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HUMAN RESOURCE

EFFECT OF PERFORMANCE EXPECTANCY ON EMPLOYEE ACCEPTANCE RATE OF HUMAN RESOURCE ANALYTICS IN LICENSED MICROFINANCE INSTITUTIONS IN NAIROBI, KENYA

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ABSTRACT

Purpose of the Study: This study examined the effect of performance expectancy on employee acceptance rate of human resource analytics (HRA) in licensed Microfinance Institutions (MFIs) in Nairobi, Kenya.

Statement of the Problem: Use of HRA contributes to business value, the key question is, how does performance expectancy affect employee acceptance rate of HRA in licensed MFIs? So far, no single researcher has answered this question in the local context.

Methodology: This study adopted descriptive cross-sectional survey design. The target population for the study was 500 human resource professionals working in 13 Licensed MFIs in Nairobi County, Kenya. Stratified simple random and purposive sampling were used as study sampling methods to obtain a sample of 222 respondents. Both descriptive and statistical analytics were used

in data analysis. Multiple linear regression analysis was done to determine whether performance expectancy, individually or together with other factors predicted the dependent variable.

Results: Findings show that performance expectancy has a high statistically significant positive influence on employee acceptance rate of HRA (R = 0.754, p = 0.00, β = 0.855, p = 0.000).

Conclusion and Recommendation: Due to this, the study recommends that MFIs train employees on analytics and align data analytical tools with other management systems as this will increase the perceived usefulness of HRA hence aiding with acceptance and use. This will consequently increase the competitive advantage of their organizations.

Keywords: *Performance expectancy, Employee Acceptance Rates, Human Resource Analytics and Licensed Microfinance Institutions.*

INTRODUCTION

The accomplishment or failure of the organization depends on its employees' ability in realizing goals expected. Success in an organization entails realizing the continuous changing human resource needs in the organization, (Chen, 2021). Employees are therefore like a blood stream for any organization and play a critical role. Much of employees' responsibility falls on top management who are mandated to develop strong relationship between them. A reasonable number of uncertainties like labour turnover, absenteeism, seasonal employment, market fluctuations, and changes in technology accompanied with employees' attitude in most cases, however, render human resource planning ineffective, (Muoki, 2012).

When performance of employees is below standard, organizational policies and strategies will not only fail but also employees will lose confidence and integrity in the organization as a whole (Gathenya and Thugi, 2018). While there have been a variety of studies concerning the benefits of human resources analytics, few, if any, studies have focused specifically on factors influencing the acceptance of human resource analytics in the MFIs, in Kenya. Is it poor analytical capability, or lack of individual enthusiasm in analytics? With a large number of workers employed by the MFIs, in Kenya, any improvement in employee management could have significant financial and service impact for the Kenyan society.

While people have always been critical to the success of organizations, many business leaders still make key decisions about their workforce based on intuition, experience, advice, and guesswork.

However, today leaders can improve their people decision-making based on the collection and systematic analysis of data. Performance expectancy describes the person's belief that "I can benefit from this!". It refers to the extent to which an individual is certain that an innovation will support better performance, (Venkatesh *et. al.*,2003). Performance expectancy variables consist of perceived ease of use, external motivation, job fit, and relative advantage/perceived usefulness, and outcome expectations. Onaolapo and Oyewole, (2018) while analyzing the influence of performance expectancy, facilitating conditions and other variables on the acceptance of smart phones, established that there was a perception among students that using smart phones improved their effectiveness and efficiency in academic activities.

Talukder *et al.*, (2008), explained that one would accept to use an innovation if they get convinced that it would help them to achieve better performance. However, the usefulness of the invention, in this case, human resource analytics, should go hand in hand with ease in usage. In the study, perceived usefulness, perceived ease of use, and outcome expectations of human resource analytics were used as indicators to determine performance expectancy. To be competitive therefore, large and small organizations must be ready to use data analytics in decision making. It is therefore imperative that a study was done to examine if performance expectancy was key to enhancing the acceptance and use of HRA in the MFIs. This would in turn, increase the use of analytics and consequently improve organisation's competitiveness.

