

# Joint Moderating Effect of Perceived Equity and Supervisor Support on the Relationship between Employee Compensation and Employee Performance in Kenyan Chartered Public Universities

Ruth Mitalo<sup>1\*</sup> Florence Muindi<sup>1</sup> Peter K'Obonyo<sup>1</sup> G. P. Pokhariyal<sup>2</sup>

1.School of Business, University of Nairobi, P.O. Box 30197, GPO Nairobi, Kenya

2.School of Mathematics, University of Nairobi, P.O. Box 30197, GPO Nairobi, Kenya

## Abstract

Compensation is essential to the functioning of the relationship between the employee and employer and close to the heart of both the employer and the employee. Perceived unfairness in compensation can be harmful to an organization. When employees believe that they are not paid equitably they will be dissatisfied with work which can lead to voluntary employee turn-over, regular absence from work, non-commitment to the organization and low-trust employee relations. Lack of clear criteria and unfairness in distributing incentives to academic staff and supportive supervisors could influence academic staff motivation and performance. There is need to consider fairness in distributing incentives and to have supportive supervisors who will motivate the academic staff and in turn improve their performance. The main objective of this study was to establish the joint effect of perceived equity and supervisor support on the relationship between employee compensation and employee performance in Kenyan chartered public universities. The study was based on three theories: Expectancy Theory, Equity Theory and Social Exchange Theory. The study adopted positivist research philosophy. Descriptive cross-sectional design was adopted to enable the researcher discover the relationship between different variables. The study targeted academic staff in 23 Kenyan chartered public universities. Multistage sampling technique was used to identify respondents from Kenyan Chartered Public Universities. The number of Faculties/Schools/Institutes sampled was 43 out of 246. A sample size of 370 academic staff was selected from a population of 2011 using easy sample size calculator. Data was collected on employee compensation, employee motivation, perceived equity, supervisor support and employee performance using a questionnaire. A pilot study was carried out at one university to validate the data collection instrument. Reliability results indicated a Cronbach Alpha value of 0.920. Out of 370 questionnaires administered, 247 were returned and analyzed, thus a response rate of 69 percent. Test of normality, linearity, multicollinearity and homoscedasticity revealed that the data was normally distributed, linear and independent of errors. Quantitative technique was used to analyze data. The study established that employee compensation and employee performance in Kenyan chartered public universities is jointly moderated by perceived equity and supervisor support ( $R^2=0.37$ ,  $p<0.05$ ). The study concluded that the relationship between employee compensation and employee performance is jointly moderated by perceived equity and supervisor support. The study recommended in enhancing employee performance through employee compensation, perceived equity and supervisor support are crucial since they moderate the underlying relationship.

**Keywords:** Employee compensation, perceived equity, supervisor support, employee performance, academic staff, Kenyan chartered public universities

## 1. Introduction

Employee compensation is a very important subsystem in human resource management. Employees anticipate adequate compensation in form of financial and non-financial rewards to satisfy their needs after helping the organization achieve its goals (Adeniji & Osibanjo, 2012). Employers' ability to properly implement rewards greatly impacts on employee work satisfaction and organizational commitment (Hafer & Martin, 2006). Compensation affects employees' productivity and their rate of turnover. According to Simamora (1997) as cited in Elqadri *et al* (2015) employees are considered important as they can affect the efficiency and effectiveness of an organization. Organization performance depends on the performance of its employees. When employees feel dissatisfied with compensation, it may lead to reduced performance, increased absenteeism and increased rate of employee turnover (Mangkuprawira, 2003).

The relationship between employee compensation, perceived equity, supervisor support and employee performance is founded on Expectancy Theory which was first developed by Victor Vroom (1964), and later refined and expanded by Lawler and Porter (1967). Together with Lawler and Porter, Vroom suggested that a person's view regarding the fairness and attractiveness of reward affects motivation. The concept of pay for performance is founded in equity theory that emphasizes on perception of employees' on fairness. Social exchange theory helps explain employer-employee relationship. As noted by Gilliland *et al* (2001), without fairness, a system which evaluates, rewards, and motivates staff can have the reverse effect and create

dissatisfaction. However, even where the result is a just allocation of rewards, the procedures which are used to arrive at the just distribution might be unfair. Contrarily, a just distribution process may lead to an unfair distribution (Maiese, 2013).

