

Effects of Reward Strategies on Employee Performance at Kabete Technical Training Institute, Nairobi, Kenya

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Abstract

The main objective this study was to investigate the effects of reward strategies on employee performance at Kabete Technical Training Institute (KTTI). The study was guided by four specific objectives: To determine the extent to which personal drive for achievement influences employee performance at KTTI; to determine how growth opportunities influence employee performance at KTTI; to establish the extent to which recognition influences employee performance at KTTI; to establish the extent to which staff promotion influences employee performance at KTTI. The study reviewed several theories of motivation as possible avenues towards a framework of understanding what motivates employees. It also conducted an empirical literature review in order to establish a link with similar past studies. A stratified random sampling technique was used to select a sample of 159 respondents from a target population of 270 employees. The study adopted a descriptive research design and utilized both primary and secondary data. Structured and unstructured questionnaires were used to collect primary data while secondary data was collected through document review. Data analysis was carried out using both qualitative and quantitative techniques with the aid of SPSS while the main method of data presentation was frequency distribution, pie charts, graphs and cross tabulation. The study found a significant relationship between the reward strategies and employee work performance. The study concluded that personal need for achievement played a key role in influencing employee performance and given a choice employees showed preference for promotion, better remuneration, cash gifts and training opportunities as reward strategies. The study recommends that KTTI should: Leverage on the intrinsic motivation factors by providing a working environment that encourages employees sense of achievement; develop and maintain a training policy for all categories of employees; establish a criterion for recognizing employee performance to ensure the whole process of reward strategy is deemed fair by all employees; design an attractive scheme of service that will also enhance retention and have a structured method of identifying and recommending teachers for promotion by the Teachers Service Commission; finally, the research study recommends a similar research study on the negative effects of reward strategies to avoid a situation where they can backfire and bring exactly the opposite of the desired behavior.

Keywords: Motivation, Reward, Reward Management, KTTI, Reward policies, Performance contract, TVET, Extrinsic rewards, intrinsic rewards,

1.1 INTRODUCTION

It is widely acknowledged that one of the most critical human resource problems in any organization is how to influence employee performance. Given the complex nature of reward strategies that influence various forms of employees behavior, it follows that understanding the role of different reward strategies on employees performance can assist human resource managers in designing and implementing an effective reward strategy that will give an organization a competitive edge. Increasingly, organizations are realizing that they have to establish an equitable balance between the employee's contribution to the organization and the organization's contribution to the employee. Establishing this balance is one of the main reasons for reward strategies (Pratheepkanth, 2011). According to Khan, Farooq, and Ullar (2010), a milestone in the success of an organization is to fulfill the continuous changing needs of organization and employees; heavy responsibility falls on top management to develop strong relationship between them.

Organizations expect employees to follow the rules and regulations, work according to the standards set for them; the employees expect good working conditions, recognition, fair treatment, career growth, and involvement in decision making. These expectations of both parties vary from organization to organization. For organizations to address these expectations, an understanding of employees' motivation is required (Beer et al., 1984). Therefore, an organization should know why its employees come to work on time, stay with the organization for their working life and remain productive (Kovach, 1987).

Although many organizations have some form of reward strategies in place, they still lack in-depth understanding of which set of strategies are ideal for different cadres of employees. This is because different cadres of employees may not necessarily be motivated equally by the same set of incentives. Moreover it is not

enough to put incentives in place; there is need to evaluate how effective they are in influencing employees to achieve organizational goals. This is supported by Pfeffer (1988) assertion that rewards and their design loom large in management attention however little evidence demonstrates their efficacy on employee's performance. Similarly, according to Kovach (1987), an organization must recognize the differences between their employees when designing the reward strategies. This is because good wages are probably easier to offer than rewards strategies, but the employees say that salary alone doesn't rate extremely high on their list of preferences. Baron (1983) stated that there is very close relationship between motivation and job performance. Both performance and motivation are directly proportional to each other. Robert (2005) expounded on Baron (1983) work by postulating that not only motivation can influence performance, but performance can also influence motivation, if followed by effective rewards strategies.

It is absolutely clear that organizations can benefit from reward strategies so long as they are fairly implemented, well communicated to employees, and managers clearly understand the link between reward strategies and employee's performance. It is a known fact that most employees work well in an organization if they are being paid well but yet money is not the only thing that can motivate employees to stay. Money may attract people to the front door but something else is needed to keep them from going out the back door (Masaiti and Naluyele, 2011). A study done by Odell (2005) found that non-cash awards programs would work better than cash in such cases as reinforcing organizational values and cultures, improving teamwork, increasing customer satisfaction and influencing specific behaviors among employees.

Business executives around the world agree that attracting, retaining and motivating employees globally are key business objectives in the 21st century. Organizations that can provide meaningful reward strategies to employees across cultures stand to gain a competitive advantage through their human capital (Wingerup, 1999). This is supported by Carnige (1985) argument that human capital plays a pivotal role in an organizational effectiveness compared to financial capital and that people rather than finance are considered in modern times as primary source of a company competitive advantage.

Concerns about employees' motivation and performance are reported globally in all professions. More specifically concerns about employees turnover and attrition due to poor remuneration and lack of motivation are reported widely as a global phenomenon. Research done by Sanborn et al. (2008) showed that the top engagement drivers for Latin America are closely related to reward strategies. Career opportunities, pay, and recognition are common action areas in most markets and interestingly, recognition came up as an important engagement improvement factor more frequently in Latin America than in any other region. The report added that the trend is challenging employers across the region to rethink the traditional reward strategies, from a focus on equality (treating everybody the same) to equity (treating and rewarding people fairly according to their contributions).

Reward strategies to influence good performance are uncommon in developing countries, but examples do exist. In Singapore, employees receive an annual bonus depending on national economic growth, but due to the difficulty in assessing individual performance accurately, virtually the same amount has been paid to each employee (Croasmun, 2002). Although many organizations in Kenya have put in place various strategies to motivate their employees, little is known about their impact on employee's performance. This is because the strategies adopted are not formed by empirical research hence do not reflect the wishes of employees. Poorly paid and motivated workers tend to pursue their own goals including private business during official hours, completely neglecting the goals of the organizations. For example, Manda and Odhiambo (2001) explains that to make ends meet, employees are forced to engage in other income generating activities, often using organization's offices as their base.

According to Nyerere (2009), the dramatic budget cuts followed by structural adjustment program in 1990s adversely affected Kenya public TVET systems to a large extent. For instance, recurrent budget reductions negatively affected the number, qualifications, pay, morale and motivation of teachers and administrators. Most of the TVET institutions were grossly underfunded resulting to poor service delivery and hence poor public image. An employee satisfaction survey conducted by Bora Soft Consultants (BSC), 2012 at KTTI highlighted four reward strategies as the key priority strategies that the management needed to consider in order to boost employee's performance. These are recognition for performance, training opportunities, promotion, and remuneration benefits. However, it did not give their impact on employee's performance and hence the need to ask employees on a regular basis what sparks and sustains their desire to work. Their responses may lead the employer to redesign reward strategies, increase pay, change the working environment, or give more credit for work done. The key is that a manager avoids the assumption that what motivates them motivates their employees as well (Wessler, 1984). That gives the basis of the study on the effects of reward strategies on employee performance at KTTI, the largest and oldest technical training institute in Kenya.

1.2 Statement of the problem

KTTI is the largest and oldest public technical training institution in Kenya having been established in 1924,

with a student population of over 1500, 160 teaching staff, and 110 non teaching staff. It offers both Diploma and Certificate courses in business, technical and health sciences. Its core mandate is to provide highly skilled technical, vocational, and entrepreneurship training [Government of Kenya (GoK), 2007]. It is also required to play a pivotal role in the country's achievement of vision 2030. This is the driving force behind many performance management initiatives that have been introduced in the recent past. This includes performance contracting which was introduced in the year 2007 and has a specific target on employees' satisfaction [Kabete Technical Training Institute (KTTI), 2012a]. The other major initiative is the implementation of the quality management system based on ISO 9001:2008 (KTTI, 2012b). The institute has also recently acquired new training modern engineering machines from Netherlands.

However, despite all the initiatives, the employees' performance especially when it comes to meeting the deadlines and actual work delivery have not improved as envisaged. Many other interventions like introduction of information transparency, participatory decision making and other reward strategies have not also yielded much improvement. Lecturers continue to delay in submitting the examination marks and this culminates to delay in releasing results to students. Several stakeholders have registered their apprehension to the quality of services being offered. The performance contracting coordinator has raised alarm over the delay by various head of departments and sections to submit their quarterly progress reports and also the failure to meet the agreed upon targets. It has also been noted that the institution is losing many qualified lecturers to both public and private universities without being able to attract others with similar qualifications to replace them.

Consequently, this has led to the institute performing dismally in the performance contract ranking, dropping from position 32 in the financial year 2009/2010 to 41 in the financial year 2010/2011 (GoK, 2012). This is a major concern to the management since it can lead to lack of confidence in the institution by the public in terms of service delivery especially on its core mandate of imparting TVET knowledge, skills and nurturing attitudes for self reliance and national development. The overall effect has been low enrollment of student which has dropped from 2300 in year 2009 to the current student population of 1500 (KTTI, 2013) and also the institute not being able to attain the targeted overall student pass of 70% in KNEC examination. This may finally result to the institution not playing its role in the realization of vision 2030, which science, technology and innovation are expected to provide a cutting edge of our global competitiveness and promote greater efficiencies in all the key sectors under the three pillars of vision 2030 (GoK, 2010). The study therefore sought to investigate the effects of reward strategies on employee performance at KTTI.

1.3 Research objectives

1.3.1 General objective

The general objective was to investigate the effects of reward strategies on employee performance at Kabete Technical Training Institute.

1.3.2 Specific objectives

1. To determine the extent to which personal drive for achievement influences employee performance at KTTI.
2. To determine how growth opportunities influence employee performance at KTTI.
3. To establish the extent to which recognition influences employee performance at KTTI.
4. To establish the extent to which staff promotion influences employee performance at KTTI.

1.4 Research questions

The study was guided by the following research questions:

1. What role does personal drive for achievement play in influencing employee performance at KTTI?
2. What is the influence of growth opportunities in employee performance at KTTI?
3. Does recognition influence employee performance at KTTI?
4. What is the influence of promotion in employee performance at KTTI?

1.5. Justification of the study

Qualified and experienced employees of the institution are continuously leaving in search of a greener pastures. Those left behind are underperforming due to low motivation as a result of lack or inadequate and ineffective reward strategies. This is not acceptable since an organization needs to have a workforce that is efficient and effective in order to remain competitive. Therefore, the findings of the study will facilitate the formulation and implementation of an effective reward system that will enhance employee's performance at KTTI. The study findings have given recommendations on how to improve the reward strategies also listed the employees' preferences that could be ideal to the needs of different cadres of employees. The study also determined the effectiveness of the reward strategies in influencing employees to achieve organizational goals, since according to Bruce and Pepitone (1999), understanding what influences employee's performance is one of the key challenges for managers. The study will also benefit the Teachers Service Commission to understand what motivates teachers and what more it can do to attract and retain highly qualified and skilled lecturers in TVET institutions. Similar organizations (both public and private) could also use the findings to come up with effective

reward strategies that can give them a competitive edge over their competitors. Finally, the study would also help future researchers who might want to undertake research in the areas of staff motivation and work performance.

1.6 Scope of the study

The study focused on the effects of reward strategies on employee performance at KTTI and targeted both teaching and non teaching staff who had worked in the institute for more than two years. The study only focused on four non financial reward strategies because KTTI has no control on financial incentives such as salary increments which is the prerogative of the government together with the trade unions through the collective bargaining agreement. The reward strategies to be investigated are; personal drive for achievement, growth opportunities, recognition, and promotion. The strategies were highlighted as issues of high priority by an employee satisfaction survey conducted by Bora Soft Communication in the year 2012 at KTTI and also were found by Herzberg (1957) as elements in the job that produce satisfaction.

