

## **Original Research Article**

### **Industrial Organizational Psychology Practices and Organizational Competitiveness**

#### **Abstract**

The study delved the effect of industrial organizational psychology on organizational competitiveness in Kenya Power and Lighting Company Limited. Available literature indicates that the two variables under investigation correlate although with an irregular consistence on the practical grounds and Kenya Power is no exception. This served the researchers a favorable ground to infer that organizational competitiveness is explained sufficiently not by the industrial organization psychology. To guide this reasoning, the study thus adopted the following specific objectives; to establish the effect of talent management, work-life programs, work diversity and globalization on organizational competitiveness. The study further adopted a positivistic philosophical foundation which is based on real facts, objectivity, neutrality, measurement and validity. A true experimental quantitative survey and a content analysis for qualitative approach were employed. Questionnaires were administered on the employees of Kenya Power as it's one of the key players in the energy sector in Kenya and the only firm where the problem under investigation seemed dominant. Findings were consistent with some reviewed literature despite having poor connotation with the status-quo in the company. All aspects of the independent variable scored highly implying that they are fit to explain a change in the dependent variable. Despite this empirical evidence, the practice on ground in the said company at the time of the study seemed inconsistent with the empirical data. Much as it is common sense to everyone in this company that organizational competitiveness strongly rely on the psychological mighty of the firm, the practice seems to suggest a different stance. This sends a very powerful message to Industrial Psychologists for their field is under siege, employers and employees seem to mind less about it despite its strong perceived relevance in predicting organizational success. The academic-practitioner divide is wide and thus the I-O psychology is much less likely to become more visible or more relevant to society at large or to achieve the lofty goals it has set for itself unless researchers, practitioners, universities, and professional organizations implement significant changes.

**Key words:** Organizational competitiveness, Industrial organizational psychology practice, talent management, work-life programs, work diversity, globalization.

**Comment [a1]:** Where was the qualitative approach in the main text?

## **Introduction**

Industrial/organisational psychology is a specialized field within the broader field of psychology that focuses on the workplace or organisations (McCall, 2010). Industrial and Organizational (IO) psychology is concerned with the study of workplace behavior and focuses on increasing workplace productivity and related issues such as the physical and mental wellbeing of employees (Schreuder and Coetzee, 2010). It is the scientific study of employees, workplaces, and organizations Dipboye (2018). Industrial and organizational psychologists contribute to an organization's success by improving the workplace and the performance, satisfaction and well-being of its people (Dipboye, 2018). McCall (1968) defines IO psychology as simply the existence or extension psychological facts and principles to the problems concerning human beings operating within the context of business and industry.

IO psychology research identifies how employee behaviors and attitudes can be improved through hiring practices, training programs, and feedback and management systems. An extensive study by Porter and Schneider (2014) of the global evolution of the field of industrial and organisational (I-O) psychology indicates a continued strong preference for the traditional term 'industrial and organisational psychology' because of the field's rich history of theory, research and practice in organisational settings. At organisational level, industrial/organisational psychology is considered one of the most critical fields to human welfare due to the fact that human beings spend most of their lives involved in some form of work activity in small, large, public, private, profit-driven and nonprofit driven organisations (McCall, 2010).

Industrial/organisational psychology considers not only people but also the context within which the people work, that is, understanding people within the context of the place they work (Buchanan & Huczynski, 2013). It has been argued that industrial/organisational psychologists facilitate responses to issues and problems at work by serving as advisors and catalysts for business, industry, labour, public, academic, community, and health organisations. Landy and Conte (2007) state that industrial/organisational psychologists are able to accomplish this facilitation through their roles as scientists who derive principles of individual, group, and organisational behaviour through research; as consultants and staff psychologists who develop scientific knowledge and apply it to the solution of problems at work; and as teachers who train in the research and application of Industrial/Organizational psychology (Moalusi, 2001).