According to Armstrong (2012) total compensation is a combination of financial and non-financial rewards given to employees. They are resources offered to employees, which are used by employers to attract employees, motivate and retain them. This compensation includes, but is not limited to health care benefits, educational incentives, paid time off, vacation time, flexible schedules, retirement, special programs, work environment, and salary. Cascio (2003) define compensation as monetary payments in the form of salaries, wages, bonuses, and entitlements. However, definition of compensation by Cascio (2003) appears very narrow as they equate pay with monetary income.

Armstrong (2005) suggest that compensation is an input-output exchange involving an employee and employer, that is, employees are required to contribute efforts and employers required to pay wages to employees. In this exchange process, the organization offers pay for availability of workers, knowledge, skills, education, experience, and output.

Perceived equity is the quality of being fair and impartial. It is fairness in the way people are treated. Equity is seen in form of procedural justice, distributive justice and interactional justice (Robbins and Judge, 2011). Robbins and Judge (2011) define justice as a multidimensional concept that comprises of how much we are paid compared to how much we should be paid (distributive justice), perceived degree on how we get paid (procedural justice) and perceived justice of interpersonal behavior from those managing the processes used to arrive at certain outcomes (interactional justice). Procedural justice explains perceived fairness in the allocation processes. Distributive justice describes perceived fairness in distribution of resources among employees. It assumes that equal work should provide employees with an equal pay. Interactional justice describes the way employees feel they are treated with dignity and respect by their supervisors (Maiese, 2013). There are two forms of pay equity: internal equity and external equity (Cole, 2000). Internal Equity is how employees perceive fairness of the pay structure within on organization. External equity is how they perceive fairness of pay structure in comparison to what other organizations are paying for the same type of job. Ideally, organizations should try to institute both internal and external pay equity which is not normally the case. A person's perception of fairness in an organization is a key element of organizational justice. Fairness could be biased and resides in one's perception, that is, what is seen by one person as unfair, may be seen by another person as perfectly right. In general, people are self-centered and thus see procedures favouring themselves as fair (Cole, 2000).

Supervisor support is the degree to which employers value their employees' input and are concerned about the well-being of their employees (Eisenberger *et al.*, 2002). Immediate supervisors gather and distribute resources required by employees to do their work and provide positive encouragement for a job well done. Supervisor support comprises emotional support and instrumental support (Kaufmann and Beehr, 1986). Emotional support is actively listening and being concerned about employees' needs, while instrumental support is where a supervisor gives tangible expertise and assistance in completing a task. Supervisors are supposed to help employees obtain necessary resources and also help address employees' complaints (Boz *et al.*, 2009). Top-level managers and supervisors have the most important duty and responsibility of leading workers in the organization (Goldstein and Ford, 2002).

Public Universities in Kenya have continued to receive less financial support from the government than their expenditure. There has been a remarkable increase in student numbers in Kenyan Universities without a balanced increase in resources available to universities. Academic staff pay in Kenyan Public Universities has been a bone of contention. The demand for better pay for academic staff in Public Universities has always led to altercations between the Academic Staff Union and Kenya government. The industrial strike called by UASU at the end of year 2011 in demand of better remuneration and terms of service which lasted for more than two weeks show the disillusionment of academic staff in public universities. The equivalence of compensating academic staff who are degree holders the same amount as certificate holders contravene academic values and the principle of fairness as this may impact on their motivation and performance (Mwiria *et al.*, 2007).

