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The Effects of Rewards and Recognition on Employee Performance in Public Educational Institutions: A Case of Kenyatta University, Kenya

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Keywords: attitudes, compensation, productivity, recognition, performance, motivation.

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Chapter One

I. Introduction

a) Background to the Study

According to Boeuf (2010), the only way the employees will fulfill a dream is in sharing it. Above all, reward schemes provide mechanisms for this to happen. Likewise, you get more of the behavior you reward. You don't get what you hope for, wish for or beg for. You get what you reward. Reward Systems (2008). This means that the main aims of the reward schemes are to attract new employees to that specific institution, elicit good work performance and to maintain commitment to that organization. Torrington et al. (2005) correspondingly observe that reward schemes help to maintain the "psychological contract". Furthermore, it indicates what behavior the organization values coupled with what is paid for, Reward Systems (2008). Comparatively, if an institution values team work, then a team bonus of some kind is provided. This psychological contract will somehow determine what the employees perceive to be "fair" in terms of the reward for the work they do, Reward Systems (2008).

Deviant behaviors like theft in the work place are often due to an attempt to restore "fairness", to the remuneration, Torrington et al. (2005). Violation of the psychological contract is likely to cause problems with employees more than any other single factor, Reward Systems (2008). This can be supported by The Porter and Lawler Model which suggests that the actual performance in a job is primarily determined by various factors: the effort spent by a person's ability to do the job and the individual's perception of what the required task are Shah and Shah (2007). Kelly (1999) for instance suggests that a movement to school based reward schemes can increase the precision at which resource are allocated by encouraging the alignment from top-down setting organizational goals and from bottom-up setting since the teachers are gaining feedback and benefit from better resource allocation and policy coherence.

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Victor (2006) reiterates that in the last ten years many countries have been able to adopt pay for performance strategies to improve on the more traditional salary scales. Correspondingly, (UNDP, 2006) illustrates that motivation is a critical dimension of capacity, defined as the ability of people, institutions and societies to perform functions, solve problems and set and achieve objectives. In the same way, (UNDP, 2006) endorses the factor of whether sanctions exist in case of poor performance. Many analysts have put the argument forward that performance based pay systems improve administration of schools. Little, Goe, and Bell (2009) in turn claims that under the system of performance based pay, administration has knowledge of the quality of teachers in all the classrooms. In that case, they argue that it's possible to evaluate teachers, rather than the formative mode generally used and so more objective decisions about the teacher quality are made.

Reference for Business: Encyclopedia of Business (2009) proposes that it is therefore essential for the success of the organization to reward innovators for their various contributions. However, most profit-sharing programs require an employee to have taken part in the program for a number of years before receiving any monies. Kerr and Slocum (1987) point out that its main shortcoming is that it is awarded to all employees and that this tends to dilute individual contributions. Emerson (2007) proposes that a recognition scheme may have monetary value for example luncheon, gift certificates or plaques. He however insists that money in itself is not given to recognize performance. Reward and incentive systems are therefore fundamental in developing capacities and translating developed capacities into better performances says (UNDP, 2006). The paper argues that a performance based policy which involved some monetary component would attract teaching talent by providing rewards that motivate a larger group of people.

These rewards can be given in various forms which include profit sharing schemes, stock options and recognition programs among others. Lusthaus (2002) says that profit sharing is a strategy of creating a pool of monies to be disbursed to employees by taking a stated percentage of a company's profit. The idea behind this scheme is to reward employees for their contributions to a company's achieved profit objective. Bennel and Acheampong (2007) reiterate that there are increasing hours of work, large class sizes, more subjects and a constantly changing curriculum are also major de-motivators. They argue that work and living environments for many teachers are poor, which leads to development of a sense of low-esteem and general de-motivation. Housing is a major issue for nearly all teachers. Individual teacher characteristics have also impacted motivation levels. These characteristics include such factors as age profile of teachers, Bennel and Acheampong (2007). The age profile of teachers has become younger due to the boom of primary and currently secondary school enrollments and/or higher levels of teacher attrition. Bennel (2004) add that the failure in providing additional incentives to work in remote rural schools has been a major de-motivator.

Bennell and Acheampong (2007) observe that relationships between many African governments and teachers are strained and turning sour. The teachers as a group have been occasionally targeted by governments. A good example is Zimbabwe. Teachers' union leaders have also been imprisoned and tortured; examples are Burundi, Zimbabwe and Ethiopia. According to a Speech delivered by Francis Okoma-Okello, Chairman of Barclays Bank Kenya Limited (2008), reward schemes have also been used to ensure good governance in Africa. An example is The Mo Ibrahim Foundation which was launched in October 2006 to support good governance and great leadership in Africa. Its main aims are to recognize excellence in African leadership and also to provide a practical way in which leaders can build positive legacies when they leave national office. The foundation I also meant to stimulate debates on quality of governance and major governance issues in Africa and develop leadership and governance capacity in Africa Mo Ibrahim Foundation, (2006)

i. *Rewards Schemes in Higher Institution in Kenya*

Kenya has experienced fast growth in the last three years. This has been done through strict follow-up of the *Kenya vision 2030,* (2008) policy document. The policy was created under the guidance of Economic Recovery Strategy for Wealth and Employment creation. According to the policy document, Kenya has railed back to rapid growth and development. *Kenya vision 2030,* (GoK, 2008), covers period 2008-2030 and its objectives are to transform Kenya into industrializing middle- income country providing high quality life to all its citizens by the year 2030 GoK (2007).Riechi (2010) observes that effective labor and Human Resource Development (HRD) is an important ingredient for national economic competitiveness, social well-being and political democracy for any developing economy. Currently, Kenya has seven public universities and twenty three private universities (Ministry of Education, 2009). It also possesses other public institution which includes the country's higher education and training institutions like polytechnics which impart industrial and technical skills into the country.

Equally important is the research by Universities and Economic Development in Africa, (2011) who notably claim that Kenyan Higher education sub-sector has serious flaws which need to be addressed. These issues are improving access and equity at all levels. The document argues that quality, internal efficiency, gender

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equity and responsiveness to labor market are holes in the higher education linen which need to be mended. However, according to Universities and Economic Development in Africa (2011), in the last two decades Kenyan Higher education systems have taken drastic measures in order to counter financial instability. This has been done through such strategies as cost sharing through fees and student loan systems. They argue that the measures have increased equity gap and the effective cost recovery modules instituted have enabled the government to build a suitable be for financing Higher education through provision of student loans. Because of financial instability, let alone the basic pay, incentive and reward schemes are not well instituted and coordinated. In fact, most causes of industrial unrests by University Staff are cited as low salaries and poor welfare, Waswa and Katana (2008). This seriously affects motivation, innovation and quality of service delivery levels. Strikes of staff in all public universities are controlled by the same body, University Academic Staff Union (UASU).

Other players in management are Inter Public Universities Council Consultation Forum (IPUCCF). The basic pay of the Public University teaching staff is bench marked with the civil service salary structure. However, the staff view the civil servants as their "unequal" and so the aspect of being undervalued arises and hence being underpaid. This lowers the motivation levels drastically and can lead to brain drain and so another blow to capacity building in the country, Waswa and Katana (2008). Waswa and Katana (2008) conducted an opinion survey to collect data from Kenya's Public University academic Staff. The staffs who were involved in the survey were those who attended the VicRes Conference in Jinja, Uganda, in March 2008. Some data was also collected from the authors host institution. Up to 76% of the respondents singled- out in the survey said that improvements in salaries and benefits are most important in preventing industrial actions. If this could be achieved, then there would also be enhancement of performance and productivity of academic staff.

According to the Government of Kenya (GoK, 2010) report on Evaluation of Performance and Contracting, proposals were put across that the Government introduces reward and sanctions scheme to boost the impact of Performance contracting in the public service. These proposals have been informed by the fact that public officials would feel more enthusiastic participating in an exercise that promises some reward. Further, 92% of the institutions sampled would want performance contracting to be linked to some system of reward/sanction so long as the reward scheme is objectively and transparently agreed upon at the beginning of the year. Rewards will also ensure that employees are motivated. It is on this basis that examination of how reward schemes contribute to staff motivation and output become necessary.

b) Statement of the Problem

In the last decade, staff reward and recognition schemes in public service have received much attention. However, their utilization remains questionable since some have not yet been effectively implemented. According to Evaluation of Performance Contracting Report (March, 2010) from the office of the prime minister, a culture of professionalism, competitiveness, innovation and target setting is being inculcated into the public sector. This, they plan to do through Performance Contracting (PC).

Waswa and Katana (2008) demonstrate that pay for performance system has two advantages in the organizations practiced; attracting high-quality employees and secondly motivating employees to exert more effort at their jobs. Is there any evidence that the schemes have the capability to complement quality of service delivery in terms of staff work output? What types of rewards and recognition are offered in Kenyatta University? How do they contribute positively to job performance and motivation? This study therefore, seeks to fill this knowledge gap by investigating the effects between rewards and recognition on employee performance in educational institutions with special focus on Kenyatta University, Kenya.

c) Objectives of Study

i. *General Objective*

The study's main objective was to investigate the effect of rewards and recognition on employee performance in educational institutions with special focus on Kenyatta University, Kenya.

ii. *Specific Objectives*

The specific objectives of the study were;

i. To investigate the effects of intrinsic rewards on performance of Kenyatta University employees.
ii. To investigate the effects of extrinsic rewards on performance of Kenyatta University employees.
iii. To determine whether recognition rewards affects job performance of employees in Kenyatta University.
iv. To determine whether financial rewards affects job performance of employees in Kenyatta University.
v. To investigate the effects of work environment on performance of Kenyatta University employees.
vi. To determine the effects of Leadership styles on performance of Kenyatta University employees.

d) Research Questions

The following research questions guided the study:

i. How do intrinsic rewards affect performance of Kenyatta University employees?
ii. How do extrinsic rewards affect performance of Kenyatta University employees?
iii. How do recognition rewards contribute positively to job performance in Kenyatta University?
iv. How do financial rewards contribute positively to job

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performance of employees in Kenyatta University?

v. How does the work environment affect performance of Kenyatta University employees?

vi. How do leadership styles affect performance of Kenyatta University employees?

e) Significance of Study

University Academic Staff Union (UASU) has increasingly called for strikes and other industrial measures when the employees, University administration and the government fail to agree on issues especially those related to pay. The measures happen at the same time in all public universities leading to loss of academic hours, poor student performances, low job satisfaction, poor staff motivation and other last resort actions from employees like brain drain. In any organization, there is a strong and positive effect of rewards and recognition on job motivation and satisfaction and this study will contribute to the understanding of how the management of an organization can stimulate creativity and foster in its staff the desire to succeed and to achieve self-fulfillment through their work. The study will provide knowledge in the role of rewards in determining significant job performance and how they are positively associated with the process of motivation and hence lead to better understanding of problems in achieving job satisfaction. Specific knowledge in how to determine the balance between employee commitment and performance in Kenyatta University is needed by management in order to make reward and recognition programs more relevant and effective. By doing this, the management can improve planning and delivery and ensure that benefits, rewards and recognition are properly aligned. The study provides insight on how the management can find fresh ways of motivating employees with relevant benefits and rewards.

