial aspects. (Heckman, 2011). The theory of human capital is applicable to the study since it declares that employees have the information, aptitudes and capacities that is essential in arrangement of quality service. The choice to utilize a community worker, to serve in the county public service, fundamentally includes adding to the supply of human capital.

Subsequently the system gives a reasonable premise to understanding the predominant choice of human resource since it clarifies the link between training and development and organizational performance. A limitation of HCT is that it enhances efficiency in the working place, bringing about higher individual wages, however it gives little understanding into the procedures through which training and development translates into higher wages. A related limitation is that upper-level uses of HCT treat training and development as homogenous input. These applications expect that higher education attainment and quality will produce more prominent profitability and wages no matter how you look at it. Given treatment of education is risky on the grounds that the process of human capital arrangement changes for people and groups.

The theory of human capital in HR practices is significant as it holds that the dimension of human capital has an impact on organization performance (Becker, 1964; Hitt, Camp, & Sexton., 2001). The connection between HR practices and performance has been clarified by Delery (1998). He clarifies that a firm picks up an upper hand from the HR that the firm pulls in and holds and not the HR practices. Following fruitful utilization of the HCT in these HRM examines, this examination takes it as a reasonable theoretical point from which to interpret the link between training and development on organizational performance in state owned entities in Kenya

### **Empirical review**

The study conducted by Burhan, Jabbar, Gardi, Abdalla, Sorguli, Mahmood, Shahla, Bawan, Bayad, and Anwar (2021) examined the correlation between organizational effectiveness and training and development. Their research data was gathered through the creation of a questionnaire with two sections: the first section focused on gathering personal information, while the second section shed light on the topics of (organization effectiveness, development, and training). Data was gathered from 120 private university employees in Iraq who were chosen at random. With SPSS, the analysis was carried out. The purpose of this study was to shed light on the relationship between training and development and an organization's effectiveness. The results of the study showed a connection between organizational effectiveness and training and development. Additionally, the research revealed a direct correlation between organizational effectiveness and development programs, demonstrating the importance of progress and development for an efficient organization.

Saleh, & Atan, (2021) explored the involvement of sustainable talent management practices on employee's job satisfaction: Mediating Effect of Organizational Culture in Cyprus. They clarified the purpose of training as follow: "increase productivity, enhances the use of tools and machinery; lowers waste, accidents, turnover, lateness, absenteeism, and other overhead costs; removes obsolescence in skills, technologies, methods, products, capital management, etc.; and improves the quality of work. They concluded that employee training influences motivation, work engagement, and employee satisfaction. That for the organization to be effective, it needs to spend money on staff development and training in order to generate talented employees and, in turn, a variety of original ideas. Scholars contend that various training and development programs should be incorporated into the company's training regimen to foster the acquisition of new competencies and advanced skills that align with the organizational culture.

Manenzhe and Ngirande (2021) investigated the effects of development, training, and compensation on organizational citizenship behavior in South Africa. The researchers set out to look into how academic staff members at a rural South African higher education institution's organizational citizenship behavior was affected by their pay, training, and development. Their study employed a cross-sectional research design and was quantitative in nature. In this study, 152 academic staff members made up the sample. An independently administered questionnaire was used to collect the data. Version 26.0 of the Statistical Package for Social Sciences (SPSS) was used to perform descriptive statistics, correlation analysis, and multiple regression analysis. The results showed a strong correlation between organizational citizenship behavior and compensation. A significant correlation was also found between training and development and 74rganizational citizenship behaviour. However, in multiple regression analysis, compensation was found to be the only predictor of 74rganizational citizenship behaviour.

In Albania, a study by Cera, and Kusaku, (2021) explored factors influencing organizational performance in terms of work environment, training-development, management and organizational culture of the public sector. According to the scholars, Public sector performance has attracted the attention of many researchers, because it is considered as a crucial element of effectiveness and fruitful outcomes in the public sector. Numerous factors that affect performance in public organizations have been found in numerous studies. Four of which this study took into account: work environment, management, training and development, and organizational culture. The study took a sample of 162 local government employees who were surveyed to carry out this research. Statistical tests such as Cronbch Alpha, KMO and Bartlett, factor analysis, correlation and regression were used to achieve the results. The study found that all the studied variables work environment, training-development and management were important determinants of organizational performance.