I/O psychology has a number of different sub-areas such as human-computer interaction, personnel psychology, and human factors. Industrial organizational psychologists perform a wide variety of tasks, including studying worker attitudes and behavior, evaluating companies, and conducting leadership training. The historical roots of I/O psychology dates back to the period before World War I when it was used in research to determine individual differences, assessment and the prediction of work performance

(Coetzee, 2010). It gained prominence in the World War I where it was used as a tool to assign new troops to duty stations. According to Schreuder and Coetzee (2010) the I/O psychology started evolving at the beginning of 20th century when the USA entered both 1st and 2nd World Wars. This is when a scientific study was for the first time used in recruitment, selection, placement and performance appraisal.

This study of human behavior subsequently played a big role in organizational dynamics such as work groups, leadership, employee morale along with improving productivity, reducing counterproductive behaviour such as absenteeism and turnover (Conte, 2010). In Africa, research in I/O psychology started in 1946 in South Africa with establishment of the national Institute of Personnel Research (Schuuder, 2001). The establishment of Human Sciences Research Council in 1969 in South Africa also contributed to the evolution of I/O psychology in the country (Reubnheimer, 1974). It resulted in further progress and recognition for I-O psychology.

Locke (2009) posited that the “O” in I-O psychology can be attributed to the Hawthorne studies and the new research they fostered. By understanding various aspects through which I/O psychology affects organizational competitiveness, I/O psychology would improve individual performance while at the same time benefiting the organization as a whole. I–O psychology is considered a sister field or branch of organizational studies, organizational science, organizational behavior, human resources, and/or management, but there is no universally accepted classification system for these related fields. The organizational side of psychology is more focused on understanding how organizations affect individual behavior. Organizational structures, social norms, management styles, and role expectations are all factors that can influence how people behavior within an organization. By understanding such factors, I/O psychologists hope to improve individual performance and health while at the same time benefiting the organization as a whole.

In recent years, employees comfort on the job, determined by workplace conditions and environment has been recognized as an important factor for measuring their productivity. Africa is growing rapidly and the world is taking note of its ascent (Trustfull, 2014; Walt, 2014). Judging from recent economic data, the ‘Africa rising’ narrative is gaining increasing support. For example, between 2010 and 2015, a survey of foreign direct investment (Ernst & Young Emerging Markets Center, 2015) revealed that capital investment into the continent surged to US\$128b, up 136%. Africa’s share of global capital investment and job creation hit an all-time high in 2014. Only Asia-Pacific attracted more FDI funds than Africa last year. Africa attracted more FDI funding than North America, Latin America and the Caribbean, and Western Europe. Consequently, it is predicted that in the next few years, ‘growth in Sub-Saharan Africa (SSA) will beat the emerging markets average, and be outstripped only by developing Asia’ (Ernst & Young Emerging Markets Center, 2015). But despite the major growth in capital investment and

jobs in Africa, the development of human capital resources in many of its countries remains hamstrung by serious historically persistent ills that are related to socio-economic, technological, educational, and health factors.

According to Mosoba (2013), the current economic development witnessed in Kenya has triggered rapid development of the energy sector. The rapid expansion has also generated a lot of internal management problems with consequent effects on employee job satisfaction. Employee job satisfaction affects the quality of service in the energy sector with a consequent effect on the degree of customer satisfaction. Therefore, efforts to improve employee job satisfaction can create satisfied employees with a positive effect on customer satisfaction. The energy sector in Kenya experiences a number of employee related challenges including high rate of absenteeism, low morale and turnover among others; all reminiscent of low employee satisfaction levels. Studies on employee job satisfaction are particularly useful. Organizations must know how to manage a diverse group of workers for this will aid in recruitment and retention of talented employees and ensure high levels of job satisfaction. Heartfield (2012) is of the opinion that in order to create an environment for employee satisfaction, it is vitally important to know which key factors affect employee satisfaction.

