Abstract

This study sought to determine the influence of human resources on performance of small and medium manufacturing enterprises in Kenya. The study was anchored on the Resource Based View (RBV) theory of the firm. Positivistic research philosophy was adopted in the study. The study used descriptive research design to establish the relationship between the study variables. The population for the study comprised of the 350 small and medium manufacturing enterprises registered by the Kenya Association of Manufacturers (KAM) where a sample of 183 participants was chosen using stratified sampling method. Data analysis was conducted using descriptive statistics and regression analysis. The study established that human resources have a significant influence on performance of small and medium manufacturing enterprises in Kenya. Of the constructs used to measure human resources, decision making skills and personnel expertise had a significant influence on performance while level of commitment and loyalty of employees were not significant. Further, decision making skills had a higher influence on performance followed by personnel expertise. Consequently, the study recommended that the management of small and medium manufacturing enterprises should focus on having adequate personnel with the required expertise and have sufficient decision-making skills as this will impact on their performance. The findings of this study significantly contribute to the existing pool of knowledge regarding the concept of strategic human resources and its implications on organizational performance especially among small and medium manufacturing firms. The findings of the study are of significance to the management of small and medium manufacturing enterprises, Kenya Association of Manufacturers as well as the government of Kenya both at the national and county levels. Scholars and other researchers would also find the outcomes of this study relevant as reference material to advance in their research.