The findings of this study hopefully will enable academicians and researchers to understand how incentives, rewards and recognitions impact employee motivation in an organization. It is in this light that I decided to undertake a survey which would provide insight on some issues which underlie reward and recognition schemes in Kenyatta University. With this research, it is possible to improve levels of understanding of the role of reward schemes in Kenyatta University, improve available literature on the effects of reward scheme on staff motivation and moreover, fulfill MBA requirements of Kenyatta University. The study also offers recommendations which can be used to make the Scheme more performance based and increase motivation and innovation.

f) Scope of the Study

My target groups in scope for reward and recognition programs were teaching and non-teaching staff of Kenyatta University. The area of residence targeted was Kenyatta University main campus, Nairobi. This is for its possession of the main Human Resource Office and staff registry where relevant employee data of the whole of the Kenyatta University and its fraternity campuses can be found. Data was collected by use of questionnaires administered to teaching and non-teaching staff of Kenyatta University. The fifteen questions asked were deliberately tailored to expand areas of knowledge from target questions poised. Eight of the questions were related to demographic information, twelve questions collected information on extrinsic rewards, twelve questions on intrinsic rewards, six on financial rewards, six on recognition rewards, eight on working environment, eight on leadership styles and the final twelve questions which collected information on performance. The questions were as general as possible so that the areas of enquiry could be amplified in another more specific questionnaire. A copy of the questionnaire to be used can be found in the appendix.

g) Limitation of study

The major limitation the study envisaged regarded the possibility of some employees being reluctant to provide information for fear of victimization in case they were critical of the reward program. However, the study strived to fully explain the intention of the study and assured confidentiality.

h) Organization of the Study

The first chapter of the project describes the importance of the research providing the basic background information of the problem. This also includes statement of the problem which is the question the study wants to answer. Subsequently, the first chapter also provides the research questions, objectives, scope and the limitation of the research. The second chapter was the literature review. The researcher clearly reviews major works on the topic and indicate what the arguments are. The researcher in this section shows an awareness of what has been written on the project, what evidence was used, what theories were applied and besides that what arguments were made. In short, it will explain the theory used and why.

The third chapter is methodology which presents an overview of the methods which were used in the research. It covers such areas as sampling design, how the sample size is calculated or selected, the sampling procedure used and of course data collection and analysis. The next part was the reference part which contains the bibliography to the major sources the researcher used in the study. The appendices part comes last and contains the letter of introduction to the respondents, the draft questionnaire used, estimated research financial budget and indeed the research proposal time frame. The questionnaire was structured with closed-ended questions. Respondents were asked to mark the appropriate boxes

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matching the correct answer. The other questions however required the respondents to give opinions.

Chapter Two

II. Literature Review

a) Introduction

This section reviews literature related to the study. These include: Motivation theories and issues in general rewards and recognition schemes, types of rewards and recognition schemes and motivational aspects of reward and recognition schemes in work environments.

b) Theoretical Review

Rewards and recognition are used either to reward an employee for eliciting desired behavior or recognize an employee for exemplary results, Pruden (n.d.). Subsequently, the purpose of many rewards and recognition programs are multi- layered but motivation of employees to increase performance is the key objective in reaching corporate goals. This is because motivated employees perform. So, what is motivation? Duorojaiye (2002) claimed that motivation is a general term for factors that make one's intent on a particular behavior. He provides the factors as needs, drives, motives, incentives, urges and goals. He insists that motivation satisfaction depends solely on the demands of the situation. Morris (2006) postulates that staff individual performance is shaped by the nature of the rewards, attitude of the staff and knowledge of reward schemes.

What is employee motivation? Donata (2011), states that there are two types of motivation; intrinsic motivation and extrinsic motivation. He defines employees motivated by incentives and external rewards as extrinsically motivated and those who simply self motivate as intrinsically motivated employees. However, he suggests that it should not give way to the assumption that intrinsically motivated employees do not want rewards for their performance nor that extrinsically motivated workers have no job satisfaction. Various theories have been used to advance employee motivation. Maslow argued that people are motivated by a series of five universal needs. Carlson (2000) observes that Maslow`s needs are ranked in a hierarchical manner. The basic needs were classified as physiological, safety, belonging and love, esteem, and self-actualization needs. Physiological needs are deemed as the lowest of all the needs. Maslow observed that the lower needs must be satisfied before moving upward to the higher need. The highest need is that of self-actualization; that is the need for continuous self development, and becoming all that a person is capable of becoming.

Maslow proposed that people who were self-actualized had needs such as truth, justice, wisdom and meaning. Maslow observed that these actualized persons had sessions of energized moments of profound happiness. He pointed out that satisfying human needs is a step by step process starting from the lowest level to the highest. The catch is that only one level of needs can be satisfied at one particular time. According to Mihyo (2007), a manager should recognize which need is dominant in an individual so that he knows which ways to motivate each of the employees. All the discussed content theories are based on the fact that in order to motivate employees, their needs have to be satisfied first. However, since individual needs are different from one person to the other, it's imperative to understand these theories in order to motivate employees effectively.

c) Empirical Review

Various studies have explored the concept of staff reward programs and the effect they have on staff motivation and performance. Attention has been given to how these schemes contribute to overall realization of organizational goals.

i. *Extrinsic and Intrinsic Rewards*

Every organization needs a reward and recognition system which exhaustively addresses four main areas. They are compensation, benefits, recognition and appreciation; the entrepreneur (2003). The system should also aim to reward two types of employee's activities: performance and behavior. There are two kinds of rewards: Extrinsic and Intrinsic Rewards. Extrinsic rewards are actually tangible rewards presented to the employees by the management. They could be in various forms like pay rises, promotion, bonuses and respective benefits. The rewards are termed as extrinsic because they external to the work itself, Thomas (2009). This means that other people namely the management has the ability to control the size and whether or not they are granted. These kinds of rewards had played a dominant role in earlier eras whereby the job employees were involved in was routine and bureaucratic. This involved complying with rules and regulations, Morris (2006). The work at this era offered employees with few intrinsic rewards and therefore there were the only available motivational tools. The extrinsic rewards bring about extrinsic motivation. Extrinsically motivated employees tend to focus on performance outcomes. Stephanie, Danielle and Jennifer (n.d.) postulate that different behaviors are elicited by employees when different motivational tools are exercised. They argue that motivation based on extrinsic rewards leads to less interest, value, and effort towards achievement. Subsequently, motivation based on avoiding punishment or guilt leads to anxiety in an employee. Furthermore, motivation which is based on "should do" something leads to difficulty coping with failure.

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On the other hand intrinsic rewards come from verbal rewards such as positive feedback and praise which lead to job satisfaction. Intrinsically motivated employees participate eagerly in their jobs for internal reasons. This is from pure enjoyment and satisfaction, Jansen (2011). Behaviors brought about by intrinsic motivation can be better task – relevant focus, less distraction, less stress when mistakes are made and improved confidence. According to Mcrill (2011), there are two kinds of rewards: extrinsic rewards which provide extrinsic motivation which in turn encourage better performance and intrinsic rewards which likewise promote intrinsic motivation which lead to better performance. However, she proposes that the most beneficial for maximum employee satisfaction and organizational productivity might be combination of both styles. Hertzberg (1959) also called "father of job enrichment" introduced the Two Factor Theory also termed as Motivation- Hygiene Theory of Motivation. According to Silva (2009), Hertzberg introduced two separate groups which have strong impact on motivation of employees. He suggested that job satisfaction and dissatisfaction appeared to be caused by a set of two factors. He called the first set Motivation factors or intrinsic factors which he said related to the job itself. Hertzberg's two factor theory provided motivational factors and their consecutive hygiene factors. They are shown in the table below:

Table 2.1: Hertzberg's Satisfiers and Dissatisfiers

Motivational Factors (Satisfiers)	Hygiene Factors (Dissatisfiers)
Achievement	Status
Recognition	Salary and Fringe Benefits
Work Itself	Company Policy and administration
Responsibility	Relationships with co-workers
Promotion	Supervision
Growth	Job security

Source: Survey, 2012.

Wikipedia (2010) suggests that hygiene needs are cyclical and tend to come back to the starting point. The hygiene factors are therefore needed to ensure an employee is not dissatisfied. Motivational factors are needed to motivate an employee to a higher performance.

ii. *Financial and Recognition Rewards*

According to Silva (2009), employee compensation includes all forms of pay or reward going to employees arising from their employment. Nonetheless, some employee benefits are mandated by organizational laws throughout the world. This includes such items like minimum wage, over time, leave under medical leave act, Unemployment, workers compensation and disability. Doyle (2010) on the contrary proposes that there are types of employee benefits provided by the company but the employer is not required to offer them and likewise the employee is not entitled to receive them. They are offered at the discretion of the employer and covered in labor agreement. They vary from one organization to the other. These may include hazard pay, health care, maternity, paternity and adoption leave, paid holidays, pay raise, severance pay, sick leave, termination, vacation leave, work breaks and meal breaks.

Gale (2002) suggests that employees who are injured or become ill in the job are covered by the organization compensation laws. Subsequently, the employers should possess workers compensation insurance. The benefits include payment for lost wages and medical bills. These are paid in portion, normally two- thirds of salary. The organization should also have sponsored disability program. It should provide additional disability coverage. Donata (2011) proposes that some organizations have social security disability. However, one must have worked in jobs covered by social security.