Kenya Power is facing pertinent barricades to progress such as periodic inadequate bulk supply to fully meet electricity market demand due adverse hydrological conditions, insufficient transmission and distribution network redundancy, lack of capacity to absorb all the loan capital financing available, high internal construction costs, limited affordability by customers, vandalism of transformers, electricity line cables and accessories, a diminishing reserve margin, supply and quality constraints coupled with ever-rising primary energy costs. All these directly impede progress and thus deny Kenya Power a competitive mobility.

#### **Statement of the Problem**

The changing nature of the workplace implies wide and deep changes of emphasis across most areas of I/O psychology. Chew, Girardi and Entrekin (2015) note some of the changes in the world of work and suggest some consequences for what are, or should be, focus areas of research within I/O psychology. Unequivocally, Industrial Psychology is a relevant discipline or, more specifically, the application of the principles of human behaviour in the workplace and will continue to have, a central impact on the human condition and organizational success. Despite this empirical evidence, Kenya Power has not taken any effort to reconcile theory and practice in order to realize her targets. Employees and the entire human resource directorate seem aware of the relevance of applying the psychological techniques in the organizational processes whereas, the practice is against. The theory-practice divide has rendered a slow progression rate in this company (Mosoba, 2013 and Kastiro, 2014). Kenya Power's system losses in 2016 stood at 17.3 per cent against efforts to cut it to 16.9 per cent by 2016 (Kihara, 2018). The

company enjoys negative publicity, high turnover rate, poor service delivery, redundant culture, obsolete human resources practices among other vices (Cherniss, 2010). In view of these vices, it seems reasonable to address the following questions: what kind of knowledge do employees have about I-O psychology? Does this kind of knowledge address any important organizational challenges? Does this kind of knowledge inform practice? Could there be companies that have excelled due to thorough understanding of employee behavior? Are there reputable companies outstretched to excellence without I-O psychology strategies in place? And lastly, Does I-O psychology produce research that is relevant to employees, their managers, broader stakeholders, and society at large and that informs human resource management (HRM) practitioners and other organizational decision makers? These are critical issues which need thorough examination in this study if an understanding is to be sought concerning the relevancy of I-O in organizational success.

### **Objectives of the Study**

#### **General Objective**

To investigate the effect of applying industrial and organizational psychology practices on organizational competitiveness in Kenya Power and Lighting Company Limited.

#### **Specific Objectives**

The study was guided by the following specific objectives:

- i. To establish the effect of talent management on organizational competitiveness of Kenya Power and Lighting Company Limited
- ii. To assess the effect of work-life programs on organizational competitiveness of Kenya Power and Lighting Company Limited
- iii. To determine the effect of work diversity on organizational competitiveness of Kenya Power and lighting Company Limited
- iv. To explore the effect of globalization on organizational competitiveness of Kenya Power and Lighting Company Limited

#### **Theoretical Framework**

This study is grounded on the Psychological job control theory, the profit-maximizing and competition-based theory, Human resource-based theory and Lazarus and Folkman's theory of psychological stress and coping.

**Comment [a2]:** How about these theories explanation?

#### **The Profit-Maximizing and Competition-Based Theory**

The profit-maximizing and competition-based theory, which is based on the notion that business organization main objective is to maximize long term profit and developing sustainable competitive advantage over competitive rivals in the external market place. The industrial-organization perspective is the basis of this theory as it views the

organization external market positioning as the critical factor for attaining and sustaining competitive advantage, or in other words, the traditional industrial organization perspective offered strategic management a systematic model for assessing competition within an industry (Porter, 1980). Understanding sources of sustained competitive advantage for firms has become a major area of research in the field of strategic management (Porter, 1985). This theory suggests that firms obtain sustained competitive advantages by implementing strategies that exploit their internal strengths, through responding to environmental opportunities, while neutralizing external threats and avoiding internal weaknesses. The profit maximizing mindset inculcated in the culture of the organization is the central factor to spar competition among individuals, departments and companies too (Clark, 2000). This theory premised on competition is the best fit for this study for, it clearly shows how far a firm can excel if her DNA is built upon a competitive mindset. Further, it guides the managers to decide which factors are relevant in what situations and what certain elements should serve as a foundation for continued growth and developments.

