

REWARD MANAGEMENT PRACTICES AND PERFORMANCE OF EMPLOYEES IN KENYA. A CASE STUDY OF KENYATTA NATIONAL REFERRAL HOSPITAL

¹ Dennis Pkite Tumkou & ² Dr. Weldon Ng'eno, PhD

¹ Student, Masters of Arts in Public Policy and Administration, School of Law, Arts and Social Sciences, Kenyatta University, Kenya

² Lecturer, Public Policy and Administration Department, School of Law, Arts and Social Sciences, Kenyatta University, Kenya

Accepted: October 2, 2023

ABSTRACT

This research investigated the role of monetary rewards; salaries, wages and allowances on the performance of employees at the Kenyatta National referral hospital and secondly it established the effect of non-monetary rewards; better housing, medical cover, carrier advancement, job training and thirdly employee recognition, promotion on the performance of employee at KNRH. The study targeted the 5,522 employees working at the Kenyatta National Referral Hospital. The research was steered by expectancy theory, the Maslow's hierarchy of needs theory, and the equity theory. The research study used a case study research design and both purposive and stratified sampling procedure to find the sample size from the staff who were categorized in stratus of senior, middle and lower cadre staff working at the KNRH. The study used both open ended and closed questionnaires to gather data from the selected samples. The research tool was pretested during the pilot study to measure the validity and reliability of the tools. Before the main research, the researcher did Piloting of 38 randomly selected respondents undertaken at Mbagathi referral Hospital. The quantitative type of data collected was analyzed using SPSS, whereas the qualitative data collected was analyzed using content analysis. The collected and analyzed data was conferred in the format of, percentages, different types of charts, frequency tables and graphs. The research concluded that salary payment, and bonuses for extra work put had a positive effect on their performance. A substantial association exists between compensation and performance. Putting structured workers' recognition plans in place for rewarding employees who have outstanding performance a factor that leads to that optimum performance. The research study results would be used as reference materials for further studies involving reward system as well as provide secondary data in the employee performance.

Key Words: Rewards Management, Monetary Rewards, Non-Monetary Rewards, Employee Recognition, Promotion

CITATION: Tumkou, D. P., & Ng'eno, W. (2023). Reward management practices and performance of employees in Kenya. A case study of Kenyatta National Referral Hospital. *Reviewed Journal of Social Science & Humanities*, 4 (1), 469 – 482.

INTRODUCTION

Each business entity or institution aspires to acquire and maintain skillful, devoted, and well-motivated workforce using different employee motivation schemes and methods, which comprise of employee rewards (Armstrong, 2010). According to Obeidat, Taisir, Masa'deh and Ayman (2013), dedication of employees to working in a given organization has been established to bear a powerful relation to employee performance. Workforces dedicated to institutional aims and goals, in both private and public segment, do so due to organization's disposition and dedication to such workers (Varsha & Bhati, 2012).

According to Chin-Ju, (2012) organizations can reward employees in form of monetary paybacks, praising and recognizing the employees after performing well in their assigned duties or combining both the monetary and praises and recognition at the same time. The rewards can also be awarded to a group or a team of employees for accomplishing an agreed task successfully. The reward systems are aimed at improving the organizational employees' performance, efforts and productivity to propel the organization to realize its goals and objectives. Rewards of any form advanced to an organizational employee play very fundamental part in the duty performance of such a worker among most institutions that have employees (Lotta, 2012).

The KNRH doubles up as a teaching and practical Centre for the UoN Health sciences college where students partaking medical related courses do their practical and use the facility during learning. It houses University of Nairobi, the KMTC, The KEMRI and National Laboratory Service MoH department. This Hospital was named after the first President of Kenya Mzee Jomo Kenyatta. The facility has a bed capacity of 1,800, and staff population of 5522. The KNRH was converted a parastatal in the year 1987, with 10 board of directors as the supreme management authority.

KNRH, has put forward a number of management practices both non -financial and financial rewards for the compensating their employees for the services rendered. The non-monetary include, housing, study leave, medical covers and promotions. The financial rewards include salaries, overtime payments, and leave allowances, travelling allowances, retirement benefits and pension.

Statement of the Problem

Despite KNRH providing its staff with both financial and non-financial recompenses, and being rated as a level 6 category hospital, and with an annual allocation of billions of shilling from the exchequer towards service delivery, poor performance of workers is still being reported and deterioration of service delivery to its customers is still being reported. In 2018, March, 22nd, the death of a twin girl was reported which was due to negligence after caesarian section. This brought up a stormy dispute between the family, civil society and KNRH management (Chege & Merab, 2018). Similarly, Koech (2018) reported that KNRH, was experiencing persistent poor communication from its employees towards its customers and prolonged processes during admission of its patients. This clearly indicates that the performance of its workers is wanting, thus this study.

According to an audit report by the Auditor General's office OAG (2012) it was reported that samples investigation and collection of information pertaining dealings of the entity discovered that sick people seeking treatment undergo lengthy stays before getting treatment from any of its expert units and divisions. The available records indicated that patients visiting the entity for the first time at the KNRH Cancer Treatment unit had to wait for about 63 days (translating to 2 months) to see a medical expert.