Human resource analytical tools can provide evidence-based answers to basic questions such as how to make better hiring decisions and reduce employee turnover. A study by Vosburg and Kumar, (2001) showed that several human resource metrics contribute to business value, but the key question when measuring these metrics is what does the business need**.** Bersin, (2013) suggests that the acceptance must start from the individual level. There is need for human resource professionals to lead in analytics so that they are taken seriously as strategic partners. They also need to change the perspective held by many organizations that human resources are cost centers. Acceptance and use of human resource analytics does not, however, depend on individuals alone but also organizations that need to provide the support needed to the human resource professionals.

Bassi and McMurrer, (2012) explain that companies such as Marriott Vacation Club and SAP America have adopted and used human resource analytics to track leadership, engagement, and other trends. This, according to them, has led to a higher competitive and financial advantage to

the organizations. They further suggest that the use of human resource analytics improves not only employee performance but also the performance of the organization as a whole. Analyzing human resource data helps human resource professionals make factual and objective decisions. Many past studies have indicated that human resource analytics help organizations gain a competitive advantage over their competitors. In the study, acceptance rate was viewed from the decisions made by human resource professionals, whether reactionary, proactive, or predictive.

A study by Atika, (2011) discovered that, the MFI industry in Kenya has experienced major transformations over the past twenty years, growing from an unexperienced concern dominated by a few donors and church-based NGOs to a vibrant industry increasingly driven by commercial viability and sustainability. Due to this, many MFIs have gained interest in the analysis of data related to their human resources; which is considered as the major factor influencing the company's development and all its activities at all levels of human resource policies, (Mutua 2012).

STATEMENT OF PROBLEM

Momin, (2015) explains that employees influence company profits the most and through analytics, the company will benefit even more. However, the diffusion of the concept in organisations and the human resource academic field has been slow leading to lack of progress in the field. Many managers are making crucial decisions based on their intuition, advice and perhaps experience. In the present competitive environment, it is important that they adopt evidence-based decision making through human resource analytics. One of the greatest challenges to the adoption of HRA is embedded on cultural reluctance which remains a major obstacle limiting potential benefits to MFIs in using human resource analytics. It has been estimated that, 89% of respondents from a 2016 survey done across the globe, believed that organizations that don't use analytics could lose their competitive edge.

Human resource professionals need to better understand their company's internal customers, their changing habits and preferences. They will need to step up their game in delivering a more personalized and unique employee experience. Even with this view, a report by Liaison Workforce on July 2020 noted that, only 20% of human resource professionals, are willing and confident in conducting advanced human resource analytics and even with that, they still face obstacles and challenges in adopting this human resource analytics. While many studies have been done on the

area under study, most researches have been done in foreign countries, making their findings inconclusive. No single researcher has tried to examine the acceptance rates of HRA in MFIs in our Kenyan local perspective. Specifically, no research has been done to examine the effect of performance expectancy on employee acceptance rates of human resource analytics in licensed MFIs in Nairobi, Kenya. It's against this backdrop that the researcher examined the influence of performance expectancy on employee acceptance rates of HRA from the local context. This study is therefore timely.

RESEARCH OBJECTIVE

To determine the effect of performance expectancy on employee acceptance rate of human resource analytics in MFIs in Kenya.

RESEARCH HYPOTHESIS

Performance expectancy has no significant statistical effect on employee acceptance rate of human resource analytics in MFIs in Kenya

THEORETICAL REVIEW

The study was based on the Diffusion of Innovation Theory and Technology Acceptance Model (TAM). Each has been explained as follows:

Diffusion of Innovation Theory

Diffusion of innovation theory was invented by Rogers in 1962 when he was investigating why farmers were slow to adopt agricultural practices that proved to be effective. According to Rogers there are four critical components in any diffusion process and these components are communicated within a given period using members of the community. For this process to occur, prior conditions include; previous practice, felt needs, innovativeness, and customs of the community. According to Rogers & Shoemaker (1971), individuals determine their acceptance rates through their perceptions of what the relative advantage is of the innovation, the complexity of the change, compatibility, and observability.

The innovation decision process considers the use of or rejection of an innovation. The innovation decision is therefore made after carrying out a cost-benefit analysis. Individuals will accept an innovation if they have confidence that the innovation will lead to better performance. A study by

Zakaria, (2001) used the elements of Diffusion of Innovation theory, as explained by Rogers, to conclude that, perception on the usefulness and ease to use of innovation will influence the acceptance rate. In the study, acceptance rate of human resource analytics was viewed from the perspective of either reactive, predictive or proactive decision making as a result of using HRA.