### **Review of Related Literature**

Organizational psychology is certainly a very applied field, but many Industrial - Organizational psychologists also address relatively basic research questions. According to Kossek, Valcour and Lirio (2014), Industrial Psychology takes a company-oriented perspective and focuses on increasing efficiency and productivity through the appropriate use of a firm's personnel, or employees. In other words, these psychologists very much want to produce solutions to problems in the workplace, but they also usually want to develop a fuller understanding of life at work to produce a solid scientific knowledge base. Industrial-Organizational scientist/practitioners like being in an environment that has problems that need to be solved, but they also like to discover and collect scientific facts about work and organizational settings that they can apply to problems yet to be faced. There is a lot of justification for this kind of activity because; the world of work is such a fast-moving target of study that many issues are hard to anticipate.

According to Buchanan and Huczynski (2013), industrial psychology focuses on the measurement of job requirements and individuals' knowledge, skills, abilities and performance so as to match individuals with suitable jobs. It is however different from Organizational Psychology, which is more theoretical and considers psychological processes such as motivation and work attitudes. Today more than ever, however, these psychologists explicitly acknowledge the importance of considering the whole work system. For example, they conduct research at the group and organizational levels of analysis as well as at the individual level (Chew, Girardi, & Entrekin, 2015). Also, they formally address the impact on work of environmental factors such as labor markets, economic conditions, and governmental regulations.

Rothmann and Cilliers (2007) posit that diversity has become an important area of research for I/O psychology in South Africa, especially research on the effects of stereotypes, affirmative action and employment equity, prejudices and discrimination on individual wellness, employee relations and organisational effectiveness. They also highlight the importance of research on aspects such as the following: the role of inter-cultural communication, cultural differences, minority positions and migration toward employee and organisational wellness, and the measurement and development of psychological capital, such as a sense of coherence, self-efficacy, optimism, subjective well-being, life satisfaction, resilience, positive affectivity, coping strategies and emotional intelligence.

According to Coutinho, Dam and Blustein (2008), the demands of free-market capitalism, the infusion of technology and the global skills scarcity are on the one hand reducing the need for numerous types of workers but on the other hand increasing concerns about retaining valuable skilled staff (because these are viewed as a scarce resource). These authors therefore believe that it is unlikely that there are enough intrinsically motivating jobs and meaningful work options available to the majority of people. Changing definitions of work, careers and job structure, widespread downsizing, subsequent losses in job security, and highly divergent and diverse career paths have all led to a shift in organisational loyalties and an increased emphasis on career agency (Sinclair, 2009; Suutari & Taka, 2004). It is apparent that continued research in employee and organisational wellness will be required due to the shifting dynamics of work and careers in a technology-intensive knowledge-driven economy, which will increasingly lead to significantly more mental and emotional demands. These demands will, in turn, have a detrimental effect on people's subjective experiences of their work (Kidd, 2008).