Notwithstanding, Donata (2011) suggests that extrinsically motivated individuals seek to be rewarded for doing what is expected of them. On the contrary, intrinsically motivated employees get pleasure out of completing a task, recognition or the job itself. Shah and Shah (2007) state that recognition is a leadership tool that sends a message to employees about what is important to the leaders and the behaviors that are valued. According to Kendra (1996), an award is that which follows an occurrence of a specific behavior with intention of acknowledging the behavior in a positive way. The award therefore has the intent of encouraging the behavior to happen again.

Recognition may have monetary value e.g. luncheon, gift certificate or plaques. However money itself is not given to recognize performance, Gale (2002). Additionally, every action which supports a company's goal is recognized whether through informal feedback or formal organization-wide recognition. The management should remain flexible in its methods of recognition, since employees are motivated by different forms of recognition. Siegrist (1996) brought about the Effort-Reward Imbalance (ERI) model. The model puts its emphasis on the reward rather than the control structure

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of the work. In Siegrist`s (ERI) model, rewards are distributed to employees by three transmitter systems which a (1) Money- Includes among other things adequate salary, (2) Esteem- includes respect and support and finally (3) Security or career opportunities- includes such aspects as promotion aspects, job security and status consistency.

The model argues that high effort low reward conditions has the ability to cause a state of emotional distress which can lead to cardiovascular risks and other strain reactions like poor health and sickness absence. By employees having a demanding but unstable jobs, high achievements without being offered any promotional aspects are good examples of stressful imbalance. The models best quality is that it makes a distinct demarcation between extrinsic (situational) and intrinsic (personal) components of Effort Reward Imbalance. Extrinsic components are mainly psychological and physical demands at work. The number of published empirical studies with ERI model is growing fast and combination of high effort and low reward at work was found to be a risk factor for cardiovascular health, subjective health and mild psychiatric disorders. Based on this model, if the management fails to reciprocate the efforts of its employees i.e. low rewards provided for high efforts, the employee may suffer from emotional distress and other health problems lowers motivation and hence lower performance.

iii. *Working Environment*

Work environment plays a big role in performance issues because it influences how engaged employees are with their jobs, Norton (2012). According to Wikipedia the free encyclopedia, an "engaged" employee is the one who is fully involved in and enthusiastic about their work. Hynes (2008) developed dimensions of working environment in terms of physical as well as behavioral components. The physical components of the environment were classified as: (1) Comfort level- This includes ventilation, heating, natural lighting, artificial lighting, décor, cleanliness, overall comfort, physical security. (2) Office layout- This includes informal meeting areas, formal meeting areas, quite areas, privacy, personal storage, general storage, work area- circulation place. The next set of components is Behavioral in nature. Includes (1) Level of interaction- This component is more interested in social interaction, work interaction, creative physical environment, overall atmosphere, position relative to colleagues, position relative to equipment, overall office layout and refreshments. (2) Level of distraction- includes interruptions, crowding and noise. Recent scientific research undertaken by Roelofsen (2000) came to the conclusion that improving the working environment results in decreased number of absenteeism, complaints and boosted employee productivity through improving the performance level of employees.

iv. *Leadership Styles*

There are many factors which influence leadership, and no one leadership style is able to fit to all situations, Garud (2012). Likert and his associates after studying patterns and styles of managers developed the four leadership styles or systems. The first was exploitative authoritative. In this case, responsibility lies in individuals in the upper ranks of the organization, Wilson (2010) reiterates that the leader has centralized power and has no trust on the employees. Essentially, this leadership has the following traits: Provide detailed instructions to employees, give staff specific goals and objectives, check frequently with staff to keep them on track and demonstrate the steps involved in doing the job. In this leadership style, there is also little motivation which is mainly based on threats. Secondly, Likert came up with benevolent authoritarian leadership style. This is mainly characterized by responsibility lying at the managerial levels but not at lower levels of the organization. Decisions are imposed on the employees and team work is very little. The main traits of this leadership style are: Represents management's position in a convincing manner, try to motivate with monetary and non-monetary rewards, sell staff in their own ability to do the job, Praise staff for their good work and provides staff with a lot of feedback on how they are doing. However, motivation is based on rewards, Kumar (2011).

Thirdly; there was consultative leadership style which was basically characterized by responsibility being spread through the organizational ladder, the leader having partial confidence in employees and availability of discussions about job related issues between the leader and the employees. Consequently, consultative leadership style has the following traits: Involves staff in making the decisions which will affect their work, make staff feel free to ask questions and discuss important concerns, hold frequent tam of staff meetings, help staff locate and support their own developmental activities and listens to staff problems and concerns without criticising or judging.

Finally, Likert and his associates came up with participative leadership style which meant that responsibility was spread widely through the organization ranks; leader has high level of confidence in the employees, regular discussions about job related issues between the leader and his sub-ordinates. Here, motivation is not only based on rewards but also in job involvement, increasing employee engagement. This type of leadership involves delegating broad responsibilities to staff and expect them to handle the details and also expects staff to find and correct their own errors.

d) Summary of Literature and Research Gap

This study was conducted at individual level rather than organizational level in view of performance of

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staff of Kenyatta University. The research adapted employee performance as the dependent variable. This variable was measured from the feedback derived from teaching and non-teaching staff of Kenyatta University through a questionnaire. The elements or indicators used to measure these dimensions with relevant sources from which they were adopted are (1) Quality work (2) Initiative (3) Team work (4) Problem Solving (5) Response to stress and conflict (6) Productivity (7) Employee performance Development.

These dimensions have been adopted from Profiles International a leading employee engagement expert in United States. They developed profiles performance indicator which assists organizations to be able to manage employee's performance in order to make employees more valuable and productive. Profiles performance indicator is used to understand employees' characteristics and to use this knowledge to increase performance of employees. Extrinsic and intrinsic rewards, recognition (which involves non-cash awards and social benefits), financial rewards (like performance bonus), the work environment and the leadership styles are taken as independent variables. The researcher assumed that organizational size, the sample and organizational type to be the control variables. Politics, social cultural practices, organizational culture and industrial relations climate were taken as intervening variables.

e) Conceptual framework

Figure 2.1 shows relationships between the various key independent variables and the criterion variable as discussed in the literature review. Some relationships are already studied. Katou (2008) conducted a study that measured the impact of HRM on organizational performance in the context of Greece. The results indicated that the relationship between HRM policies (Resourcing and development, compensation and incentives, involvement and job design) and organizational performance was facilitated by employee attitudes and behaviours. In this case, performance was judged through the behavioral dimensions of the employees (Satisfaction, motivation, knowledge, collaboration with colleagues, dedications, holding and participation). These dimensions were in order of importance of Human Resource Management survey results.

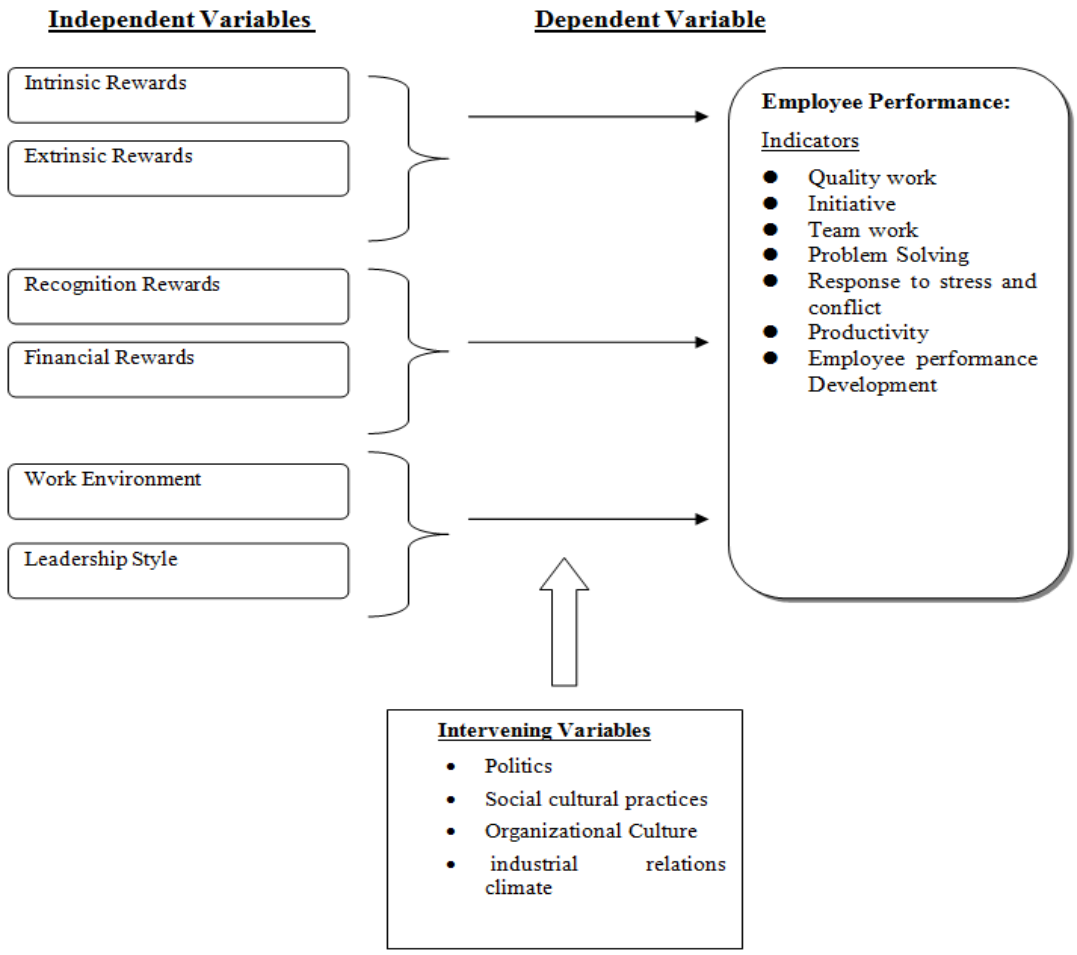


Figure 2.1: Conceptual Framework

Source: Survey (2012)

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The conceptual framework of the study was developed from reviewed literature and relevant research objectives. The frame work shows that a relationship exists between the independent variables (Extrinsic and intrinsic rewards, recognition and financial rewards, working environment and leadership styles) and dependent variable (Employee performance) which can be measured using the following employee performance indicators: quality work, initiative, team work, problem solving, response to stress and conflict, productivity and employee performance development.