Technology Acceptance Model (TAM)

TAM Model was introduced by, Davis (1989). The theory explains that individuals have different factors they consider before deciding to accept or reject an innovation. The same argument can be made about the rate of acceptance of human resource analytics. Lee, (2009) while observing how bank customers perceive and relate to change, occassioned by technology driven innovations in serving their banks, studied the factors that influence customer acceptance or rejection of the change. The study found out that factors such as perceived security and customer innovativeness were positive predictors of customers' intentions to accept change. This is in line with Davis, (1989) who defines perceived usefulness as the individual believe in the use of a new technology and that this will lead to better job outcome. Similarly, he explains perceived ease of use as individual trust in using a particular innovation and that this would not present a challenge that will require more effort than usual.

Perceived usefulness can be measured by asking questions such as; will the innovation enable one to accomplish work more quickly? Can an innovation increase productivity? Can innovation increase effectiveness and make work more comfortable? In this case, can an individual who is intending to use human resource analytics be able to perceive increased productivity, effectiveness, and less time in job performance? Hence, the theory suggests a direct link between perceived usefulness and ease of use to the acceptance of an innovation. In a study to explore differences in the adoption level of smart watches in three countries, China, France and Thailand, Dutot, Bhatiasevi, & Bellallahom, (2019) used a framework that combined TAM elements. The results from the study pointed to the fact that the elements in TAM, directly or indirectly influence the overall behavior intention to use an innovation. By using TAM, the study sought to determine the influence of performance expectancy variables on employee acceptance rates of human resource analytics in Microfinance institutions in Kenya.

EMPIRICAL REVIEW

As earlier suggested, individuals embrace an innovation, especially if they believe the innovation will have a positive impact on how they execute their jobs (Talukder *et al.*, 2008). However, the benefit of an innovation should exceed the effort an individual expends to learn and the challenges of learning the innovation. Perceived usefulness, according to Venkatesh *et al.*, (2003), is a strong predictor of adoption level and also key in the use of human resource analytics. Davis, (1989) while studying the factors predicting user acceptance of computers, developed specific variables of perceived usefulness and perceived ease of use. He explained that perceived ease of use of innovation, in this case, human resource analytics, was important in determining the adoption levels. For instance, if one considers how well a job can be done, he/she may perceive the innovation as easy to use. Easiness and usefulness are subjective because they are the perception of an individual who is the user. The findings of the study were that perceived usefulness and perceived easiness were significantly correlated to the acceptance rate.

Alraja, Hammami, Chikhi and Fekir, (2016) in their study on adoption of E-Government, found out that performance expectancy construct had a significant influence on employee's intention to adopt the electronic government. Catherine *et al.*, (2018) also found out that performance expectancy was amongst the predictors of adoption levels of technology. They did a study in Ugandan Banks to establish the relationship between performance expectancy and adoption levels of fingerprint biometrics authentication for ATMs. Equally, Sair and Danish, (2018) conducted a research to understand the relationship between performance expectancy and adoption of an innovation in Pakistan consumer markets. They used individuals' innovativeness as a moderator to mediate the relationship with performance expectancy, using UTAUT. Results showed that performance expectancy was significantly influential on the individual intention to adopt the innovation. Hence the usefulness of human resource analytics as documented is enormous; the study sought to establish whether this perceived usefulness and perceived ease of use could impact the level of acceptance of human resource analytics by employees in MFIs in Kenya.

Venkatesh *et. al.*, (2012) in their study discovered that, performance expectancy is a significant predictor on one's intent to use technology and the behavior connected with its use. Venkatesh and Zhang, (2010) also noted that, prior studies linked to the unified theory of acceptance and use of technology (UTAUT) model signified performance expectancy to have strong effect on intention.

Waithaka, Muriithi and Wamboi, (2017) in their study on evaluation of the effect of people analytics on the performance of deposit taking MFIs in Nyeri County, Kenya, found that the MFIs had established infrastructure for the application of HRA technology. Findings further indicated that out of the four independent variables, only three were significant: human resource data access, data management and stewardship.