After the enactment of Salaries and Remuneration commission (SRC) some studies concerning employee reward and commitment to organizational have been carried out before by various scholars. Chelagat (2016), Gachagua (2016), Chepkwony (2015) Wainaina (2015), Bosco (2014), Kathure (2014). Bosco (2014) found out that non-financial rewards had a bigger impact as they comprise rewards like employee recognition for the highest achieving employee of the year, the outstanding employee in job performance and awarding promotion on performance merit. Chelagat (2016), Gachagua (2016) recommended that the basis for employee rewards ought to be appraised by organizational supervisors for the purpose of enhancing employee performance. Thus,

need for this study regarding the Reward Management Practices and Performance of Employees in Kenya. A Case Study of KNRH.

Objectives of the Study

- To establish how the different financial rewards, affect the performance of employees at the KNRH.
- To examine how the non-financial rewards, influence the performance of employees at the KNRH.
- To investigate the influence of employee recognition on the performance of employees at the KNRH.
- To find out how promotion influence the performance of employees at the KNRH.

The study was guided by the following research questions

- What effect do different monetary rewards have on the performance of employees at the KNRH?
- How do non-monetary rewards affect the performance of employees at the KNRH?
- What is the effect of employee recognition on the performance of employees at the KNRH?
- What is the effect of promotion on the performance of employees at the KNRH?

LITERATURE REVIEW

Theoretical Review

Accomplishment of any organizational goals is based on employee's commitment, worker's fidelity to the institution which is as a result of decent and enhanced reward management schemes. The research study focused on establishing existence of connection between employee recompense administration schemes and the worker's commitment to organizational goals. Thus, the suitable theories that was apprise the research study include; Organizational commitment theory advanced by Allen and Meyer (1984), Abraham Maslow's the hierarchy of needs theory and Fredrick Herzberg's two factor theory.

Organizational Commitment Theory

Allen and Meyer (1990) are the proponents of the organizational commitment theory. The theory clearly outlines the employee's commitment to an organization. They alluded to the fact that, employee commitment comes in three multidimensional approaches; affective, continuance and normative commitment. The effective commitment has to do with employees' positive emotional attachment, involvement and identification with the work of the organization that a given employee executes. The Continuance commitment on the other hand has to do with employee's feelings of commitment centering on the leaving costs; the employee is committed to an organization and performs in distress of the budget linked with exiting the organization for another similar organization. Finally, the normative commitment which has to do with employee's approaches of commitment being the basis of the employee's verdict to stay and work in the present organization.

According to Becker (1960) three approaches of organizational commitment that explain and quantify employees' commitment have been established. They consist of; attitudinal, calculative and multidimensional approaches. The attitude method elucidate that workforces are dedicated to an organization due to their ability to be associated with the principles, goals and aims of a given organization. Calculative approaches maintain that income levels, employee's social and economic status in an organization confine employee to an organization in fear of not finding the equivalent rewards in similar organization.

The theory's application on the intended research on the objectives of how monetary and non-monetary recompenses influence the worker's performance. It's hypothesized that some employees at the KNRH are committed to their work and perform better due to the fringe benefits attached to their jobs like housing and being associated with the National referral hospital in the country.

The Hierarchy of Needs Theory

The Initiator of the theory is Abraham Maslow (1943). According to Wehrich and Koontz, (2001), Abraham Maslow's concept of hierarchical needs is the utmost broadly quoted theory when it comes to matters of employee rewards and motivation. In this theory five levels of human needs, arranged from low level (basic)

physiologic wants, to the higher level (self-actualization) needs are identified (Maslow, 1943). The human needs are arranged from the lowest to the highest in a pyramid shaped style (Joefreh & Mahdavi, 2012).

The lower level needs are prerequisite to the succeeding level needs which need to be fulfilled from the basic or physiological before the second level, third, fourth and fifth are fulfilled in that order of hierarchy. According to Armstrong, (2012), workers looking for satisfaction of basic, lower level or physiological needs can't find the drive to follow and achieve the needs in the subsequent level. After the needs of one level are achieved, the determination of to achieve the next level needs in that hierarchy till the highest needs of self-actualization are achieved (Heraty & Morley, 2011).

Abraham Maslow's theory of hierarchy of needs is applicable to this study as it supports the objective of need of employee appraisal and recognition which makes the employee who perform well is to, receive recognition for a well-done job and get appraised.

The Two Factor Theory

This theory was advanced by Fredrick Herzberg (1959). Herzberg alluded to the fact that, 2 sets of aspects influence employee job performance. The two sets of factors are referred to as motivator-hygiene. The two-factor theory is sometimes referred to as motivators or hygiene theory. Herzberg affirmed that, one set of factors leads to employee job satisfaction whereas another set of factors makes employees dissatisfied.

The hygiene factors are the work-related factors that are important for the existence and enhancement of employee enthusiasm in the organization, nevertheless the factors don't lead to positive long-term job satisfaction. Most significantly, the nonexistence of these factors in the organization cause employees to be discontented. According to, Aurel, Viorel, Virgil and Stefanie (2009), the hygiene factors are associated with emotional or psychological growth. They include; employee job security, the organizational working conditions, employee salaries or pay structures and the organizational set policies governing employment. Hygiene factors are not employee motivators however; their nonexistence leads to automatic employee dissatisfaction (Herzberg, 1959). According to Lyria, Karanja and Namusonge (2014), the hygiene factors are similarly known as dissatisfies, this is because they are necessary to elude employee dissatisfaction.