According to (Beckhard& Harris, 2011) in their study on the relationship between training and development and organizational performance in the United States of America, the capacity of the training and development also depends upon the customer's status and ability for change. Using a causal research design, the study had a population of 1080 and a sample size of 600. The results indicated that the move into training and development practice and far from operational help will mean a noteworthy change for the interior customer. For instance, if a leader is utilized to individual contact with somebody from HR to manage faculty issues, which have now

been exchanged to a call centre, the move in job will cause a huge change. The leader may now have at least two individuals to contact about various viewpoints. The leader may need to manage work force issues, with little expertise or capacity to do this.

A study by Richter & Niewiem (2017) on the effect of client's decisions on training and development in Norway proposes that training and development can be extensively arranged as resource and procedure jobs. The study adopted an empirical approach with a population of 735 clients in state department with a sample size of 122 clients. In the resource job the consultants are obligatory to give a particular aid of the customer dependent on their ability and in the procedural job consultants need to encourage and empower the customer to think about and understand their very own association and its procedures. The study comes to the conclusion that training and development are essential for providing the client company with clear or implicit information.

According to Bouwmeester and Van's (2011) evaluation, administration ideas have a significant impact on the organization when examining the relationship between training and development and performance. 300 people made up the sample, and the study's population consisted of 500 firms using a correlational research design. According to the study, there is a greater likelihood of a casual and verbal agreement when there is more natural training and development between the parties. Training and development will most likely send out follow-up signals at the point where connections are less developed, confirming the understanding levels. The training and development does not stress over improvement costs or out-of-take costs. Relations built-up after some time will in general expect concurrence on key issues. Notwithstanding recognition, it is fundamental that the practice ought to have an individual contract with the customer in regards to four areas: confidentiality, the delivery of bad news, consultant's role, and the extent of the client's personal involvement in the change process.

A review by Block, (2011) indicates that the most proficient method to deal with privacy is to settle on how much the whole change procedure will be open. Regardless of whether the change procedure is open or shut is in substantial measure a result of what the client can endure. Some of the external consultants risk losing a few customers; the inward specialist can be liable to customer striking back. Negligibly, the customer can close out the internal consultant, or forsake the change venture through and through. An investigation by Argyris (2016) on internal consultants role on the improvement of firms performance shows that there is a benefit of knowing where the propensity live, and the burden of realizing that poor encounter of the issues may result in powerless customer responsibility. This underscores the importance of appropriate contracting around the conveyance of extreme messages and customer authorization to upset business as usual.

### III. RESEARCH METHODOLOGY

This study used the positivist research philosophy by setting up the hypotheses on the basis of the existing theories. The study used descriptive research design. The accessible population of the study was 714 management employees of state owned entities in Nairobi city. This study adopted Yamane's (1967) formula in determining the sample sizes. The sample size for state owned entities is 256. Primary information was collected by the use of semi-structured questionnaires. Simple Linear and Multiple Moderated Regression models were used to analyze the data using statistical package for the social sciences. Descriptive and inferential statistics were used to analyze the data.

### IV. FINDINGS AND DISCUSSION

#### Descriptive statistics

The study analysed the views of the respondents in respect to training and development practices. Table 1 shows the results of the analysis.

	N	S.D (%)	D (%)	N (%)	A (%)	S.A (%)	Min	Max	Mean	Std. Dev
Training and development has improved job knowledge	201	4.5	2.5	16.4	47.3	29.4	1	5	3.95	.981
The organization value employee development	201	5.0	3.5	8.0	36.8	46.8	1	5	4.17	1.054
Human resource planning has helped management to better train and develop the skills needed amongst employees	201	5.5	9.5	9.0	38.8	37.3	1	5	3.93	1.155
On the job training is associated with change in the organization.	201	6.0	3.0	7.5	39.2	44.3	1	5	4.13	1.084
The organization provides strategic umbrella for developing its employees through training and development practice.	201	5.4	3.5	8.0	42.8	40.3	1	5	4.09	1.054

The organization has a training and development practice aligned with the organization’s business strategy	201	3.9	1.5	8.0	47.8	38.8	1	5	4.16	.930
The way training and development program is conducted/concluded is good.	201	5.5	2.0	12.9	42.3	37.3	1	5	4.04	1.038
Weighted Mean		<b>4.07</b>								
Valid N (Listwise)		<b>201</b>								

The findings indicates that the respondents agreed (Mean = 3.95; Std Dev =0.981) with the statement that training and development has improved job knowledge. Respondents also agreed with (Mean = 4.17; Std Dev =1.054) that the state entities value employee development. The findings further indicates with (Mean = 3.93; Std Dev = 1.155) that human resource planning has helped management to better train and develop the skills needed amongst employees. In addition, respondents concurred with (Mean = 4.13; Std Dev =1.084) that on the job training is associated with change in the organization. The study further indicates that the respondents agreed with (Mean = 4.09; Std Dev = 1.054) that the organization provides strategic umbrella for developing its employees through training and development practices. Furthermore, respondents also agreed with (Mean = 4.16; Std Dev = 0.930) that the organization has a training and development practice aligned with the organization’s business strategy.