The study concluded that HRA data access, data management and stewardship aspects have significant effect on the performance of MFIs. Slow technology adoption therefore affects people analytics and performance of MFIs. The study recommended that managers in MFIs invest in new applications that would act as platforms for people analytics including cloud computing and artificial intelligence Also, they must re-evaluate the techniques for human resource analytics for managers and staff. The current study sought to establish whether this perceived usefulness and perceived ease of use could impact the rate of acceptance of human resource analytics by employees in MFIs in Kenya.

CONCEPTUAL FRAMEWORK

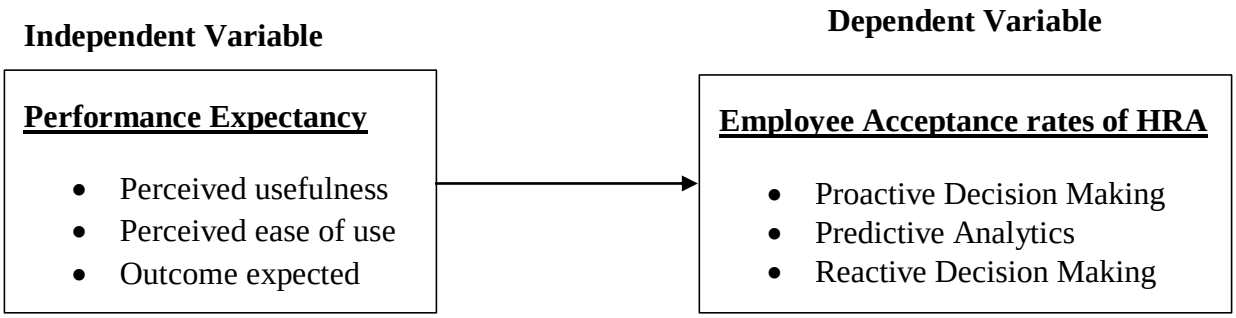

Figure 1: Conceptual Framework

RESEARCH METHODOLOGY

This study used descriptive cross-sectional survey design. Descriptive cross-sectional survey design is appropriate because it incorporates different approaches and techniques that can aid in elaborating on the study variables. It also comprises steps such as collecting data that define actions, classifying the data, presenting the data in tables and charts, and finally analyzing it to come up with findings. Descriptive studies help interpret the variables to offer answers to critical research questions (Babbie, 2001). According to Sekaran, (2000) a cross-sectional survey design shows the status quo of variables under study. The cross-sectional design incorporates data

collection from one or more variables at a single point in time and eases collection of data from several variables under investigation.

The target population was 500 human resource professional employees working in 13 Licensed MFIs in human resource departments in Nairobi County, Kenya. The term human resource professionals, according to this study, refers to all the people who work in the human resource departments, irrespective of their age, their job title or experience levels. Stratified simple random sampling and purposeful sampling of respondents was done. Stratified sampling was used to group the population according to their homogeneity or stratum. Stratums were formed, as explained in the formulae I below. The research applied simple random sampling to identify samples from various stratum. The study considered that the target population did not have homogenous characteristics.

A proportional allocation method was used to get the samples to be picked from different strata. Therefore, if P_1 was the proportion of the population included in the stratum i, and n to represent the total sample size, the number of elements selected from stratum i, was n. P_1. That is, if we had strata with a population of 42, the formula to be used was,

Formulae I: $n_{i=nx}{}^{p}$

$$i= 222\left(\frac{42}{500}\right)=18.648$$

Whereby;

18.648=sample size from every stratum

222=sample size

500=target population (all employees working in the human resource department from the thirteen Microfinance institutions)

42=population in one given strata.