Motivator factors on the other hand, are factors that enhance employee job satisfaction. These factors include; employee recognition, employee autonomy, employee prospect for carrier growth and advancement as well as employee opportunity for decision making.

The two-factor theory is applicable on the objective of measuring how employee recognition influence employee performance. The theory emphasizes the need for employers to value and recognize the achievements made by employees through employee promotions to higher grades which leads to employee work contentment and improve the performance of employees.

Empirical Review

Performance of Employees

Mendez (2019) conducted a research on the total quality managements, policies and performances of employees in Kenya's referral hospitals, a study of KNRH Used descriptive survey, stratified random sampling with 373 respondents out of target population of 5522, and found out that the obligation of top managers in supervision led to 0.398 rise in employees' performance. The research dwelt on top management and staff in supervisory position, views of lower cadre staff members were not reviewed, and thus a gap exists as it may produce different results. This study was interview employees across the board, both in management and lower cadre.

According to studies by Henarathgoda and Dhammika (2016), who carried out research on shortage of Talent and its impact on hotel industry in SiriLanka, where the variables were working hours, salary, perception and education opportunities established that performance of workers elucidates the employee's undertakings connected to the occupation of the employee and how best the employee accomplishes the assigned

undertakings. The performance of every employee is fundamental to organizational achievement of its goals and objectives. The performance of employees signifies workers' assurance concerning their conduct as well as their contribution in attaining the set organizational objectives (Omollo, 2015).

Financial Rewards and Performance of Employees

Financial rewards constitute both direct cash payments and indirect cash (Aktar,2012). Financial rewards comprise of enticements offered to employees of an organization after accomplishing a task to the expectation of the employer (Karandish & Ali, 2011). This comprises of any enticement like bonus, salary, shopping vouchers that rises the reward of a worker. Thus, financial rewards have great impacts towards the employees' performances. Financial payments play an important role in enhancing work performance.

Nyanja *et al* (2013), undertook a research study on the rewarding practice and Workers' performance at the KPLC, and the findings established that rewards of hard cash payment on the employees did not have any notable determinant on performance employees, however the research, did not bring out how the bonuses were arrived at, and the cadre of employees who were entitled to the bonus, thus this study was pursue to establish both the non-financial and financial rewarding to workers.

Non-financial Rewards and Performance of Employees

Chelagat (2016), conducted a study on 'effects of rewarding Managing Practices on organization's contentedness in Kenya's state-owned corporate s, case of KEFRI Kenya, using a case study method, with a population target of 1012 and a sampled size of 100 respondents and established that organizational rewarding management exercise play an important function in the organizations' commitments within employee with 51% approving. The study too focused on commitment of employees as the dependent variable, the gap exists here in that commitment by employees to an organization may not translate to performance, and thus this study investigated both commitment and performances of wokers.

Kathure, (2014) conducted a research on impact of non-monetary recompenses on commitment of worker's at (KTDA), using descriptive survey design and 294 respondents who were sampled using stratified sampling technique. This research finding indicated on how workers agreed that they received medical care to a reasonable scope. The research also established that, professional progression could lead to improvement their mastery to the job to a greater magnitude, and finally the also found out that, the organization permitted workers systematic work schedule to go for further training and even supported staffs where possible to a greater magnitude. The research concluded that professional growth, advancement opportunities presented and workers recognition are the outfits that organizations can employ for workers' motivation for effective and efficient performance, however the research did not specify the age brackets that are affected by carrier development, something this study covered.

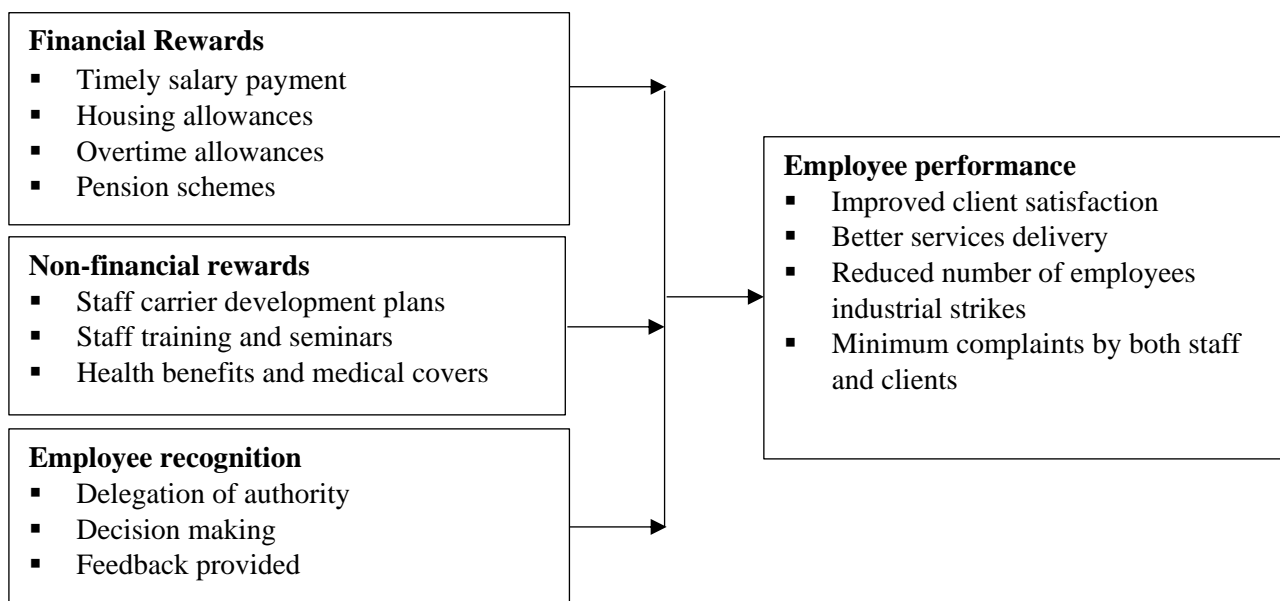
Employee Recognition and Performance of Employees