1.7 Limitations of the study

The descriptive analysis applied on the data is subject to one limitation, which relates primarily to the low sample base used sub-group analysis. Whereas this limitation may have constrained analysis (technically speaking), it is not likely to be a source for less credible information due to relatively high levels of homogeneity within each subgroup. To mitigate this limitation, the following approaches were applied during data analysis. The descriptive statistics, as noted, is based on mean score; this ensured the entire sample base (either for total or sub-group) is represented throughout analysis. With regard to inferential statistics, Kaiser-Meyer-Olkin (KMO) Test¹ and Bartlett's Coefficients (BC) Test² ascertained the value of ≤ 0.50 and significance level of ($p < 0.001$), which are appropriate for analysis.

2. LITERATURE REVIEW

2.1 Introduction

This section is devoted to reviewing literature relevant to the study on the effects of reward strategies on employee performance. There is also the conceptual framework that outlines the relationship between reward strategies and employee performance i.e. independent variables and dependent which acts as a guide in the study. The chapter also looks at empirical studies and documented research findings by other researchers on the subject and it ends by identifying the research gaps of the previous studies.

2.2 Theoretical review

In this section several theories are highlighted to strengthen the research study. Some of the theories discussed include Maslow's Hierarchy of Human Needs, Theory X and theory Y of Mc Gregor, and Adam's Equity theory among others.

2.2.1 Maslow's Hierarchy of Human Needs

One of the most influential theories of human motivation is Abraham Maslow's Hierarchy of human needs. The hierarchy of human needs postulates that employees are motivated by five levels of needs: physiological, safety, social, esteem, and self-actualization. This ranking is guided by four major assumptions. Firstly, only unmet needs motivate. Secondly, people's needs are arranged in order of importance from basic to complex. Thirdly, people will not be motivated to satisfy a higher-level need unless the lower level needs have been at least minimally satisfied, and lastly human needs can be arranged on a pyramidal hierarchy with the basic needs appearing at the bottom while self actualization coming at the apex.

According to Maslow (1943), the lowest level needs are physiological needs such as food, shelter, clothing, and relief from pain. These are followed by safety needs, that is, the feeling of security. Once these two levels are satisfied, people pursue and look for love, friendship, and affection to satisfy social needs. Esteem needs then set in: people seek status, self-respect, recognition for accomplishments and a feeling of self-confidence and prestige. Finally, self-actualization needs relate to desire to develop one's full potential. To achieve this, people seek growth, achievement, and advancement. This theory, however appealing has been criticized for its apparent rigidity; human needs are not ordered in a neat hierarchical way as postulated by this theory. Also due to different social-economic classes in any given society these needs vary. For example the physiological and safety needs which are basic have different meaning among the upper, middle, and lower class members of any society as well as the work place (Nzuve, 1999).

2.2.2 Theory X and theory Y

The concepts of theory X and theory Y were advanced by McGregor in 1960. These are a group of assumptions

¹ Refers to the measure of sampling adequacy

² Refers to level of significance

that underlie management's attitudes and beliefs regarding worker behavior. In theory X management assumes employees are inherently lazy and will avoid work if they can and they also dislike work. As a result of this, management believes that workers need to be closely supervised and comprehensive systems of controls developed. According to this theory, employees will show little ambition without an enticing program and will avoid responsibility whenever they can. If the organization goals are to be met, theory X manager rely heavily on threat and coercion to gain their employees' compliance. In this theory it's the manager's job to structure the work and energize the employees. One major flaw of this management style is that it is likely to cause diseconomies of scale in large organizations since employees will not work unless strictly supervised and rewarded continuously.

In theory Y the management assumes employees are ambitious and self-motivated and exercise self-control. It is believed that employees enjoy their mental and physical work duties. According to them work is as natural as play. They possess the ability for creative problem solving, but their talents are underused in most organizations. Given the proper conditions the employees will seek out and accept responsibility, exercise self-control and self direction in accomplishing objectives in which they are committed. They believe that the satisfaction of doing a good job is a strong motivation. McGregor (1960) simply argues for managers to be open to a more positive view of workers and the possibilities this creates. They should develop a climate of trust with employees that are required for human resource development. It is human resource development that is a crucial aspect of any organization. This would include managers communicating openly with subordinates, minimizing the difference between superior-subordinate relationships, creating a comfortable working environment in which subordinates can develop and use their abilities.

Theory X and Y relates to Maslow's hierarchy of needs in how human behavior and motivation is the main priority in the workplace in order to maximize employee output. In relations to Theory Y the organization should try to create the most symbiotic relationship between the managers and workers which relates to Maslow's hierarchy of needs of self actualization and esteem in that managers should promote self esteem, confidence, achievement, respect of others and respect by others. This will enhance the employees to develop personal need for achievement thus minimizing duties of Theory X manager of strict supervision.

2.2.3 Equity Theory

This theory is grounded on the perceptions people have about how they are treated as compared with others. Equity involves feelings and perception and is always a comparative process. The theory states that people will be better motivated if they are treated equitably and de-motivated if treated inequitably. Adams (1965) suggested that there are two forms of equity. The first one-distributive equity, which is concerned with the fairness with which people feel they are rewarded in accordance with their contribution and in comparison with others. The second forms, which is procedural equity, or procedural justice, is concerned with the perceptions employees have about the fairness with which company procedures in such areas as performance appraisal, promotion, and promotion are being operated.

Much like other prevalent theories of motivation, such as Maslow's hierarchy of needs, equity theory acknowledges that subtle and variable individual factors affect each person's assessment and perception of their relationship with their relational partners (Guerrero et al., 2007). According to Adams (1965), anger is induced by underpayment inequity and guilt is induced by overpayment inequity. In any position, an employee wants to feel that their contribution and work performance are being recognized. Just the idea of recognition for the job performance and the mere act of thanking the employee will cause a feeling of satisfaction and therefore help employee feel worthwhile and have better outcomes.

2.2.4 Herzberg's two- factor model

Herzbergs (1987) model divide the factors of the work environment into two classes: motivators or satisfiers on one hand; and hygiene factors or maintenance factors on the other. The research found that elements in the job that produce satisfaction are achievement, recognition, promotion prospects, and the work itself. On the hand, he identified a number of elements whose absence or inadequacy produced dissatisfaction namely; pay, relations with others, type of supervision, company policy, physical work conditions and fringe benefits.

2.3 Conceptual framework

A conceptual framework can be defined as a set of broad ideas and principles taken from relevant fields of enquiry and used to structure a subsequent presentation (Reichel & Ramey, 2007). It is a research tool intended to assist a researcher develop awareness and understanding of the situation under scrutiny and communicate it. According to Goetz and LeCompte (2009), a conceptual framework increasingly strengthens and keeps the research study on track. The conceptual frame work of the study include independent variables i.e. drive for achievement, personal growth opportunities, recognition, and promotion) and the dependent variable i.e. employee's performance. Independent variables are the factors that the researcher think explains the variation i.e. causes. Dependent variable is the outcome, it is the variable the researcher attempts to predict (Orodho & Kombo, 2002).

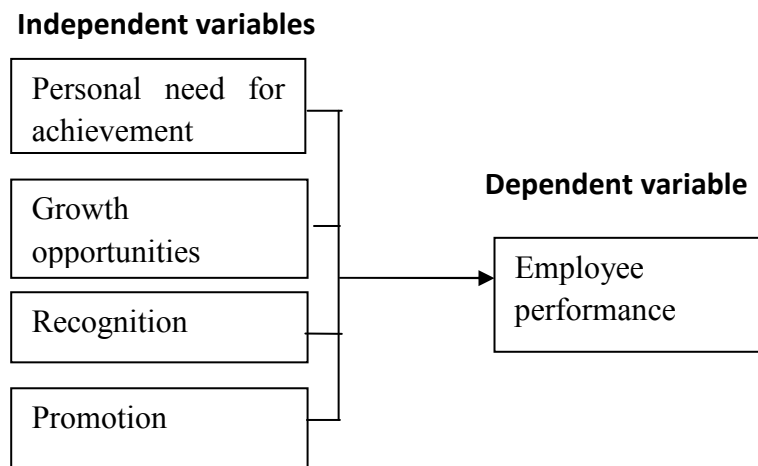


Figure 2.1: Conceptual framework

2.3.1 Personal drive for achievement

People are moved to act by very different types of factors, with highly varied consequences. Studies by Ryan and Deci (2000) on the one hand assume people can behave from a sense of personal commitment to excel. Some people have a compelling drive to succeed. They strive for personal achievement rather than for the rewards of success. They have a desire to do something better or more efficiently than it has been done before (Nzuve 1999). The need to achieve applies in various degrees to all people in all jobs, although the level at which it operates will depend on the orientation of the individual and the scope provided by the work to fulfill a need for achievement. According to Armstrong and Murlis (2004), people feel rewarded and motivated if they have the scope to achieve as well as being recognized for the achievement. University lecturers, for example, want to enhance their reputation as well as making contribution to their institution's research rating. Being encouraged and supported by funds to do researches helps meet this need. If achievement motivation is high it will result in behavior such as taking control of situations, directing the cause events, creating and seizing opportunities, enjoying challenge, reacting swiftly and positively to new circumstances and generally 'making things happen'. There are a great variety of theories of human motivation (Hofstede, 1980), particularly motivation theories developed in the United States, such as those of David McClelland, Abraham Maslow, Frederick Herzberg, and Victor Vroom. McClelland's achievement theory shows that people perform because of need for achievement motive. An individual's behavior is affected by what the person wants to happen, his or her estimate of the probability of the thing happening, and how strongly the person believes that the event will satisfy a need (Vroom, 1964). He added that motivation is only likely to happen when a clearly perceived and stable relationship exists between performance and outcome, and the outcome is seen as a means for satisfying needs. According to Herzberg (1968), the most successful method of motivating is to build challenge and opportunity for achievement into the job itself. Moreover, McClelland (1961) suggests that people with high achievement needs are motivated by challenging tasks with clearly attainable objectives, timely feedback and more responsibility for innovative assignments.

2.3.2 Personal growth opportunities

In Maslow's hierarchy of needs, self-fulfillment or self-actualization is the highest need of all and is therefore the ultimate motivator. Self-fulfillment is the need to develop potentialities and skills to become what one believes one is capable of becoming. Employee development is an important part of management which should not be overlooked or underrated. Employee motivation and morale will increase as their opportunities for development increase (Hopkins, 1995). He added that ambitious and determined people will seek and find these opportunities for themselves, although the organizations need to clarify the scope for growth and development it can provide –if it does not, they will go away and grow elsewhere.

Employees at all levels of organization recognize the importance of continually upgrading their skills and of progressively developing their careers. This is the philosophy of continuous development. Many people now regard access to training as a key element in the overall reward package. The availability of learning opportunities, the selection for training courses and programs and emphasis placed by the organization on the acquisition of new skills as well as the enhancement of existing ones, can all act as powerful motivator. Thus growth in the organization is often addressed through job redesign. The aim of job redesign is to enrich a job so that the employee is more motivated to do the work. Job redesign tenets may be found in contemporary

management strategies, including employee involvement and empowerment. Workers who are more involved in their jobs design display more work commitment and experience lower turnover (Jauch & Sekaran, 1978).

2.3.3 Recognition

This is probably the most important category and is sometimes called the “thank-you” category. There is nothing more meaningful than a simple “thank you” for a job well done. Unfortunately, many managers seem to be too busy to recognize the positive contributions of their employees, only taking the time to correct the mistakes and solve the problems. Recognition of a job well done or full appreciation for work done is often among the top motivators of employee performance (Koch, 2005) and (Stuart, 1992). The need to feel appreciated is deeply ingrained in all employees. Being appreciated through praise helps employees develop a positive self-concept and it meets their needs for esteem, self-actualization, growth and achievement (Lussier, 1997). Avalos (2007) feels recognition is emerging in this changing universe as a critical linchpin in the rewards platform. She believes that employees work for much more than a pay check. They want to be recognized for their efforts. There is no question in her mind that “flexible, customized plans, carefully aligned with the organization’s strategic goals, promote long-term increases in workforce satisfaction and corporate profitability.