Purposive sampling was used to select typical and useful cases only and save time and money. It was relevant in choosing the sample from the thirteen MFIs. The study considered aspects such as access to crucial information before selecting the MFIs. The use of a mix of these two methods ensured a valid and reliable sample representing the target population and hence increasing the

reliability and validity of the study. The sample size was 222 respondents. It was arrived at through the following statistical computation formulae propagated by Yamane (1967);

Formulae II: $n = N/(1 + N(\varepsilon^2)$

$$n = 500/(1 + 500(0.05^2)$$

$$n = 500/(1 + 500(0.0025)$$

$$n = \frac{500}{1 + 1.25}$$

$$n = 222.222$$

Where;

n=sample size

N= population under study

ε=Margin error

The study adopted semi-structured questionnaires for purposes of data collection in regards to the influence of performance expectancy on employee acceptance rates of human resource analytics in MFIs in Kenya. Questionnaires were effectively used to get information from the 222 respondents sampled. The questionnaires were designed and delivered to respondents after carrying out a pilot study, and the sequence of the questions was such that more straightforward questions started. After the data had been collected from the field, the researcher validated, screened, and processed it. Data was entered into the computer using SPSS for analysis.

The study adopted both descriptive and statistical analyses. The descriptive analysis allowed the study to discuss the data and develop appropriate inferences. The study made use of measure of central tendency (mean) and also measure of spread (standard deviation) Analysis of variance (ANOVA) was also used to test the significant mean differences in variables among multiple clusters, (Sekaran, 2003). F test was used in order to identify the model that best fits the population from which the data was sampled. Statistical analysis was used to uncover patterns and trends. The inferential statistics was applied in providing the appropriate estimation of parameters as well as hypothesis testing. Correlation analysis was involved in analyzing the relationship between performance expectancy on one hand and the employee acceptance rates of human resource

analytics on the other. Regression analysis was used to determine the strength of the relationship between the variables. Multiple linear regression analysis was carried out to determine whether performance expectancy, individually or together with other factors predicted the dependent variable.

RESULTS AND DISCUSSION

Out of the 222 questionnaires that were distributed to the respondents, 198 questionnaires were completed and returned. This represents 89.2% of the total sample size. After scrutiny and screening of the questionnaires, 28 were dropped for incomplete responses (12.6%). This implies that 170 questionnaires were deemed fit for analysis. This constitutes 76.6% of the sample size which was considered sufficient for analysis and for making inferences. Ostwald, Starke and Hertwig, (2015) recommends any figure more than 70% as ideal.

The study findings show that the respondents who were between the age of 25 and 31 were the majority at 50% (N = 85), those between the age of between 32 and 38 years came second at 40% (N = 68) while those aged between 39 and 45 years forming 6.5% (N = 11). The study findings also showed that the respondents aged between 46 and 52 years comprised only 2.9% (N = 5), and the least number were the respondents aged between 53 and 59 years who formed only 0.6% (N = 1). There was no respondent aged above 60 years.

The results also show that out of the 170 respondents, 3.5% (N = 6) were human resource managers, 10.6% (N = 18) were assistant human resource managers, and the majority comprising 85.9% (N = 146) were sub unit heads. The results on the period that the human resource professionals in the MFIs had worked in the same organization indicate that majority of the respondents (70.6%, N = 120) had worked in the organization for between one and three years. The respondents who had worked in the same MFI for between the period of four and six years comprised 27% (N = 46) while those who had worked in the same organization for between seven and nine years and for above ten years constituted a mere 1.2% (N =2) each.

The findings also indicate that 90.6 % (N = 154) of the respondents had an experience level in human resource management, of between 1 to 5 years, while 6.5% (N = 11) of the respondents had an experience level of between 6 and 9 years. The least proportion (2.9%, N = 5) of the respondents had an experience level of above 10 years.

Descriptive Statistics on Performance Expectancy

The objective sought to examine the influence of performance expectancy on employee acceptance rates of human resource analytics in MFIs in Kenya. The descriptive results for the objective are shown in Table 1.