### 1.1 Research Problem

Compensation is essential to the functioning of the relationship between the employee and employer and very close to the heart of both the employer and the employee. Cole (2000) argues that relationships between the employee and employer are frequently expressed as inputs and outputs of the employees. One can evaluate their outputs such as salary level and promotion based on their inputs such as education, efforts, competence and skills. Torrington *et al* (2008) argue that perceived unfairness in compensation can be harmful to an organization. When employees believe that they are not paid equitably they will be dissatisfied with work which can lead to voluntary employee turn-over, regular absence from work, non-commitment to the organization and low-trust employee relations (Rousseau & Aubé, 2010). Since early 1990's, Kenyan public universities have continued to

receive less financial support from the government than their expenditure. The Economic Survey (2014) showed that the number of public universities increased from 8 in 2012 to 22 in 2013 with many constituent colleges becoming fully chartered. Admission to public universities in Kenya increased by 41 percent, from 195,428 in 2012 to 276,349 in 2014 which was seven times more than the increase, if any, of the financial support. Financial support to Public universities in Kenya increased by 6 percent, that is, from Kshs.61 billion in 2012 to Kshs.64.8 billion in 2014 (The Economic Survey, 2014, pg 52). This has pushed universities to engage in income generating activities to meet the extra costs of staff, catering and accommodation services, learning and research materials (Mwiria *et al*, 2007).

There are concerns of lack of clear criteria and unfairness in distributing incentives to academic staff in universities. Salaries and Remuneration Commission (SRC) in its study on wage differentials in 2013 established Public Service Pay is competitive for state officers, that is, for public servants in senior grades and at the bottom job groups of unskilled and semi-skilled workers. Although the Public Sector has become the employer of choice for employees at the top and at the bottom of the remuneration and benefits structures, there is however, a challenge of attraction and retention of adequate numbers of competent technical and professional personnel in some sectors of the Public Service, including Public Universities, which has compromised performance. There are disparities in salaries, allowances and other benefits enjoyed by employees with comparable competences and workloads within State Organs due to minimal harmonization of salary structures and uncoordinated salary and benefits reviews (Public Sector Remuneration and Benefits Policy, 2015). Persistent agitation for fair treatment has necessitated for job evaluation by SRC to harmonize the public sector remuneration in the hope that the results will improve employees' performance. Several studies have been done in the field of employee compensation and employee performance, empirical gaps have been identified from limitation of such studies and the recommendations for further studies (Grawitch *et al*, 2006, Duberg and Mollen, 2010, Mburu *et al*, 2014). In addition, few studies have examined these variables individually in Kenyan public universities context. This study thus focused on the influence of employee compensation on performance.

## 1.2 Objective of the Study

The objective of this study was to determine the joint effect of perceived equity and supervisor support on the relationship between employee compensation and employee performance in Kenyan Chartered Public Universities.

## 2. Theoretical Review

Several theories have been formulated to explain the relationship between employee compensation and employee performance. This study was based on two theories: Expectancy theory and Equity Theory. Expectancy theory is the main theory in which this research was grounded because it covers employee compensation and employee performance. Expectancy theory is anchored on the perception that human beings believe that there is a relationship between the effort put in their work, performance from the effort and compensation acquired from their effort (Vroom, 1964). Employees will be encouraged to work hard when they realize that their effort will result in good performance and in turn their good performance result in preferred rewards. Expectancy theory was first proposed by Vroom (1964) which was later refined by Lawler *et al* (1992) and (Pinder, 1987). Lawler and Porter's expectancy theory suggest that a person's view regarding the fairness and attractiveness of rewards affects motivation (Lawler *et al*, 1992). According to Lawler *et al* (1992), performance leads to both intrinsic and extrinsic rewards. These rewards, alongside individuals perceived equity leads to satisfaction. Employers must ensure that employees are compensated well to motivate them and thus improve their performance. According to Stone *et al* (2003), expectancy theory by Vroom does not specifically provide ideas on what motivates workers. Instead, the theory gives cognitive variables which reflect on individual dissimilarities in motivation. In Vroom's model, employees do not act simply due to strong internal drives or needs that have not been met. Instead, employees are considered as reasonable people whose perceptions and beliefs affect their own behavior. Porter's new model is founded on the assertion that whenever there are a number of results, human beings will normally have a preference among the results. Despite the conceptual weaknesses of the Expectancy theory above, many researchers have described the positive aspects of the theory in testing the relationship between employee compensation and employee performance. Therefore, Expectancy theory was selected for this study as the theory is most suitable and relevant to the context of the study. Employee compensation and performance are best explained by Expectancy theory.