Chapter Three

III. Research Methodology

a) Introduction

This chapter describes the research design and research methodology employed in investigating the effect of reward schemes on individual employee performance in Kenyatta University. It details among other things, study design, location of the study, sample size, sampling procedure, instrumentation, data collection and analysis.

b) Research Design

A descriptive research design was used to collect data from Kenyatta University teaching and non-teaching staff. Descriptive research studies are those studies which are concerned with describing the characteristics of a particular individual, or of a group. It is the conceptual structure within which research is conducted, Kothari (2004). It often uses visual aids such as graphs and charts to aid the reader in understanding the data distribution. The descriptive design as applied in this study was used to analyze and describe the effect of Kenyatta University staff reward scheme on individual staff performance.

c) Target Population of the Study

Cooper and Schindler (2003) define target population as the list of all the elements from which the sample is actually drawn. According to Kenyatta University Staff registry, as of 24th February 2012, the total number of employees in its payroll was 2,712. The figures change per day because of employee suspensions, dismissals, layoffs, quitting, sackings and other activities from the University Human resource department based in main campus. Kenyatta University is basically divided into various campuses. The table below represents all the campuses and the number of employees working in them. The main campus carried the bulk of all the employees. Kenyatta University Human resource department handles employees' affairs in the campuses presented in the table below.

Table 3.1: Kenyatta University Campuses

Kenyatta University Campuses	Total Population	Percent (%)
Main Campus	2,679	98.78 %
Ruiru Campus	10	0.37%
Parklands Campus	7	0.26%
City Centre Campus	5	0.18%
Nyeri Campus	3	0.11%
Kitui Campus	3	0.11%
Mombasa Campus	3	0.11%
Nakuru campus	2	0.08%
Total	2,712	100%

Source: Human Resource Department, Kenyatta University (2012)

Out of all 2,712 (100%) employees 2,679 (98.78%) are based in main campus. All the employees from Kenyatta University constituted the population. The target population included teaching and non-teaching staff of Kenyatta University. Kenyatta University Human Resource office provided a directory listing from which the sampling frame from the sample was selected. The categories of employees included: lecturers, administrators and chair persons of departments, secretaries, drivers, clerks, cleaners, messengers, plumbers, gardeners, security officers, cashiers, and others.

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Table 3.2: Total Population and Sample

	Total Population			Total Sampled Population		
School and Departments	Teaching staff	Non-Teaching staff	Total	Teaching staff	Non-teaching staff	Total
Humanities and social Sciences	222	41	263	23	4	27
DVC (Academic)	0	247	247	0	25	25
Education	145	57	202	15	6	21
Pure and Applied Sciences	143	98	241	15	10	25
Engineering and Technology	55	51	106	6	5	11
DVC (Administration)	0	434	434	0	44	44
Applied Human Sciences	56	66	122	6	7	13
Public and Health Sciences	74	45	119	7	5	13
Business	46	16	62	5	2	7
Economics	29	8	37	3	1	4
Agriculture and Enterprise	32	5	37	3	1	4
Law	9	3	12	1	1	2
Hospitality and Tourism	18	8	26	2	1	3
DVC (Finance)	0	569	569	0	57	57
Visual and Performing Arts	41	25	66	4	3	7
Environmental studies	35	15	50	4	2	7
VC	0	63	63	0	6	6
Extra-departments	0	33	33	0	4	4
Total	921	1,791	2,712	92		

Source: Human Resource Department, Kenyatta University (2012)

When sampling Kenyatta University employees, the researcher considered teaching staff to be professional personnel who are actually involved in teaching students. This could be classroom teachers, special education teachers, and others who conduct teaching in classroom setting, resource rooms or can be one-to-one teaching inside or outside a regular classroom. Subsequently, teaching staff also included chairpersons of departments whose duties included some amount of teaching, but did not include non-professional personnel who supported teachers in providing instruction to students, such as teachers' aides and other paraprofessional personnel. Consequently, the researcher considered the rest of the employees in Kenyatta University like those in management, clerks, drivers, secretaries, cleaners, accountants, and others to be non-teaching staff members.

According to Kenyatta University Staff registry, as of 24th February 2012, the total number of teaching and non-teaching staff was 2,712. The teaching staff numbered 921 and the non-teaching staff numbered 1,791. However, Kenyatta University graduate school had no teaching staff but only non- teaching staff and employees based on the university fraternal campuses were very few. The respondent numbers were extremely low to be classified each as a single stratum and therefore merged with graduate school to increase variability and formed one single stratum known as Extra-departments.

d) Sampling Technique

The total sample consisted of all strata (sub-groups) of employees; teaching and non-teaching staff. There were two strata consisting of teaching and non-teaching staff. Each employee stratum was sub-divided further on basis of school or department. With each of the stratum, individual school and department was then numbered.

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Table 3.3: Sampling Technique

No	School and department	selected	No	School and department	Selected
00	Humanities and Social sciences	✓	00	Humanities and Social sciences	
01	DVC (academic)		01	DVC (academic)	✓
02	Education		02	Education	
03	Pure and Applied sciences		03	Pure and Applied sciences	
04	Engineering &Technology		04	Engineering &Technology	
05	DVC(administration)		05	DVC(administration)	
06	Applied human sciences		06	Applied human sciences	
07	Public & Health sciences		07	Public and Health sciences	
08	Business		08	Business	
09	Economics		09	Economics	
10	Agriculture & Enterprise	✓	10	Agriculture & Enterprise	
11	Law		11	Law	✓
12	Hospitality & Tourism		12	Hospitality & Tourism	
13	DVC (Finance)		13	DVC (Finance)	
14	Visual & Performing Arts		14	Visual & Performing Arts	
15	Environmental Studies		15	Environmental Studies	
16	Extra-departments		16	Extra-departments	
17	VC		17		

Source: Human Resource Department, Kenyatta University (2012)

Cooper and Schindler (2003) posit that there are three reasons why a researcher chooses a stratified random sample; to increase a sample statistical efficiency, provide adequate data for analyzing the various sub-populations and enable different research methods and procedures to be used in different data. A systematic random sample was then drawn from each of the strata. Castillo, J. (2009) proposes that in systematic sample, the size of each stratum is proportionate to the population size of the stratum when viewed against the entire population. Saunders, Lewis and Thornhill (2009) extrapolate the advantages of proportionate stratification which include reduced standard error , ensure sample sizes for strata are of their expected size and also split the total variance in a way that maximizes the between strata variance. Kothari (2004) suggests that in adopting a proportional allocation, the researcher can be able to calculate sample sizes of the two strata; teaching staff stratum and non-teaching staff stratum.

A sample size (n) of 272 respondents was drawn from a population (N) of size 2,712 which was divided into two strata of sizes N_1 (Teaching staff) = 921 and N_2 (Non-teaching staff) = 1,791.

If P_i represents the proportion of population included in stratum i, and n represents the total sample size, then, (n) in the study was 272 respondents and total population (N) was 2,712.

Assuming proportional allocation, the sample sizes for the different sizes was calculated as follows; for strata with N_1 (Teaching staff) = 921, then P_1 = 921/2,712

$$n_1 = n^* P_1 = 272\ [921 / 2{,}712]$$

$n_1 = 92.37$

$n_1 = 92$ respondents.

For strata with N_2 (Non-teaching staff) = 1,791, then P_2 =1,791/ 2,712

$$n_2 = n^* P_2 = 272\ [1{,}791 / 2{,}712]$$

$n_2 = 179.628$

$n_2 = 180$ respondents.

Dooley (2004) observes that systematic sampling draws every *n*th element from an existing list beginning at a randomly chosen person on a randomly chosen page. The sampling fraction was calculated by dividing actual sample size (n) by the total population (N). This translated to 2,712/272 which is 9.97 or the systematic sample selected every tenth school and department. However, the population was not evenly divisible. In this case therefore, the random starting point was selected as a non- integer between 0 and 9.97 (which was inclusive on end point only) to ensure that every school and department has equal chance of being selected. Random numbers were used to select the first case. Humanities and Social sciences (00) and

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DVC (academic) (01) strata served as the first case. Subsequently, every tenth school and department in each stratum was selected. This was repeated until the whole sample of 272 respondents had been covered.

i. *Sample Size*

Kothari (2004) defines sample size as the number of items to be selected from the universe to constitute a sample. A sample of study is necessary because according to Welmen (2001) the size of the population usually makes it impractical and uneconomical to involve all the members of the population in research project. Therefore, we have to rely on the data obtained from a sample of the population. The minimum sample size was calculated to increase precision, confidence and variability. The researcher worked at a 95% confidence level and a margin error of 5%. This corresponds to Z-score of 1.96. According to (Saunders et.al. 2009, p.581), the following formula can be used to calculate the minimum sample size.

$$n = p\% * q\% * [z / e\%]^2$$

Where:
n is minimum required sample size
p% is proportion belonging to the specified category
q% is proportion not belonging to the specified category
z is z value corresponding to confidence required
e% is margin of error required.

Therefore, the minimum required sample size was calculated by first knowing the values of both p and q. The total number of employees was 2,712. Teaching staff numbered 921 while non-teaching staff numbered 1,791.
p% = 921 / 2,712 equaled to 0.34 or stood at 34%. Therefore teaching staff belongs to this specified category. Therefore, 66% is the proportion not belonging to the specified category; q%.
Thus;

$$n = p\% * q\% * [z / e\%]^2$$

$$n = 34*66* [1.96/5]^2$$

$$= 2,244*0.154$$

$$= 345.576$$

The minimum sample size therefore required was 345.5 respondents. (Saunders et.al, 2009, p.582) observes that where the population is less than 10,000, a smaller sample size can be used without affecting the accuracy using the adjusted minimum sample size. This can be calculated using the following formula.

$$n` = n / 1 + \{n/N\}$$

Where;
n` is the adjusted minimum sample size
n is the minimum sample size already calculated
N is the total population

Thus;

$$n` = n / 1 + \{n/N\}$$

$$n` = 345.576/ 1 + \{345.576/2,712\}$$

$$= 345.576/1 + 0.127$$

$$= 306.294/1.127$$

$$= 271.778$$

$$= 272$$

Because of the small total population of 2,709, the researcher needed a sample size of only 272 respondents. However the response rate was assumed to be a hundred percent.

e) Data Collection Methods and Research Procedures

Secondary data was used as source data. Information from Kenyatta University Human Resource Department staff registry, journals, reports, book archives, newsletters, government documents, papers presented as conferences and workshops was very useful in data mining. Information on the number of academic staff, number of their peers in management, total number of the employees and the available reward schemes was collected from Kenyatta University human resource department. Secondary data was also obtained from official records from within and outside the university.