Table 1: Descriptive Statistics on Performance Expectancy

Statements		1	2	3	4	5	Mean	S. D
It is easy to use human resource analytical tools in the organisation	N (%)	33 19.4	11 6.5	36 21.2	82 48.2	8 4.7	3.123	1.226
Human resource analytics is perceived useful for evidence based human resource decisions	N (%)	3 1.8	22 12.9	35 20.6	83 48.8	27 15.9	3.641	0.958
My job efficiency will improve with the use of human resource analytics in the organisation	N (%)	11 6.5	9 5.3	34 20.0	40 23.5	76 44.79	3.947	1.202
The use of human resource analytics enables the realization of the expected outcome in the	N (%)	8 4.7	24 14.1	31 18.2	62 36.5	45 26.5	3.658	1.152
The use of human resource analytics aligns well with my job description in the organisation	N (%)	7 4.1	24 14.1	37 21.8	54 31.8	48 28.2	3.658	1.1518
When I use human resource analytics, the organisation considers me as a strategic partner	N (%)	8 4.7	19 11.2	26 15.3	76 44.7	41 24.1	3.724	1.0933
Performance expectancy influences the employee acceptance levels of human resource analytics	N (%)	9 5.3	12 7.1	38 22.3	61 35.9	50 29.4	3.771	1.1095
Overall mean and standard dev.	N (%)	80 6.6	121 10.2	237 19.9	458 38.5	295 24.8	3.646	1.0689

The results in Table 1 show that among the statements that measured performance expectancy, the one that required them to indicate whether their job efficiency will improve with the use of human resource analytics in the organization, was ranked highest with a mean of 3.947. The lowest was the one that required them to indicate if it was easy to use human resource analytical tools in the organization, with a mean of 3.123. The respondents were required to indicate whether they perceived human resource analytics to be useful in evidence-based decision making. Majority,

64.7%, either agreed or strongly agreed with the statement. The mean score was 3.641 which indicate that majority of the respondents agreed with the statement.

Majority of the respondents, 63%, either agreed or strongly agreed that the use of human resource analytics enables human resource professionals to realize expected outcome in the organization. The mean score of the responses was 3.658 which indicate that a majority of the respondents agreed with the statement. Majority of the respondents, 60%, either agreed or strongly agreed that the use of human resource analytics aligned well with their job description. The mean score of the responses was 3.658 which was an indication that a majority of the respondents agreed with the statement. Majority of respondents, 68.8%, either agreed or strongly agreed that when they use human resource analytics, the organization management considers them strategic partners in management of the organization.

Finally, when asked whether performance expectancy influenced the employee acceptance levels of human resource analytics, majority, 65.3%, either strongly agreed or agreed with the statement. The responses had a mean score of 3.771 which indicated that a majority of the respondents agreed with the statement that performance expectancy had a significant influence on the employee acceptance levels of human resource analytics. The overall mean of the variable was 3.646. This shows that the respondents generally agreed that performance expectancy had an impact on human resource analytics acceptance levels. This is in agreement with the study by Vargas, (2015) who found out that performance expectancy had an impact on the adoption of human resource analytics. The study findings further agree with Technology Acceptance Model by Davis, (1989) which indicated that perceived ease of use and usefulness are key issues in adoption.

Recommendation to Colleagues to use Human Resource Analytics

The results showed that 73.5% of the respondents would recommend the use of human resource analytics to colleagues. As indicated by Hoffman and Lesser, (2012) the use of human resource analytics will make organisations gain competitive advantage; hence employee acceptance of human resource analytics could be important for organisations.

Human Resource Analytical Tools Available Make it Easier to accept and Use Human Resource Analytics

The results show that 45.3% of the respondents indicated that human resource analytical tools available in the organization make it easier for them to accept and use human resource analytics. The results are in line what the theory of UTAUT stipulates (Venkatesh *et al.*, 2003), that available updated systems and software including skills are necessary for the adoption of human resource analytics. Isleem, (2003) also found out that training to acquire necessary skills is crucial for the adoption of an innovation.

How hard or easy is it for Colleagues to Adopt Human Resource Analytics

Majority of the respondents, 56.5%, indicated that it was hard for colleagues in the organisations to adopt human resource analytics. The findings concur with the study by Chau, (2001) who stated that attitudes towards an innovation could affect the perceived ease of use of an innovation which in turn could affect the behavioral intention of using the innovation.

Descriptive Statistics for Employee Acceptance Levels of Human Resource Analytics

The dependent variable of the study was employee acceptance levels of human resource analytics in MFIs in Kenya. The results of the descriptive statistics are presented in Table 2.