The effect for pay for performance is clearly seen in equity theory which emphasizes on the perception of employees' on fairness. According to this theory, employees will observe a practice/process to be fair when the ratio of their input to output is similar to that of a referent. Employees will perceive fairness in the ratio if paid accordance to their performance (Adams, 1965). Adams' Equity Theory model integrates the influence and assessment of other people's (such as friends and colleagues) situations in forming a relative observation and understanding of fairness, which is evident as a sense of what is just. When people feel that they are treated well,

they will be encouraged to work hard. Similarly, when they feel that they are unfairly treated they will be demotivated to work hard. The sense of fairness is the spirit of Equity Theory. According to Maiese, 2013, elaborations of Equity theory are seen in the areas of determinants of inequity, dissatisfaction arising from inequity, and responses to dissatisfaction. Equity theory supports forecasts in the area of underpayment but consequences of overpayment have not been adequately revealed. The formulation of the theory does not also spell out whether people will respond to injustice by changing the condition to reinstate equity in objective terms or by appealing in biased processes of re-construal. Despite these weaknesses, many writers have used this equity theory to explain perceptions of employees on fairness. Equity theory was chosen for this study as the theory that best explains perceived equity variable in the context of the study.

According to Social exchange theory by Homans (1961) employees engage in a behavior for their supervisor with anticipation to receive a reward in return. Both the employee and the supervisor should offer each other fair, reasonable, and valuable compensation. If there is a high exchange value, leader-member exchange relationship will be of high quality (Korsgaard *et al*, 2010). Subordinates will be more satisfied with their jobs if leader-member exchange relationship with their supervisors is of high quality (Ning *et al*, 2010). Employees who are seen to be performing high by their supervisors are likely to get support and independence of their supervisors as it is needed (Campbell, 2000). According to this theory, when employees trust that the organization supports their initiatives, they will also feel the need to support of the organization to achieve its goals (Korsgaard *et al*, 2010).

### 2.1 Conceptual Framework

Conceptual framework of theoretical framework is shown in Figure 1 below. The framework shows variables supporting the relationship between compensation and employee performance; perceived equity and supervisor support are shown as joint moderating variables. The literature review above provides support for linkages for these variables.

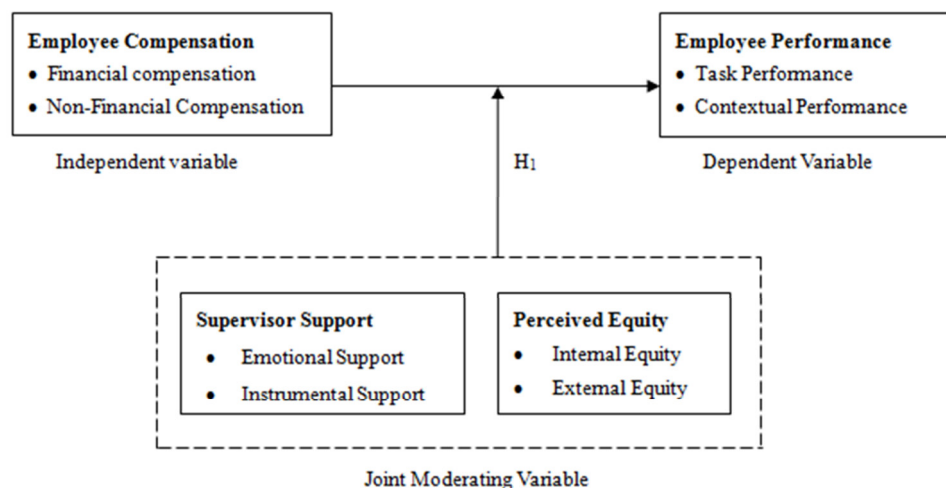


Figure 1: Conceptual Model

### 3. Research Methodology

This study adopted positivist research philosophy. This choice was informed by the fact the study was anchored on theory and a conceptual model from hypotheses drawn. This philosophy requires quantitative data and corresponding analytical techniques. This paradigm further involves operationalizing concepts so that they can be measured, and taking large samples (Saunders *et al*, 2007). A descriptive cross-sectional design was adopted which enabled the researcher to discover the relationship between compensation and employee performance in Kenyan chartered public universities. This study targeted academic employees in 23 Kenyan chartered public universities. The Country has a total of 54 chartered universities. Among them, 23 are chartered public (government-funded), 17 are chartered private and 14 universities operate with Letter of Interim Authority (CUE List of Accredited Universities, *January 2016*). The unit of analysis and target respondents will be academic employees in Kenyan chartered public universities. The total population of academic employees in these universities is over 8281. Chartered Universities are preferred for this study as they have clear organizational structures and policies. They do not operate on individual decisions but on clear line of responsibilities and are likely to exhibit elaborate relationship among the variables to be studied.