A cross sectional survey design using a quantitative method was conducted in Kenyatta University. The study adopted a standard structured questionnaire form. A seven paged questionnaire was used to collect data from the field. The structure of the questionnaire was as follows: Section A dealt with demographic characteristics about respondents gender, age, education level, terms of employment, number of years worked, employees` department and annual income. Section B tested independent variables (extrinsic rewards, intrinsic rewards, financial rewards, recognition rewards, working environment and leadership styles) and section C tested the dependent variable (Employee performance). The five point Likert scale assigned points 1, 2, 3, 4 and 5 to terms strongly disagree, disagree, neither agree nor disagree, agree and strongly agree as in the order of the numbers. Two research assistants were recruited to help in the pilot survey for testing the questionnaires and final distribution to the respondents. The pre-test of the questionnaire assisted the researcher to spot weaknesses of the questionnaires and the survey techniques used in the main study. The pilot survey made sure that the questionnaire was clear to respondents and was completed as the researcher's wished. It was used to train field workers and helped estimate response rates and completion times.

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f) Data Analysis Methods

The data was collected, coded and analyzed. Descriptive statistical methods were then used to analyze the coded data. This included such measures as central tendency, frequency distribution tables and also percentages. The individual responses from the questionnaires were then data cleaned and coded.

Employee job performance, the dependent variable was operationalized into seven dimensions namely:(1) Quality work (2) Initiative (3) Team work (4) Problem Solving (5) Response to stress and conflict (6) Productivity (7) Employee performance Development. An instrument containing twelve question items that tapped the dimensions and elements of employee performance was then developed. Two sample statements are: (1) my workload is reasonable. (2) Individual initiative is encouraged. Responses were then elicited into a five point Likert type scales of strongly disagree, disagree, neutral, agree and strongly agree. Values of 1,2,3,4 and 5 will be given to the scales taking the direction of the question items into account.

Extrinsic reward, which was the first independent variable, was measured using a self developed questionnaire. This was based on Hertzberg's two factor theory. This included motivational and hygiene factors. Twelve questions were used to measure extrinsic rewards. Respondents were asked to indicate their degree of agreement or disagreement about extrinsic rewards according to a five point scale. (1= strongly disagree, 5= strongly agree). Two sample items used were: (1) I believe my job is secure. (2) I consult a variety of people when making decisions in my work.

Intrinsic reward, which was the second independent variable, was measured using an instrument developed by self. This also used dimensions based on Hertzberg's two factor theory. This included motivational and hygiene factors. These dimensions were measured by using twelve questions from which responses were elicited on a 5 point Likert scales ranging from strongly disagree to strongly agree. Weightings of 1, 2, 3, 4 and 5 were given to responses considering the direction of the question items. Two sample questions were used: (1) The people I work with cooperate to get the work done. (2) I feel free to contact my Manager / Supervisor/ superior as and when needed.

Financial reward was another independent variable which was operationalized into three dimensions based on model developed by Siegrist (1996) and they included money- (particularly adequate salary), esteem-(includes respect and support) and security or career opportunities. Six questions items were used to measure the financial rewards. The respondents were asked to indicate their degree of agreement or disagreement about the university financial rewards according to a 5 point scale. (1= completely disagree, 5 = completely agree). Two sample items used were: (1) My co-workers are supportive (2) My salary matches up my job responsibilities.

Recognition Rewards, an independent variable was measured with a self developed instrument. The dimensions were also based on model developed by Siegrist (1996). These dimensions were measured using six questions from which responses were elicited on a 5 point Likert scale. It tested to what extent the respondents agreed with given statements. Weightings of 1, 2, 3, 4 and 5 were given to responses, considering the direction of the question items. Two sample questions used were: (1) I do not have a friend at work. (2) My supervisor/superior cares about me as a person. Working environment was another variable which was operationalized based on two dimensions developed by Hynes (2008) which included physical components (comfort level and office layout) and behavioral components (level of interaction and distraction). An instrument containing eight questions was developed. Two sample statements were: (1) the common areas (e.g. toilets) are kept clean (2) I have all the necessary tools relevant in doing my work. Responses were then elicited into a five point Likert type scales of strongly disagree, disagree, neutral, agree and strongly agree. Values of 1,2,3,4 and 5 were given to the scales taking the direction of the question items into account.

Leadership style was measured using a self developed questionnaire. The dimensions considered were based on leadership styles developed by Likert and his associates. They included Exploitative authoritative, Benevolent authoritarian, Participative and Consultative leadership styles. The instrument contained eight statements and the respondents were asked to indicate their degree of non agreement on a 5 point Likert scale. The sample questions used were; (1) My supervisor demonstrates each task involved in doing the job (2) My supervisor makes staff report back to him/her after completing each step of the work done.These responses were then fed into a Statistical Package for Social Sciences (SPSS) version 20.0 spreadsheet for descriptive statistical analysis that focused on frequency distributions, tables, bar charts, pie charts and graphs. Inferential statistics (person correlation analysis) and standard multiple regressions were then be applied.

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Table 3.3: Results of Pilot Test

The Cronbach's alpha reliability coefficients for the sub-sections of employee job performance questionnaire are represented in the table below.

Factor	Variable	Number of items	Cronbach's Alpha
	Extrinsic rewards	20	0.868
	Intrinsic rewards	25	0.900
	Financial rewards	11	0.956
	Recognition rewards	11	0.820
	Working Environment	13	0.668
	Leaderships styles	16	0.825

Source of data: Survey (2012)

According to biographical and work motivation questionnaire administered to respondents by De Beer (1987) to 184 respondents, it possesses a good internal consistency of more than 0.6. The current study Cronbach's alpha as can be seen in the table is well past and above that value. In the corrected-Total Correlation, items that were less than 0.7 were removed. The questionnaire lacked internal consistency in some variables that had Cronbach's alpha of less than 0.6 and therefore a total of 39 items were deleted.

Chapter Four

IV. Research Findings

a) Introduction

In this chapter, the results of the empirical analysis are reported and presented. It details among other things, demographic characteristics of the respondents. Descriptive statistics, Inferential Statistics (Pearson Product Moment Correlation) and standardized multiple regressions were employed to analyze collected data.

b) Analysis of the Response Rate and Descriptive Statistics

A total of 332 questionnaires were returned out of the 360 questionnaires distributed to respondents which made the response rate 92.2%, an acceptable figure to make the study rigorous and generalizable. Demographic data was collected from eight questions relating to employees profile. This is presented in table 4.1. The results show that majority of the sample (n= 161) or 51.6% were males while the remaining (n=151) or 48.4% were females. This shows roughly equal opportunity employment practices for both genders by Kenyatta University.

The results show that the highest frequency 183 (56.8%) respondents had worked for less than 5 years followed by respondents who have worked for 5 to 10 years at 100 or 30.1%. Informants who had worked for 16 to 20 years came next with a frequency of 14 (4.3%) and respondents who have worked for 11 to 15 years towed closely at 13 (4%). The lowest frequency reported was from those respondents who have worked for 21 years and above at 12 (3.7%)

Table 4.1: Demographic Data

Measures	Items	Frequency	%
Gender	**Male** **Female**	**161** **151**	**51.6%** **48.4%**
Total		312	100.0%
Age	<20 years 21 to 25 years 26 to 30 years 31 to 35 years 36 years or above	7 50 107 44 124	2.1% 15.1% 32.2% 13.3% 37.3%
Total		332	100.0%

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Highest Level of Education	O' Level Diploma First Degree Post Graduate Other (A Level, Certificate)	58 108 69 74 8	18.3% 34.1% 21.8% 23.3% 2.5%
Total		317	100.0%
Teaching or non-teaching staff	Teaching Non-Teaching	85 234	26.6% 73.4%
Total		319	100.0%
Years with the Institution	<5 years 5 to 10 years 11 to 15 years 16 to 20 years 21 years or above	183 100 13 14 12	56.8% 31.1% 4% 4.3% 3.7%
Total		322	100.0%
Distribution within the organizational Schools and Departments	Humanities and Social Sciences DVC (Academic) Education Pure and Applied sciences Engineering and Technology DVC (Administration) Applied Human Sciences Public and Health Sciences Business Economics Agriculture and Enterprise Law Hospital and Tourism DVC (Finance) Visual and Performing Arts Environmental Studies Extra Departments Vice- Chancellor Office	27 25 25 47 12 47 14 17 14 4 10 3 4 50 5 4 4 7	8.5% 7.8% 7.8% 14.7% 3.8% 14.7% 4.4% 5.3% 4.4% 1.3% 3.1% 0.9% 1.3% 15.7% 1.6% 1.3% 1.3% 2.2%
Total		319	100%
Monthly Earning	<25,000 Kshs. 26,000 to 50,000 Kshs 51,000 to 75,000 Kshs 76,000 to 100,000 Kshs 101,000 Kshs or above	164 72 28 48 12	50.6% 22.2% 8.6% 14.8% 3.7%
Total		324	100.0%
	Permanent Employee Casual Employee Probationary Employee Trainee Other- (Temporary, tutorial fellow, Part time and Contract employees)	103 146 14 6 56	31.7% 44.0% 4.2% 1.8% 16.9%
Total		325	100.0%

Source of data: Survey (2012)

From the results, it can be empirically observed that Kenyatta University has more employees who have worked for a short period of time. This means that as the number of years of working in Kenyatta University increases, the number of employees reduces. This shows that employees are leaving Kenyatta University as there are fewer respondents as the number of years of working in Kenyatta University increases. Another explanation could be because there may have been a slight tendency for younger members of the profession to be quicker in returning their answers.

The major portion of the respondents 124(37.3%) was in the range of 36 years and above, 107(32.2%) of the respondents were in the range of 26 to 30 years while 50(15.1%) in the range 21 to 25 years. 44(13.3%) were in the range 31 to 35 years whilst the

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lowest frequency was 20 years and below with 7(2.1%). Considering that most of the staff has worked for less than five years and the major portion of respondents is 36 years and above, it can safely be deduced that most of the staff have come from other institutions to be employed at Kenyatta University and hence possess the necessary experience in their relevant fields.