Finally, the respondents concurred (Mean = 4.04; Std Dev = 1.038) that the way training and development program is conducted/concluded is good. These findings are supported by the literature findings that by Maslein (2012) who in a study investigated the influence of training and development on the performance of firms in Spain found out that there were different shared advantages for associations in building up training and development as a practice, and for people in embracing the practice. The results in this study also indicated that the move into training and development practice and far from operational help will mean a noteworthy change for the interior customer. This fully agrees with the findings of Beckhard& Harris, (2011) in their study on the relationship between training and development and organizational performance in the United States of America.

**Inferential Statistics Results**

The correlation between training and development and organizational performance in state owned entities was examined and results presented in Table 2.

**Table 2: Correlation results for Training and Development**

		<b>Organizational Performance</b>
Training and Development	Pearson Correlation	.722**
	Sig. (2-tailed)	.009
	N	201

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

Table 2 presents the findings, which show a statistically significant positive correlation (r = 0.722, p < 0.009) at the 0.01 level of significance between organizational performance and training and development. This suggests that organizational performance in Kenyan state-owned enterprises is influenced by training and development. The present investigation aligned with the findings of Burhan, Jabbar, Gardi, Abdalla, Sorguli, Mahmood, Shahla, Bawan, Bayad, and Anwar's (2021) study, which established a correlation between organizational effectiveness and training and development. Additionally, the research revealed a direct correlation between organizational effectiveness and development programs, demonstrating the importance of progress and development for an efficient organization.

**Regression analysis**

Multiple regression analysis was used in this study to assess the correlation between training and development, the independent variable, and organizational performance as well as human resource policy. Two levels of regression models were produced. The initial stage devoid of the interaction term and the subsequent stage featuring the moderator.

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Table 3 presents a summary of two models for training and development, one with human resource policy as the moderating factor and the other without it.

**Table 3: Regression Model Summary for Training and Development**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.722 <sup>a</sup>	.521	.487	.676	.521	6.892	1	199 <sup>a</sup>	.009
2	.789 <sup>b</sup>	.622	.591	.677	.101	.161	1	198 <sup>b</sup>	.032

- a. Predictors: (Constant), Training and development
- b. Predictors: (Constant), Training & development \* Human Resource Policy
- c. Dependent Variable: Organizational Performance

Training and development and organizational performance have a positive relationship, according to Table 3's Model 1 (R = 0.722, R<sup>2</sup> = 0.521, and F (1,199) = 6.892, p = 0.009). The differences in organizational performance as accounted for by training and development are explained by the R squared. Training and development can account for 52.1% of the variations in organizational performance, according to an R<sup>2</sup> of 0.521.

Once again, the results from Table 3 displayed Model 2, which provides the outcomes following the introduction of the moderator (Training and Development \* Human Resource Policy) and the interaction of the independent variable. The findings demonstrated a favorable correlation between organizational performance and training and development. The interaction between Training and Development and Human Resource Policy, or Training and Development \* HRP, can account for 62.2% of the change in the organizational performance of state-owned entities, according to a R squared value of 0.622. A modified form of R-squared that has been. Only when the new term enhances the new model does the adjusted R-squared increase; otherwise, it should be less than the R-squared. Thus, it is clear from Table 3 that the moderator enhanced Model 1 to become Model 2.

The relationship between training and development and organizational performance produced an R<sup>2</sup> change of .101, or 10.1%, when the interaction term (Training and Development \* Human Resource Policy) was included. This showed that, in addition to the variation in organizational performance explained by training and development, the moderating effect of human resource policy explained 10.1% of the variation. This demonstrated a strong presence of the HR Policy's moderating effect on the impact of Training and Development on the organizational performance of Kenya's state-owned enterprises. The outcomes of the significance test for the two models are displayed in Table 4. One with no moderator influence, and the other with moderator influence.