Senge et al. (2009) provides advice to any leader of change as being one of the most important tasks when they state: “Learn to recognize and appreciate progress as it occurs”. They also refer to an attitude adjustment in starting to recognize any and all achievements of all employees in an organization, and call it “instilling an ethic of recognition”. Therefore, employers should show appreciation and give employees credit for their work. Praise for a job well done is probably the most powerful, yet least costly and most underused, motivation tool.

According to the Carrot Principle by Gostick and Elton (2009), the most successful managers provide their employees with frequent and effective recognition. You get people to do more by rewarding their good work than by punishing their bad behavior, and employees who feel appreciated are less likely to be disloyal or to leave the organization. Recognition can come in several forms such as employee awards, pay raises, promotions, and physical and verbal support. The key is not necessarily what recognition is bestowed, but the fact that the employee is being recognized. Further to this it is important to provide a forum for this recognition so the employees can receive the accolades in front of their peers. Nothing can be more motivating than to receive an award honoring achievement in front of the entire company during a formal awards ceremony. This will help motivate others to strive to achieve high results so they too can be rewarded for quality work (Hopkins, 1995). Another important function of recognition for work is that it provides feedback concerning the competence of ones job performance. Thus praise indicates that one has done his or her work correctly and according to the standards of one’s supervisor, criticisms on the other hand indicate that one has not met the standards. Depending upon the form in which such feedback is given it can be used to correct the past errors or set future goals for performance (Locke & latham, 1998). Recognizing achievement can also be achieved by regularly holding meetings to monitor and counsel on an individual’s progress towards targets, explaining the organization’s results and achievements and enlargement of the job to provide scope for more interesting and rewarding work (Nzuve, 1999).

2.3.4 Promotion

The advancement of an employee from one job position to another job position that has a higher salary range, a higher level job title, and, often, more and higher level job responsibilities, is called a promotion. Sometimes a promotion results in an employee taking on responsibility for managing or overseeing the work of other employees. Decision making authority tends to rise with a promotion as well. Heathfield (2005) viewed promotion as desirable by employees because of the impact it has on pay, authority, responsibility, and the ability to influence broader organizational decision making. A promotion raises the status of the employee who receives a promotion which is a visible sign of esteem from the employer. A promotion is a powerful communication tool about what is valued within an organization. Thus, a promotion must be available to employees who play any role in the contribution of work and value.

Keeping employees motivated is a task that managers can resolve in a number of ways. Promotions to positions that include more responsibility or authority are among the tools managers have to motivate workers. The possibility of a job promotion can motivate an employee by appealing to career anchors, which are the major career and personal priorities that workers may hold. This is essentially what empowerment is all about and is in line with the concept of intrinsic motivation based on the content of the job. It is also related to the fundamental concept that employees are motivated when they are provided with the means to achieve their goals (Armstrong & Murlis, 2004).

The philosophy behind motivating through responsibility was expressed as follows in McGregor’s theory Y: ‘the average human being learns under proper conditions, not only to accept but also to seek responsibility’. The characteristics required in jobs if they are to be intrinsically motivating are that, first, individuals must receive meaningful feedback about their performance, second, the job must be perceived by employees as requiring them to use abilities they value in order to perform the job effectively, and third individuals must feel that they have a

high degree of self-control over setting their own goals and over defining the paths to these goals (Armstrong & Murlis, 2004).

Teseema and Soeters (2006) concluded that there is positive relationship between promotion practices and perceived performance of employee. Poisat (2006) agrees that employees generally value the need for autonomy and authority, and that they prefer a job that would require increased responsibility and risk. If organizations want to accelerate performance of employees in the organization, fair promotional opportunities should be given to employees (Park et al., 2008).

2.3.5 Employee performance.

Armstrong and Baron (2005) views employee performance as about encouraging productive discretionary behavior with a goal to achieving human capital advantage. They continue to hold the belief that people are the most important source of competitive advantage, and recognize that, as opposed to other forms of competitive advantage resulting from improving factors such as design or process, the people factor is very difficult to reproduce or replicate, making it so valuable to organizations. Every manager, no matter what his or her role, knows that exceptional employee performance is critical in today's world (Ripley, 2008). A major responsibility of managers and supervisors is turning employee talent into performance. Managers who are effective at employee engagement have employees who are more likely to stay, more satisfied, more committed to the organization, and more productive. Managers and supervisors can increase productivity as a result of the employees' commitment that, in turn, can increase the amount of discretionary effort employees give to the job.

A successful and highly productive organization can be achieved by motivating employees by having affective reward strategies geared towards improving performance. There are a variety of factors that influence employee's performance. Identifying these factors can help improve recruitment, retention and organizational results. All employees are not equal in their working and they have different modes of working like some have highest capability regardless of the incentive but other may require occasional jump-start (Kovach, 2007). If reward strategies are handled effectively, the result can be greater productivity and increased employee performance.

Employees in an organization are required to generate a total commitment to desired standards of performance to achieve a competitive advantage and improved performance for sustaining that competitive advantage at least for a prolonged period of time, if not forever. There are a number of factors which may affect the employees' performance. Each employee may have different effect from different reward strategies. Identifying the right reward strategy that positively influences can help improve recruitment, retention and organizational results. According to Khan, Farooq, and Ullar (2010), a reward strategy may possibly have the power of enhancing motivation in one way and diminishing it in other ways. To ensure the success of reward strategies, it is important to consider the uniqueness of the situation and the diversity of employees.

2.4 Empirical studies

Previous studies show that managers use different strategies to motivate employees to induce them to put their efforts towards achieving organizational goals. Most of them revolve around the motivation factors expounded by Herzberg's motivation-hygiene theory, i.e. achievement, personal growth, recognition and responsibility. It is observable that literature in reward strategies studies pulls out two major bearings for staff motivation namely intrinsic or soft factors and extrinsic or hard factors that must be combined in adequate proportions to generate the much needed motivation amongst teaching and non teaching staff in tertiary institutions.

Several empirical research studies provide proof to this assertion. As found by Ombui and Mucai (2005) that the influence of reward management was relatively weak, and it was the intrinsic motivation of the teachers' professional ethics rather than extrinsic motivation through tangible reward by management that lecturers co-operate in the implementation on strategic plans. Ngethe, Iravo, and Namusonge (2012) argued that retention of employees needs to be managed and remuneration developed. Career growth opportunity, work environment, performance management and flex time were identified as areas that impact on staff.

Mwangi (2008) posits that quality assurance and staff motivation comprise a number of performance management factors. They entail among other initiatives, an investments in human resource management so as to enhance staff quality and to expand the ability of the staff body to achieve its teaching and research agenda and to ensure high academic standards. Ngware, Wamukuru, and Odebero (2006) added that Schools that do not pay adequate attention to human resource development are not only likely to have a de-motivated staff but also an ineffective workforce. It is therefore important for such schools to consider human resources development activities as part and parcel of school development plan.

When making appointments to positions of responsibility in technical training institutions preference should be given to teachers who are already part of the institution as long as they are qualified. This serves as a way of according recognition and motivation to the staff (Akumu, 2005). He noted that although Tertiary institutions are raking millions every year from production units, no staff development program has been developed to assist

lecturers and other support staffs upgrade their skills and competencies as the bulk of lecturers have stagnated at Diploma and Higher Diploma levels for many years. The same was advanced by Ngware et al, (2006) that Schools that empower employees are likely to make quality decisions that would optimize student achievement as opposed to schools that stifle employees' free expression of their intentions.

2.5 Research gaps

According to Pfeffer (2008), little evidence demonstrates the efficacy of rewards, although much evidence indicates that rewards and their design loom large in management attention. It may also be noted that reward systems adopted by many organizations are not formed by empirical research hence they do not reflect the wishes of the employees. The overriding assumption is that all incentives work in the same way to all cadres of employees. However, it is evident that organizations need to evaluate the adequacy and effectiveness of different sets of rewards in influencing different groups of employees. Kovach (2007) notes that, if managers are able to recognize the differences between their employees, then perhaps they can make sure that the rewards provided meet their needs. To ensure the success of reward strategies, it is important to consider the uniqueness of the situation and the diversity of the concerned group (Khan et al., 2010). This is because a critical understanding of what works and what does not work is central in designing and managing effective reward strategies.

Previous researchers have recorded the importance of rewarding employees in an effort to influence their behavior. However, there still lacks in depth understanding of which sets of rewards are ideal for different cadres of employees and also the effects of various reward strategies on employee's performance. This is because different cadres of employees may not necessarily be influenced by the same set of incentives. To fill the gaps, the study therefore aimed to investigate the effects of reward strategies on employee performance at KTTI. In particular, the study evaluated the reward strategies namely; personal need for achievement, growth opportunities, recognition and promotion. It also gave recommendation on how to improve the reward strategies to further support commitment, achievement, teamwork, and enhance employee performance.

3. RESEARCH METHODOLOGY

3.1 Introduction

This section explains the methodology that was used in the study. This includes the research design, target population, sampling technique sampling size, data collection methods. For each methodological approach used in the study, efforts are made to justify its use.

3.2 Research design

According to Orodho (2003) research design is a scheme, outline or plan that is used to generate answers to research problems. It is needed because it facilitates a smooth sailing of the various research operations thereby making research as efficient as possible yielding maximum information with minimum expenditure of effort, time and money (Kothari, 2003). The study was conducted through a descriptive research design. It involved collecting information by administering a questionnaire to a sample of KTTI respondents to find out the effectiveness of reward strategies in influencing their work performance. According to Ngechu (2004) a descriptive study is concerned with finding out the what, where and how of a phenomenon. It also portrays an accurate profile of persons, events or situations (Robson, 2002). This method was preferred because it gave a report of things as they were.

3.3 Target Population.

Sekaran (2005) defines a population as the entire group of people, events or things of interest that the researcher wishes to investigate, while according to Cooper and Shindler (2006) a population is the total collection of elements about which you wish to make some inference. The target population is the population to which a researcher wants to generalize the results of study (Mugenda & Mugenda, 2003). The target population consisted of 270 employees of KTTI, both teaching and non- teaching staff. This target population was considered appropriate for this study due to heterogeneity of the cadres of employees because of their diversity in terms of their professional and cultural backgrounds.

3.4 Sample and sampling technique

3.4.1 Sample frame

A sampling frame consists of a list of items from which the sample is to be drawn (Kothari, 2004). Subjects or cases selected from the sampling frame form the units of observation in a study (Mugenda & Mugenda, 2003). The sampling frame was drawn from all employees of KTTI and was be categorized as shown in Table 3.1.

Table 3.1: Sample frame

| Category of employee | Total number of staff |
|----------------------|-----------------------|
| Teaching staff | 164 |
| Non teaching staff | 106 |
| Total | 270 |

Source: KTTI 2013 Staff returns

3.4.2 Sample size

The sample size was calculated using Cochran (1963) formula as shown below;

$$n = \frac{z^2 pq}{e^2}$$

Where n = the desired sample size (if the target population is greater than 1000).

Z= the standard normal deviate at the required confidence level.

P = the proportion in the target population estimated to have characteristics being measured.

q = 1-p.

e = the level of statistical significance level.

z = 1.96 at 95% level of confidence.

P = 0.5, q=0.5

e = (1-0.95) = 0.05

$$n = \frac{1.96^2 (0.5) (0.5)}{(0.05)^2} = 384$$

Since the target population will be less than 10,000, then;

$$n_r = \frac{n}{1 + \frac{n}{N}}$$

Where n_r = the desired sample size (when the population is less than 10,000).

n = desired sample size (when the target population is greater than 1000).

N= the estimate of the population size.

$$\begin{aligned} &= \frac{384}{1 + \frac{384}{270}} \\ &= 384 \div \left(\frac{654}{270}\right) \\ &= 384 \times \left(\frac{270}{654}\right) \\ &= 158.532 = 159 \text{ (Therefore, the sample size was 159 respondents)} \end{aligned}$$

3.4.3 Sampling technique

Sampling is the selection of respondents who represent the target population in the study (Mugenda & Mugenda, 2003). The study employed stratified random sampling to select a sample from the target population of 270 employees of KTTI. In statistical surveys, when subpopulations within an overall population vary, it is advantageous to sample each subpopulation (stratum) independently. Stratification is the process of dividing members of the population into homogeneous subgroups before sampling. Every element in the population is assigned to only one stratum. This is supported by Ngechu (2004) who stated that stratified random sampling technique produces estimates of overall population parameters with greater precision and ensures a more representative sample is derived from a relatively homogeneous population. The study grouped the population into two strata i.e. teaching staff and non teaching staff.