The education qualifications of the respondents were as follows: the highest number of respondents 108 (34.1%) had diploma followed by postgraduate at 74 (22.3%) then first degree at 69 (21.8%) respondents. The "Other" option which represented a level and Certificate stood at 8 or 2.5%. Diploma level of education seems to be the reasonable entry point for training and placement into management and responsibility positions. Post-graduate employees are mainly teaching staff and first degree employees are preferred for administration positions.

The results show that majority of the sample (n= 234) or 70.5% were non- teaching staff while the remaining (n=85) or 25.6% were teaching staff. The respondents were divided into 18 groups of different Kenyatta University Schools and Offices. The majority of the respondents were from DVC (Finance) office with a frequency of 50 (15.7%), closely followed by DVC (Administration) office with 47 (14.7%) and School of Pure and Applied sciences with 47 (14.7%) informants. Table 4.1 shows the frequency distributions of respondents with respect to department, office or school.

Humanities and Social Sciences had 27 (8.5%) respondents; DVC (Academic) had 25 (7.8%) while Education had 25 (7.8%). Public and Health Sciences followed with 17 (5.3%), Applied Human Sciences 14 (4.4%), Business 14 (4.4%), Engineering and Technology 12 (3.81%), Agriculture and Enterprise 10 (3.1%), Vice- Chancellor Office 7 (2.2%), Visual and Performing Arts 5 (1.6%), Environmental Studies 4 (1.3%), Extra- departments 4 (1.3%), Hospitality and Tourism 4 (1.3%), Economics 4 (1.3%) and finally law with 3 or 0.9% respondents. 13 respondents did not respond to the question and hence treated as missing data.

Frequency distribution of the respondents' monthly income is shown in table 4.1. It can be seen that most of the respondents' 164 (50.6%) receive below Kenya Shillings 25,000 including allowances. This is followed by 72 or 22.2% who indicated that their monthly income is and between Kenya Shillings 26,000 and 50,000. The data also shows that 48 (14.8%) of the respondents earn between Kenya shillings 76,000 and 100,000. This is followed by 28 (8.6%) respondents who indicated that they earn Kenya shillings 51,000 up to 75,000. Finally, 12 (3.7%) of the informants indicated that they earn above Kenya shillings 100,000 including allowances.

The distribution of salary is consistent with a casualised profession i.e. in which there are lots of part time workers. Such an explanation is consistent with a high number of employees in the lowest category and then a shift in the Kshs. 26,000- 50,000 range, as one moves from the part-timers (below 25,000 shillings range) to low paid full-timers with a lot of paid hours. In other words, the Kshs. 51,000-75,000 range is taken up with particularly low paid full-timers or part-timers with a lot of paid hours.

The employment status of the respondents were as follows; the highest number of respondents 146 (44.9%) were casual employees followed by 103 (31.7%) respondents who were permanent employees. The "Other" option which included temporary employees, tutorial fellows, part time and contract employees had 56 (16.9%) respondents. Probationary employees followed with 14 (4.3%) informants and finally trainees who had a frequency of 6 (1.8%) respondents.

Descriptive statistics were used in determining the central tendency of the data and trend of variables involved in Hertzberg's Two Factor theory. The outcome explained the intensity of Motivation- Hygiene factors of motivation for point of view of employees who work in Kenyatta University.

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Table 4.2: Motivational and Hygiene Factors

Descriptive Statistics			
Motivational Factors	N	Mean	Standard Deviation
Achievement	325	5.89	1.873
Recognition (verbal)	325	6.58	1.722
Work Itself (challenging)	327	7.06	1.658
Responsibility	328	5.26	2.311
Promotion	325	5.39	2.048
Growth	327	5.57	2.038
Hygiene Factors			
Status	328	6.68	1.628
Salary and fringe benefits	317	4.62	1.658
University Policy and administration	327	6.52	1.753
Relationships with co-workers	328	7.27	1.753
Supervision (technical quality)	323	6.86	1.763
Job Security	328	5.55	1.720

Source of data: Survey (2012)

Motivation hygiene theory proposes that certain motivator and hygiene factors can effect job satisfaction and dissatisfaction. Motivators primarily contribute to satisfaction alone while hygiene factors contribute to dissatisfaction alone. The theory hypothesizes that satisfaction and dissatisfaction are separate and independent feelings. Considering motivators, a better on- the-job performance may increase motivation.

Table 4.2 indicates that the means for achievement, recognition, work itself, responsibility, promotion and growth ranged from a low of 5.26 to a high of 7.06. It appears therefore that the staff in the sample is relatively motivated. The results show that the highest rated concerns work itself (7.06) followed by recognition with (6.58), then achievement (5.89) and growth with (5.57). The lowest, interestingly concerns responsibility with a mean value of (5.26). Promotion possesses also a low mean value of (5.39) indicating a low level of satisfaction. Kenyatta University employees have very low satisfaction with responsibilities assumed and promotional opportunities. The management should make sure that employees who demonstrate increasing levels of ability should be given increasing levels of responsibility. If the employees cannot be fully utilized, then there is a motivation problem.

Considering dissatisfiers, the means ranged from a low of 5.55 to a high of 7.27. The results show that the most agreed with concerns relationship with co-workers (7.27). The lowest means concerns salary and fringe benefits (4.62) and that of job security. University policy and administration, status and supervision values are in the 6_s and shows average dissatisfaction. The picture which emerges in other words suggests that, since hygiene factors serve to remove dissatisfaction and improve performance to a certain point, they should be provided but will yield benefit up to a certain point. Salaries and fringe benefits (4.62) and job security (5.55) in Kenyatta University are very weak causing job dissatisfaction affecting employee performance which affects job performance because they are extrinsic to the work itself. The management should scale up salaries and improve job security to improve employee commitment and motivation. Supervision, status, university policies and administration provision by Kenyatta University ranges average but relationship between co-workers is very high (7.27) give positive satisfaction, arising from intrinsic conditions of the job itself.

Siegrest's Effort- Reward Imbalance (ERI) model claims that stressful experience is most likely to result from an imbalance between (high) extrinsic effort and (low) extrinsic reward in combination of a high level of over- commitment. Descriptive statistics inform of standard deviation and arithmetic means for the extrinsic low rewards were determined in the table below.

Table 4.3: Financial and recognition rewards

Descriptive Statistics			
	N	Mean	Standard Deviation
Money rewards	319	8.27	3.474
Security rewards	316	9.87	3.787
Esteem rewards	311	14.16	2.886

Source of data: Survey (2012)

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The results in the table above indicate that esteem low reward which includes respect, adequate support and unfair treatment has the highest mean of (14.16). Provision of the above esteem rewards decreases the risk of reduced health while money reward which includes salary and efforts has the lowest mean of (8.27). This reward exponentially provides the highest risks of reduced health in Kenyatta university employees. This is because over- committed employees suffer from inappropriate perceptions of demands and their own coping resources and this prevents them from accurately assessing their own cost-gain relations making them demotivated. In short, the employee under estimates challenges and over-estimates one's coping ability.

Security and career opportunities which include promotion prospects, undesirable change, job insecurity and status inconsistency had a mean of (9.87) which is also very low. Management should create reciprocity between "costs" and "gains" i.e. high cost/low gain condition. If this is not taken into consideration, employees will develop a state of emotional distress which can lead to arousal of strain reactions.

Consequently, having a demanding but unstable job, achieving at high levels without provision of promotion prospects are examples of high/low gain conditions at work. The management should therefore put emphasis on occupational rewards like job security because of the growing importance of fragmented job careers, of job instability, under employment and redundancy.

It is the responsibility of Kenyatta University to provide safe healthy and friendly working conditions. Furthermore, lighting, ventilation, heating, ergonomics are other crucial factors for employees. This is because employees attitude at work place is affected by factors like inter personal relations, emotional factors, job assignment and extended work. Using Hynes dimensions of working environment in terms of physical and behavioral components, descriptive statistics were determined in the table below.

Table 4.4: Working Environment

Descriptive Statistics			
	N	Mean	Standard Deviation
Physical Components	317	18.53	3.771
Behavioral Components	319	10.86	2.737

Source of data: Survey (2012)

The physical component of the environment is the leading factor that affects employees' attitude in Kenyatta University with a high mean of (18.53). Furniture and furnishings, office space, interior surface, storage of materials is well provided. The management should maintain this in order to make employees feel sophisticated while they work. Besides, poor arrangement of office wastes time and energy by failing to provide the means for effective work habits.

Behavioral components of the environment have a lower mean of (10.86). Employees are not satisfied with behavioral factors which Kenyatta University has provided for them. The management should therefore promotes trust and loyalty among the employees and encourages better team work and relationship besides reducing interruptions, crowding and noise in its vicinity.

Rensis Likert and his associates studied the patterns and styles of managers for many years and identified four models of management systems. The management systems were compared with one another on basis of certain organizational variables. These variables were leadership processes, motivational forces, communication process, interaction-influence process, decision- making process, goal setting (ordering) and control processes. Leadership styles identified by Rensis Likert particularly revolved around decision making and degree at which people are involved in decision.

Exploitative authoritarian leadership style involved the leader having low concern for the employees in the organization and uses such methods as threats and other fear- based methods to achieve conformity. Communication is mainly downwards and concerns of the employees completely ignored. Benevolent authoritative leadership involves the leader use of rewards to encourage appropriate performances. Consultative leadership style involves the leader listening carefully to employee ideas while in participative leadership style, the leader engages in employees down in the organization in decision making. Using the above leadership styles developed by Rensis Likert and his associates in Kenyatta University, descriptive statistics were determined in the table below.

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Table 4.5: Leadership Styles

Descriptive Statistics			
	N	Mean	Standard Deviation
Exploitative Authoritarian (System 1)	318	6.62	1.860
Benevolent Authoritarian (System 2)	321	6.45	2.140
Consultative (System 3)	319	6.61	1.984
Participative (System 4)	320	6.34	1.986

Source of data: Survey (2012)

The results explain the intensity of the four leaderships styles employed in Kenyatta University. The outcome showed that exploitative authoritarian leadership style is the most dominant leadership style used in Kenyatta University with a mean of (6.62). This in Rensis Likert's terms means that responsibility lies in the hands of the people in upper echelon of the hierarchy in Kenyatta University. Consequently, supervisors or leaders in Kenyatta University have no trust and confidence in subordinates. It also implies that team work or communication is very low and motivation is based on threats. The subordinates do not feel free to discuss things about the job with superiors.

