



**THE INFLUENCE OF HUMAN RESOURCE
COMPLIANCE AUDIT ON EMPLOYEE PERFORMANCE
OF PUBLIC UNIVERSITIES IN WESTERN KENYA**

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Abstract:

A human resource compliance audit is one of the critical aspects of the universities that helps ensure all the policies, procedures, and practices of the university are adhered to by the management and other employees. Employee performance has been reported to be low in many universities. This is because of non-adherence to the university policies and practices. Therefore, the main objective of this study was to establish the effect of human resource compliance audits on employee performance at public universities in Western Kenya. The study was based on human capital theory. The study adopted a descriptive research design. The target population for the study was 187 respondents comprising 9 human resource managers, 9 deputy human resource managers, 121 human resource officers, and 48 internal auditors in all public universities in Western Kenya. Stratified random sampling was used to select 127 respondents. Questionnaires were used to collect primary data. Reliability was tested using Cronbach's alpha and validity using experts and factor analysis. Descriptive and inferential statistics were used to analyze data. Regression analysis indicated that human resource compliance audits had a positive and significant influence on employee performance. It was, therefore, established that a unit increase in compliance audit would lead to the subsequent increase in employee performance by 0.178 units. The study established that 61.6% variation in employee performance was caused by human resource audit. The study findings will be

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useful for policy-making in public and private universities and form a basis for future studies by contributing to the pool of existing literature. The study recommended that universities should plan for compliance audits at least twice per year. It was also recommended that the university should put in place relevant internal control measures that will help in tracking each employee.

Keywords: human capital, human resource, human resource compliance audit and employee performance

1. Introduction

In the current economy, staff performance is one of the key criteria of universities for getting a competitive edge over others. The performance of employees in many universities is still rated low. This is because universities do not have the right people in their right jobs leading to low standards in the quality of work. Employee performance is still wanting due to inadequate and ineffective human resource practices and processes and improper policies, procedures, documentation, systems, and practices (Diamantidis & Chatzoglou, 2019). Every university strives for employee performance in order to meet its goals and operate at peak efficiency; as a result, performance must be regularly assessed in terms of effective and efficient service delivery, staff output skills, and system functionality. Employee performance reflects productivity and competence with regard to stated intentions, goals, or principles, making it one of the key metrics used to gauge organizational performance (Odero & Makori, 2018).

Numerous universities are struggling to achieve and maintain a competitive edge as a result of the intense rivalry and elevated customer expectations brought about by globalization. Universities have adopted human resource audits as a human capital management strategy to verify compliance with established procedures and policies intended to improve employee performance because universities' investment in human capital has been recognized as a crucial factor for realizing and maintaining a competitive edge (Wahyudi, 2018). Organizations engage in the practice of conducting a human resource compliance audit in order to obtain a comprehensive assessment of the organization's general condition and to determine the effectiveness of specific systems that have been implemented. Additionally, this practice aids organizations in identifying any deficiencies or shortcomings, while also facilitating a comparison between the intended objectives and the actual execution. Organizations have the ability to recruit and retain high-performing individuals who contribute to the attainment of their objectives by using efficient human resource auditing practices. An evaluation of the results of the human resource function is necessary to guarantee operational efficiency and satisfaction of users or clients. A comprehensive evaluation of human resource operations, known as a human resource audit, encompasses several facets such as recruiting and selection, administration of compensation and benefits, performance management, training and

development, human resource information systems (HRIS), and record keeping (Odero & Makori, 2018).

Every human resource function should be carried out in accordance with the university's strategic goals. Finding "gaps" can improve legal compliance as well as the effectiveness and productivity of the organization's HR operations. This has a big impact on employee satisfaction and quality improvement procedures. The most precious assets in the firm are its human resources, which provide it with a competitive advantage. By selecting the primary resource that merits optimization, the management of the organizations is aware of the true importance of its staff. Periodically assessing this important asset's contribution to university goals is a good idea (Daddi, Giacomo, & Iraldo, 2018).

