

THE ROLE OF HUMAN RESOURCE CAPACITY ON THE ECONOMIC GROWTH OF HEAVY COMMERCIAL INDUSTRY IN MOMBASA, KENYA

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ABSTRACT

This paper presents a discussion on the role of human resource capacity in influencing the economic growth of Heavy Commercial Transport Industry in Mombasa. The findings are based on a study of ten (10) firms with a fleet of fifty (50) or more commercial vehicles which realized economic growth in the period 2008 to 2011. The results showed that the human resource base has not been fully maximized in efforts to bring about economic growth of the HCTI firms in Mombasa. Factors considered include the procedures of hiring and firing of employees, respect for quality of work, room for professional development, promotion procedures and use of job placement to enhance economic growth.

Key Words: *human resource capacity, economic growth, heavy commercial industry, Mombasa, Kenya*

Introduction

Transport plays a significant role in any national economy. The movement of goods and services is the core business of a large part of the private and public sector. Further, the transport industry, apart from being a service provider is also an investment sector. The number of persons employed in the transport sector, its turn-over figures and its contribution to the national product are tremendous. A major part of the transport industry is the Heavy Commercial Transport Industry (HCTI) branch. A number of firms in the HCTI have collapsed or stagnated over the years. However, there are firms that have shown steady growth amidst challenges in the overall environment of operation (Anyango, 2007).

An investigation into the factors that influence economic growth of such firms yields significant results that are of benefit to all stakeholders in the industry. One of the factors that has been used in this regard is the manipulation of human resource in a meaningful way. The human resource capacity of any industry forms a significant part of the internal environment. This includes the skilled, semi-skilled and the unskilled. According to Ingram (2012), experienced and skilful workforce enhances rational decisions and fulfilment of project requirements. Due to the

increased application of technology in economic production in virtually all sectors of the economy, Walker and Tobias (2009) observe that inadequate know-how on evolution and application of current technology leads to inappropriate strategies, designs and processes and culminates to inability to explore opportunities. According to them, employers must consider the know-how on application of current technology while hiring new staff so as to position themselves strategically to have a competitive advantage in the market. Further, they observe that inability to attract skilled and professional indigenous workers leaves the firm with the alternative of parading low profile work force with its attendant competitive disadvantage.

It is on this background that the focus is made on the human resource capacity and its effect on the growth of the HCTI firms in Mombasa.

Research Findings

The first interest was on whether the HCTI firms employ qualified professionals to manage various departments. The results are presented in Table 1.

Table 1: Employment of professionals from various fields

Responses	Frequency	Percent	Cumulative Percent
Disagree	1	10.0	10.0
Agree	3	30.0	40.0
Strongly agree	6	60.0	100.0
Total	10	100.0	

Those who either agreed or strongly agreed that professionals are employed make up 90% of the respondents. Only 10% of the respondents disagreed with this fact. This (the high percentage that agrees) eliminates the doubt that may arise as to whether the hired personnel are really qualified to perform their duties.

In order to understand the employment of professionals, it was important to establish whether firms had established laid down procedures that are followed when employing new personnel. It was established that 50% of the respondents acknowledged that there were clear policies established and followed when hiring new employees, 30% of the respondents were uncertain as to whether the laid down procedures are actually followed when hiring employees while 20% of the respondents disagreed that the policies for employing new employees are actually followed.

Table 2 displays this information.

Table 2: Clear procedure of hiring employees

Responses	Frequency	Percent	Cumulative Percent
Strongly disagree	1	10.0	10.0
Disagree	1	10.0	20.0
Undecided	3	30.0	50.0
Agree	1	10.0	60.0
Strongly agree	4	40.0	100.0
Total	10	100.0	

It can therefore be relied upon that the firms have clear laid down procedures that are followed when employing new personnel basing that 50% agree and only 20% disagree. Employees are an important part of the internal environment. The quality of their work determines the growth of the firm. The research sought to find out whether firms respected the quality of work that the employees produced. The responses were tabulated below.

Table 3: Respect to quality of work

Response	Frequency	Percent	Cumulative Percent
Disagree	3	30.0	30.0
Undecided	2	20.0	50.0
Agree	2	20.0	70.0
Strongly agree	3	30.0	100.0
Total	10	100.0	

The responses received showed that half the respondents (50%) agreed that there was respect for the quality of work of employees, 30% of the respondents felt that this was not true and 20% of the respondents were not sure whether one's quality of work was respected or not.

This actually makes one to believe that the firms respected the quality of work that the employees produced.

The research further went on to find out whether promotion of employees was based on merit and therefore the quality of work of the employee. This is because promotions are seen as motivation and would encourage growth within the industry. The following responses were obtained.

Table 4: Promotion on merit

Responses	Frequency	Percent	Cumulative Percent
Strongly disagree	1	10.0	10.0
Disagree	4	40.0	50.0
Agree	2	20.0	70.0
Strongly agree	3	30.0	100.0
Total	10	100.0	

The findings regarding this item were inconclusive since 50% of the respondents felt that promotion was based on merit while the other 50% felt that it was not on merit.

The employees were then asked about their opinion on whether there was room for professional development in their organizations. The results are displayed in table 5.

Table 5: Room for professional development

	Frequency	Percent	Cumulative Percent
Strongly disagree	2	20.0	20.0
Disagree	3	30.0	50.0
Agree	1	10.0	60.0
Strongly agree	4	40.0	100.0
Total	10	100.0	

The findings on this issue were similar to the previous one where half of the respondents agreed and half taking the contrary opinion. Consequently it would be difficult to state with certainty that most of the HCTI firms understudy conduct promotions on merit or provide their employees with room for professional growth. The overall effect of this would be determined from the next item which sought the opinions of the employees on whether human resource base is strategically used to promote economic growth. The results are presented in table 6.

Table 6: HR used to promote economic growth

	Frequency	Percent	Cumulative Percent
Strongly disagree	2	20.0	20.0
Disagree	3	30.0	50.0
Undecided	2	20.0	70.0
Agree	2	20.0	90.0
Strongly agree	1	10.0	100.0
Total	10	100.0	

The results reveal that only 30% agreed with this statement, 20% were undecided and 50% disagreed thus conclusive that human resource base is strategically used to promote economic growth. It is worth noting that a minority of the employees were positive on whether human resource is managed by the HCTI firms in a way that could bring about economic growth.

Conclusion and Recommendations

From the foregoing discussion of the findings, it can be concluded that the different HCTI firms have different approaches of managing human resources. Consequently, a number of the firms have used it to promote economic growth while others have failed to use it even on basic issues like hiring of professionals in various fields. As much as the results were inconclusive on various aspects of human resource, it is clear that most firms have not yet placed the necessary focus on this area despite its potential in efforts to bring about the desired economic growth.

It is therefore recommended that the HCTI firms should devise better management strategies with regard to the Human resource. They should conduct promotions based on merit, provide definite room for professional development and transparent ways of handling issues of hiring and firing of staff.

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