3.5 Data collection instruments

The primary data was collected through the questionnaires. Kothari (2004) terms the questionnaire as the most appropriate instrument due to its ability to collect a large amount of information in a reasonably quick span of time and in an economical manner; it also guarantees confidentiality of the source of information through anonymity while ensuring standardization. The questionnaire was structured to have both open-ended and closed-ended questions. This was to limit responses in some cases and in others to provide the respondents with freedom to provide information in their own words. Filter questions were also asked to probe for more information. The questionnaire also had the likert scale type of questions which were aimed at weighing factors according to their importance on the effectiveness of the reward strategies. Secondary data was collected mainly through document review. All relevant documents such as annual appraisal reports, students' performance and employees personal files, etc were studied in order to give more insights on the employees' performance.

3.6 Data collection procedure

The primary data was mainly collected through self-administered questionnaire. However, data from employees not in a position to understand the questionnaire were collected through researcher administered questionnaire and this is supported by Mugenda and Mugenda (2003) who explains that the method is appropriate when the subjects may not have the ability to easily interpret the questions probably because of their level of education. The two methods were applied due to cost consideration and the nature of enquiry. According to Kothari (2004), the most desirable approach with regard to the selection of the data collection procedure depends on the nature of the particular problem and on the time and resources available along with the desired degree of accuracy.

3.7 Pilot study

The researcher conducted a pilot study by administering 16 questionnaires to different cadres of employees at KTTI using stratified random sampling. The pretest sample was ten percent of the sample size as advocated by Mugenda and Mugenda (2003). The purpose for the pilot study was to assess the validity and reliability of the research instruments to be used in collecting the required data. According to Mugenda and Mugenda (2003) the quality of a research study depends to a large extent on the accuracy of the data collection procedures and the instruments or tools used to collect data must yield the type of data the researcher can use to accurately answer his or her questions. The questionnaire was then revised to remove the errors and deficiencies identified during the pretest. The questionnaires were also analyzed to find out whether the methods of analysis were appropriate.

3.8 Data analysis and presentation

3.8.1 Data analysis

Data analysis refers to examining what has been collected in the survey and making deductions and inferences. It involves uncovering underlying structures, extracting important variables, detecting any anomalies and testing any underlying assumptions (Orodho & Kombo, 2002). All questionnaires from respondents were checked and edited for completeness before analysis. The data from the questionnaires was then coded to enable the responses be grouped into various categories. Since data was both quantitative and qualitative hence both descriptive and content analysis techniques were employed. The data was processed using statistical package for social sciences (SPSS) to enable the researcher analyze the data.

3.8.2 Data presentation

Analyzed quantitative data was presented through the statistical tools such as frequency distribution tables, graphs, pie charts etc, while qualitative data from open-ended questions presented through thematic narration. The researcher then gave the research findings by interpreting the evidence presented by the data collected, made conclusions by giving practical applications and implications of the findings and lastly gave recommendations which are consistent with the study. Mugenda and Mugenda (2003) states that recommendations must be consistent with the purpose of the study, its objectives, the evidence presented by the data and the interpretations given.

4. RESEARCH FINDINGS AND DISCUSSIONS

4.1 Introduction

This section considers the results and findings of the study as analyzed from the questionnaires. The discussion of the findings is organized into four core areas of the inquiry i.e. personal drive for achievement, growth opportunities, recognition, and promotion.

4.2 Response rate

There were 159 questionnaires distributed to all selected teaching and non teaching employees of KTTI and 126 were filled and returned which is a return rate of 79.24%. According to Babbie (2010) a response rate of 50% percent is believed to be adequate for analysis and reporting, whereas 60% is considered good while above 70% response rate is deemed to be very good.

4.3 General information

This section covers the demographic characteristics of the selected respondents with respect to gender, age, education qualification, number of years working with KTTI and category of employee. The result shows that the majority of the respondents (62%) were males and (38%) were females. Majority of respondents (49%) were in the range of 41 to 50 years, followed by (25%) in the range 50 years and above, (19%) were in the range 31 and 40 years and finally (8%) were in 30 and below years old. The respondents' duration of service at KTTI is well distributed and ranges from 15% (0-5years) to 25 % (16-20 years). Majority (94%) of KTTI staff were permanent employees. Majority (66%) of respondents were the teaching staff and (34%) non-teaching staff. A quarter of the respondents had attained Masters Degree followed by Diplomas (23%), Degree (18%), Certificates (17%) and Higher Diploma (10%). Only 4% had either primary or secondary education as the highest qualification. The differences in gender, age, category of employment, education qualification, and terms of service imply that the employees had to be motivated differently with different reward strategies.

4.4 Personal drive for achievement

The first objective of the study was to establish the extent to which personal drive for achievement influence employee performance at KTTI. Various questions were asked to establish this and the results are presented and discussed below.

4.4.1 Personal initiative in work performance

To assess personal drive for achievement, employees were asked to indicate whether they take personal initiative in their work performance. The results are as shown on Figure 4.6.

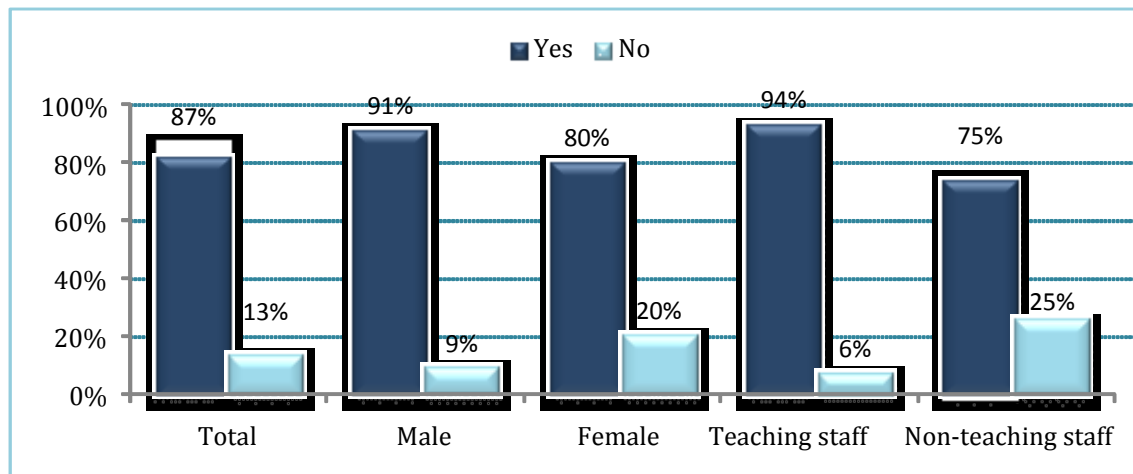


Figure 4.6: Employees with personal initiative in work performance

Results in Figure 4.7 shows majority of employees (87%) do take personal initiative. Looking at the category of teaching and non teaching staff, the results shows the number of those who do take personal initiative in their work rising to 94% for teaching staff and declining to 75% among the non-teaching staff. From the results it can be deduced that teaching employees work performance at KTTI was largely driven by employee's personal need for achievement. Similar findings by Sergiovanni (1967) also found that teachers obtain their greatest motivation through intrinsic factors and their greatest motivation factor was to reach and affect the lives of their students and secondly to receive recognition for a job well done.

4.4.2 Motivation to Work

Respondents who indicated that they had no personal initiative were asked to mention what then motivates them to work. This information is presented in Table 4.3.

Table 4.3: Factors motivating employees to good performance

| | | Remune- ration | Job Security | Work Environment | Supervis- ion | Nature of work |
|------------------------|--------------------|-------------------|-----------------|---------------------|------------------|-------------------|
| Total | | 27% | 7% | 20% | 40% | 6% |
| Gender | Male | 29% | 14% | 14% | 43% | 0% |
| | Female | 25% | 0% | 25% | 38% | 13% |
| Age | 20 to 30 | 0% | 0% | 0% | 100% | 0% |
| | 31 to 40 | 33% | 0% | 33% | 33% | 0% |
| | 41 to 50 | 14% | 0% | 28% | 43% | 14% |
| | 50 + | 50% | 25% | 0% | 25% | 0% |
| Years in service | 0 to 5 | 25% | 0% | 25% | 50% | 0% |
| | 6 to 10 | 0% | 0% | 33% | 33% | 33% |
| | 11 to 15 | 40% | 20% | 20% | 0% | 20% |
| | 16 to 20 | 30% | 20% | 30% | 0% | 20% |
| | Over 20 | 50% | 25% | 25% | 0% | 0% |
| Employe- ment terms | Permanent | 31% | 8% | 8% | 31% | 8% |
| | Contract | 0% | 0% | 0% | 100% | 0% |
| Employee category | Teaching | 33% | 17% | 34% | 0% | 17% |
| | Non-teaching | 22% | 0% | 11% | 56% | 11% |
| Education level | Primary | 0% | 0% | 0% | 100% | 0% |
| | Secondary | 50% | 0% | 0% | 50% | 0% |
| | Certificate | 33% | 33% | 0% | 33% | 0% |
| | Diploma Masters | 50% 0% | 25% 25% | 0% 25% | 25% 25% | 0% 25% |

Overall, majority of the respondents are driven by supervision (40%) followed by remuneration (27%) and work environment 20%, Job security and nature of work accounted for 7% and 6% respectively. Comparatively by gender category, only female respondents mentioned were driven by work environment and nature of work at 25% and 13% respectively while none of them (females) were motivated by job security. Another interesting finding was that only teaching staff with master's degrees mentioned they were motivated by the nature of work and work environment. These findings are supported by the empirical studies by Ogwu (2013) who also found that at higher occupational level, "motivators" or intrinsic job factors are more valued, while at lower occupational levels "hygiene factors" or extrinsic job factors are more valued.

4.4.3 Personal Initiative to Good Performance

Six survey items were used to evaluate employee personal initiative to good performance. The results are as shown in Table 4.4.

Table 4.4: Descriptive analysis of personal initiative to good performance

| | | Gender | | | Employee category | |
|---|-------------|------------|------------|------------|-------------------|--------------|
| | | Total | Male | Female | Teaching | Non-teaching |
| I am committed towards delivering high quality services | Mean | 85% | 86% | 85% | 89% | 77% |
| | RSD | 17% | 15% | 20% | 13% | 20% |
| I am held accountable for the quality of work they produce | Mean | 87% | 86% | 87% | 90% | 81% |
| | RSD | 14% | 13% | 15% | 12% | 16% |
| I am responsible for setting my own work targets | Mean | 71% | 72% | 69% | 81% | 53% |
| | RSD | 30% | 30% | 32% | 27% | 28% |
| My satisfaction at work is when I achieve my targets | Mean | 87% | 89% | 85% | 93% | 77% |
| | RSD | 16% | 15% | 19% | 11% | 20% |
| Employees in the institution are very creative and are not forced to work | Mean | 64% | 67% | 60% | 67% | 58% |
| | RSD | 20% | 19% | 21% | 18% | 23% |
| I work with minimal supervision or no supervision | Mean | 84% | 86% | 81% | 90% | 73% |
| | RSD | 24% | 22% | 27% | 18% | 29% |
| Overall Mean | Mean | 80% | 81% | 78% | 85% | 70% |
| | RSD | 20% | 19% | 22% | 16% | 23% |

The results indicate an average means score of 80%, although this figure marks significant differences across the attributes ranging from 64% to 87%. Overall, employees' creativity received the lowest score (64%). Looking at dispersion, the data indicates a high degree of agreement on responsibility for setting own work targets (RSD >20%). Additionally, notable difference of opinion is evident between teaching and the non-teaching staff, particularly in respect to responsibility for setting own work targets. This implies that intrinsic motivation factors affects employees motivation to work but at varying levels. These research findings corroborates with Kasser & Ryan (1996) findings that intrinsically motivated behavior satisfy innate psychological needs, including needs for competence and autonomy.