The process of conducting a human resource audit involves evaluating various employee activities, including the systematic verification of job analysis and design, recruitment and selection procedures, orientation and placement processes, training and development initiatives, performance appraisal and job evaluation methods, as well as employee and executive compensation practices. This audit serves as a crucial tool for mitigating legal and regulatory liabilities that may arise from an organization's human resource policies and practices, while also identifying potential areas of legal risk (Pamela, Umoh, & Worlu, 2017).

2. Statement of Problem

Human resource compliance audit ensures that employees adhere to the policies, practices, and tunes within the university hence improving employee performance (Vasantham, 2020). Despite the adoption of a human resource compliance audit in the university, employee performance is still rated low. This is because employees are not adhering to the university's regulatory guidelines and employees are not following the university strategic plan. At Maseno University, the auditor general report established that most of the employees were deployed to offices where they were not supposed to be due to a lack of relevant skills to work in those offices. At Moi University stoppage of work by employees due to strikes, slows and boycotts were witnessed (Auditor General Report, 2021). This situation of employees not adhering to the university policy and procedures has caused many employees to be terminated, the university's public image has been ruined and the university projects have stalled due to not strictly adhering to the university plans. Not many studies have been done on human resource compliance audits and employee performance have focused on county governments, commercial banks, and secondary schools. Other studies that have been conducted have focused on human resource audit and organizational performance. Minimal studies have been conducted on human resource compliance audits and employee performance in universities especially universities located in Western Kenya hence the need for a study to focus on human resource audit and employee performance in Western Kenya.

2.1 Objective of the Study

To assess the effect of human resource compliance audit and employee performance of public universities in Western Kenya.

2.2 Research Hypothesis

H₀: Human resource compliance audit has no significant effect on employee performance of public universities in Western Kenya.

3. Literature Review

3.1 Theoretical Review

This section provides a discussion of key theories relating to human resource compliance.

3.1.1 Human Capital Theory

This theory was postulated by Schultz (1961). According to Schultz, it is said that education or training has a positive impact on worker productivity as it equips individuals with valuable knowledge and abilities, thereby leading to an increase in their future income through higher lifetime wages. Human capital refers to the human element within a company, encompassing the collective intelligence, skills, and expertise possessed by individuals that contribute to the unique attributes of the firm. The generation of value is contingent upon the knowledge, skills, and abilities possessed by individuals, hence necessitating a focus on strategies aimed at recruiting, retaining, developing, and sustaining the human capital they embody.

The initial notion within Human Capital Theory pertains to intellectual capital, which refers to the accumulation and transfer of knowledge within an organization. It encompasses intangible resources that are closely linked to individuals. The subsequent notion pertains to social capital, which encompasses the knowledge acquired through interpersonal connections both within and beyond the confines of the business. The ultimate notion is organizational capital, which denotes the institutionalized knowledge of an organization that is systematically documented within a database manual. The concept of human capital theory places significant emphasis on the inherent worth that individuals possess and may provide to an organization (Strober, 1990).

The use of Human Capital Theory facilitates the assessment of individuals' significance within the corporate context, as well as their influence on the shareholders' rate of return. This finding illustrates the capacity of human resource approaches to deliver cost-effective outcomes, such as return on investment. This tool has the potential to provide guidance in shaping future human resources and company strategies. The data obtained from this study can be utilized to enhance the efficacy of the organization's human resource audit function by informing strategies and practices. According to Zhao (2008), the staffing function of human resource management is crucial for ensuring the effectiveness of the search, recruitment, and acquisition processes in securing people possessing the necessary human capital to meet the organization's requirements.

The foundation of human capital theory is on the premise that formal education plays a crucial role in enhancing the productive capacity of a population. As per the perspective of human capital theorists, there exists a positive correlation between the level of education within a population and its productivity. Human capital theory places significant emphasis on the role of education in enhancing the productivity and efficiency of workers. This is achieved through the accumulation of cognitive resources, which are derived from both innate abilities and investments made in individuals. The concept of formal education is perceived as a strategic allocation of resources towards human capital, a notion supported by advocates of this theory who argue that human capital is equally, if not more, valuable than physical capital (Holden & Biddle, 2017).