Table 2: Employee Acceptance Rate of Human Resource Analytics

Statements		1	2	3	4	5	Mean	S. D.
The use of human resource analytics has helped me make proactive decisions on human resource functions in the organisation	N (%)	33 19.4	10 5.9	21 12.4	70 41.2	36 21.2	3.388	1.3981
The use of human resource analytics enables me to predict human resource trends in the organisation	N (%)	4 2.4	38 22.4	28 16.5	55 32.4	45 26.5	3.582	1.1700
Failure to use human resource analytics leads to reactionary human resource decisions in the organisation	N (%)	23 13.5	16 9.4	28 16.5	49 28.8	54 31.8	3.558	1.3758
The need to be strategic partners in the organisation management has led to the adoption of human resource analytics	N (%)	4 2.4	19 11.2	36 21.2	58 34.1	53 31.2	3.805	1.0730
Support from the organisation in terms of training and availability of tools has influenced the acceptance levels of human resource analytics	N (%)	7 4.1	10 5.9	33 19.4	67 39.4	53 31.2	3.876	1.0502
Difficulties in using available technology has affected my acceptance rates of human resource analytics	N (%)	6 3.5	12 7.1	23 13.5	58 34.1	71 41.8	4.035	1.0763
Overall mean and standard dev.	N %	77 7.5	105 10.3	169 16.6	357 35	312 30.6	3.707	1.0757

Table 2 above on the descriptive statistics for dependent variable of employee acceptance rates show that among the six statements that measured the construct, the respondents agreed most that difficulties in using available technology had affected their acceptance levels of human resource analytics with a mean of 4.035, while the lowest was the one that required them to indicate if the use of human resource analytics had helped them make proactive decisions on human resource functions in the organisations with a mean of 3.388 which shows that the respondents were generally unsure of the statement. Majority of the respondents, (62.4%), indicated that the use of human resource analytics helped them make proactive decisions on human resource functions in the organization. The mean score of the responses was 3.388 which indicated that majority of the respondents were undecided with the statement that the use of human resource analytics made them become proactive in decision making in human resource management.

Majority of the respondents, 58.9%, either agreed or strongly agreed that the use of human resource analytics enabled them to predict trends in human resource management. The mean score for the responses was 3.582 which signified that majority of the respondents agreed with the statement that the use of human resource analytics enabled them to predict trends in human resource management. On the statement that failure to use human resource analytics leads to reactionary decisions in human resource management, majority of the respondents, 60.6%, either agreed or strongly agreed with the statement. The mean score of the responses was 3.558 indicating that majority agreed with the assertion, that failure to use human resource analytics leads to reactionary decision making in human resource management. Majority of the respondents, 65.3%, either agreed or strongly agreed that the need to be strategic partners in the organization led them to accept and use human resource analytics. The mean score for the responses was 3.805 indicating that majority of the respondents agreed with the statement that the need to be strategic partners in the organization led them to accepting human resource analytics.

On the issue of support from the organization, majority of the respondents, 70.6%, either agreed or strongly agreed with the assertion. The mean score for the responses was 3.876 which indicate that majority of the respondents agreed with the statement that support from the organization in terms of training and availability of tools influenced the acceptance levels of human resource analytics. Respondents were asked to indicate whether difficulties in using available technology had hampered the acceptance of human resource analytics, majority of the respondents, 75.9%, either agreed or strongly agreed with the statement. The mean score of the responses was 4.035 an indication that most respondents agreed on the assertion. The overall mean of the dependent variable was 3.707. This shows that the respondents generally agreed on the items that measured employee acceptance levels of human resource analytics in organisations. Hence, as Bersin, (2013) explains, acceptance of an innovation in general enables an organisation to gain competitive advantage and Hoffman & Lesser, (2012) who believed that through human resource analytics, an organisation could gain and maintain competitive advantage.

Correlation Analysis for Performance Expectancy and Employee Acceptance Rate of Human Resource Analytics

Correlation results revealed that there is a significant positive correlation (r = 0.754, p = 0.00) between the independent variable and dependent variable. These correlation results can be interpreted to show a significant positive relationship between performance expectancy and employee acceptance levels of human resource analytics when other independent variables are held constant. The findings further indicate that when performance expectancy increases, employee acceptance rates of human resource analytics in MFIs in Kenya also increases. Therefore, the null hypothesis was rejected

The findings are in tandem with those by Moghavvemi, (2015), Vargas, (2015), and Sair and Danish, (2018), who concluded that performance expectancy is significantly important in influencing an individual behavioral intentions to adopt an innovation. The findings also concur with those of Alraja *et al.*, (2016) who concluded that performance expectancy had a significant influence on employees' intention to adopt the electronic government. The study also agrees with Chao, (2019) and Catherine *et al.*, (2018). These findings also agree with those of Onaolapo and Oyewole, (2018) who concluded that performance expectancy had a significant positive impact on the acceptance rates of an innovation (smart phones).