Multistage sampling technique was used to identify sampling units at different stages according to the structure of the population. Three stages were used in this study. The first stage involved selection of universities.

The researcher did a census of all the Kenyan chartered public universities. As at January 2016, there were twenty three (23) chartered public universities in Kenya (CUE, *January 2016*). The second stage involved selection of academic units (Faculties/Schools/Institutes) from the twenty three (23) public universities. Out of the twenty three (23) chartered public universities, there were two hundred and forty six (246) Faculties/Schools/Institutes. Forty three (43) Faculties/Schools/Institutes were selected out of two hundred and forty six (246) Faculties/Schools/Institutes in all chartered public universities in Kenya. To get the required sample of Faculties/Schools/Institutes from each university, the researcher used simple random method. The third stage involved sampling academic staff from the 43 Faculties/Schools/Institutes. The total number of academic staff in all Kenyan chartered public universities as at January 2016 was 8281. The total number of academic staff from sampled Faculties/Schools/Institutes was 2011. Sample size was obtained using easy sample size calculator by Krejcie and Morgan (1970) whereby using a population size of 10,000, a sample size of 370 respondents was appropriate to achieve a confidence level of 95 percent and 5% margin of error. The researcher then used proportionate sampling to apportion the sample size of 370 respondents to every university. Two hundred and forty seven (247) questionnaires were returned and analyzed out of 370 questionnaires issued; this gave a response rate of 69 percent.

Primary data was collected on compensation and employee performance using 5-point likert type scale questionnaire that is mostly used in scholarly research. Secondary data was collected on task performance in public universities, that is, how academic staff had performed various tasks for a period of three years. Data was analyzed using descriptive statistics, for instance mean, standard deviation and coefficient of variation and inferential statistics such as analysis of variance, correlation analysis, and simple regression analysis. Data was presented in form of graphs and tables.

#### 4. Study Results

The study sought to determine was to determine the joint effect of perceived equity and supervisor support on the relationship between employee compensation and employee performance in Kenyan Chartered Public Universities. The tests and results for each hypothesis are shown in this section.

##### **Joint moderating Effect of Perceived Equity and Supervisor Support in the Relationship between Employee Compensation and Employee Performance in Kenyan Chartered Public Universities**

This effect was hypothesized as follows:

***H<sub>1</sub>: Relationship between employee compensation and employee performance is jointly moderated by perceived equity and supervisor support***

Stepwise regression analysis was performed using employee Compensation, perceived equity, and supervisor support as predictor variables. The regression results are summarized below.

Employee performance was regressed on employee compensation, perceived equity and supervisor support. The findings are indicated in Table 4.1.

**Table 4.1: Results of Regression Analysis for the Influence of Employee Compensation, Perceived Equity and Supervisor Support on Employee Performance**

Model Summary						
R	R Square	Adjusted R Square	Std. Error of the Estimate			
.613a	0.376	0.368	0.51086			
ANOVA(b)						
	Sum of Squares	df	Mean Square	F	Sig.	
Regression	38.193	3	12.731	48.782	.000a	
Residual	63.417	243	0.261			
Total	101.61	246				
Beta Coefficients(a)						
	Unstandardized Coefficients			Standardized Coefficients		
	B	Std. Error		Beta	T	Sig.
(Constant)	1.705	0.179			9.517	0.000
Employee Compensation	0.097	0.077		0.093	1.267	0.206
Perceived Equity	0.17	0.068		0.208	2.509	0.013
Supervisor Support	0.327	0.057		0.389	5.743	0.000

a. Predictors: (Constant), Employee Compensation, Perceived, Equity Supervisor Support