The incorporation of Human Capital theory was of great importance in this study as it furnished valuable data that informed the development of strategies and practices aimed at enhancing the efficacy of the human resource function inside public universities. Furthermore, it facilitated the assessment of people’s influence on business operations and their contributions to the firm. Hence, a comprehensive comprehension of human resource theory is necessary to examine the compliance audit of human resource practices implemented by public universities, with the aim of enhancing the efficacy of the university's human resource function.

3.1.2 Conceptual Framework

This section shows the components of human resource compliance audit and employee’s performance of public universities in Western Kenya as shown in Figure 1.

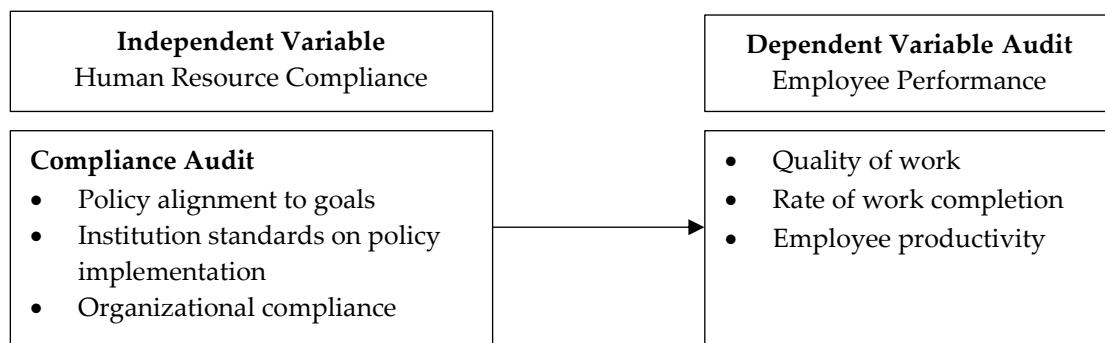


Figure 1: Conceptual Framework

3.2 Empirical Literature Review

3.2.1 Human Resource Compliance Audit and Employee Performance

Margaretta and Kuncara, (2021), aimed to determine the effect of compliance audit on standard operating procedures at Pumarin. The study targeted employees of Pumarin Company. The study adopted qualitative data which was collected using interviews, observations, and records of the company. It employed a qualitative descriptive analysis technique. The study results indicated that compliance audit of human resources has a positive and significant effect on the standard procedure at Pumarin company.

In a study conducted by Islam, Deegan, and Gray (2018), the researchers aimed to assess the impact of social compliance audit on the performance of supply chains in multinational corporations. The social rituals of human audit provide compelling evidence. The research focused on individuals who serve as auditors and suppliers for corporations. The data was gathered by the administration of questionnaires and conducting interviews. The research employed descriptive data analysis approaches. The findings of the study indicate that the implementation of social compliance audit had a favorable effect on the operational outcomes of Multinational Corporations operating in Bangladesh.

The study conducted by Ambuso (2017) examined the correlation between human resource audit and organizational performance. The research employed a descriptive survey design methodology. The target demographic encompassed a total of 750 individuals in managerial positions and 1360 individuals at the operational level. A sample size of 15% was selected from a population of 2110 employees, resulting in a total of 330 employees. The employees were subjected to stratification and subsequently selected using a random sampling process to partake in the study. The primary instrument employed for data collection in this study was a questionnaire. The data was subjected to analysis using descriptive statistics. Based on the research results, there exists a positive correlation between compliance audit and organizational performance. In a study conducted by Kibunja (2017), the researcher investigated the influence of compliance audit on the financial performance of donor-funded organizations located in Nyeri County. The study employed a descriptive research approach, with a population comprising 84 respondents from the finance and accounting departments of 42 donor-funded organizations. Purposeful sampling was employed in order to include all of the intended participants. Data from primary sources was collected using a questionnaire. The financial performance of donor-funded organizations can be significantly influenced by their adherence to donor norms and laws.

