

6.1.2 The Corporate Leadership Council's Model of Engagement

The Corporate Leadership Council (CLC) presents a new model of employee engagement whose emphasis is on business outcomes. CLC defines engagement as the extent to which employees commit to something or someone in their organization, how hard they work, and how long they stay as a result of that commitment. The model enables the measurement of engagement benefits as shown in Figure 2. It is worth noting that rational commitment to the job is not measured due to its similarity to rational commitment to the team, direct manager, and organization. The model was developed following CLC's survey on employee engagement that involved 50,000 employees drawn from 59 organizations in 10 different industries in 27 countries around the world.

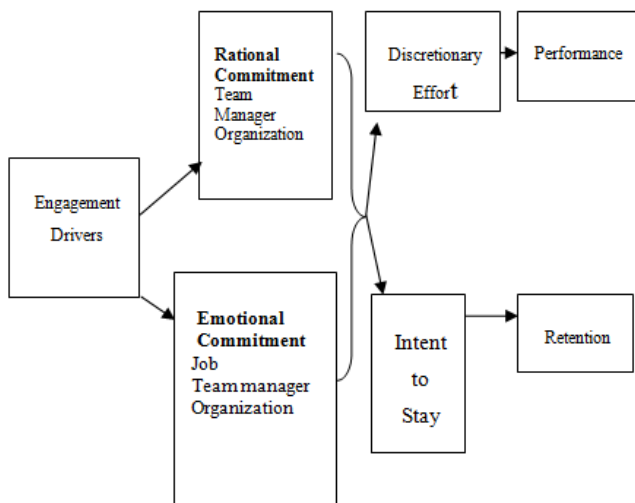


Figure 2: The CLC's Model of Engagement (CEB, 2004)

The CLC's model indicates that there are two major drivers of employee engagement, that is, rational commitment and emotional commitment of employees. When there is emotional commitment to the job as facilitated by workmates, management and the organization at large, the employee will have the intent to stay in the organization; and if the commitment is consistent, the employee is ultimately retained in the firm. On the other hand, rational commitment as facilitated by the colleagues in the work place, management team, and the organization in general, will lead to there being discretionary effort on the part of the employee which eventually enhances the performance [3]. The current study follows the top path: engagement drivers, rational commitment, discretionary effort, and performance. As illustrated in the model, when there is rational commitment of employees to the management, workmates, and the organization at large, they will put discretionary effort to do more than they are expected without any undue persuasion or supervision. This in turn will lead to enhanced performance. The model will assist the researcher to understand how the elements of employee engagement (employee growth, employee contribution, and reward and recognition) influence the performance of employees in an organization.

6.2 Empirical literature

In this section, the researcher reviewed empirical studies touching on the employee reward and Job performance. The studies were reviewed in tandem with the study variable which captures the study objective

6.2.1 Employee Reward and Job Performance

Recognition of employees was identified as one of the leading global engagement drivers for year 2011[1]. It was asserted that employees need feedback and positive reinforcement in order to consistently go above and beyond. Recognition is argued to be crucial in the motivation and engagement equation. The study further noted that recognizing the extra effort of employees especially in tough business climate will pay dividends, with no additional costs to the organization concerned.

A study was conducted in USA, Arizona on the impact of reward programmes on employee performance. In their survey on the impact of rewards programs on employee engagement among 736 respondents from around the world [10] sought to determine how total rewards programs and employee engagement are related. Their surveys also aided in determining whether total rewards programs are associated with organization's performance or not. Their study established that the extent to which organizations employed methods to specifically engage employees varied considerably. This was exemplified by 44 per cent of the firms indicating that they explicitly included employee engagement in their organization strategy; while on the other hand, 31 per cent said they did not. 60 per cent of the respondents indicated that they employed variable pay to reward employee engagement which was argued to be high. The study findings further revealed that 42 per cent of the respondents were of the view that their organization's total rewards strategies had a positive effect on employee engagement, whereas 24 per cent held contrary opinion. Almost a quarter of the respondents believed that the efforts to engage employees through total rewards programs had reduced employee complaints about pay fairness and equity, and reduced general employee problems.