4.4.4 Correlation of personal initiative driving factors with employee work performance.

To triangulate the above analysis, the relationship between different personal initiative dimensions and ability of employees at KTTI to achieve high standards of work performance was examined using correlation analysis, which is a measure of the linear relationship between the respective survey items and overall employee satisfaction. Pearson's Product Moment Correlation Coefficient was computed in order to determine existing relationships. The results are shown in Table 4.5 below.

Table 4.5: Correlation of personal initiative driving factors with employee performance

| | Pearson Correlation | p-value |
|---|---------------------|---------|
| I am committed towards delivering high quality services | .323** | 0.001 |
| I am held accountable for the quality of work they produce | .230* | 0.018 |
| I am responsible for setting my own work targets | .407** | 0.000 |
| My satisfaction at work is when I achieve my targets | .459** | 0.000 |
| Employees in the institution are very creative and are not forced to work | .486** | 0.000 |
| I work with minimal supervision or no supervision | .402** | 0.000 |
| I am committed towards delivering high quality services | .323** | 0.001 |

NB **Correlation is significant at the 0.01 level (2-tailed).

* Correlation is significant at the 0.05 level (2-tailed).

Statistically, positive significance means an increase in value of the factor is likely to impact on overall work performance. On personal initiative there is high statistically positive correlation between all dimensions examined and the work performance. This indicates that improvements directed on these attributes are largely likely to have a meaningful impact on overall employee performance. These findings corroborate with Robert (2005) view that the managers duty is to ensure the work done through employees is possible, by ensuring employees are self motivated towards work rather than directed and employees should motivate themselves to work hard rather than wait for managers involvement in influencing their work performance

4.5 Growth Opportunities

The study also sought to determine how growth opportunities influence employee performance at KTTI. The respondents were asked various questions regarding this issue. The results are presented and discussed in this section.

4.5.1 Availability of training and development policy

The respondents were asked to indicate whether KTTI has a training and development policy in place. The results are graphically presented in Figure 4.7.

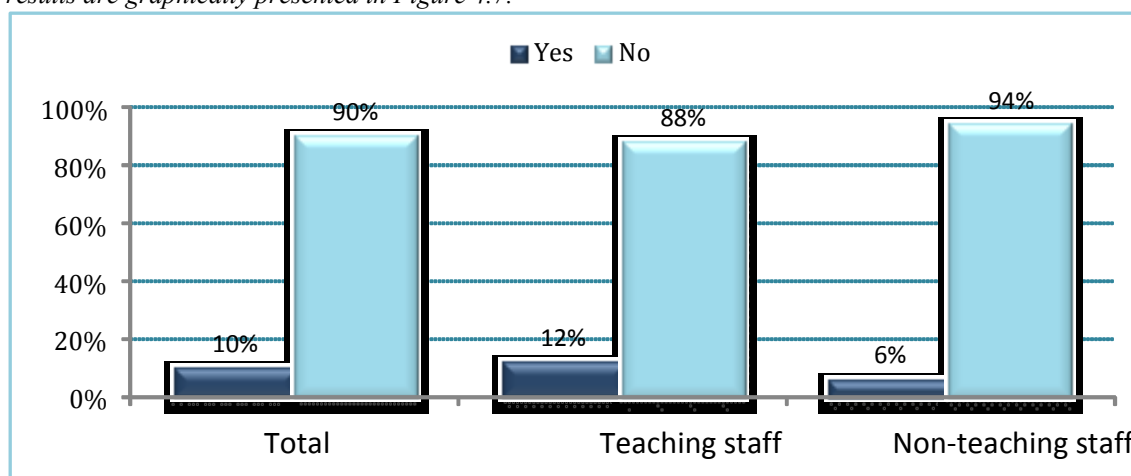


Figure 4.7: Availability of training and development policy

Majority of the employees (90%) said that KTTI does not have training and development policy. Members of the non-teaching staff overwhelmingly (94%) responded in negative. This implies the institution is not keen on

employee development and any training that is undertaken by the institute is not based on any guideline but only done to achieve its immediate goals. These findings are supported by Chay and Bruvold (2003) study which found that most of the organizations do not consider the employee developmental activities of much value. They only focus on achieving the goals of the organization and they do not care about the development of employees.

4.5.2 Institution training sponsorship

The respondents were asked to indicate whether they had ever been sponsored for training by the institution. The results are presented in Figure 4.8.

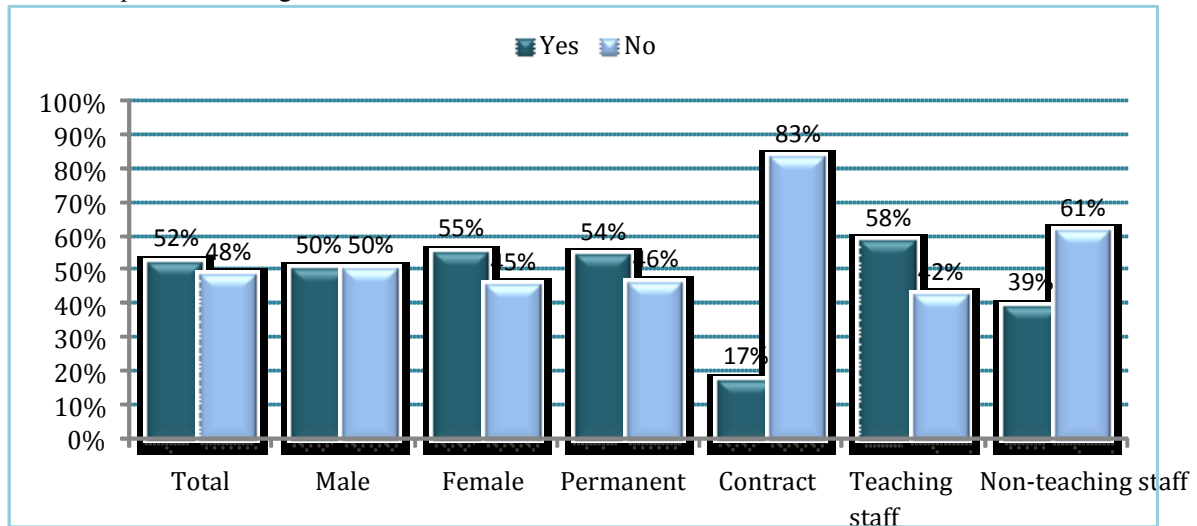


Figure 4.8: Training sponsorship

The results shows that more than half (52%) of the respondents had been sponsored for training by the institution. However, this sponsorship favoured mostly the permanent and teaching staff. However, since the core mandate of KTTI is training, the bias in sponsorship is understandable and also due to the fact that the teaching staff has a stronger trade union that is able to fight for their rights. The finding corroborates well with Brunello's (2001) findings that full-time workers are more likely to receive training than part-time workers; permanent workers receive more training than those on temporary contracts and countries with strong employee's trade unions density, stronger employment protection, and lower minimum wages, tend to show higher incidence of training.

4.5.3 Date of last training

In order to determine how frequent KTTI provides training for its staff, respondents were asked to state the year they attended the last training. The results are presented in Figure 4.9.

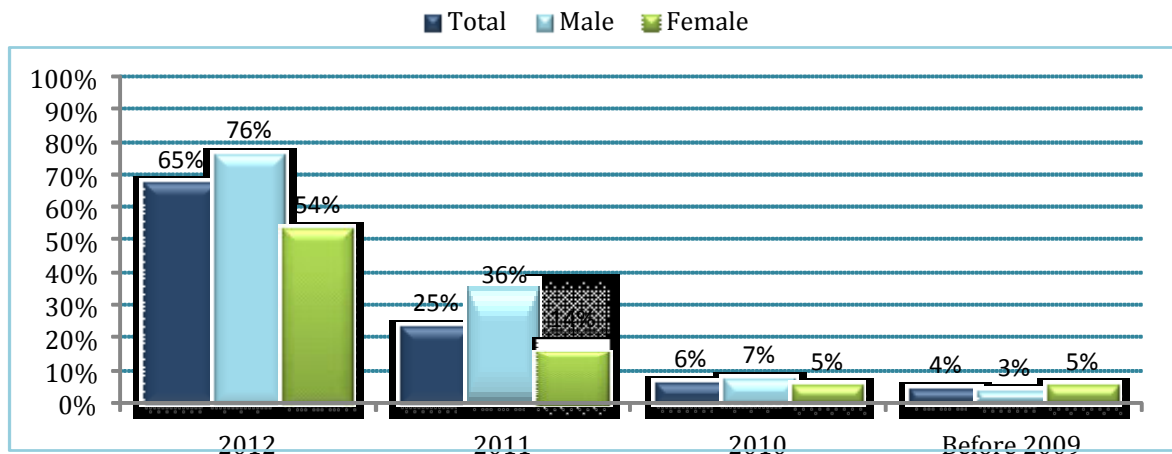


Figure 4.9: Date of last training

The results clearly shows that two thirds (65%) of the training sponsorship were provided in the last one year preceding the study (2012). Male employees benefited more in the training than female employees. The disparity in gender is due to the fact that males are highly more likely than females to participate in training especially when done outside the working place. The finding is consistent with Evertsson's (2004) study who found Sweden women are less likely than men to participate in formal on-the-job training.

4.5.4 Type of training attended

The respondents who had been sponsored for training by the institution were further asked to state the type of training they undertook and their response is shown in Figure 4.10

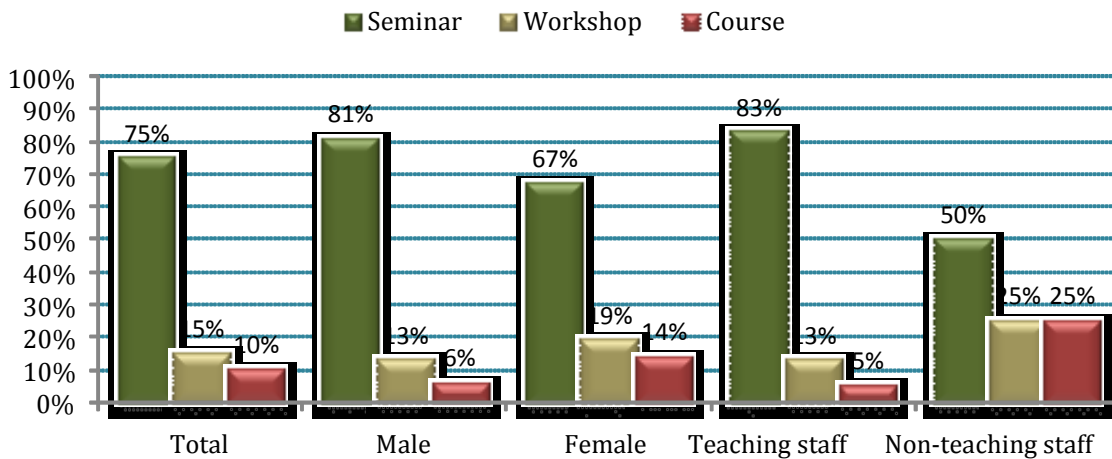


Figure 4.10: Type of training attended

The type of training attended was predominantly seminars as indicated by majority (75%) of the respondents, although looking at the employee category, a good number of non-teaching staff (25%) were sponsored to undertake a course of study. This could have been an effort to upgrade their education since majority (69%) had education qualification of below diploma level. The findings imply that KTTI has tried to vary the types of training in order to provide a variety of skills and knowledge to its employees. A similar research study by Kennedy (2009) found that for an organization to succeed and create a variety of training opportunities for all employees, training and development of all staff in form of workshops, conferences and seminars should be vigorously pursued.

4.5.5 Impact of training on work performance

To determine the impact of the training on work performance the respondents were asked to indicate whether the training had any impact on their work performance. The results are presented in Figure 4.11.