b. Dependent Variable: Employee Performance

##### **Source: Research Data**

The findings presented in Table 4.1 show a moderate coefficient of determination ( $R^2=0.376$ ,  $F= 48.782$ ,  $p<0.05$ ). These results imply that employee compensation, perceived equity and supervisor support had a moderate positive effect on employee performance. The results further imply that 37.6 percent of change in

employee performance is explained by employee compensation, perceived equity and supervisor support while 63.4 percent of change in employee performance is due to unknown factors. The model attained a goodness of fit as indicated with a significant F-ratio ( $F=48.782, P<0.05$ ). Beta coefficients were significant ( $B=0.17, t= 2.509, p<0.05$ ) in respect of perceived equity and ( $B=0.327, t= 5.743, p<0.05$ ) in respect to supervisor support. Beta coefficient in respect of employee compensation was not significant ( $B= 0.097, t= 1.267, p>0.05$ ). This implies that a unit change in employee compensation leads to 0.097 increase in employee performance, a unit change in perceived equity leads to 0.17 increase employee performance, and that a unit change in supervisor support leads to 0.327 increase in employee performance. Based on these results, regression model is fitted as follows:  $EP = 1.705 + 0.097EC + 0.17PE + 0.327SS$ .

**Regression Analysis for the Influence of Employee Compensation and Interaction Term between Employee Compensation, Supervisor Support and Perceived Equity on Employee Performance**

In this step, multiple regression analysis was used where employee performance was regressed on employee compensation and interaction term between employee compensation, perceived equity and supervisor support. The findings are shown in Table 4.2.

**Table 4.2: Results of Regression Analysis for the Influence of Employee Compensation and Interaction Term between Employee Compensation, Supervisor Support and Perceived Equity on Employee Performance**

Model Summary					
R	R Square	Adjusted R Square	Std. Error of the Estimate		
.609a	0.37	0.363	0.51314		
ANOVA(b)					
	Sum of Squares	df	Mean Square	F	Sig.
Regression	37.625	3	12.542	47.63	.000a
Residual	63.985	243	0.263		
Total	101.61	246			
Beta Coefficients(a)					
	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	T	Sig.
(Constant)	3.158	0.218		14.464	0.000
Employee Compensation	-0.372	0.128	-0.357	-2.902	0.004
Interaction Term (CO*SS)	0.11	0.019	0.644	5.634	0.000
Interaction Term (CO*EQ)	0.046	0.022	0.284	2.084	0.038

a. Predictors: (Constant),  $EC*PE, EC*SS, Employee Compensation$

b. Dependent Variable: *Employee Performance*

**Source: Research Data**

The findings presented in Table 4.2 indicate a moderate coefficient of determination ( $R^2=0.37, F=47.63, p<0.05$ ). This suggests that 37 percent of the variation in employee performance is due to employee compensation and interaction term between perceived equity, supervisor support and employee performance. The remaining 63.3 percent is due to unknown factors that affect performance. The model attained a goodness of fit ( $F=47.63, p<0.05$ ). Beta coefficient were significant in respect to employee compensation ( $B=-0.372, t= -2.902, p<0.05$ ), interaction term ( $EC*SS$ ) ( $B=0.11, t= 5.634, p<0.05$ ) and interaction term ( $EC*PE$ ) ( $B=0.046, t= 2.084, p<0.05$ ). This implies that a unit change in employee compensation leads to 0.372 decrease in employee performance, a unit change in interaction term between employee compensation and perceived equity leads to 0.11 increase employee performance and a unit increase in interaction term between employee compensation and supervisor support leads to 0.046 increase employee performance. Based on these results, regression equation is fitted as follows:  $EP= 3.158 + -0.372EC + 0.11EC*PE + 0.046EC*SS$ .

Thus, hypothesis;  $H_1$ : *The relationship between employee compensation and employee performance in Kenyan chartered public universities is jointly moderated by perceived equity and supervisor support* is confirmed. Therefore, the study established that the relationship between employee compensation and employee performance is significantly jointly moderated by perceived equity and supervisor support.