4. Research Methodology

This section describes the research methods used in the study.

4.1 Research Design

The term "research design" encompasses the comprehensive approach and analytical methodology selected by the researcher to effectively integrate various components of the study in a cohesive and rational manner, so ensuring a comprehensive resolution of the research topic. The primary purpose of a research design is to guarantee that the evidence gathered allows for a logical and unambiguous resolution of the research topic (Dannels, 2018).

The research design employed in this study was descriptive research design. The present architecture facilitated the process of monitoring and collecting data pertaining to a particular topic but refrained from making any attempts to deduce causal linkages.

The comprehensive and precise depiction of the population or phenomenon being investigated is provided by the analysis of the data, which enables the identification of linkages, patterns, and trends (Bloomfield & Fisher, 2019).

The utilization of a descriptive research methodology facilitated the gathering of data pertaining to the impact of human resource audit on employee performance within public universities located in Western Kenya. The researcher successfully acquired unaltered facts regarding a contemporary occurrence, minimizing any substantial effect from the researcher, and endeavored to draw reliable conclusions through the utilization of this research methodology (Sileyew, 2019)

4.2 Target Population

The research focused on a sample of individuals holding key positions in the human resource and auditing departments within the public universities located in Western Kenya. Specifically, the study included 9 human resource managers, 9 deputy human resource managers, 121 human resource officers, and 46 internal auditors. The universities included in the sample were Masinde Muliro University of Science and Technology, Kibabii University, Kaimosi Friends University, Maseno University, Rongo University, Tom Mboya University, Alupe University, Kisii University, and Jaramogi Oginga Odinga University of Science and Technology.

Table 1: Target Population

Category	Number
Human Resource Managers	9
Deputy Human Resource Managers	9
Human Resource Officers	121
Internal Auditors	48
Total	187

Source: Study Data (2023).

4.3 Sample and Sampling Technique

A sample refers to a specific subset of data that is deliberately chosen by a researcher from a larger population, employing a pre-established selection methodology. This subset is then used as a source of data for the purpose of observation or experimentation, aligning with the study's aims (Etikan & Bala, 2017). The sample size for the study was calculated using Yamane's Sample formula. The formula was developed by Yamane (1967) and used by (Ngigi & Kawira, 2015). The following was the sample size of the study.

Table 2: Sample Population

Category	Number
Human Resource Managers	6
Deputy Human Resource Managers	6
Human Resource Officers	82
Internal Auditors	33
Total	127

4.4 Data Collection Instrument

The collection of primary data involved the distribution of closed-ended questionnaires to respondents by trained research assistants. Closed-ended surveys typically utilize a five-point Likert scale to provide guidance for respondents. Closed-ended questions are considered to be advantageous due to their cost-effectiveness, ease of administration and evaluation, increased ease of response for respondents, and provision of secrecy to participants.

4.5 Data Collection Procedure

The researcher, aided by a team of skilled research assistants, gathered primary data. The selected respondents in public universities in Western Kenya were provided with questionnaires. The participants were given a duration of two weeks to complete the surveys. An additional two-week extension was granted to participants who had not yet completed the questionnaire. The questionnaires were subsequently gathered subsequent to the designated time frame.

4.6 Pilot Study

The pilot study is the procedure of testing the instruments that will be used to conduct research. The main goals of conducting a pilot study are to identify potential problems before they become expensive mistakes, to determine how much time will be required for actual fieldwork, and to take future instrument and data collection method modifications into consideration (Lowe, 2017). A pilot test helped to determine the validity and reliability of the research instruments. According to the general norm, a 10% target sample size can be satisfied for the pilot study (Mota, Martins, & Onofre, 2021). Therefore, a pilot test was conducted at Moi University located in Rift Valley part of Kenya. Moi University is appropriate for pilot study since it has similar characteristics to other universities in Western Kenya. It also had cases reported by the auditor general concerning ignoring the policies and practices of putting the right man in the right office.