Okoli and Okoli (2020) conducted a research on Rewards, management Practices & workers' Performance in the State-supported Universities in South Eastern Nigeria. The main variables were; recognition of employees' and Work satisfaction among others. The study employed descriptive survey and sampled out 365 respondents out of a target of 7,411 employees. The established out that there is significant correlation concerning overall employee fairness and employee's commitment and performances. There is constructive significant co-relation between workers' recognition and job contentment that leads to more output in terms of employee's performance. The study did not however ascertain level of the performance, thus this study.

Similarly, Muuo (2013) studied the 'consequences of rewarding systems on organization's performance in Primary Public Teachers Training Colleges within Nairobi. The research established that, rewarding systems are significant factors that influences performance in an organization, additionally he established that the employee recognition in the organization was irregular thus affecting some cadres of employees and slowing

down the performance of the employees in some departments. Thus, this study endeavored to establish if the same is replicated in KNRH.

Conceptual Framework



Independent Variables

Dependent Variable

Figure 1: Conceptual Framework
(Researcher, 2022)

METHODOLOGY

The researcher used a descriptive research design to collect the required information from the selected respondents. This research targeted a total of 5522 staff of the Kenyatta National Hospital, spread out in 2 directorates and 14 divisions. The employees were sampled out from each department. According to the KNRH organogram, there were two directories; directory of clinical services and the directorate of corporate services. The two directorates were further divided into 14 divisions and four departments. The study adopted the random convenience and convenience sampling methodology to obtain representative sample size of 384 units.

For data collection, the research employed the interviewing schedules, both closed and open questionnaires to collect data from selected samples. Drop and wait technique was used to administer the questionnaires. Collected filled questionnaires were cleaned and arranged according to how complete they were and classified according to departments. They were then coded and analyzed using the SPSS computer software. The frequency distribution was used for analysis of descriptive information also standard deviation and mean. The analyzed data was projected using, pie charts, frequency tables, and bar graphs.

RESULTS

Descriptive Statistics

Financial Rewards and Performance of Employees

The first study objective being to find out how financial rewards affect performance of the workers at the KNRH. The research sought to establish how various aspects relating to financial rewards influence their performance by asking some questions in form of statements, whose responses required the level of affirmation by them stating their level of disagreement or Agreement, where, 1- you disagree strongly, 2- you disagree, 3- your neutral, 4- you agree, 5- you agree strongly

Table 1: Financial Rewards and Performance at KNHR

Proclamation	Disagree strongly %	Disagree %	Neutral, %	Agree %	AGREE Strongly %
The employee salaries are paid on time and it motivates you.	4(1.7)	7(3.0)	43(18.5)	97(41.8)	81(34.8)
The salaries paid to employees are proportionate to level of qualification and work done.	15(6.5)	23(9.9)	53(22.8)	81(34.9)	60(25.9)
The staff are awarded annual pay increase which motivates them.	22(9.5)	57(24.6)	48(20.7)	60(25.9)	45(19.4)
The employees are paid other cash bonuses and allowances for extra time and effort put in	85(36.6)	90(38.7)	30(12.9)	16(6.8)	11(4.7)
The organization rewards best performing department/group with cash awards	97(41.8)	49(21.1)	43(18.5)	24(10.3)	19(8.2)

Source: Research Data (2023)

From the table above its clear that 41.7% and 34.8% of respondent agreed and strongly approved respectively to the fact that their salaries were been paid on time and that motivated them to perform their duties this is in agreement with the study findings and concurs with the findings of Bosco (2014) who conducted a research study on the Reward Management Practices at Nakumatt supermarket Holdings Ltd on the Worker's Performance and found out that the Financial Rewards variable recorded a p-value of 0.0001 demonstrating that financial related variables has extreme influence on workers' performance which indicated extreme significant.

On whether the salaries paid to employees are proportionate to level of qualification and work done, 81(34.9%) and 60(25.9 %) agreed and strongly agreed, totaling to 60.8% rating of acceptance. This implied that salaries and financial obligation as a rewarding scheme was central to employees' performance, these findings agree with a study by Tze San *et al.* (2012) whose outcomes showed that monetary and impartial actions are fundamental in planning rewarding schemes. Similarly, a research by Bhakta & Nagy, (2005) established that remuneration contentment by employees was the principal to increased job performance and satisfaction.