Many employees are of the opinion that they work harder if they were recognized more. A study of employee engagement in South Africa argued that an intrinsically rewarding job among other factors should be emphasized with the object of increasing employee engagement [11]. This is however contrary to the observations of a study on the psychological conditions of meaningfulness, safety and availability and the engagement of human spirit at work [6]. In their study [11] noted that rewarding interpersonal interaction with co-workers was not statistically significantly related to psychological meaningfulness.

In her study that takes the Kenya's context [7] advises that a firm should essentially have a proper pay system in order to motivate the employees to work in the organization. Moreover, it is opined that with the object of enhancing employee engagement levels, they (employees) ought to be provided with certain benefits and compensations. It is,

needless to say, rather obvious that an appropriate reward and recognition program for employees is likely to minimize employee exodus from their current organization. It is averred that firms that offer the most attractive reward packages, on average, have lower attrition rates than those who pay poorly. However, studies indicate that though better pay is vital in satisfying employees, it is bound to be inconsequential to retaining employees, if and when there other factors persuading the employees to quit the organization, [7] therefore, recommends that in spite of the fact that her study findings indicated that salary and benefits were the largest contributors of employee engagement, remuneration should be complemented by other factors in order to improve employee engagement.

7. Research Methodology

The researcher adopted a descriptive research design. Given that the data collected for this study was quantitative in nature, this type of research design was the most appropriate. Descriptive research design according to [5], attempts to answer "what" if types of questions. The target population of the study comprised of all the employees of Nakuru Water and Sanitation Company Ltd which were 49 employees. A census approach was used where the sample also comprised of the 49 employees of the aforementioned company. A structured questionnaire was then administered to the respondents to collect the primary data used for this study. In order to test the reliability of the research instruments, the instruments were pretested. A pilot test was conducted on 5 respondents which were selected randomly from the population. The five 5 respondents were therefore excluded from the main study leaving a sample of 44 respondents. Reliability of the research instrument was also determined using the cronbach alpha. The data was then processed using SPSS (Statistical Package for Social Sciences) and analyzed both descriptively and inferentially.

7.1 Data Processing and Analysis

The collected questionnaires were thoroughly checked to ensure that they were appropriately filled. The data was then edited and coded into the SPSS (Statistical Packages for Social Sciences) ready for processing and analysis. Data analysis was carried out to capture both descriptive and inferential statistics results. The descriptive statistics covered frequencies, percentages, means, and standard deviations while inferential statistics will be in form of Pearson's correlation coefficient regression analysis. The findings were presented in form of frequency tables, descriptive statistics tables and inferential statistics tables. The following regression model was used;

$$Y = a + \beta X_1 + e$$

Where:

Y=Job performance

a= Constant value

β =Beta

X_1 = Employee reward and recognition

e =Error term

7.2 Research Findings

The results of this study were based on the questionnaires which were issued and returned by the respondents. Out of the 44 questionnaires which were issued to the respondents, 41 were returned within the research schedule. Therefore the findings of the study were computed using 41 questionnaires which represented 93% response rate.

7.2.1 Employee Rewards and Job Performance

The study aimed at establishing how reward and recognition affect job performance. Table 1 below shows the findings as provided by the respondents.

Table 1: Effect of reward and recognition affect job performance

	N	Min	Max	Mean	Std. Dev.
Recognition of employees is employee leading driver	41	3	4	3.27	.449
Recognition is crucial in motivation	41	2	4	3.49	.637
Effect of reward strategies	41	2	3	2.46	.505
Engagement efforts reduced employee complaints	41	2	4	3.15	.527
Employees work when more recognized	41	2	4	3.83	.495
Presence of proper pay system that motivates employees	41	1	4	2.41	.948
Requisite benefits and compensation	41	1	4	3.41	.741
Salary and befits contribute to employee engagement	41	1	4	2.44	1.074
Valid N (list wise)	41				

Table1.above indicates that respondents agreed (mean=3.27) that recognition of employees is one of the leading employee engagement drivers. When asked whether employee recognition is crucial in the motivation and engagement equation, majority agreed (mean= 3.49). However, respondents disagreed that the organization's total reward strategies have a positive effect on employee engagement as indicated by a mean of 2.46. In addition, it was agreed that the efforts to engage employees through total rewards programs has reduced employee complaints about pay fairness and equity and that it reduced general employee problems in their company. This finding was presented by the results showing a mean of 3.15 as shown in the table above. The findings also showed that majority of the respondents strongly agree (mean=3.83) that they would work harder if they were recognized more. On the other hand, respondents disagreed (mean=2.41) that their company has a proper pay system that motivates the employees to work in the organization. In addition, respondents reported that they needed to be provided with requisite benefits and compensations as a way of enhancing their performance levels. This was reported by majority of the respondents who agreed (3.41) on the issue. The table further revealed that salary and benefits are not the largest contributors of employee engagement at Nakuru Water and Sanitation Company, this was reported by the majority of the respondents who disagreed (mean=2.44) on the matter during the study.