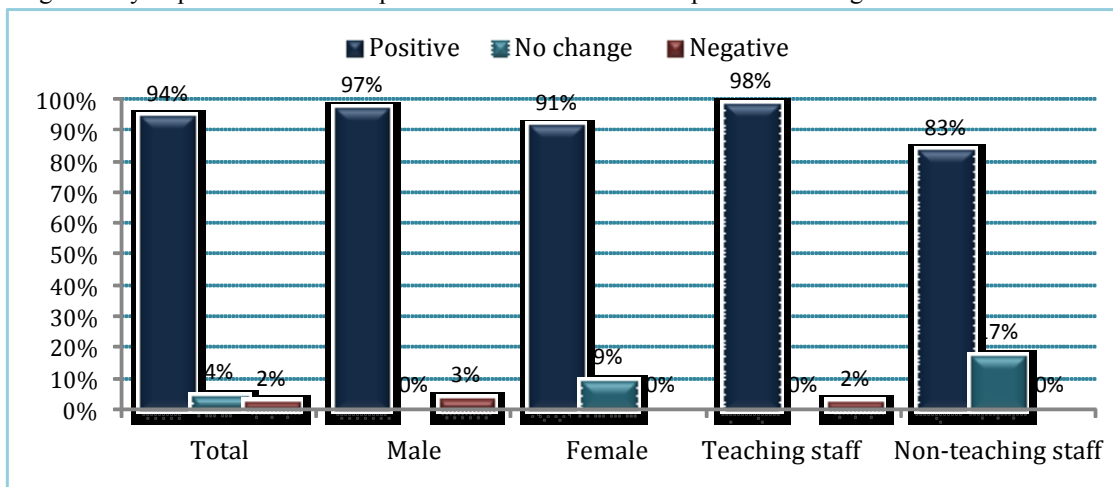


Figure 4.11: Impact of training on employee work performance

The results indicate that impact of the training attended were very positive as attested by 94% of the staff. A small proportion of the respondent (4%) felt no impact at all. Minority of the respondents (2%) felt the training

had negative effects; the former were the feeling of the female non-teaching staff while the latter were a feeling of male teaching staff. This implies the trainings met the expectations and needs of the employees by being relevant to their jobs and subsequently had a positive impact on work performance. Most of the previous studies provide similar findings that showed strong positive relationship between human resource management development and organizational performance, Purcell et al., (2003). Similarly, Guest (1997) found that training and development programs is one of the vital human resource management practice that positively affects the quality of the workers knowledge, skills and capability and thus results in higher employee performance on job.

4.5.6 Satisfaction with personal growth opportunities

Five survey items were used to evaluate employee views about opportunities for training and development. The results are presented in Table 4.6.

Table 4.6: Descriptive analysis of satisfaction with growth opportunities

| | | Gender | | | Employee category | |
|--|-------------|------------|------------|------------|-------------------|------------|
| | | Total | Male | Female | TS | NTS |
| I get the trainings I need to do my job | Mean | 34% | 33% | 36% | 33% | 36% |
| | SD | 16% | 15% | 16% | 14% | 18% |
| KTTI is good at identifying individual training needs | Mean | 32% | 32% | 33% | 32% | 33% |
| | SD | 13% | 13% | 12% | 12% | 14% |
| I take part in career development opportunities on a regular basis | Mean | 58% | 64% | 49% | 66% | 43% |
| | SD | 31% | 31% | 29% | 31% | 26% |
| I am well trained for the work that I am doing | Mean | 71% | 72% | 71% | 78% | 57% |
| | SD | 30% | 30% | 30% | 27% | 31% |
| I know how to effectively use the new technology and equipment | Mean | 67% | 68% | 65% | 73% | 54% |
| | SD | 32% | 32% | 32% | 31% | 30% |
| Overall mean | Mean | 52% | 54% | 51% | 56% | 45% |
| | RSD | 24% | 24% | 24% | 23% | 24% |

Compared to all other surveys dimensions, this one elicited the lowest overall mean score, recording 52%. Across gender, this ranged from 51% (Female) to 54% (male). Two items recorded mean scores below 50% mark i.e. the trainings opportunities and training needs identification. High scores in the respondent's response to ability to effectively use the new technology imply that they take part in private self-development. The finding corroborates well with a national survey of training and development in Ireland conducted by IEBC in 2003 that found employees were now taking more personal training ownership for their own development.

4.5.7 Correlation of growth opportunities driving factors with employee work performance

The Pearson's Product Moment Correlation Coefficient was computed for the purpose of determining the relationship between the growth opportunities driving factors with employee work performance at KTTI. The results are presented in Table 4.7

Table 4.7: Correlation of growth opportunities driving factors with employee work performance

| | Pearson Correlation | p-value |
|--|---------------------|---------|
| I get the trainings I need to do my job | .348** | 0.000 |
| KTTI is good at identifying individual training needs | .415** | 0.000 |
| I take part in career development opportunities on a regular basis | .410** | 0.000 |
| I am well trained for the work that I am doing | .493** | 0.000 |
| I know how to effectively use the technology and equipment | .457** | 0.000 |

NB: **Correlation is significant at the 0.01 level (2-tailed).

When it comes to growth opportunities there is high positive correlation between all dimensions examined and the overall performance. This indicates that improvements directed on these attributes are likely to have a meaningful impact on overall staff performance. The findings are in line with Benedicta (2010) study who concluded there is a positive relationship between training and employee performance since training generates benefits for the employee as well as the organization by positively influencing employee performance through the development of employee knowledge, skills, ability, competencies and behavior.

4.6 Recognition

The other objective of the study was to establish the extent to which recognition influence employee performance at KTTI. This section provides results and discussion of the findings regarding this variable.

4.6.1 Recognition for performance

The respondents were asked to indicate whether they had ever been recognized for good performance. The

results are presented in Figure 4.12.

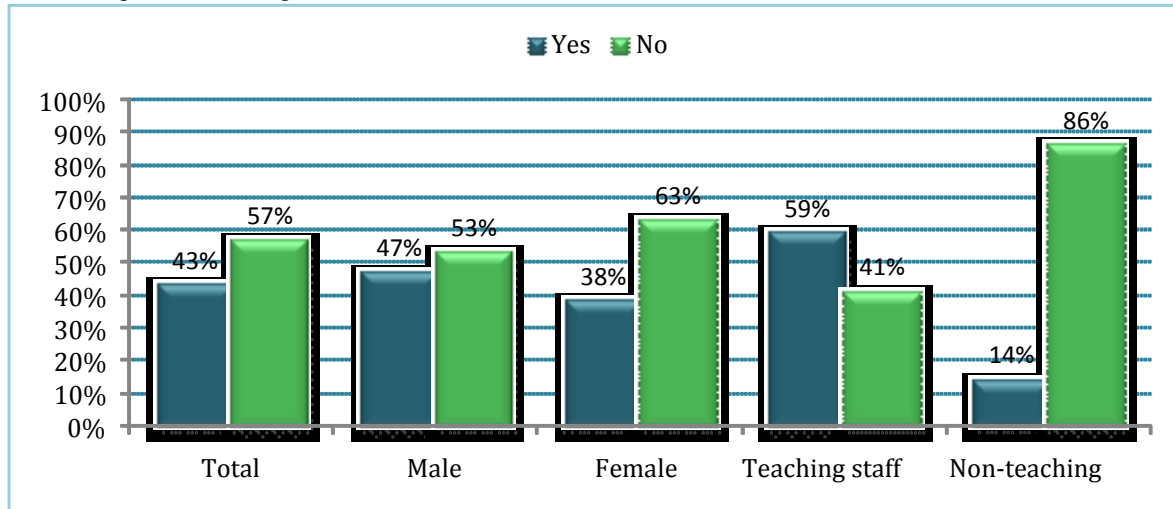


Figure 4.12: Employees recognized for good performance

More than half of the total respondents (57%) had never been recognized for work performance. Majority (63%) being female staff and the non-teaching staff (86%). It is important to note that only the best performers should be recognized, otherwise the reward strategy may become meaningless. Therefore, this implies KTTI only recognizes and reward only the exemplary performance. These finding supports Bradler et al., (2011) finding that scarce recognition that is only provided to the best performers in a group raises subsequent performance substantially.

4.6.2 Satisfaction with the reward

Those respondents who had been recognized for good performance were asked to state whether the reward strategies were satisfactory. The results are presented in Figure 4.13.

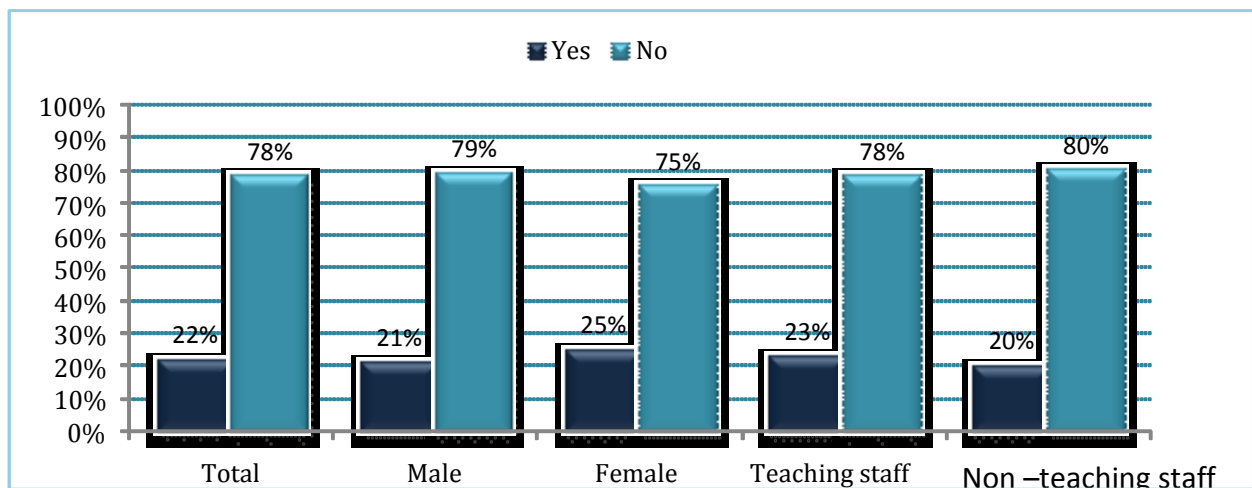


Figure 4.13: Satisfaction with the reward strategies

Majority of the respondents (78%) were not satisfied with the reward given. Across the demographic (Gender and employee category) no difference was noted on the feeling that the rewards were not satisfactory. The overwhelm dissatisfaction of the rewards given was a clear indication that the reward strategies did not meet the needs of employees. The finding supports similar study findings by Apeyusi (2012) where managers stated in no uncertain terms that their employees are not happy with the current reward systems being operated. The management were of the view that because human beings and therefore the employees had different needs to satisfy and should participate and agree on his/her own reward mix.

4.6.3 Reward strategies recommended by employees.

The respondents dissatisfied with the type of rewards given were asked to recommend the type of reward they would prefer in future. Table 4.8 shows the rewards respondents recommended.

Table 4.8: Rewards recommended by employees

| | Gender | | | Employee Category | |
|----------------------|--------|------|--------|-------------------|--------------|
| | Total | Male | Female | Teaching staff | Non-teaching |
| Promotion | 98% | 100% | 95% | 100% | 86% |
| Better remuneration | 72% | 72% | 73% | 65% | 93% |
| Cash gifts | 65% | 59% | 73% | 60% | 79% |
| Training opportunity | 57% | 53% | 64% | 58% | 57% |
| Annual award | 19% | 25% | 9% | 23% | 7% |

Given a choice on what rewards they would prefer in future, the respondents overwhelmingly showed preference to promotions (98%), better remuneration (72%), cash gifts (65%) and training opportunities (57%) in that order. This implies that the KTTI employees are not well remunerated to satisfy the physiological needs and thus cannot be motivated by higher-level needs. Previous studies concur with these results, with Hong et al. (1995) and an American survey of 612 employees reporting that cash incentives (year-end bonuses and dividends) and salaries, respectively, are among the top five motivational rewards for lower-level employees.

4.6.4 Satisfaction with recognition

The researcher used five items to evaluate the extent to which employees are satisfied with recognition for work performance at KTTI. The results are shown in Table 4.9.