On the other hand, 3% and 1.7 disagreed and strongly disagreed respectively that salaries were not being paid on time a percentage was not significant. Whereas, 25.9% and 19.3% of workers approved and strongly agreed correspondingly that staff are awarded annual pay increase which motivates them. These results come to an agreement with the outcomes by Webb Day *et al.* (2014) deliberated on how the use of payment-for- work performances sets in a western institute can have affirmative outcomes on performances. By concentrating not only on the salary, but correspondingly on the person's explicit wants for the payment, and established that can achieve positive performance outcomes, as well as helping an organization in responding well to their employee's anticipations.

On whether the organization rewards best performing department/group with cash awards which motivates them to perform, the findings of the study indicated that 97(41.8 %) and 49(21.1%) strongly disagreed and disagreed respectively that they did not get the extra payment in for of reward, this contradicts the findings by Bratton & Gold, (2012) performance-indicative payment schemes link payment to worker's productivities. The productivities might comprise positive influences from the specific or team, therefore providing the footing for dissimilar kinds of payment schemes.

Nonetheless, to the contrary 97(41.8%)and 49(21.1 %) of the responses strongly disagreed and disagreed correspondingly that organization rewarded the best performing department/group with cash awards. These findings agree with the findings of Berman (2006) who found out that reasonable pays, welfares meeting the

needs of workers for financial and non-work requirements, prospect for learning and growth and pleasant work association offer a important sum of motivation for workers to perform optimally in their duties.

Non-Financial Rewards and Performance of Employees

The research pursued to ascertain the agreement level of the statements concerning the influence of non-financial rewards which included, pension schemes, health insurance, provision of housing or housing allowances, provision of necessary working tools sponsorship for studying specialized training in the field of one's specialty and general provision of conducive environment and how they affect performance of employees at the KNRH .The statements regarding non-financial rewards were presented to the selected respondents for them to rate on the level of agreement.

Table 2: Non-Financial Rewards and Performance at KNRH

Proclamation	N=232 n (%)				
	Disagree strongly %	Disagree %	Neutral, %	Agree %	AGREE Strongly%
The employee health insurance cover provided motivates and makes employees work harder	29(12.5)	102(44.0)	56(24.1)	32(13.8)	13(5.6)
The housing/housing allowance provided motivates employee to work harder	8(3.4)	29(12.5)	70(30.2)	101(43.5)	24(10.3)
The employees are given necessary tools and equipment for the performance of their duties?	6(2.6)	11(4.7)	32(13.8)	128(55.2)	55(23.7)
The employees are provided with conducive work environment	17(7.3)	44(19.0)	66(28.4)	83(35.8)	22(9.5)
The employees are sponsored for specialized higher on job training	61(26.3)	102(44.0)	44(19.0)	22(9.5)	3(1.3)

Source: Research Data (2023)

Majority of the respondents numbering 128(55.2%) and 55(23.7%) agreed and strongly agreed respectively that the employees were given necessary tools and equipment for the performance of their duties, which really motivates them. Whoever 61(26.3%) and 102(44.0%) of the responses strongly disagreed and agreed respectively that the employees were sponsored for specialized training for higher on job exercise. Most of the employees in who responded so were support staff.

The findings are in tandem with that of AMREF (2012) statement on Training and educational status, which established that a minor percentage in the county of Turkana felt they have adequate training for their jobs. This compares to the low levels of education noted among health workers in Turkana. Subordinate levels of schooling and insufficient chances for upgrading has potential implications on the motivation of health workers in Turkana as many felt they are not sufficiently equipped for their responsibilities.

The findings on whether, the employee health insurance cover provided motivates and makes employees work harder indicated that 29(12.5%) and 102(44.0%) strongly disagreed and disagreed respectively ,thus not agreeing with the findings of a research by Kathure (2014) who conducted a research on impact of non-monetary recompenses on worker's commitment at Kenyan tea developmental agency (KTDA) and the research established that workers agreed receiving medical cure to a modest magnitude which motivated them to be committed to the organization. This difference may be attributed to the fact that employees at KNRH deal with

medical issues, thus sees no much significance of medical covers as opposed to other employees in different sectors who prioritize medical cover.

On whether the employees are sponsored for specialized higher on job training which is a motivating factor for their performance, the outcomes of the this research showed a majority 61(26.3%) and 102(44.0 %) strongly disagreed and disagreed respectively with the statements ,thus being in contradiction with the findings of the research carried out by Arwa, Atambo, and Mogwambo (2019) on the impact of Rewarding Schemes on Performances of Health Establishments in Kenya a Study of Aga Khan Hospital branch of Kisumu where it was established that a total of 68.5% of respondents who respond to the trained rewarding scheme discovered that the system was used to motivate employees whereas 31.5% of the respondents felt that this reward system was not embraced and therefore it had no impact on worker’s performances.

Employee recognition and Performance of Employees

Third objective of the research was to find out the influence of employee recognition on their performances. Various aspects concerning employee recognition the statements regarding employee recognition were presented to the selected respondents for them to rate on the level of agreement.