Table 2: Correlation between reward and employee job performance

		Reward/Job performance	
Reward	Pearson Correlation	1	.487**
	Sig. (2-tailed)		.001
	N	41	41
Job performance	Pearson Correlation	.487**	1
	Sig. (2-tailed)	.001	
	N	41	41

As shown in table 2 reward has r-value of .487 indicating a significant positive relationship between reward and employee job performance. This is satisfactory to the first objective of the study; to examine how reward and recognition affect job performance at NAWASSCO. The p values (.001) are below .05 thus led to the rejection of the null hypothesis that reward does not significantly affect employee job performance at NAWASSCO, at 5% level of significance. It is therefore concluded that employee reward is positively correlated with job performance.

Table 3: Regression model results

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	13.948	0.186		3.042	.004
Reward	.290	.136	.338	2.132	.040

Dependent Variable: Job Performance

From the regression model in table 3, the regression equation was obtained. Using the unstandardized beta coefficients, the following regression equation was developed.

$$Y = 13.95 + 0.290X + \epsilon$$

From the regression model, the beta values were obtained which explained the regression equation. The equation has a positive slope (0.290) which implies that employee reward and recognition positively affect job performance

8. Summery, Conclusions and Recommendations

8.1 Summery

The findings of the study showed that recognition of employees is one of the leading employee engagement drivers. When asked whether employee recognition is crucial in the motivation and engagement equation, majority agreed (mean= 3.49). However, respondents disagreed that the organization’s total reward strategies have a positive effect on employee engagement as indicated by a mean of 2.46. In addition, it was agreed that the effort to engage employees through total rewards programs has reduced employee complaints about pay fairness and equity and that it reduced general employee problems in their company. The findings also showed that majority of the respondents strongly agreed (mean=3.83) that they would work harder if they were recognized more. On the other hand, respondents disagreed (mean=2.41) that

their company has a proper pay system that motivates the employees to work in the organization. In addition, respondents reported that they needed to be provided with requisite benefits and compensations as a way of enhancing their performance levels. The study further revealed that salary and benefits are not the largest contributors of employee engagement at Nakuru Water and Sanitation Company.

8.2 Conclusion

Recognition of employees is one of the leading employee engagement drivers hence employee recognition is crucial in the motivation and engagement equation. It was also concluded that NAWASSCO’s total reward strategies have a positive effect on employee engagement. Engaging employees through total rewards programs has reduced employee complaints about pay fairness and equity and that it reduced general employee problems at NAWASSCO. The findings therefore led to the conclusion that employees would work harder if they are recognized more. Proper pay systems are crucial in motivating employees to work. In this regard, the study concluded that employees should be provided with requisite benefits and compensations as a way of enhancing their performance levels.

8.3 Recommendations

Successful organizations promote professional development throughout employees’. Organizations should therefore provide growth and development opportunities for their employees in attempts to enhance their competence, hence performance. Consequently, organizations should adopt equal opportunities for employees’ growth and development to enhance their engagement levels.

To effectively engage employees, they should be involved in formulation of organization’s strategies. It also recommended that engagement of employees can be enhanced by meeting their needs, provision of opportunities to contribute and a sense of belonging.

Employee recognition is crucial in the motivation and engagement equation. The study recommends that employees should be recognized and rewarded for any achievement made in enhancing performance. In addition, firms should adopt recognition measures to reduce employee complaints about pay fairness and equity and employee related.

8.3.1 Recommendation for Further Studies

More studies should be conducted on the effect of employee engagement on job performance within other sectors of the economy such service industry and perhaps in the private sector.

In addition, more research should be conducted on various employee growth and recognition measures towards enhancing their job performance.

Further, studies focusing on the role of technological advancements on overall employee job performance can also be conducted.

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