ABSTRACT
Governments globally focus administration to achieve high operational performance. Being a measure of performance depicted by effectiveness, efficiency, environmental responsibility; on such operations as cycle time, waste reduction, productivity and regulatory compliance, it brings to practical application counties’ employee productivity, project implementation, professionalism and institutional trust. Employee productivity, projects implementation, professionalism and creation of institutional trust represent county operational performance (COP). Evidence from Western Kenya counties indicated low project implementation: revenue absorption rate of <25% in 2014-2017 periods and aggregate revenue collection of <30% compared to 47% national average. Employee procurement implementation (EPI) has resulted in growing overstaffing (7%-18%) in the same period indicating inadequate strategic human resource policy and weak institutional framework/legislation. Therefore the relationship between EPI and COP was obscure. Employee engagement (EE) represented by work environment, leadership, co-worker relationships and reward system have revealed legislature/executive leadership wrangles and frequent pay-related strikes indicating an unclear connection to COP. Moreover, literature further reveals inconsistencies in the relationship between EPI and COP while theoretical literature postulates EE as a plausible moderator in EPI process albeit without testing; revealing the need for moderation. Therefore the moderating effect of EE in the EPI and COP relationship was unverified. The purpose of the study was to assess/determine moderating influence of employee engagement on the relationship between employee procurement implementation and operational performance of counties in western Kenya. Specific objectives were to: determine effect of employee procurement implementation on operational performance; establish influence of employee engagement on operational performance; and analyse moderating effect of employee engagement on the relationship between employee procurement and operational performance of counties in western Kenya. The study anchored on human capital and social exchange theories using correlation research design. The target population was 184 sectional heads of devolved county departments; 10 respondents were selected for piloting; a saturated sample 174 respondents used for main study; from which 169 respondents were accessible for data collection using questionnaires and interviews. All 12 items were reliable at Cronbach alpha coefficient (α=0.842) and validated based on subject domains corroborated by expert judgements. Multiple regression results established EPI (R²=.321, p=.000) explaining 32.1% variance in COP while EE (R²=.544, p=.000) explained 54.4% variance in COP implying both EPI and EE had positive significant effect on COP. Moderated regression results showed EE (R²=.09, p=.043) explained 9% variance in the EPI/COP relationship, after interaction term introduction, implying EE partially moderated the relationship. Concluded that both EPI and EE had significant effect on COP, and EE partially moderated EPI/COP relationship. Recommended EPI and EE enhancement to increase COP and EE utilization to augment existing employees’ capabilities to increase COP based on evidence. This thesis may inform human resource management scholars, practitioners, county government administrators, legislators and policy makers.