Another dominant leadership style used in Kenyatta University is consultative style with a mean of (6.61). This style is widely employed in Kenyatta University but to a lesser extent to exploitative authoritarian leadership style. This means that responsibility is spread widely through the university hierarchy. The leader or supervisor also has substantial but not complete confidence in subordinates. However, discussions take place between superiors and subordinates.

Benevolent authoritarian leadership style is moderately used in Kenyatta University with a mean of (6.45). This means that in Kenyatta University, a moderate master-servant relationship exists. Communication is low and motivation is moderately based on a system of rewards. Subsequently, employees do not feel free to discuss about their job with superior. There exists some delegation of decisions, but almost all major decisions are still made centrally.

The least used leadership style is participative leadership style with a mean of (6.34). This means that in Kenyatta University, superiors or supervisors have low levels of confidence in employees. There are low levels of team work, communication and participation. Employees lower down the organization are engaged in decision-making and are psychologically closer together and work well together at all levels. According to Likert, the nearer the behavioral of an organization approach system 4 (Participative Leadership style), the more it has potential to long- term reduction of staff turn-over, low costs and high earnings. He pointed out that it's the ideal system if an organization wants to achieve optimum effectiveness.

Descriptive statistics inform of standard deviation and arithmetic mean for the independent variables and dependent variable (Employee performance) for the respondents were computed and presented in the table below.

Table 4.6: Descriptive statistics

Descriptive Statistics			
	Variable	Mean	Std. Deviation
Extrinsic rewards	319	34.73	8.820
Intrinsic rewards	313	38.83	6.652
Financial rewards	319	16.19	4.277
Recognition rewards	305	16.19	4.602
Working environment	313	29.41	6.153
Leadership styles	311	26.05	6.722
Employee performance	305	39.48	9.468

Source of data: Survey (2012)

Table 4.6 shows that means for extrinsic rewards, intrinsic rewards, financial rewards, recognition rewards, working environment and leadership styles ranged from a low of 16.19 to a high of 38.83. Results showed that Kenyatta University employees were adequately satisfied and motivated by extrinsic and intrinsic rewards which improved their job performance but also showed that they were dissatisfied and less motivated by responsibility and promotional opportunities which affected negatively their job performance. The highest rated was work itself as a motivator followed by recognition and achievement.

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Responsibility was the lowest with promotional opportunities provided a low level of satisfaction with responsibilities assumed.

The working environment and leadership styles moderately affected employee work performance with means of 29.41 and 26.05 respectively. Physical environment took the prize in shaping employees attitudes in Kenyatta University. Furniture and furnishings are well provided, enough office space, interior surface and storage materials lead to employee satisfaction. However behavioral components were not satisfactory to employees of Kenyatta University. Lack of trust and loyalty among employees, low team work, interruptions, crowding and noise among other factors lead to employee dissatisfaction in Kenyatta University. Values of standard deviation obtained through analysis shows that most observations cluster around the mean for all variables. Mean value for employee performance is 39.48 which shows that employees of Kenyatta university have high job performance.

c) Inferential Statistics

In this sub-section, results of Inferential Statistical techniques used in the research are presented. Pearson Product Moment Correlation Coefficient was computed to obtain relationships while Multiple Regressions was used to observe which among the six independent variables is the most important. From the results obtained in the research, it will then be possible to draw relevant conclusions.

i. *Correlation*

Pearson Product Moment Correlation Coefficient was computed for determining relationships between independent variables (Extrinsic rewards, intrinsic rewards, financial rewards, recognition rewards, working environment and leadership styles) with employee job performance. The results show that there is statistically strong positive relationship between all the variables of employee job performance. Preliminary analyses were performed in order to ensure no violation of the assumptions of normality, linearity and homoscedasticity. This is shown in the table below.

Table 4.7: Dimension Correlations with independent variables and performance (*N=332*)

Correlations

	1	2	3	4	5	6	7
Employee performance		*					
Extrinsic rewards	.699**						
Intrinsic rewards	.706**	.747**					
Financial rewards	.647**	.829**	.706**		*		
Recognition rewards	.697**	.752**	.759**	.797**		*	
Working environment	.639**	.400**	.471**	.401**	.468**		
Leadership styles	.697**	.573**	.627**	.537**	.645**	.601**	

***. Correlation is significant at the 0.01 level (2-tailed).*
Source of data: Survey (2012)

The table above shows that relationship between working environment and all the components of satisfaction is quite insignificant. It is only significantly related with relationship to employee job performance. The values of correlation coefficient vary from lowest 0.400 to highest 0.829. The lowest corresponds to working environment and extrinsic rewards while the highest value is between financial and extrinsic rewards; the high correlation strongly suggests that the two tests are measuring the same thing and doing so with great consistency. The high correlation reflects two windows of the same attribute.

The results presented in table 4.7 indicate that intrinsic rewards correlates significantly with employee job performance *($r = 0.706$, $p<0.01$)*. This answers the first research question whether intrinsic rewards effects employee job performance. There is a significant relationship between intrinsic rewards and performance. Findings of Deci (1972) confirm that employees' performance is dependent on intrinsic rewards. Furthermore, performance increases with increase of intrinsic reward.

A significant correlation is also found to exist between extrinsic rewards and employee performance *($r = 0.699$, $P<0.01$)*. Perry et al. (2009) suggests that extrinsic reward is not the most motivating factor and may have a demotivating effect among employees. This answers the second research question supporting that extrinsic rewards are significant in explaining the variance in employee job performance. Janssen (2011)

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supports this stand when he hypothesized in his study that low income employees will be intrinsically motivated was not confirmed. This was in expectation that high income earners employees would place greater value on intrinsic reward than low income employees was not also confirmed.

There was also a significant relationship between recognition rewards and employee performance *(r =0.697, p<0.01)* which responds to the third research question whether recognition rewards effect performance. This goes hand in hand with equity theory which emphasizes that fairness in the remuneration package tends to produce higher performance from workers, Donata (2011). A significant relationship also exists between financial rewards and employee performance *(r=0.647, p<0.01)* which provides an answer to the fourth research question whether financial rewards effect performance of Kenyatta University employees.

A significant correlation is shown to exist between leadership styles and employee performance *(r = 0.697, p<0.01*) which answers the fifth research question in determining if leadership styles effected job performance. There was a significant relationship between working environment and performance *(r=0.639, p < 0.01*) but at a low level. Hence, the response to the sixth research question which investigates the relationship between recognition and work motivation and satisfaction.

Computing the coefficient of determination present how much variance the independent variables share with the dependent variable (Performance). Intrinsic rewards have the highest correlation ($r = 0.706$, $p < 0.01$) which when squared indicates 0.498 shared variance. Therefore, intrinsic rewards help to explain nearly 50 per cent of the variance in respondents' scores on the employee job performance scale. This is quite a respected amount of variance explained when compared with a lot of the research conducted in social sciences. Extrinsic rewards, recognition rewards and leadership styles each explained about 49% of the variance, financial rewards explained nearly 42% while working environment had the lowest value and explained about 41% of shared variance with job performance.

d) Regression Results and Interpretation

Regression results show that a total 69% of the variation in employee job performance is explained by the six predicting variables of this research. The effect of each independent variable on dependent variable (job performance) is shown in regression table 4.8 below. The independent variables are extrinsic rewards, intrinsic rewards, financial rewards, recognition rewards, working environment and leadership styles respectively.

Table 4.8: Regressions Table

Dependent Variable	Independent Variables	Adjusted RSquare	β (Beta)	t Stat	P-value
Employee Job Performance	Extrinsic rewards	0.692	0.259	3.948	0.0000
	Intrinsic rewards		0.165	2.869	0.0400
	Financial rewards		0.007	0.107	0.9150
	Recognition rewards		0.109	1.693	0.0910
	Working environment		0.283	6.737	0.0000
	Leadership styles		0.201	4.044	0.0000

Source of data: Survey (2012)

The t values for the independent values are greater than 0.107 indicating a strong impact of the predicting quality of the coefficient. The results show that 69.9% of job satisfaction comes from extrinsic and intrinsic rewards, financial and recognition rewards as well as from working environment and leadership styles alone to increase job performance. However, the rest 31% remains unexplained in the error term. The regression equation is formed as Y= -3.368 + 0.278X and can be used to predict job performance. This means that our model explains 69.90% of the variance in employee performance. A common practice exists which consider variables with a p-value of less than 0.1 as significant, though the only basis for this cutoff is convention.

The results indicate that there is a statistically significant, direct and positive relationship between the variables and employee performance. Working environment with a beta of 0.283 is the variable that makes the strongest unique contribution to explaining job performance when the variance explained by all other variables in the model is called for. According to a study by The American Society of Interior Designers, ASID (1999), results obtained revealed that the physical workplace environment is one of the top three factors which affect job satisfaction and performance. The beta value for financial rewards is the lowest (0.07) making the least contribution.

The part correlation coefficient values provided indication of the contributions of each individual variable to the total R square. Working environment had the highest part correlation of 0.223. Squaring it explains 4.97% of the variance in employee performance. The lowest part correlation value was financial rewards which

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explained 0.0016% of the variance of the criterion variable. Recognition rewards explained 0.3% while intrinsic rewards 0.9% of performance. Leadership styles provided 1.7% of the variance in employee job performance. In our regression above, $P < 0.0000$, so our coefficient is significant at the 99.99% level.

Chapter Five

V. Summary, Conclusion and Recommendations

a) Introduction

This chapter will discuss results described in chapter 4 in greater detail, contributions of the study to knowledge and implications for future research will be addressed. This section will conclude with recommendations.

b) Summary

This study had one major objective: To investigate the effects of rewards and recognition on employee performance in educational institutions: A case of Kenyatta University, Kenya. It had six specific objectives which were to determine the effects of intrinsic rewards, extrinsic rewards, recognition rewards, financial rewards, work environment and leadership styles on performance of Kenyatta University employees. A descriptive research design was used in the investigation of the effects of Kenyatta University staff reward scheme on University staff performance. Data was collected by use of questionnaires administered to teaching and non-teaching staff of Kenyatta University. Stratified random sampling and purposive random sampling were used in sampling design. Systematic sampling was used with proportional allocation on the two strata. A sampling frame with a total population of 2,712 with two strata consisting of teaching staff numbering 921 and non-teaching staff totaling 1,791 served as the target population.