4.7 Reliability

Reliability refers to the extent to which an instrument of research yields consistent results after repeated trials. Reliability of the research instruments might therefore be measured in terms of the degree to which the measurement, given repeatedly, remains the same over time; and the similarity of measurements within a given period. This study adopted internal consistency as a method of testing reliability, and Cronbach's Alpha formula was

used to calculate the extent of the responses. If the computed reliability index for a tool is greater than 0.7, then the device used will be accepted as reliable (Cohen, Manion, & Morrison, 2017). Reliability results are shown in Table 3.

Table 3: Reliability of Research Instruments

Variable	Cronbach alpha	Number of items	Result
CA	0.834	10	Reliable
Employee Performance	0.785	10	Reliable

From the results all the constructs of human resource audit like compliance audit, strategic audit, functional audit, and value for money audit were reliable. This is evidenced by Cronbach alpha values of 0.834 and 0.785 for compliance audit and employee performance respectively which were greater than a significance value of 0.05.

4.8 Validity

The validity of the measure was assessed by conducting an expert analysis, wherein supervisors and other knowledgeable individuals were administered questionnaires to evaluate and ascertain whether the measure accurately captures the intended construct. Factor analysis was employed to evaluate the validity of the questionnaire by assessing its construct validity. This study aimed to ensure that the features being measured by the data-collecting tool effectively and accurately encompass the intended constructs. The concept of validity has been essential in determining if an instrument effectively assesses the construct it was intended to assess. The process entailed reviewing the questionnaires to verify the inclusion of the necessary information. The adequacy of data sampling and its suitability for factor analysis were assessed using KMO and Bartlett's test. Bartlett's test p-value of less than 0.05 shows that data sampling is adequate (Cohen, Manion, & Morrison, 2017). Validity results are shown in Table 4.

Table 4: Validity of Research Instruments

Construct	No of Items	AVE	KMO	Bartlett's Test of Sphericity		
				χ^2	df	P-value
CA	10	0.535	0.851	23.604	41	0.000
Employee Performance	10	0.578	0.900	26.518	41	0.001

Source: Study Data (2023).

The findings presented in Table 4 indicate that the data pertaining to all the constructs examined in this study were deemed appropriate, as evidenced by Kaiser-Meyer-Olkin (KMO) values over 0.5. Finally, Bartlett's Test is employed to determine whether the constructs exhibit equal variances, and a statistically significant result indicates that the data is suitable for factor analysis. All of Bartlett's chi-square tests have p-values less than 0.05, indicating statistical significance at a 95% confidence level. The obtained scores indicate that the constructs exhibit correlational matrices that deviate from identity

matrices. Consequently, the data collected from the pilot study has been demonstrated to be enough for conducting factor analysis.

4.9 Data Processing, Analysis and Presentation

Data collected was subjected to cleaning, sorting, and coddling before exporting to a statistical package for social analysis software. Both descriptive and inferential statistics were generated for data analysis. Descriptive statistics comprised of mean, standard error, standard deviation, minimum and maximum statistics. Inferential statistics consisted of multiple linear regression and correlation analysis. The following linear regression model was used to establish the influence of human resource audit on employee performance in public universities in Western Kenya.

$$Y = \beta_0 + \beta_1 CA + \varepsilon \quad (3.1)$$

Where:

Y = Employee performance

β_0 = Constant

β_1 , = Regression coefficient of independent variable

CA = Compliance audit

ε = Error term

5. Data Analysis, Results, and Discussions

This section discusses the findings of the study.