Table 4.9: Descriptive analysis of employees Satisfaction with recognition

| | | Gender | | | Employee category | |
|---|-------------|------------|------------|------------|-------------------|--------------------|
| | | Total | Male | Female | Teaching staff | Non-teaching staff |
| KTTI gives satisfactory rewards for work performance | Mean | 53% | 55% | 49% | 60% | 39% |
| | SD | 24% | 23% | 24% | 22% | 20% |
| I am always appreciated for good performance in my work | Mean | 50% | 53% | 45% | 59% | 34% |
| | SD | 23% | 23% | 23% | 22% | 15% |
| I am rewarded fairly for good performance | Mean | 35% | 36% | 33% | 37% | 31% |
| | SD | 13% | 13% | 13% | 13% | 13% |
| My workmates appreciate my work performance | Mean | 90% | 92% | 86% | 93% | 85% |
| | SD | 20% | 18% | 23% | 18% | 23% |
| Overall Mean | Mean | 55% | 58% | 51% | 60% | 46% |
| | RSD | 21% | 20% | 21% | 20% | 18% |

The issue of fairness in rewarding recorded low level of satisfaction across the board (31% to 37%) while appreciation by workmates recorded the highest level of satisfaction (over 85%). This is an indication that the institution though recognizes good employee performance; the rewards provided do not satisfy the employees since they do not perceive the reward system as being fair. These findings are also supported by the empirical studies of Shore and Shore (2005) who also found that employees who are able to experience and receive fair recognition for their effort may have a better perception of their work, their workplace and the people they work for.

4.6.5 Correlation of recognition driving factors with employee work performance

The Pearson's Product Moment Correlation Coefficient was computed for the purpose of determining the relationship between the recognition driving factors with employee work performance at KTTI. The results are presented in Table 4.10.

Table 4.10: Correlation of recognition driving factors with employee work performance

| | Pearson Correlation | p-value |
|--|---------------------|---------|
| KTTI gives enough recognition and rewards for work well done | .389** | 0.000 |
| I am always appreciated for good performance in my work | .389** | 0.000 |
| I am rewarded fairly for good performance | .389** | 0.000 |
| My workmates appreciate my work performance | .285** | 0.003 |

**Correlation is significant at the 0.01 level (2-tailed).

The results indicate a positive relationship in all dimensions evaluated on this variable. This implies the variable is a major factor in influencing employee performance and if an improvement is made, there would be a resultant positive in work performance. The findings are in agreement with an empirical study by Khan at al., (2010) who found that reward is directly proportional to work motivation and performance of employees.

4.7 Promotion

The last objective of the study was to establish the extent to which staff promotion influence employee performance. Various questions were asked to assess this and the results are presented and discussed in this

section.

4.7.1 Promotions at KTTI

The respondents were asked whether they have ever been recognized since joining the institution. The results are presented in Figure 4.14.

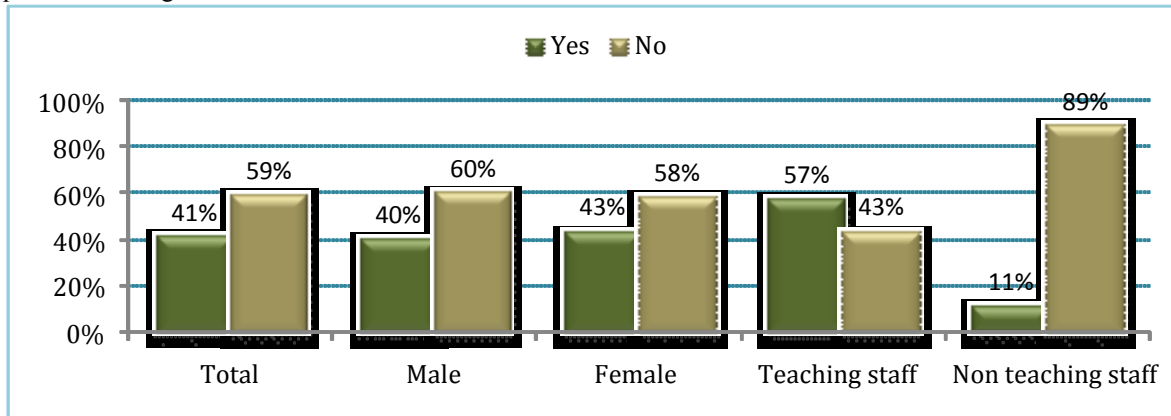


Figure 4.14: Number of employees promoted

The results indicate that promotions at KTTI are fairly distributed at 41%, although this number drastically reduces when it comes to the non teaching staff (11%). The few numbers of promotions to the non-employees could be attributed to the fact that the employee performance is mainly pegged on the student’s examination performance where non teaching staff has no direct input. The finding gives a clear indication that the institution does not have a promotion guideline for non teaching staff in place and therefore have few chances of being promoted and this may lead to job dissatisfaction. These findings are similar to Pergamit and Veum (1989) findings that established the greater the chances of promotion, the higher the job satisfaction of employees.

4.7.2 Date of the last Promotion

The respondents who had been promoted since joining the institution were asked when they were last promoted. The results are presented in Figure 4.15.

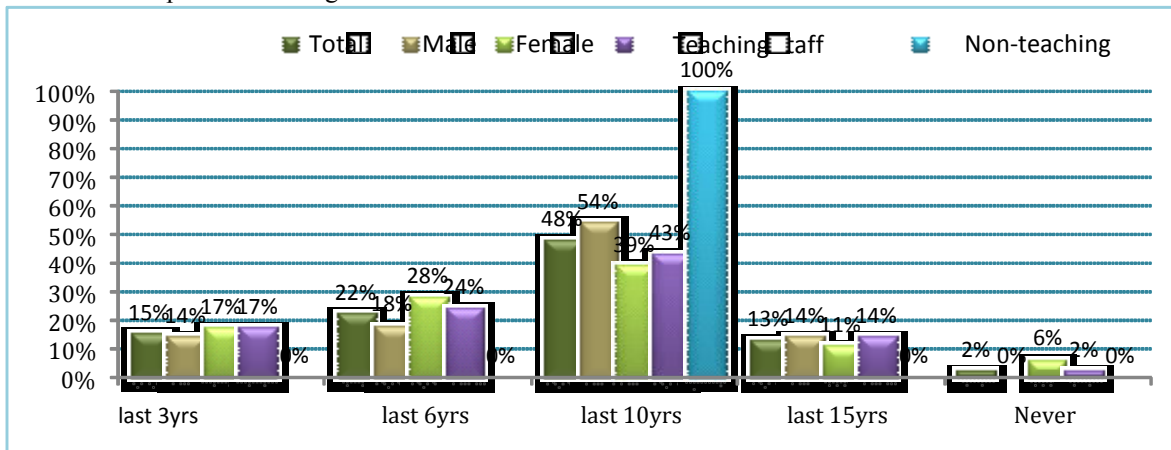


Figure 4.15: Date of the last promotion

From the findings, promotions at KTTI were rarely given; Figure 4.15 reveals that only 15% of the promotions had been awarded in the previous three years preceding the study. Most of the promotion occurred ten years ago (48%). Comparatively by employee category, the results indicated that promotions for non teaching staff were even scarcer having all occurred ten years ago. This implies that the last promotion for non-teaching staff was done en masse without any merit consideration and thus bringing job dissatisfaction. This corroborates very well with Akumu (2003) report of the Ministerial Committee on the problems facing national polytechnics and technical training institutions who found that some principals appointed junior personnel to senior positions while there were more senior staff available in the institution creating a lot of resentment.

4.7.3 Perceptions on Fairness in Promotion

The respondents were asked to indicate whether promotions are awarded fairly to all employees. The results are

shown in Figure 4.16.

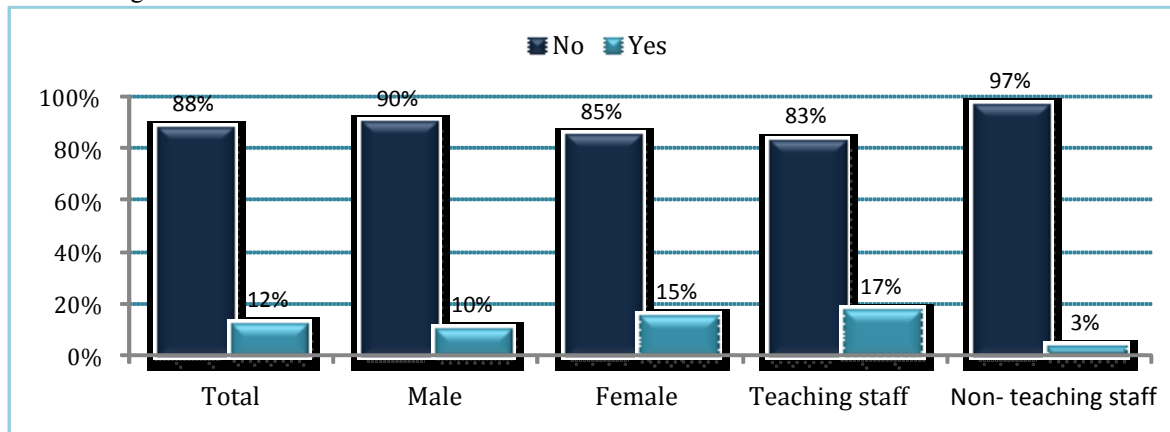


Figure 4.16: Employee's perception on fairness in promotion

Most employees (88%) think that promotions at KTTI have not been fair. This feeling is the same across the sub-group (Gender and Employer). The non-teaching staff recorded the highest dissatisfaction (97%). This can be explained by the fact that only a minority (11%) had ever been promoted. It is instructive to note that while a majority of respondents tend to think that the criteria for promotions are not fair, some thought otherwise. Obviously those who have made it successfully through the process are more likely to evaluate it more positively. The finding is concurs with a similar study by Strebler et al. (2006), observed the need to balance the perceptions with induction to ensure that everyone is fully aware of the possibilities as well as the requirements for accessing promotion opportunities.

4.7.4 Satisfaction with Promotions

Five survey items were used to evaluate employee satisfaction with promotions at KTTI. The results are shown in Table 4.11.

Table 4.11: Descriptive analysis of employees Satisfaction with promotions

| | | Gender | | | Employee category | |
|--|-------------|------------|------------|------------|-------------------|--------------|
| | | Total | Male | Female | Teaching staff | Non teaching |
| KTTI usually promotes the right person in the organization before hiring people from outside | Mean | 35% | 37% | 30% | 37% | 30% |
| | SD | 17% | 15% | 19% | 17% | 15% |
| I have clearly established a career path at KTTI | Mean | 50% | 55% | 43% | 55% | 42% |
| | SD | 25% | 24% | 26% | 25% | 25% |
| There is promotion and growth in employment at KTTI | Mean | 62% | 67% | 54% | 67% | 51% |
| | SD | 26% | 22% | 29% | 24% | 27% |
| I have opportunities for career growth within KTTI | Mean | 58% | 63% | 49% | 66% | 42% |
| | SD | 26% | 23% | 28% | 24% | 22% |
| The staff promotion scheme will make me work long for the institution | Mean | 55% | 60% | 48% | 59% | 49% |
| | | | | | | |
| Overall Mean | Mean | 52% | 56% | 45% | 57% | 43% |
| | RSD | 24% | 22% | 26% | 23% | 24% |

On average, results indicate relatively low score (52%), although this figure masks significant differences across the attributes ranging from 43% to 57%. The dispersion data indicates a low degree of agreement on internal promotion (RSD <20%) indicating not all employee disagreed. What stems from the findings is that KTTI employees are dissatisfied with the promotion system and nobody desires stagnation on their job, hence no job satisfaction can be gained from a job that does not recognize this and provide opportunities for growth and advancement. In a similar empirical study Bushe (2012) seems to support the findings by observing the importance to not only recognize the importance of promotion but also couple with the concept of distributive justice, transparency, openness in conducting promotion.

4.7.5 Correlation of promotion driving factors with employee work performance

The Pearson's Product Moment Correlation Coefficient was computed for the purpose of determining the relationship between the promotion driving factors with employee work performance at KTTI. The results are presented in Table 4.12.