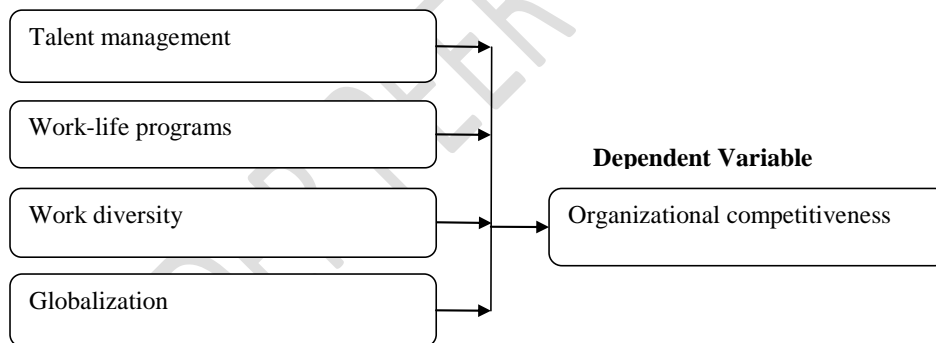
Considering that the guiding norms and values that shape careers take more than a few years to be modified, Baruch (2006) further posits that people may potentially have less positive work experiences, and experience more crises and dissatisfaction in their working lives. Researchers have also noted that the complexities of the increasingly turbulent career context have had a significant impact on people's career attitudes and affective experiences of their working lives (Arnold & Cohen, 2008; Barnett & Bradley, 2007; Kidd, 2008; Pinnington & Lafferty, 2003). As a result of more frequent career transitions across as well as within organisations the availability of fewer secure and stable employment opportunities, and the growing concern for worker employability in a knowledge-driven economy (Fugate, Kinicki & Ashforth, 2004), will mean that employees need to be more effective agents in their career decisions and development, and find different ways of proactively fulfilling their career needs (Sinclair, 2009).

Research into the effects of the changing nature of the workplace and careers and the globally changing socio-economic context on the attraction, selection, remuneration, development and retention of valuable skills (talent or human capital), and career

development support practices (that address the needs of a culturally and generationally diverse workforce) has become important (Mark & Smith, 2010). The effects of the rapidly changing work context on the employment relationship and the psychological contract will increasingly require research on factors influencing the attraction and retention of valuable and scarce human resources (Kossek, Valcour, & Lirio, 2014). These factors include aspects such as employees' sense of job security, career embeddedness and organisational commitment, including aspects such as job and employee satisfaction, career well-being, employee engagement, organisational culture and climate and organisational citizenship behaviour (Coetzee, 2010). In addition, post-modern career counselling frameworks that measure and facilitate behavioural attributes and attitudes that enable work and career adjustment, greater career agency and that optimise person–environment fit across the lifespan have become important avenues to explore (Coetzee & Roythorne-Jacobs, 2007). Given the important role of managers and leaders in creating the knowledge-based workforce and learning organisations of the future, research into measuring and developing desired behavioural attributes in leaders and teams will continue to be of high importance.

### Conceptual Framework

#### Independent Variables



**Comment [a3]:** The study is suggested to explain the conceptual framework. It is required to explain how these variables identified. Name the Figure.

#### Methodology of the Study

This research study collected the theoretical contributions from the secondary sources as well as authentic primary data concerning the effect of applying industrial and organizational psychology practices on organizational competitiveness. A research design is a blueprint for the final research product and it commonly outlines a diversity of procedures and general approaches and techniques of data collection (population, sampling techniques and instruments), data analysis techniques and ways of interpreting (Creswell, 2003). For this study, a descriptive survey design was adopted. This design offered the best platform for thorough and critical examination of responses drawn from various categories of individuals.

**Comment [a4]:** The study used regression analysis. Then, is this descriptive study or explanatory study?



## Study Population

The target population consisted of the senior staff, personnel officers across departments, and junior staff working at Kenya Power Nairobi. A total of 103 respondents was further categorized into strata including top level, middle level and low level management.

## Sampling Strategy

This research used stratified random sampling. In this technique, the population was divided into three mutually exclusive segments called strata. The next procedure was that simple random samples were then drawn from each stratum and then joined to form a complete stratified sample. A sample was drawn from 103 target population including top, middle and lower level management staff working with Kenya Power. Cooper and Schindler (2011) argue that if well chosen, samples of about 10% of a population can often give good reliability. The sample size was determined using the Fisher Formula on the basis of those variables in the sample that are likely to have the greatest variability. This generated a sample of 80 selected cases for observation.