5.1 Descriptive Statistics

5.1.1 Compliance Audit and Employee Performance

The respondents were asked whether compliance audit is frequently carried out in the university. The majority of the respondents with a mean average of 2.46 \approx 3 in many universities were indifferent. This depicts that most of the employees do not comply with the university rules and regulations. This may be the reason why the performance of employees in many universities is poor. In a few universities, compliance audit is frequently done and this may be the reason why the performance of the employees is perfect. The findings were found to be similar to the results from Islam, Deegan, and Gray (2018) who found that compliance audit was rarely done on Multinational Corporation Supply Chain.

Regarding the question of whether the university follows rules and regulations on the recruitment of employees, the majority of the respondents with an average mean of 2.62 \approx 3 in many universities were indifferent. This implies that recruitment of employees in the university is done contrary to laws provided by the union of employment. Employees recruited through corruption may not be having relevant working skills that may lead to poor employee performance. In few universities, employee recruitment is

done according to the laid down rules and regulations. This implies that this universities recruit qualified and skilled employees who perform well in the organization.

Concerning the question of whether policies, practices and procedures in the University improves employee performance. A great number of the employees with an average mean of 3.55≈4 in many public universities agreed. This depicts that when all the policies, practices and procedures are adhered in the universities, the employees in the university will be able to perform well as the policies, practices and procedures directs employees on what is required to be done.

The respondents were asked on whether compensation and benefits laws are used in the university and salaries are paid in time. Most of the respondents in many universities with a mean average of 3.73≈4 agreed that compensation and benefits laws are used in the university and salaries are paid in time. This implies that in most universities, employees are compensated on timely basis and the wages and salaries are paid monthly. This will act as a motivational factor which encourages employees to offer their services in an effective and efficient manner. In few universities, employees are not paid in time and compensation and benefits are not given accordingly. This depicts that the laws guiding compensation and benefits are not adhered. This may be reason as to why most of the employees in the organization are not performing well due to lack of motivations in terms of compensation and benefits. The results were similar to that of Margareta and Kuncara (2021) who identified that employees were not motivated in the organization.

Regarding on whether adherence to the compensation and benefits laws improves employees' performance, majority of the respondents with a mean average of 3.60≈4 agreed. This indicates that when employees are compensated and given benefits, they will be motivated to work well and improve their performance.

Respondents were asked to state whether health and safety policies in the university are followed. A great number of the respondents with an average mean of 3.29≈3 in many universities were indifference. This depicts that most of the universities do not adhere to health and safety policies as the employees are not guaranteed of their health and safety. Employees who have safety and health conditions may not be able to deliver their services effectively to the management. This may be the reason as to why the employees' performance is poor. In few universities, health and safety measures are followed. This ensures employees in the universities safety and health is guaranteed. This may be the reason as to why they perform perfect in their work. The findings were in contradiction with the results from the study conducted by Ambuso (2017) who found that most of the institutions followed health and safety employee policies.

Regarding the question of whether health and safety policies in the university improves employee performance, most of the respondents with a mean average of 3.59≈4 in many universities agreed. This indicates that when employees' health and safety measures are taken care of, they may be in good position of being active in work place hence performing great at work.

Respondents were asked a question on whether promotions and transfers in the organization are fairly done. In many universities, a great number of respondents with a mean average of 2.73~3 was indifference. This depicts that promotion and transfer are not fairly done. This may discourage hardworking employees who are supposed to be promoted but not promoted. These employees may be demoralized and may be the reason for poor employee performance. In few universities, promotion and transfer is done fairly. This motivates employees to work hard in order to gain promotion and this may encourage good employee performance.

Regarding the question on whether fair promotion and transfer among employees improve their performance. A great number of employees with an average of 3.50~4 agreed. This depicts that when fair promotion and transfer is adopted in the university, the employees will be motivated to work hard to attain the promotion. This may be the reason as to why employees' performance is improved.

Regarding the question on whether institutions compliance is aligned to Commission of University Education requirements. In many universities, majority of the respondents with an average mean of 3.69~4 agreed. This may be the reason as to why the performance of employees are good as their performance are guided by Commission of University Education. In few universities, institutions compliance is not aligned to Commission of University Education requirements. This implies that the university do not comply with Commission of University Education requirements. Lack of compliance with Commission of University Education requirements. The results for the above discussion are as shown in Table 5.