Table 3: Employee Recognition and Performance at KNRH

Proclamation	N=232 n (%)				
	Disagree strongly%	Disagree %	Neutral, %	Agree %	AGREE Strongly%
There are well structured workers’ recognition plans in place for rewarding employees?	76(32.8)	48(20.7)	65(28.0)	19(8.1)	24(10.3)
There are annual events organized to recognize employees’ performance	25(10.8)	67(28.9)	77(33.2)	45(19.4)	18(7.6)
Employees are given a chance to contribute in organization decision making process on issues concerning them.	34(14.7)	60(25.9)	71(30.6)	51(22.0)	16(6.9)
The organization offers refresher training to its employees in areas of need	7(3.0)	25(10.8)	59(25.4)	97(41.8)	44(19.0)
Employees who display distinctive performance are rewarded with more responsibilities	56(24.1)	70(30.1)	66(28.4)	21(9.1)	19(8.2)
Employee Job valuation is conducted periodically	38(16.4)	72(31.0)	68(29.3)	48(20.7)	6(2.6)

Source: Research Data (2023)

From the table above 76(32.8%) and 48(20.7%) of the responses disagreed strongly and disagreed respectively that were well structured workers’ recognition plans in place for rewarding employees who performed well. This indicates that KNRH doesn’t have well established employee recognition schemes to recognize well performing employees, which is a key factor, as Nyanja, Maina, and Njagi, (2013) elucidate that employee recognition and appreciating them are fundamental mechanisms of appealing calculated reward scheme. These finding contradicts with the research findings by Bosco (2014) who established that non-financial rewards had a bigger impact as they comprise rewards like employee recognition for the highest achieving employee of the year, the outstanding employee in job performance and awarding promotion on performance merit.

To the contrary 97(41.8%) and 44(19.0%) agreed and strongly agreed that the organization offers refresher training to its employees in areas of need factor that contradicts issue of lack of further training but offering

refresher courses. On whether the organization offers refresher training to its employees in areas of need which is a motivating factor to performance the research findings indicated that 97(41.8%) and 44(19.0 %) agreed and strongly agreed respectively, totaling to 60.8 % rating of agreement, thus agreeing with the findings of Yousef et al. (2015) where the study on not for -western beliefs established that workers with different working motivations posed different intensities of job performance. This research observed influence of extrinsic and intrinsic types of motivation on dissimilar kinds of performance (task and contextual) and established a stronger correlation between inherent type of motivation and job performance as compared to extrinsic type of inspiration and related performances.

The findings further indicate that 25(10.8 %) and 67(28.9%) strongly disagreed and disagreed respectively that there were annual events organized to recognize employees' performance which could be a motivating factor, whereas 45(19.4%) and 18(7.6%) agreed and strongly agreed against 33.2% which were neutral on the issue. This indicates that, majority (39.7 %) did not feel that there were the annual events to recognize performance.

Employee Promotion and Performance of Employees

The research pursued to find out the extent of employee promotions at the KNRH on their performance. To establish the position of this variable, a number of aspects in form of statements concerning employee promotion were presented to the selected respondents for them to rate on the level of agreement.

Table 4: Employee promotion and Performance at The KNRH

Proclamation	N=232 n (%)				
	Disagree strongly%	Disagree %	Neutral, %	Agree %	AGREE Strongly%
Employee performance appraisals are periodically conducted	62(26.7)	75(32.3)	53(22.8)	34(14.6)	8(3.4)
Employees promotion to higher grades is done on merit which motivates performance	27(11.6)	72(31.0)	57(24.6)	62(26.7)	14(6.0)
There is periodical employee job evaluation from time to time that motivates performance	34(14.7)	72(31.0)	69(29.7)	50(21.6)	7(3.0)
Individual employee efforts are appreciated	45(19.3)	69(29.7)	71(30.6)	43(18.5)	4(1.7)
Once an employee attains higher qualification h/she is rewarded with a promotion	48(20.7)	71(30.6)	82(35.3)	25(10.7)	6(2.6)

Source: Research Data (2023)

The findings on whether employee performance appraisals are periodically conducted and if it promotes performance, 62(26.7) and 75(32.3%) strongly disagreed and disagreed respectively, whereas a small response rate of 34(14.6 %) and 8(3.4 %) agreed and strongly agreed respectively. This indicates that performance appraisals which gives feedback to employees were not carried out regularly. The study sort to find out if employees' promotion to higher grades was done on merit and if it motivates performance. Sixty-two respondents (62) representing 26.7% and 14(6.0) agreed, the results from the collected and analyzed data, indicated that simple majority representing 27(11.6%) and 72(31.0%) responded that they strongly disagree and agree respectively whereas 57(24.6%) that were neutral. The findings also indicated that 48(20.7%) and 71(30.6%) of the responses disagreed strongly and disagreed respectively that once an employee attains higher qualification he/she is rewarded with promotion.

On whether individual employee efforts were being appreciated, 43(18.5 %) and 4(1.7 %) agreed and strongly agreed, indicating that there was very minimal individual effort recognition. These research study findings agree with the findings of research conducted by Khasakhala, Ndeti and Omolo (2008) established that deficiency

of promoting employees is a recipe for them to have intentions to have the urge of joining another organization or the private segment, which may be satisfying or transit out of the country.

On whether there was periodical employee job evaluation from time to time that motivated performance, only 24.6 % of the Respondents of which 50(21.6%) and 7(3.0%) agreed and disagreed strongly with this proclamation correspondingly, thus contradicting the findings by the research by Kokubun (2018), and Prabu & Wijayanti (2016) that rewarding pose an important and affirmative influence on workers' performance.