## Instrumentation

The researcher exploited primary data collection method. Self-administered questionnaires having both structured and unstructured questions were designed and administered. Given the fact that the target population is well educated, self-administered questionnaires were the best at the time of data collection. A pre-content test for validity was conducted using a pilot survey consisting of 10 respondents purposively chosen from the Kenya Power Office. Whereas reliability was tested using Cronbach's alpha.

## Data Analysis

The raw primary data collected were coded prior to being input into the Statistical Package for Social Scientists (SPSS). To establish the effect of the independent variable on the dependent, the study used multiple regression analysis where the individual elements of the independent variable were measured against the dependent variable.

## Findings and Discussions

The study found that IO psychology affects the competitiveness of Kenya Power to a great extent as indicated by 61.4% of the respondents. The main contribution of Industrial-Organizational Psychology was the creation of resources (human resources and those surrounding the human agenda such as culture, motivation etc.) that are valuable, rare and difficult to imitate and that enhances the organizational competitiveness. Another contribution of IO psychology is the creation of a suitable culture that will motivate employees to perform well, give them the necessary information to do their

**Comment [a5]:** The study is suggested to explain the content of the questionnaire. How do you measure variables? Were they Likert Scale items?  
Explain the operationalization of the variables used in this study.  
In abstract, the study mentioned that it used qualitative data. Where was the explanation of qualitative approach?

**Comment [a6]:** How about the qualitative data analysis?

**Comment [a7]:** Where was the result to refer?

jobs, and provide working conditions that are safe resulting in an enjoyable and satisfying work environment.

According to 57% of the respondents, for Kenya Power to be strategically competitive there is need to manage the knowledge pool that exists and the employees are the reservoirs of this talent. It was found that Kenya Power's competitiveness in the present day competitive environment does not originate from the physical resources alone, but more so the innate intangible resource pool, and employee talent is one of them. Effective talent management affects the financial performance of a firm. The financial performance of the firm resulting from adoption of talent management was reflected in increased sales revenue over the years since adoption of the strategy, productivity and increased market share. In addition, the product development and innovation has registered improvements over the period due to the resultant collaboration in the organization. Inter-department communication has also been enhanced due to the specific meetings on the organization strategy evaluation and adjustment review and this has resulted to increased rate of strategy implementation.

**Comment [a8]:** Where was the result to refer?

From the results, 78.3% of the respondents reiterated that the level of work-life balance at Kenya Power is very high and 47.9% of the respondents indicated that work life balance practices affect competitiveness of Kenya Power to a great extent. Work life balance practices affect employee output to a great extent as well as accomplishment of tasks to a great extent. It was established that work/family conflict can be addressed in terms of energy, attention and engagement rather than time. The working environment shows that support measures offered are like the possibility of adjusting working days during pregnancy to the time of delivery, maternity leave, salary supplements in terms of family allowances and a guarantee of workstation after a period of absence.

The study found that that work diversity has a significant contribution to competitiveness of Kenya Power. 45.7% of the respondents indicated that work diversity affects competitiveness of Kenya Power to a great extent. The results revealed that job sharing, interval of payment and job description affect competitiveness of Kenya Power to great extents. Staff are given orientation and description of what is expected from their job, their job can be modified to allow more family time and job modification influences their work life balance. At Kenya Power organizational approaches to work diversity consider the overall approach to and system of organizing work. Job sharing is a common form of work diversity that has many constructive aspects and is also viewed as a family-friendly practice. It is an employee driven trend and is variously used in response to the perceived need for more family friendly policies or as a means of tackling the unemployment crisis in some economies.

According to 38.6% of the respondents globalization affects competitiveness of Kenya Power to a great extent. The study established that the competitive drivers arise in the

sense that globalization acts a source of competitive innovation; provide opportunity for attracting the best human resource for competitive advantage; provide opportunity to services of high quality; and ensures constant provision of services for competitive advantage. In addition, global technology drivers are realized through the integration of systems that facilitate global processes; availability of online payment platforms; availability of the internet; and availability of the mobile telephony system. The cost drivers are availability of economies of scale at the global market; availability of a huge pool of quality product and qualified suppliers in the global market which offer the buyer bargaining power; and the fact that globalization accelerate diffusion of technological innovation.