Table 5: Compliance Audit and Employee Performance

	N	Minimum	Maximum	Mean	Std. Deviation
Compliance audit is frequently carried out in the university	112	1	5	2.46	1.328
The university follows rules and regulations on recruitment of employees	112	1	5	2.62	1.371
Policies, practices and procedures in the university improves employee performance	112	1	5	3.45	1.394
Compensation and benefits laws are used in the university and salaries are paid in time	112	1	5	3.68	1.411
Adherence to the compensation and benefits laws improve employees' performance.	112	1	5	3.60	1.423
Health and safety policies in the university are followed	112	1	5	3.29	1.436
Health and safety policies in the university improves employee performance	112	1	5	3.59	1.333
Promotions and transfers in our organization are fairly done	112	1	5	2.73	1.329
Fair promotion and transfer among	112	1	5	3.50	1.273

employees improve their performance					
Institutions Compliance are aligned to Commission of University Education requirements	112	1	5	3.69	1.353

Source: Study Data (2023).

5.1.2 Correlational Analysis

Pearson product moment correlation was used to determine the strength and relationship between compliance audit, strategic audit, functional audit, value for money audit and employee performance in public universities in Western Kenya. Correlation coefficients were generated to show the linear relationship between the variables with p values signifying the significance of the relationship between the two pair of variables.

Pearson correlation coefficients run from 1 to -1 where items near 1 indicating strong positive relationship while values nearer to -1 showing a strong negative relationship. In determining the significance of the inter relationship between the variables, the p values of the correlation coefficients were assessed basing on the 95% confidence interval. Since the test was two tailed all values more than 0.025 were considered insignificant and hence the relationship between the variables considered insignificant.

Table 6: Correlation Analysis

	CA	Y ⁰
CA	1	
Y ⁰	0.801*	1
	(0.000)	

From Table 6 the correlation coefficient for compliance audit, and employee performance was 0.801. This shows that there is a strong positive relationship between compliance audit and employee performance in public universities in Western Kenya. The strong positive relationship was significant in all the variables since all the p values were less than 0.05.

5.1.3 Model Summary^b

The model summary aids in describing the strength of the link between the model variables and the dependent variable. R is a linear correlation coefficient that shows the linear relationship between the observed model and the anticipated values of the dependent variable. R square depicts the coefficient of determination, indicating the variability in the independent and dependent variables as shown in Table 7.

Table 7: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.785 ^a	.616	.592	0.107

Source: Study Data (2023).

Table 7 above show R-value of 0.785 which indicated that there is strong correlation between human resource compliance audit and employee performance of public universities in Western Kenya. The R-square value of 0.616 suggests that human resource compliance audit variables cause 61.6% variation in employee performance of public universities. The remaining 38.4% of the variation in employee performance are caused by the factors not considered in the study. The R-square adjusted shows that the percentage estimate of this explainable dispersion for the total population under the study is 59.2%.

5.1.4 ANOVA^a

ANOVA is used to compare variances across means of different groups. Table 8 shows the ANOVA findings of the study.

Table 8: ANOVAa

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	11.641	4	2.9103	7.572	.000 ^b
	Residual	41.125	107	0.3843		
	Total	52.766	111			

Source: Study Data (2023).

Table 8 above shows that the association between human resource audit and employee performance in public universities in Western Kenya. The overall model depicts that human resource compliance audit significantly influences employee performance at 95% confidence interval with p-value of $0.00 < 0.05$. This is supported by the derived f statistic value of 7.572 which is greater than a critical f value of 2.45.

5.1.5 Regression Coefficients

Table 9 below shows the regression coefficient of the independent variables, which aids in explaining how each affects the dependent variable.

Table 9: Regression Coefficients

Model		Unstandardized Coefficients		T	Sig.
		B	Std. Error		
	(Constant)	0.654	.128	5.104	.003
	CA	.178	.078	2.273	.000

Source: Study Data (2023).