On whether employees promotion to higher grades is done on merit which motivates performance 62(26.7%) and 14(6.0 %) Agreed and strongly agreed respectively , totaling to 32.7 % which is moderately considerate approval of the percentage, thus the outcomes were in agreement with conclusions of the research carried out by Ngure and Waiganjo (2017) who studied factors impelling the retention of public health sector employees in Kenya with a sampled size of 400 responses were involved in the research. The study findings discovered that employee promotion, compensation, management style, on job training and working environment impact the public sector's health workers' performance and retention at the same time.

On whether Once an employee attains higher qualification h/she is rewarded with a promotion, the findings indicated that 48(20.7)and 71(30.6 disagreed with that it was not automatic, thus the findings differs with the Study findings by Tausif (2012) and similar one by Arnolds & Venter (2007) which elucidate that organizations which have employees with high level of expectancy of career development and promotions once workers meet their job performance thresholds act as recipe for main job satisfaction and performance is higher as compared with organizations without employee expectancy for promotion.

CONCLUSION AND RECOMMENDATIONS

The research pursued to find out how different financial rewards influenced performance of the employees at KNRH. The findings indicated that the respondents were contended with the timely salary payment at the end of every month with 34.8% and 41.8 % totaling to 76.6% strongly agreeing and agreeing respectively that timely payment of salaries was a motivating factor for performance. However, to the contrary almost a similar total percentage of 36.6% and 38.7%, totaling to 75.3% strongly disagreed and disagreed respectively that, they were paid cash bonuses and allowances for the extra time and effort put in, thus affecting their performance.

The research sought to ascertain the non –monetary recompenses that enhance employee performance at the KNRH. The findings indicated that 19.0 % and 41.8 % totaling to 50.8% strongly agreed and agreed respectively that the organization offers refresher training to its employees in areas of need, thus being a motivating factor to perform. Similarly, the respondents strongly agreed and agreed at the rate of 12.5 and 44.5% respectively totaling to 67% that, the employee health insurance cover provided motivates and makes employees work harder, making them perform their functions well.

Conversely, 70.3 % strongly disagreed (26.3) and disagreed (44.0%) that the employees are sponsored for training on specialized areas still higher on job training. A factor that was affecting their performance.

The research set out to investigate the level of employee's recognition and how it affected their performance. The findings revealed that over 54.2 % being an aggregate of 24.1% and 30.1 %, strongly disagreed and disagreed that Employees who display distinctive performance are rewarded with more responsibilities, thus limiting their performance. Similarly ,32.8% and 20.7% totaling to 53.5%, strongly disagreed and disagreed respectively that there were well structured workers' recognition plans in place for rewarding employees who had outstanding performance a factor that inhibited them from attaining optimum performance.

Basing on the analysis, the findings revealed that typically, the research participants disagreed that merit was considered during promotion exercise at KNRH. Averagely, Research participants specified that they were not in agreement with the way promotion was carried out. A total of 42.6 % of the responses disagreed with the proclamation that promotion was on merit as compared to 32.7% who agreed to the statement.

Employees of any organization are key business resource that must be managed prudently through well-established Reward Management Practices and programs in order to make the most of return on venture and realize corporate objectives. Workers' benefit has attained crucial position in the contemporary corporate world. The contemporary workforce chain, Reward Management Practices and programs guards the entire breadth of accomplishments assumed to not only safeguard the workforce but also improve efficiency, performance and by extension realization of organizational set goals.

Basing on the outcomes of the study, the research concluded that salary payment, and bonuses for extra work put had a positive effect on their performance. A substantial association exists between compensation and performance. Putting structured workers' recognition plans in place for rewarding employees who have outstanding performance a factor that leads to that optimum performance. Similarly, the study concluded that timely promotions based on merit, dependable with promotion policy and finally increase budgetary allocations for promotions.

The research study findings can also be concluded that workers should be given suitable working conditions of employment, and also be compensated fairly for their requirement for positive results on their performance. This concurs with the theory advanced by Fredrick Herzberg (1959). Herzberg alluded to the fact that, there are two sets of factors that affect employee job performance. The two sets of factors are referred to as motivator-hygiene. The two factor theory is sometimes referred to as motivator-hygiene theory. Herzberg affirmed that, one set of factors leads to employee job satisfaction whereas another set of factors makes employees dissatisfied.

The hygiene factors are the work-related factors that are important for the existence and enhancement of employee enthusiasm in the organization, nevertheless the factors don't lead to positive long term job satisfaction. Most significantly, the absence of these factors in the organization leads to employee discontent.

The study recommended the following on the reward management policies and employee performance at the KNRH on each variable;

Salary and other payable remunerations are a significant aspect of inducement of employee performance in public health sector. The actors in medical field devour to have control over the basic salary of their workforces containing bonuses and other stipends. The study recommends that management referral hospitals Kenya ought to confirm that there is a documented plan designating salaries and gratuities. The compensation structure to ruminates with the prevailing cost of living.

The research also recommends that KNRH, come up with well-defined compensation policies on cash bonuses and allowances for extra time and effort put in by employees. This will promote at great lengths on their performance this is in response to the 36.6% and 38.7%, totaling to 75.3% strongly disagreed and disagreed respectively that, they were paid cash bonuses and allowances for the extra time and effort put in, thus affecting their performance.

The study recommends that there should be well established timely promotions based on merit, dependable with promotion policy and finally increase budgetary allocations for promotions.