**4.1 Discussion of Results**

The objective of this study sought to determine was to determine the joint effect of perceived equity and supervisor support on the relationship between employee compensation and employee performance in Kenyan Chartered Public Universities. To achieve this objective, step wise regression was used. The study found that 37.6 percent of change in employee performance is explained by employee compensation, perceived equity and supervisor support. When employee performance was separately regressed on employee compensation,

perceived equity and supervisor support, there was a significant effect between perceived equity, supervisor support and employee performance. Employee compensation lost its predicting power. With the introduction of the interaction term, employee compensation, perceived equity and supervisor support had a significant effect on performance. Thus, the hypothesis that the relationship between employee compensation and employee performance in Kenyan chartered public universities is jointly moderated by perceived equity and supervisor support was confirmed. Therefore, the study established that the relationship between employee compensation and employee performance is significantly jointly moderated by perceived equity and supervisor support.

The study findings were in line of those of Azzam *et al* (2014) who found that organizational support (organizational equity, leader's behavior supporting subordinates, and participation in decision making) impact on organizational commitment, unfair compensation practices may also affect employees' performance. The relationship of this study was also projected by findings by Kopp (2013) where the study found a significant relationship between perceived coworker and supervisor support to job satisfaction, organizational commitment and perceptions of work-life balance. The findings further supported those of Mehmet *et al* (2014) who found that organizational justice and supervisor support impact organizational commitment. These findings also support those of Khalifa *et al* (2010) who found a positive relationship between perceptions of equity and job satisfaction, where a "motivator" was the outcome in the comparison.

## 5. Conclusion

Based on the study findings, it is reasonable to conclude that the relationship between employee compensation and employee performance is jointly moderated by perceived equity and supervisor support. Thus, in enhancing employee performance through employee compensation, perceived equity and supervisor support are crucial since they moderate the underlying relationship. The findings were in full support of those of Azzam (2015) who found that organizational support (organizational equity, leader's behavior supporting subordinates, and participation in decision making) impact on organizational commitment, unfair compensation practices may also affect employees' performance. The study recommends that Management of chartered public universities in Kenya should be fair when compensating employees as both supervisor support and perceived equity improve performance of employees. Irrespective of compensation scheme at the universities, staff motivation will be lost if university management are not perceived to be fair by employees. Kenyan universities should have policies that ensure that equity is achieved in all its processes.

## References

- Adams J.S. (1965). Inequity in Social Exchange. In: Berkowitz L (ed.) *Advances in Experimental Social Psychology*. New York: Academic Press, 267–299.
- Adeniji, A. A. & Osibanjo, A.O. (2012). *Human resource management: Theory and practice*. Lagos. Pumarck Nigeria Limited.
- Armstrong, M. (2005). *A Handbook of Human Resource Management Practice*, Kogan Pg. Ltd.
- Armstrong, M. (2012). *Armstrong's Handbook of Reward Mgt. Practice*, 4ed, Kogan Page Ltd.
- Azzam A. M. (2015). The Role of Organizational Support in improving employees Performance. *Journal of International Business Research* Vol. 8, No. 2: 198-203. Retrieved from (<https://pdfs.semanticscholar.org/424e/1b10330f48844578bbf467eef5c4bd7d644.pdf>)
- Cascio, W.F. (2003). *Managing Human Resources: Productivity, Quality of Work Life, Profits*. New York. McGraw-Hill Irwin. 6th Edition.
- Cole, G. A. (2000). *Organisational behaviour: Theory and practice*. Thomson Learning. Padstow, Cornwall: TJ International.
- Commission for University Education Website, (<http://www.cue.or.ke/>).
- Duberg, C., & Mollen, M. (2010). *Reward Systems within the Health and Geriatric Care Sector*. Retrieved from [http://gupea.ub.se/bitstream/2077/21241/1/gupea\\_2077\\_21241\\_1.pdf](http://gupea.ub.se/bitstream/2077/21241/1/gupea_2077_21241_1.pdf)
- Economic Survey (2014). *Kenya National Bureau of Statistics*. Retrieved from [www.knbs.or.ke/index.php?...economic-survey-2014](http://www.knbs.or.ke/index.php?...economic-survey-2014).
- Elqadri Z. M., Priyono, Suci R. P. & Chandra T. (2015). Effect of Leadership Style, Motivation, and Giving Incentives on the Performance of Employees. *Journal of International Education Studies* Vol. 8, No. 10: 183-192. Retrieved from (<http://creativecommons.org/licenses/by/3.0>)
- Gilliland, S. W., Groth, M., Baker, R. C., Dew, A. F., Polly, L. M., & Langdon, J. C. (2001). Improving applicants' reactions to rejection letters: An application of fairness theory. *Personnel Psychology*, 54, 669–703.
- Grawitch, M. J., Gottschalk, M., & Munz, D. C. (2006). The path to a healthy workplace: A critical review linking healthy workplace practices, employee well-being, and organizational improvements. *Consulting Psychology Journal*, 58, 129–147.
- Hafer, J. C., & Martin, T. N. (2006). Job involvement or affective commitment: a sensitivity analysis study of