Pilot survey was done on a sample of 10 members of staff who were not involved in the main study. Pilot survey made sure that the questionnaire was clear to respondents, trained two field workers and helped to estimate response rates and completion times. Piloting assisted the study to obtain some assessment of the question's validity and the likely reliability of the data that was to be collected. Descriptive statistical methods with measures like distribution tables, frequency distribution, and central tendency were used on data collected from questionnaires. The data was collected by a questionnaire based on literature. The questionnaires were dropped and picked taking approximately 45 days to achieve the minimum sample of 272 respondents. The data was then coded, cleaned and then thematised. This was then analyzed using the Statistical Package for Social Sciences (SPSS) version 20.0. Three major approaches of data analyses used were descriptive statistics, inferential statistics (Pearson's Product Moment Correlation Coefficient) and standardized multiple regressions. A sample of 332 employees from Kenyatta University filled in a five-point Likert scale questionnaire which was divided into three sections. Section A included demographic factors, section B tested the predictor variables (intrinsic rewards, extrinsic rewards, recognition rewards, financial rewards, work environment and leadership styles) while section C tested the criterion variable (employee job performance). A five point Likert scale assigned points 1,2,3,4 and 5 to terms strongly agree, disagree, neutral, agree and strongly disagree as in the order of the numbers.

The results of the study indicated that more males participated in the research than females but by only a slight margin. Conversely, many respondents reported that they had worked for less than five years in Kenyatta University. This indicated high employee turn-over or can be explained by the younger employees being quicker in returning their answers. Just as interesting, more respondents were 36 years old and above. Since most employees reported as having worked for less than 5 years in Kenyatta University, it can be interpreted that most of the employees joined Kenyatta University after working in other institutions and possessed relevant experience in their fields. All things considered, most of the employees who participated in the research earned less than Kenya shillings 25,000 which explained a salary distribution consistent with a casualised profession. This means that Kenyatta University prefers part-time workers.

Doubly important was Hertzberg's satisfiers which descriptive statistics indicated that work itself presented the highest motivation to Kenyatta University staff. This was derived from satisfaction from intrinsic conditions of the job itself. This was closely followed by recognition as a motivator. Responsibility had the lowest mean. Achievement and growth moderately affected employee satisfaction leading to low motivation and poor performance. The results indicated that Kenyatta University employees have low satisfaction with the responsibilities provided. At the same time, Hertzberg's dissatisfiers' results indicated that relationships with co-workers was quite high and provided satisfaction to employees. Nonetheless, salary and benefits had a very low mean indicating employee lack of satisfaction and motivation. University policy and administration, status and supervision indicated moderate dissatisfaction. Salaries and fringe benefits as well as job security were found to be weak in Kenyatta University and caused dissatisfaction and affected employee performance.

By and large, Siegrest's effort- reward imbalance model results indicated that Kenyatta University provides esteem low reward to its employees. This includes respect, adequate support and fair

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treatment. According to Siegrest, for this reason alone, the university decreases the risk of employee reduced health. Salary and benefits had the lowest mean indicating that Kenyatta University provides inadequate salaries and benefits which demotivates employees and reduces performance. In addition, results indicated that job security and career opportunities (promotional prospects, undesirable change, job insecurity and status) likewise had a low mean which according to Siegrest; this could form a chain reaction leading to arousal of strain reactions from employees leading to poor performance. Meanwhile, results from Hynes dimensions of working environment indicated that the physical component of the environment was the most powerful factor than behavioral component in shaping employees attitudes in Kenyatta University. For this reason, furniture, furnishings, office space and interior surface were well provided and led to feeling of sophistication from employees as they worked.

Behavioral component of the environment had a very low mean indicating that they are poorly provided in Kenyatta University. These included inter- personal aspects like trust and loyalty among employees, encourage better team work, and reduce interruptions, crowding and noise. Similarly, results from Rensis Likert management systems indicated that exploitative authoritarian leadership style was the most dominant leadership style in Kenyatta University. In Likert's eyes, the results indicate that Kenyatta University leaders have no trust and confidence in their sub-ordinates. In addition, there was presence of low team work, low communication and motivation based on threats. The employees are not free to discuss things about the job with their superiors. Above all, decisions are centrally made. This management style was closely followed by consultative leadership style. The results indicated that this style was also dominant but to a lesser degree. This means low communication and motivation based on system of rewards. There is an element of master-servant relationship and decisions still made centrally. The employees cannot discuss job with their seniors or leaders. The least leadership style used in Kenyatta University is participative leadership style which is the ideal system if an organization wants to achieve optimum effectiveness.

Descriptive statistics from the study showed positive trend of the variables. Significant positive relationship between intrinsic rewards and employee job performance indicated that employees working in Kenyatta University felt that intrinsic rewards like praise and appreciation contributed more to their job performance more than any other factor in the study. This was because of the inherent satisfaction of performing their respective duties brought about by intrinsic motivation. Results in addition indicated that reward and recognition policies in Kenyatta University are competitive externally and equitable internally. Subsequently, the most important variable that effected performance of employees from the study was intrinsic rewards.

Descriptive statistics in form of arithmetic means and standard deviation were computed for the dimensions of employee performance assessed by the questionnaire. It was observed that the mean values for financial and recognition rewards were the lowest. These were the areas which were most likely to be affected by demotivation and dissatisfaction and hence lowered employee performance. Therefore, it showed that Kenyatta University staff in the current sample was most likely motivated by intrinsic and extrinsic rewards. The results also showed that the staffs were moderately motivated by leadership styles practiced by their supervisors and least motivated by financial and recognition rewards.

Pearson Product Moment Correlation Coefficient was computed for determining relationships between independent variables (Extrinsic rewards, intrinsic rewards, financial rewards, recognition rewards, working environment and leadership styles) with employee job performance. The results showed that there was statistically strong positive relationship between all the variables of employee job performance. The results indicated that the relationship between working environment and all the components of satisfaction was quite insignificant. It was only significantly related with relationship to employee job performance. The lowest value corresponded to working environment and extrinsic rewards while the highest value was between financial and extrinsic rewards. There was a significant relationship between intrinsic rewards and performance. A significant correlation was also found to exist between extrinsic rewards and employee performance which answered the second research question supporting that extrinsic rewards are significant in explaining the variance in employee job performance.

There was also a significant relationship between recognition rewards and employee performance which responded to the third research question whether recognition rewards affected performance. A significant relationship also existed between financial rewards and employee performance which provided an answer to the fourth research question whether financial rewards affected performance of Kenyatta University employees. A significant correlation was seen to exist between leadership styles and employee performance which answered the fifth research question in determining if leadership styles affected job performance. There was a significant relationship between working environment and performance but at a low level. Hence, the response to the sixth research question which investigated the relationship between recognition and work motivation and satisfaction.

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c) Conclusions

The results of this study indicate that employees in Kenyatta University are less motivated by financial and recognition rewards and the variables contribute to a small extent in improving their job performance. This means that if more focus is placed in reward and recognition by Kenyatta University management, there could be a resultant positive impact on university staff and hence result in higher levels of job performance. However, the results of the findings may be specific only to Kenyatta University and may not be generalized to other universities in Kenya.

Nevertheless, Kenyatta University management may use the outcomes of the research study to check its current reward and recognition programs. This will be particularly effective if the focus addressed the needs of all employees with different job statuses: may it be casual employees, permanent employees, contract employees or any other. From the research, the mean values for financial and recognition rewards were the lowest. This shows that employees are less motivated with their work in respect to financial rewards and tend to neglect the aspects of recognition. On the other hand, when the working environment is conducive, workers are friendly, they are paid for what they work, their job is secure; can grow within Kenyatta University, their motivation then remains high.

Kenya University staff view rewards and recognition of the work done as a form of motivation which enables them to continue working for the institution. This shows that the employees would like to be recognized for the work done in order to get motivated the repeat the same behavior which would raise levels of performance. The study results found out that few employees had worked for a long time which conveys that Kenyatta University has a high level of staff attrition. The majority of the employees had worked in the institution for less than five years. The respondents suggested that rewards and recognition should be based on objective criteria of performance which can be perceived as fair. Low level employees who were mainly casual workers perceived that the differences in salary, facilities, etc as demotivating factors. Lack of communication was also seen as a main barrier of the respondents' motivation which in turn affected performance. It is therefore recommended to communicate rewards and recognition in proper ceremony and on time so that the employees can be prepared and better motivated.

d) Recommendations

Lack of communication between employees in Kenyatta university employees and management was found to be weak and should be improved. This would automatically increase motivation effectiveness and performance. Employees considered Kenyatta university salary and benefits as inadequate for their needs. Management should ensure that no large remuneration gaps exist among the different levels of performance. Furthermore, it should be equitable and performance linked. Above all, management should better the available rewards to achieve higher and greater levels of motivation and employee performance. Consequently, rewards should possess an objective criterion of performance which can be viewed by the employees as fair. This would be a powerful communication of trust and support to Kenyatta University employees. In essence, rewards should communicate respect and should of course acknowledge employees skills and respective talents.

Kenyatta University management should also provide the employees with more organizational freedom and respective autonomy. Employees should participate in decision making so that they feel that their opinions are important for development of Kenyatta University. Some culture of celebration should be created in which channel of communications can be constructed to inform levels of management of employees achievements, assisting employees in overcoming obstacles and increase job responsibilities. Rewards should be provided equitably for performance.

e) Areas for further research

The responses collected highlighted a number of interesting issues. An example is that the current rewards and recognition has not dealt sufficiently with issues pertaining to diversity and the impact it could have on employee job performance. In this case, further research is necessary on the impact of reward and recognition on employee job performance for diverse groups in educational institutions. The diversity categories should include race, gender and disability among others. In retrospect, factors such as tenure and age should also be investigated. Further research should incorporate qualitative research since this study used quantitative research methodology. Longitudinal data may also be collected to investigate real casual inference for the relationships hypothesized in this study. Furthermore, comparative studies may be done for private and public universities in Kenya.

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