Table 4.12: Correlation of promotion driving factors with employee work performance

| | Pearson Correlation | p-value |
|--|---------------------|---------|
| KTTI usually promotes the right person in the organization before hiring people from outside | 0.223* | 0.023 |
| I have clearly established a career path at KTTI | 0.325** | 0.001 |
| There is promotion and growth in employment at KTTI | 0.033 | 0.743 |
| I have opportunities for career growth within KTTI | 0.161 | 0.103 |
| The staff promotion scheme will make me work long for the institution | 0.117 | 0.236 |

**Correlation is significant at the 0.01 level (2-tailed).

* Correlation is significant at the 0.05 level (2-tailed).

In respect to promotion, significant correlation is shown to exist between two variables and staff performance: Internal promotions ($r = 0.223$, $p < 0.05$); and career path ($r = 0.325$, $p < 0.01$). This implies that improvement of the two attributes especially on internal promotions is likely to have a positive impact on staff performance. A similar study by Masaiti (2011) found that a large proportion of respondents perceived their promotion opportunities based on unfair policies despite the fact that promotions in workplace are valued by employees because with promotion comes a higher salary and more responsibilities.

5. SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This section summarizes the outcome of the study. It provides a summary of findings and their interpretation and then lays down the conclusions drawn from the findings. The researcher then provides recommendations on the gaps identified in the study. Lastly, the researcher gives recommendations for further research in this area.

5.2 Summary of findings

The research study aimed at investigating the effects of reward strategies on employee performance at KTTI. Specifically, the study was aimed at fulfilling the following objectives; to determine the extent to which personal drive for achievement influence employee performance at KTTI; to determine how growth opportunities influence employee performance at KTTI; to establish the extent to which recognition influence employee performance at KTTI; to establish the extent to which staff promotion influence employee performance at KTTI. The study used a descriptive research design and the target population included all the 270 employees of KTTI. The study employed stratified random sampling to select a sample of 159 respondents from employees. The researcher used a questionnaire as the main data collection instrument and consisted of open ended and closed ended questions and it was administered through hand delivery. A total of 126 questionnaires were filled and returned by the respondents. Data analysis was aided by SPSS and was in descriptive statistics such as frequency distributions tables, and graphs. Qualitative data from open ended questions was analyzed using content analysis and presented through narratives.

Pearson's product moment correlation was used to determine the relationships between various dimensions of reward strategies and employee performance based on the sample used in the study and more specifically to indicate the influence of reward strategies on work performance. The results indicated that there is a statistically significant relationship between reward strategies and employee performance. The study revealed that if rewards strategies offered to employees were improved then there would be a corresponding change in work performance. The results of this study also indicated that employees were less motivated by the current rewards strategies provided by KTTI.

5.2.1 The influence of personal drive for achievement on employee's performance at KTTI.

An overwhelming (87%) of the respondents do take initiative in their work performance. Majority of the respondents (40%) who had no personal initiative were influenced by supervision followed by remuneration (27%) and work environment 20%. Comparatively by gender it interesting to note only female mentioned that they are driven by work environment and nature of work at 25% and 13% respectively. Another interesting finding is that only teaching employees with Masters Degree indicated that they are influenced by the love of their work. Other factors other than salary and reward found to influence work performance include; professional ethics (37%), love of work (27%), career progression (26%), job security (23%), discipline (20%), personal sacrifice/value/principle (19%), work environment (12%), respect for management (12%), and strict supervision (12%).

Results from descriptive statistics in terms of arithmetic mean and standard deviation show relatively high score

(80%) in all attributes of personal need for achievement although there is notable difference of opinion between teaching and non teaching staff with non teaching staff getting lower scores particularly in respect to setting own targets. The results from the inferential statistics i.e. Pearson's Product Moment Coefficient showed all attributes of personal need for achievement are significantly related with employee performance scoring an average score of $r = 0.375$, $p < 0.01$. This means if the attributes for personal need for achievement were to change, there would be a resultant change in work performance. Focusing on intrinsic motivation could to be the smartest and cheapest thing to do and it would be wise for KTTI to focus on rewards that have a positive impact on intrinsic motivation. In addition, intrinsic motivation has a longer lasting effect than extrinsic motivation (Frey & Jegen, 2001). Reeve and Deci (1996) conducted a study on the factors that have an impact on intrinsic motivation and found that getting positive performance feedback in the presence of another doing the same activity is more facilitative of intrinsic motivation than winning a competition or reward against another.

5.2.2 The influence of growth opportunities influence on employee performance

Findings of the study noted lack of training and development policy in the institution as attested by majority (90%) of the respondents although there has been training sponsorship by KTTI to at least half (52%) of the staff, however this sponsorship favoured the teaching staff more. Two third of the training sponsorship were provided in the last one year preceding the study (2002) and were predominantly seminars and workshops. This is an indication that the institution is only keen on capacity development geared to solve short term needs. The impact of the training to employees was found to have impacted positive to employee's performance. Employee views were that opportunities for training and development were limited since majority does not take part in career development opportunities.

Results from the descriptive statistics showed an overall mean score of 52%, an indication that about half of the employees were satisfied with the various dimensions of growth opportunities. When it comes to inferential statistics, the results indicate a high positive correlation between all variables under this dimension and the overall employee performance, ranging between $r = 0.348$, $p < 0.001$ and $r = 0.493$, $p < 0.001$. This indicates that improvements directed on these attributes are likely to have significant and positive impact on overall employee performance. Owen (2006) study on the relationship between training and organizational outcomes found that to be true. He found that employee's in training programs will report higher levels of commitment and will be less likely to consider quitting the job.

5.2.3 The influence of recognition on employee performance

Majority (57%) of the respondents indicated that they had never been recognized for their performance. More than three quarter of those who had been recognized indicated that they were not satisfied with the reward they received. Given a choice, employees of KTTI would prefer promotions, better remuneration, cash awards and training opportunities as rewards. Results of the descriptive statistics in terms of arithmetic mean and standard deviation, recognition recorded low levels of satisfaction with a mean value of 50%.

The inferential statistics indicated a significant correlation of all recognition attributes evaluated, ranging from $r = 0.285$, $p < 0.001$ to $r = 0.470$, $p < 0.001$, an indication of a significant correlation between recognition and overall employee work performance, indicating that recognition is a high driver of staff performance. Supporting this conclusion is a similar study by Neckermann et al. (2010) that analyzed a firm's data to compare the behavior of employees receiving an award with observationally similar employees not receiving an award. They found that awarding recipients significantly increase performance as compared to non-recipients.

5.2.4 The influence of promotion on employee's performance.

The findings revealed that promotions at KTTI are fairly given at 41% overall, although this figure drastically reduces when it comes to the non-teaching staff as only 11% had been promoted. The promotions are also rare as only 15% of the promotion have been done in the previous three years preceding the study. Further, most employees thought that promotions at KTTI have not been fairly awarded as 88% of the respondents felt that KTTI does not usually promotes the right person in the organization before hiring people from outside.

On average, results from descriptive statistics arithmetic means indicated mixed scores, ranging from a low of 35% to a high of 62%. While the dispersion data from the standard deviation showed a low degree of agreement on internal promotions (RSD < 20%) indicating not all employees disagreed. Results from inferential statistics showed existence of significant correlation between two dimensions of the variable and employee performance, i.e. internal promotions ($r = 0.223$, $p < .005$); and career path ($r = 0.325$, $p < 0.001$), indicating that any improvement in the two dimensions is likely to have a positive impact on staff performance. A study by Kelly and Radford (2001) found more failure rate when the employees are hired externally than when they are promoted internally. However, according to Baker et al. (1988) research study, promotion was not found to be an incentive device, thus the optimal results cannot be generated by promoting the employee in the organization.

5.3 Conclusions

From the findings of the study, it can be concluded that there is a direct and positive relationship between reward strategies and employee performance. Hence, if rewards strategies offered to employees were to be altered, then

there would be a corresponding change in employee work performance. The study established that employee's personal drive for achievement plays the larger part in motivating and inspiring the KTTI employees to perform beyond average. The employees with higher levels of education were more influenced by intrinsic motivation factors e.g. love of work, therefore it can be concluded that education enhances employee's personal need for achievement. The reward strategies available for KTTI employees were unsatisfactory and given a chance to what they would prefer, respondents overwhelmingly showed preference to promotions, better remuneration, cash gifts, and training opportunity. The promotion process was observed to be very slow and unfair especially to non-teaching staff despite it being the employees' favourite preference reward strategy. This is due to the fact that a good promotion strategy entails salary increase, more benefits and power. It is evident from the study that a variety of factors influence employee motivation and satisfaction.

Finally, a well managed reward strategy is a motivator of high employee performance. Both intrinsic and extrinsic motivation factors are important in influencing employee performance and to ensure the success of reward strategies, it is imperative to consider the uniqueness of the situation and the needs of the different category of employees in designing the reward strategies. The conclusions are supported by numerous other research studies indicating that monetary compensation, recognition, job security, upward mobility potential, individual growth and a sense of accomplishment are all important and enduring factors in a worker's analysis of the motivational facets of a job, Dubinsky et al., (1993), Efraty and Wolfe, (1988). In addition, the employees' responses to the study correspond to theories such as Maslow's Hierarchy of Needs and Equity Theory. According to the theories, managers must consider employee's needs to fairly provide the appropriate motivation strategies.

5.4 Recommendations

The main objective of this study was to investigate the effects of reward strategies on employees performance at KTTI. The findings highlighted those reward strategies that are inadequately provided and therefore are of concern to the employees. Recommendations that follow are aimed at specifically improving these areas of concern in order to enhance employee work performance.

5.4.1 Personal drive for achievement

The management of KTTI needs to leverage on the intrinsic motivation factors by providing a working environment that encourage employee's strong need for achievement in their jobs and permitting employees to exercise their own sense of judgment. The KTTI management should make the employee work interesting and enjoyable. Examples of intrinsic factors that management can use are ones which are associated with the work itself, freedom to set own goals, supportive and understanding co-workers, freedom for creativity in their job jurisdictions etc.

5.4.2 Growth opportunities

In today's knowledge economy competitive advantage is increasingly coming from the hard-to- duplicate know-how of a company's most skilled employee and one of the most important benefits that can be offered by the institution is employee's personal development. For any organization to succeed, training and development of all staff in form of courses, workshops, conferences and seminars should be vigorously pursued. From the findings, most KTTI employees want to learn more, enlarge their education, and become more valuable to the institution. The KTTI should therefore take advantage of that mindset to develop and maintain a training and development policy for all cadres of staff to create lifelong learning opportunities since employees need to be continuously trained to acquire and improve their technical skills since technological, legal and other environmental and professional changes take place continuously.

5.4.3 Recognition

The institute should establish a criterion for recognizing good performance to ensure the whole process of reward strategy is deemed fair by all employees. This also gives employees with information of behaviors and actions acceptable in the organization. Judging by the level of concern by the employees about their satisfaction with the type of the rewards given, then it is fundamental that the institute involves employees in identifying reward strategies that are appropriate to their individual needs. It is also important for KTTI to create a culture that rewards information sharing since important networks, technical knowhow as well as vital operational details may be lost forever if not captured or shared. According to Expectancy Theory, employee motivation increases when meaningful rewards are given to those employees who effectively transfer knowledge (Vroom, 1964).

5.4.4 Promotion

The KTTI should design an attractive scheme of service for its employees to enhance retention. During the designing, it's imperative to benchmark with the industry and across industries by comparing against the very best in their own sector and beyond like the universities and the private sector in order to avoid such organizations attracting it's well trained and experienced employees. The institution should also have a fair and structured method of identifying teachers for promotion by the Teachers service commission. Finally, promotion

through the ranks, rather than external appointments should be the preferred method of recruitment. This recommendation is similar to Akumu (2003) recommendations to TVET institutions that when making appointments to positions of responsibility preferences should be given to the staff in the institution so long as they qualify.

5.4.5 Recommendation for further research

The study focused on positive influences of personal drive for achievement, growth opportunities, recognition, and promotion opportunities on employee performance. However, a reward strategy could backfire and bring the exact opposite of the desired behavior. Therefore, a similar study should be carried out to examine the negative effects of the reward strategies in an organization. The findings will alert managers be on the lookout for any undesirable behaviors to find out whether it can be traced back to a company's reward strategy.

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