### Regression Analysis

A linear regression analysis was conducted to predict the influence of IO psychology on competitiveness of Kenya Power. The predictors included talent management, work-life programs, work diversity and globalization while the outcome is competitiveness of Kenya Power.

The researcher extracted the model summary which portrays the coefficient of determination. Table 1 shows the results of the model summary.

**Table 1: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.908 <sup>a</sup>	.825	.789	.0323

From the model summary,  $R^2 = 0.825$  and adjusted R square 0.789 reveal that 78.9% of the competitiveness of Kenya Power can be explained by the changes of all the predictor variables. It shows that the independent variables had a strong correlation with the dependent variable. On the other hand, 21.1% was explained by other factors that were not part of this study. The results imply that IO psychology contributes a major part of the competitiveness of Kenya Power.

The Analysis of variance (ANOVA) was used to determine whether there was a regression relationship between IO psychology and competitiveness of Kenya Power. The F-ratio in the ANOVA table tested whether the overall regression model was good and fit for the data. The results obtained are presented in Table 2.

**Table 2: ANOVA Test Results**

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	8.44	8	2.11	2.912	0.001
Residual	23.76	35	0.72		

Total	32.2	43
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*Dependent variable: Competitiveness of Kenya Power*

*Independent variables: IO psychology*

The results indicate that  $F=2.912$ , and is significant since  $p=0.001$  is less than  $p$  value ( $p=0.05$ ). The critical alpha value for F-test (8, 35, at 0.05) is 2.22 which is less than the computed F-value (2.912). This therefore shows that the model is fit to explain the relationship between the dependent and independent variables.

The researcher further conducted a multiple regression analysis to determine the relationship between IO psychology and competitiveness of Kenya Power. The results are presented in Table 3.

**Comment [a9]:** Did the study measure multicollinearity issue?

**Table 3: Regression Coefficients**

Model	Unstandardized		Standardized	t	Sig.
	Coefficients				
	B	Std. Error	Beta		
(Constant)	4.778	0.453		10.5475	0.0429
Talent management	0.862	0.114	0.024	7.5614	0.0150
Work life balance	0.879	0.108	0.029	8.1389	0.0133
Work diversity	0.712	0.137	0.064	5.1971	0.0264
Globalization	0.619	0.145	0.103	4.2690	0.0339

The coefficients in Table 3 answer the regression equation relating the dependent and the independent variables. The table indicates that all the variables had a significance value less than 0.05 thus confirming the significance of the results. Also, from the table, all the variables indicated a positive coefficient indicating a positive relationship between the dependent and independent variables. The analysis gave rise to the following model:

$$Y=4.778+0.862X_1+0.879X_2+0.712X_3+0.619X_4$$

The model indicates that, holding the predictor variables constant, the competitiveness of Kenya Power would be 4.778 units. Again, taking all other independent variables at zero, a unit increase in talent management will lead to 0.862 increase in competitiveness of Kenya Power; a unit increase in Work life balance will lead to 879 increase in competitiveness of Kenya Power; a unit increase in globalization will lead to 0.619 increase in competitiveness of Kenya Power, and a unit increase in work diversity will lead to 0.712 increase in competitiveness of Kenya Power.

These results infer that work life balance contributes more to competitiveness of Kenya Power, followed by talent management, then work diversity, while globalization contributes the least to competitiveness of Kenya Power. At 5% level of significance and

95% level of confidence, globalization had 0.0339 level of significance, while work life balance had 0.0133 level of significance hence the most significant IO psychology practice for competitiveness of Kenya Power of the manufacturing MNCs in Nairobi.