**Table 4: Significance Test Results for Training & Development**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error			
					Beta	
1	(Constant)	3.325	.320		6.400	.000
	Training & Development	.734	.078	.722	2.625	.009
2	(Constant)	3.329	.321		6.385	.000
	Training & Development	.225	.093	.201	2.407	.017
	Human Resource Policy	.545	.014	.494	4.401	.023

- a. Dependent Variable: Organizational Performance

**Model 1** indicates that relationship between Training & Development and Organizational performance was positive and significant (b<sub>1</sub> = 0.734, p = 0.009, Beta = 0.722). Equation 1 thus showed the regression equation for model 1. For every unit increase in Training & Development, Organizational performance is predicted to increase by 0.734 at p = 0.009.

**OLS Model:**

$$\text{Organizational performance} = 3.325 + 0.734 \text{ Training \& Development} \dots \dots \dots \text{Equation 1}$$

This implies that an increase in information relating to Training & Development leads to an increase in Organizational Performance of state owned entities. At the 0.05 significance level, the null hypothesis—which claims that training and development have no discernible impact on organizational performance—was rejected.

As a result, the study accepts the alternative hypothesis and comes to the conclusion that organizational performance of state-owned entities in Kenya is significantly impacted by training and development.

**Model 2** shows that the moderating effect of Human Resource Policy on the influence of Training & Development on Organizational Performance of State owned entities in Kenya was positive and significant ( $b_1=0.225$ ,  $p = .0017$ ,  $Beta = 0.201$ ). Equation 2 thus showed the multiple moderated regression equation. The equation implies that for every unit increase in Training & Development, Organizational Performance is predicted to change by 0.225 on condition that Human Resource Policy is kept constant. The null hypothesis is therefore rejected at 95% level of confidence. It is thus concluded that Human Resource Policy moderates the influence of Training & Development on Organizational Performance.

**MMR Model:**

Organizational Performance = 3.329 + 0.225 Training & Development + 0.545 Human Resource Policy.....**Equation 2**

## V. SUMMARY OF THE FINDINGS

The first objective of the study sought to establish whether training and development (T&D) practice determines organizational performance in state owned entities in Kenya. The study indicated that T&D positively and significantly related organizational performance. This implied that T&D is a critical factor for organizational performance of state owned entities. With regard to the T&D practice and organizational performance of state-owned entities in Kenya, these results indicate that the null hypothesis, according to which there is no meaningful relationship, is rejected. Maslein (2012) found that there were various shared advantages for associations in developing training and development as a practice and for people in embracing the practice. These findings are corroborated by literature research that examined the impact of training and development on the performance of Spanish firms. The results in this study also indicated that the move into training and development practice and far from operational helped mean a noteworthy change for the interior customer. This study also agrees with the findings of Beckhard& Harris, (2011) in their study on the relationship between training and development practice and organizational performance in the United States of America.

## VI. CONCLUSIONS OF THE STUDY

This study underscores the critical importance of training and development in enhancing the performance of state-owned entities in Kenya. The findings affirm a positive correlation between training and development practices and organizational performance, emphasizing the need for continuous investment in human capital. Moreover, the moderating effect of human resource policy highlights the significance of strategic HR management in maximizing the impact of training initiatives. By aligning training programs with organizational objectives and implementing supportive HR policies, state-owned entities can cultivate a skilled workforce capable of navigating dynamic business environments and driving sustainable growth. This research underscores the imperative for state-owned entities in Kenya to prioritize and optimize their training and development efforts as integral components of their strategic management approach.

## VII. RECOMMENDATIONS OF THE STUDY

The implications of this research extend beyond the organizational level to encompass broader socio-economic considerations. Improved performance within state-owned entities not only enhances their ability to deliver essential services but also contributes to overall economic development and national prosperity. By fostering a skilled and empowered workforce, state-owned entities can drive innovation, productivity, and competitiveness, thereby stimulating economic growth and creating employment opportunities. Additionally, the findings of this study underscore the importance of effective governance and accountability mechanisms in ensuring the efficient use of resources and the delivery of quality services to citizens. Therefore, by prioritizing training and development initiatives and enhancing HR policies and practices, state-owned entities can play a pivotal role in advancing national development goals and improving the well-being of Kenyan citizens. For future research, this study recommends a deeper delve into specific aspects of training and development practices within state-owned entities in Kenya. This could include examining the effectiveness of different training methods and approaches, assessing the impact of technology on training delivery, and exploring the role of leadership in promoting a culture of learning and development. Additionally, comparative studies between state-owned and private entities could provide valuable insights into the unique challenges and opportunities faced by each sector in relation to training and development. Furthermore, longitudinal studies could track the long-term effects of training initiatives on organizational performance and employee outcomes. Finally, qualitative research methods, such as interviews and case studies, could offer a richer understanding of the underlying mechanisms driving the relationship between training and development and organizational performance.



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