The below regression equation was extracted from Table 9 above.

$$Y = 0.654 + 0.178CA \tag{4.1}$$

Where:

Y = employee performance

CA= Compliance Audit

Therefore, based on the results in equation 4.1, the constant value of 0.654 is significant at 95% confidence interval indicated with a p-value of $0.003 < 0.05$. The constant value depicted that when public universities in Western Kenya have not adopted human resource compliance audit, the employee performance in the selected public universities of Western Kenya will be at rate of 65.4%.

5.2 Discussion

5.2.1 Compliance Audit and Employee Performance

The first objective of this study was to evaluate the influence of human resource compliance audit on employee performance of public universities in Western Kenya. The study was based on the null hypothesis that human resource compliance audit has no significant effect on employee performance of public universities in Western Kenya.

From the regression analysis results in Table 9 above, compliance audit had a regression coefficient of 0.178 with a p-value of 0.000. The p-value was less than 0.05, implying that compliance audit has a positive and statistically significant effect on employee performance of public universities in western Kenya. These results are backed up by t statistics of 2.273 which was greater than the t critical value of 1.980. Therefore, the study rejected the null hypothesis and concluded that human resource compliance audit has a significant influence on employee performance of public universities in Western Kenya. This implies that a unit increase in human resource compliance audit leads to subsequent increase in employee performance of public universities in Western Kenya by 0.178 units.

The results from this study are in agreement with Margaretta and Kuncara (2021) whose study findings indicated that compliance audit of human resource has positive and significant effect on employee operating procedure at Pumarin Company. The results are also in line with Ambuso (2017), who established that human resource compliance audit has positive and significant effect on organizational performance.

The results also support the human resource theory which argues that compliance audit of human resource provides data that help to inform strategies and practices designed to improve the effectiveness of human resource function in public universities. It also aids in determining the impact of individuals in business and their contribution to the organization.

6. Conclusions and Recommendations

The study's conclusions and recommendations are presented in this chapter.

6.1 Conclusions

6.1.1 Compliance Audit and Employee Performance

Descriptive statistics shows that most of the respondents agreed that adhering to policies, practices and procedures in the university, adherence to the compensation and benefits laws and following employees' health and safety policies improves employee

performance in many public universities in Western Kenya. The inferential statistics showed that there is positive and significant influence of compliance audit on employee performance in public universities in Western Kenya (regression coefficient=0.178, p value=0.000). Therefore, it was concluded that compliance audit significantly influences employee performance of public universities in Western Kenya.

6.2 Recommendations

6.2.1 Compliance Audit and Employee Performance

The findings from the inferential statistics showed that compliance audit had significant and influence on employee performance in public universities of Western Kenya. From the descriptive statistics, the majority of the respondent in public universities of Western Kenya agreed that compliance audit is not frequently carried out in the university. It is therefore recommended that universities should plan for compliance audit at least twice per year. This will enable the university to identify whether employees comply with the laid down regulation and procedures.

A great number of the respondents agreed that university do not follow rules and regulations on recruitment of employees. It was recommended that during recruitment of employees, all the regulations and procedures should be followed. This will help in recruiting qualified and experienced staff who will serve the university with the aim of meeting its objectives.

Majority of the respondents agreed that compensation and benefits laws are not used in the university and salaries not paid in time. Therefore, it is recommended that the university management should motivate employees by compensating high achievers in the institutions. Employees should also be paid salaries in time. This will encourage employees to work hard towards achievement of institutions goals. This will also improve employee performance as they strive to be higher achievers.

Most of the employees agreed that health and safety policies in the university were followed. It was recommended that the management should ensure all the health and safety policies in the university must be followed. This will help in ensuring employees are protected within the organization. Safety and health of employees enables employees to perform their duties effectively and efficiently hence improving their performance.

Conflict of Interest Statement

The authors declare no conflicts of interest.

About the Authors

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