The study recommends that the Management Sets up a well-structured workers' recognition plan for rewarding employees who have outstanding performance a factor that leads to that optimum performance. The KNRH, should enrich employee's periodic recognition plans by organizing monthly and end of year recognition observances complemented with rewards like monetary rewards for best performers and most improved.

Suggestions for Further Studies

The research study recommends for further research studies to be conducted and be protracted to other public referral hospitals of similar stature to evaluate the perceived Reward Management Practices and programs on performance. Forthcoming scholars should also target private hospitals of similar status, which would bring

about a holistic picture of how Reward Management Practices and programs affect performance. A broader cross-section can be considered at during these forthcoming studies and different statistical tool used to assess the relationship.

REFERENCES

- Ali, A. & Ikhlas, I. (2014). Employee Engagement and Organizational Commitment: Evidence from Jordan. *International Journal of Business*.
- Allen, N. J., & Meyer, J. P. (1990). Organizational socialization tactics: A longitudinal analysis
- Armstrong, M. (2010). *A Handbook of Human Resource Management Practice*. (10th Ed). London: Kogan Page.
- Bange EM (2013) Factors influencing reward at Safaricom Limited. Thesis, University of Nairobi.
- Becker, H. S. (1960). Notes on the concept of commitment. *American Journal of Sociology*.
- Chelagat (2016). Effects of reward management practices on organizational commitment in state corporations of Kenya, case study of KEFRI Kenya.
- Chepkirui, C. C. (2014). The Relationship between Rewards Systems and Job Satisfaction a Case Study at Teachers Service Commission-Kenya. *European Journal of Business and Social Sciences*.
- Chin-Ju Tai (2012). Reward and Incentive compensation and organizational performance: Evidence from the semiconductor industry.
- Cooper, R. & Schindler, K. (2011). *Business Research Methods*. New York: Prentice Hall.
- Gerhart, B. and Milkovich, G.T. (2002). *Employee compensation: research and practice*.
- Kathure, D. (2014). Influence of Non-Financial Rewards on Employee Commitment at Kenya Tea Development Agency. University of Nairobi.
- Kenya Forestry Research Institute (2013), Strategic plan
- Keitany (2014). Perceived Relationship Between Employee Welfare Programs and Employee Performance At Kenya Pipeline Company.
- Kigathi, P. N. (2018). Factors influencing retention of health workers in the public health sector in Kenya: A case study of Kenyatta national hospital. Master of Science Thesis, Jomo Kenyatta University of Agriculture and Technology.
- Koskey, A. K. & Sakataka, W. (2015). Effect of reward on employee engagement and commitment at Rift Valley Bottlers Company. *International Academic Journal of Human Resource and Business Administration*
- Kothari, C. R. (2004). *Research Methodology: Methods and Techniques*. 2nd Ed. New Dehli, New Age International Publishers Ltd.
- Lotta, L (2012) case Study: The impact of financial and non-financial rewards on employee motivation. Turku University of applied sciences.
- Maslow, A. H. (1954). *Motivation and Personality*. New York, Harper and Brothers Taylor.
- Meyer, J. P., & Allen, N. J. (1984). Testing the “side-bet theory” of organizational commitment: Some methodological considerations. *Journal of Applied Psychology*.
- Minoo (2020), Reward management practices and employee retention in Meru County, Kenya.
- Mugenda, A., & Mugenda, O. (2003). *Research Methods Quantitative and Qualitative Approaches*, 3rd Ed. Nairobi: Acts Press Publishers.

- Muuo, G. (2013). The Influence of Reward System on Organizational Performance in Public Primary Teacher Training Colleges in Nairobi Zone, Kenya. University of Nairobi.
- Mwende, (2019). The total quality management, strategies and employee performance in referral hospitals in Kenya, a case of study of Kenyatta National hospital.
- Ngugi, T. K., Mukulu, E., & Gachunga H.G. (2014). Effect of Reward and Compensation Strategies on the Performance of Commercial Banks in Kenya. International Journal of Education and Research, Vol. 2 No. 1 of links to newcomers' commitment and role orientation. Academy of Management Journal.
- Okoli & Okoli (2020) "Reward Management Practices and employee Performance of Public Universities in South Eastern Nigeria.
- Othman, Rapi, Alias Jahya & Loon, (2019). Factors influencing employees' engagement among Malaysian Construction Industries.
- Vroom, V.H. (1964). Work and Motivation. New York: John Wiley and Sons
- Wainaina, L. W. (2015). Determinants of organizational Commitment among Academic Staff in Kenya's Public and Private Universities. Jomo Kenyatta University of Agriculture and Technology.
- Wanjala, E. (2018). What services to expect as Uhuru launches Universal Health Coverage pilot. Daily Nation, December 11.
- Waithera (2018). Influence of reward s strategies on employee performance of Farm Concern International, Kenya.
- Wekesa, O., Namusonge G. S. & Mike Iravo (2015). Influence of Visioning on Organizational Commitment in Kenyan State Corporations. IOSR Journal of Humanities and Social Science (IOSR-JHSS), Volume 20, Issue 5 www.scac.go.ke
- Zheng, W., Sharan K. & Wei J. (2010). New Development of Organizational Commitment: A Critical Review. African Journal of Business Management