- apathetic employee mobility. *Journal of Behavioral and Applied Management*, 8(1): 1-19. Retrieved from <http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.538.8485&rep=rep1&type=pdf>
- Homans, George (1961). *Social behavior: Its elementary forms*. New York: Harcourt Brace Jovanovich. p.13.[https://en.wikipedia.org/wiki/Public\\_university](https://en.wikipedia.org/wiki/Public_university)
- Krejcie, R.V. & Morgan, D.W. (1970). Determining sample size for research activities. *Educational and Psychological Measurement*, 30, 607-610.
- Korsgaard, M., Meglino, B. M., Lester, S. W., & Jeong, S. S. (2010). Paying you back or paying me forward: Understanding rewarded and unrewarded organizational citizenship behavior. *Journal of Applied Psychology*, 95(2), 277-290. doi:10.1037/a0018137. Retrieved from <https://www.ncbi.nlm.nih.gov/pubmed/20230069>
- Lawler, E. E (1967). *Managerial attitudes and performance*. Homewood, IL: Irwin.
- Lawler, E. E., Cohen, S. G. (1992). Designing Pay Systems for Teams. *ACA Journal*, Vol.1 pp.6-19.
- Maiese, M.(2013). *Distributive Justice, Beyond Intractability*. Eds. Guy Burgess and Heidi Burgess. Conflict Information Consortium, University of Colorado, Boulder.
- Mangakuprawira, L. & Syafri, T.B. (2003). *Manajemen Sumber Daya Manusia*. New Delhi: Ghalia Jakarta
- Mburu K, Gathia P, &Kwasira J. (2014). An Insight Into Motivational Strategies In Enhancing Academic Staff Job Satisfaction In Selected Public Universities In Kenya (A Survey of Nakuru County) *International Journal Mgmt Res. & Bus. Strat.*, Vol. 3, No. 3 July 2014.
- Mwiria K., Njuguna N, Ngome C, Ouma-Odero D, Wesonga D (2007). *Public and Private Universities in Kenya. Partnership for Higher Education in Africa*. New York, USA.
- Robbins, S. P. & Judge, T. A. (2011). *Organizational Behaviour: Global Edition* 14<sup>th</sup> Edition. New Jersey: Prentice Hall.
- Rousseau, V., & Aubé, C. (2010). Social support at work and affective commitment to the organization: The moderating effect of job resource adequacy and ambient conditions. *The Journal of Social Psychology*, 150(4), 321-340. Retrieved from <https://www.ncbi.nlm.nih.gov/pubmed/20718219>
- Salaries and Remuneration Commission (2015). *Public Sector Remuneration and Benefits Policy*. Nairobi.
- Saunders, M. & Lewis, P. & Thornhill, A. (2007). *Research Methods for Business Students*, Pearson Education Limited, India.
- Simamora, H. (1995). *Manajemen Sumber Daya Manusia*. Edisi 1 Cetakan 1. Yogyakarta YKPN.
- Stone, R. W. & Henry, J. W. (2003). The roles of computer self-efficacy and outcome expectancy in influencing the computer end-user's organizational commitment. *Journal of End User Computing*, 15(1), 38-53. Retrieved from <http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.903.1967&rep=rep1&type=pdf>
- Torrington, D., Laura, H., & Taylor, S. (2008). *Human resource Management*. (7<sup>th</sup> ed.). London: Prentice Hall.
- Vroom, V. H. (1964). *Work and Motivation*. San Francisco, CA: Jossey-Bass.