The result for the correlation analysis is presented in Table 3

Table 3: Correlation Matrix

		Performance Expectancy	**Acceptance Rates**
Performance Expectancy	Pearson Correlation	1	
	Sig. (2-tailed)		
	N	170	
Acceptance Rates	Pearson Correlation	**.754****	1
	Sig. (2-tailed)	.000	
	N	170	170

Regression Analysis

The null hypothesis was that performance expectancy has no significant influence on employee acceptance rate of human resource analytics in MFIs in Kenya. This hypothesis was tested through simple regression analysis whose results are presented in Tables 4, 5 and 6.

Table 4: Model Summary for Performance Expectancy and Acceptance Rates

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.804[a]	.646	.644	.47794	2.062

a. Predictors: (Constant), Performance Expectancy
b. Dependent Variable: Acceptance Rates

Table 4 above shows that the proportion of variance in the acceptance rates explained by the independent variable is 64.6% ($R^2=0.646$). The other variation in acceptance rates of 35.4% was explained by other external factors not included in the model. Moreover, the difference between $R^2=0.646$ and adjusted $R^2=0.644$ is 0.002 which shows that the suggested model generalizes quite well as the adjusted R^2 is too close to R^2. Additionally, the value of Durbin-Watson is 2.062 which indicates lack of serial correlation (Field, 2009).

To test the significance of the model, an Analysis of Variance (ANOVA) was done and the results are presented in Table 5.

Table 5: ANOVA for Performance Expectancy on Employee Acceptance Rates of HRA

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	70.169	1	70.169	307.181	.000[b]
	Residual	38.376	168	.228		
	Total	108.545	169			

a. Dependent Variable: Acceptance Rates
b. Predictors: (Constant), Performance Expectancy

Table 5 which presents ANOVA results reveals that F (1, 168) = 307.181 at $p = 0.000$, an indication that the model is significant. Table 6 below also gives the regression coefficient for the influence of independent variable on the dependent variable.

Table 6: Estimated Coefficients for Performance Expectancy on Employee Acceptance Rates of Human Resource Analytics

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	.591	.182		3.257	.001
	Performance Expectancy	.855	.049	.804	17.527	.000

a. Dependent Variable: Acceptance Rates

Table 6 shows that performance expectancy (β = 0.855, p = 0.000) has positive significant effect on employee acceptance rates of human resource analytics. This implies that holding all other factors constant, a unit change in performance expectancy leads to 85.5% increase in employee acceptance rates of human resource analytics in the MFIs. Hence, performance expectancy has a statistically significant positive influence on employee acceptance rates of human resource analytics in the MFIs which led to the rejection of the null hypothesis. The model fitted after the estimation is as follows:

$\hat{Y}$ **= 0.591 +0.855***Performance Expectancy

CONCLUSIONS

It was clear from the study that performance expectancy has positive significant effect on employee acceptance rate of human resource analytics (β = 0.855, p = 0.000). This implies that holding all other factors constant, a unit change in performance expectancy leads to 85.5% increase in employee acceptance rates of human resource analytics in the MFIs in Kenya. The regression results therefore show that performance expectancy has a statistically significant positive influence on employee acceptance rates of human resource analytics in the MFIs which led to the rejection of the null hypothesis.

RECOMMENDATIONS

The study recommends for the organization to align its data analytical tools with the other management systems. This will increase the perceived usefulness of human resource analytics hence aiding with acceptance. Organisations should also incorporate human resource professionals to levels of strategic decisions. This will encourage them to come up with evidence-based decisions

through human resource analytics. Further, the organisations should avail training for all its human resource department employees on analytical skills so as it becomes easier for them to accept human resource analytics. There should also be an effort from individual workers to improve their analytical skills and capability. Finally, the available analytical tools should not be complex to make it hard for employees to use them.

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