### **Conclusion**

The study deduces that the Industrial Psychology approach in Kenya Power has focused on determining the competencies needed to perform a job, staffing the organization with employees who have those competencies and increasing those competences through training. These in combination, have created a culture at the Kenya Power that is evidently geared toward service excellence. The results orientation in a friendly working environment is not an accidental occurrence but a purposeful doing. IO psychology tenets and elements are evident and embodied in its practices as an organization. It is therefore concluded that although the organization has recognized the value of emphasis being laid on the strategy implementation phase of the strategic management process, greater benefits stand to be gained if the industrial – organizational psychology aspects of the human resource agenda at the organization can be considered.

The study concludes that demand for competent employees is high, especially for key positions; therefore Kenya Power seeks to employ the best employees, which results in a competition for the most talented people. The policy of developing and applying talent management in a given organization should be different from one organization to another, mainly because it should have a direct correspondence with its necessities, strategy and objectives. Management of knowledge assets enables an organization to grow and develop the appropriate organizational competencies. Therefore, the fact that organizational competencies are based on the effective and efficient management of knowledge assets puts it at the heart of business performance and value creation.

Inadequate work life balance is a problem that poses a big risk to workers well being, their performance as well as the competitiveness of Kenya Power. Having flexible working hours in an organization significantly influences performance by enabling a balance between personal commitments and responsibilities and organizational roles and duties of an employee. The study concludes that work diversity is another aspect of IO psychology that affects competitiveness of Kenya Power. Work simplification, job enrichment, job enlargement, and the socio technical approach have helped modify and revise work processes to better bridge work and family needs. The reduced work option positively influenced employee performance and that an increase in reduced work option positively influences organizational performance. Utilization of health programmes improves the psychosocial welfare of staff enabling them to relate well with each other. Globalization in terms of integration, processes, economies of scale, quality product and accelerated diffusion of technological innovation translates into improved organizational competitiveness.

**Comment [a10]:** This section needs to discuss with prior literature.

### **Recommendations**

In general, concerted efforts should be made to bridge the gap between IO psychology theory and practice by dealing with issues that are pertinent to the Kenya Power as a competitive workplace. Paying attention to the issues relevant to the Kenya Power workplace will help to create the much needed balance between theory and practice, that is, between the ideal and reality.

The study was able to clearly demonstrate the need for Kenya Power to understand the concept of talent management to appropriately harness and leverage on knowledge assets to attain competitive advantage. There is a great deal of competitive advantage that can be harnessed from management of talent. As a result organizations' have to implement appropriate process of implementing talent management strategies in order to ably face the challenges from the uncertain business environment. As part of the Kenya Power's strategy, implementation of the appropriate structure would propel an organisation towards success. At the same time, implementation of knowledge management in any organisation should be backed by the support of the organizations top management.

Kenya Power needs to consider all the variables considered in this study in order to improve the work life balance, job satisfaction and employee performance of their staff and consequently this will improve the performance of the Institution. As the nature of the workforce continues to diversify, it will become increasingly important for organizations to consider all the factors influencing their employees' ability to balance work and non work commitments. Greater attention should be paid to practices relating to place as well as benefits, as they are the ones with the lower ratings than practices relating to time and to the job. Having employees who make use of available work life practices may also attract cost savings for organizations via improved efficiency and enhanced productivity.

In addition, there is need for organization to enhance their globalization as it was found that an increase in global integration, processes, economies of scale, quality product and accelerated diffusion of technological innovation would positively influence competitiveness of Kenya Power. There is need for the company to provide IO psychology facilities employees. This will in improve the employee performance as IO psychology can influence the organizational competitiveness.

### **COMPETING INTERESTS DISCLAIMER:**

**Authors have declared that no competing interests exist. The products used for this research are commonly and predominantly use products in our area of research and country. There is absolutely no conflict of interest between the**

**authors and producers of the products because we do not intend to use these products as an avenue for any litigation but for the advancement of knowledge. Also, the research was not funded by the producing company rather it was funded by personal efforts of the authors.**

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