Effects of Reward Strategies on the Performance of Staff in Public Secondary Schools in Kiambu Sub-County

Ng'ang'a Esther Muthoni[1], Kepha Ombui[2]

MBA: Jomo Kenyatta University of Agriculture and Technology

Abstract: *The main aim of the study was to examine the effects of reward strategies on the performance of staff in public secondary schools in Kiambu Sub-County. In order to capture the required information, the study was guided by four specific objectives; to determine the effect of promotion on performance of staff in public secondary schools in Kiambu Sub-County; to establish the extent to which recognition influences the performance of secondary school staff in Kiambu Sub-County; to assess the quality of worklife on the performance of public secondary school staff in Kiambu Sub-County; and to determine the effects of total reward package on the performance of public secondary school staff in Kiambu Sub-County. The study reviewed several theories of motivation as possible avenues towards a framework of understanding what motivates staff. The study adopted a descriptive survey design utilizing both primary and secondary data. Structured and unstructured questionnaires were used to collect primary data which were administered through "drop and pick latter" method while secondary data was collected through document review. Data analysis was carried out using qualitative and quantitative techniques with the aid of SPSS while the main method of data presentation was frequency distribution, tables, pie charts and bar graphs. The study found that there is a significant relationship between reward strategies and employee work performance. The study concluded that recognition played a big role in influencing employee performance and given a choice employee showed preference for promotion, better remuneration and good quality of worklife as reward strategies. The study recommends that management of public secondary schools should provide a good working environment, establish a criterion for recognizing employees for good performance, design an attractive scheme of service for promoting non-teaching staff and introduce a structured method of identifying and recommending teachers for promotion by Teachers' Service Commission. Finally the research study recommends a similar study be conducted on negative effects of reward strategies to avoid a situation where they are likely to bring negative effects of the desired outcome.*

Keywords: B.O.M – performance, recognition, quality of work life, total reward package

1. Introduction

The education sector has since year 2003 embarked on plans to institute reforms aimed at improving performance at all levels. They ask where are we now? Where do we want to go? And how do we get there? In the face of changing circumstances, these are important questions to ask (Mutuku & Mutuku, 2004). These questions ought to force the education sector to evaluate the conditions in their environment, examine competitive pressures, carry out SWOT analysis and identify strategic issues. This requires development and implementation of strategic plans that are capable of moving the schools to their desired future states. For any organization, strategies help in integrating the long term plans and ensuring that there is harmony between the vision, mission, objectives, core values, activities and its environment.

Although many organizations have some form of reward strategies in place, they still lack understanding of which set of strategies are ideal for different cadres of employees. This is because different cadres of employees are not neccesarily motivated equally by the same set of incentives. This is supported by Pteffe (2010) assertion that rewards and their design loom large in management attention. However, little evidence demonstrates their efficacy on employees' performance. According to Kwach (2011), organizations must recognize the difference between their employees when designing the reward strategies. It is absolutely clear that organizations stand to benefit from reward strategies so long as they are properly designed, fairly implemented and well communicated.

Every organization has different approach of managing rewards in order to ensure that it is effective and efficient in order to keep employees motivated to work. Given the complex nature of rewards that influence different employees' performance, understanding the role of different rewards on employees' performance can assist human resource managers in designing and implementing effective rewards strategies that will give an organization a competitive edge by ensuring that the organization gets a team of motivated employees who will make full use of their energy and other abilities to raise the existing level of efficiency. Armstrong and Baron (2005) hold the belief that people are the most important source of competitive advantage as they are very difficult to replicate or reproduce. Managers should therefore try their best to turn employees' talent into performance. Most organizations have come to realize that there is need to establish an equitable balance between the employee's contribution to the organization and the organization contribution to the employee. Establishing this balance is one of the main reasons for reward strategies (Pratheep Kanth, 2011).

Organizations expect employees to follow the rules and standards. The employees on the other hand expect good working conditions, recognition, fair treatment, career growth and a good pay. For organization to address these expectations, an understanding of employees motivation is required (Beat et al. 2009). Motivation process begins with

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identification of individual needs. For example when employees feel underpaid, they fulfill their needs by asking for a salary raise or by seeking a new job. However, money is not the only thing that motivate employees. A study done by Odell (2005) found that non-cash awards works better in improving teamwork and influencing good behaviour among employees.

Teaching as an occupation is regarded as a noble profession where teachers are expected to render high job performance because of the crucial role that education plays in the economic development of a country. However, secondary school employees are sometimes accused of laziness, lack of dedication and zeal to work. The employees on the other hand argue that the existing reward system does not satisfy their basic needs and aspirations (Ubon and Joshua, 2004). Poorly paid and de-motivated workers tend to pursue their own goals including private businesses during official hours, completely neglecting the goals of their organization. Manada and Odhiambo (2007), explains that to make both ends meet employees are forced to engage in other income generating activities and sometimes using the organization's offices as their base. Public secondary schools should therefore come up with a system to reward their employees. Some studies have shown that there is a direct relationship between reward systems and the performance of employees (Ubon and Joshua 2004).

Public secondary schools must therefore get involved in the strategic management process in order to account for the interest of the students, parents, government agencies, alumni, the sponsor and the community. Each of these stakeholders make demands upon the school and the school management must bring them into the strategic management process in order to maximize "client satisfaction".The specific objectives of the study were;
1) To determine the effect of promotion on performance of staff in public secondary schools in Kiambu sub-county.
2) To establish the extent to which recognition influence the performance of staff in public secondary schools in Kiambu sub-county.
3) To assess the effect of quality of work life on the performance of staff in public secondary schools in Kiambu sub-county.
4) To determine the effect of total reward package on the performance of staff in public secondary schools in Kiambu sub-county.

2. Theoretical Review

2.1 Theory X and Theory Y (Douglas McGregor)

This theory was advanced by Douglas McGregor in 1960. In theory X management assumes that employees are inherently lazy and they will avoid work if they can because they dislike work. As a result of this, employees need to be closely supervised and comprehensive systems of control developed. According to McGregor employees will show little ambition if there are no enticing programmes and that they will avoid responsibility whenever possible. According to the theory, it's the responsibility of the manager to structure work and energize employees through threats and coercion. Employees therefore will not work unless they are strictly supervised and rewarded continuously. Theory X exclusively relies upon external control of human behaviour. This theory of behaviour is related to organizations that lay hard and rigid standards of work behaviour. Such organizations break down jobs into specialized elements, design equipment to control worker's pace of work. They have rigid rules and regulations that are strictly enforced.

According to Theory Y management assumes that employees are ambitious and self motivated. They therefore exercise self control. This theory lays emphasis on satisfaction of employees. The satisfaction of doing a good job is a strong motivation. While applying this theory, the use of authority as an instrument of command and control is minimal. McGregor (1960) argues that managers need to have a positive view of workers as this helps to develop a climate of trust which leads to a comfortable working environment in which employees develop and use their abilities. McGregor (1960) supports motivational theory Y instead of X.

2.2 Expectancy Theory

This theory was proposed by Vroom (1964) to target work motivation. The theory explains why people perform or fail to give their best to an organization. The theory explains that performance depends upon the perceived expectation regarding effort exerted in achieving the desired outcome. An employee who deserves promotion will only achieve high performance if he or she believes that his / her behaviour will lead to promotion or he / she will not exert effort. The second key belief of expectancy theory is instrumentality. Instrumentality is the perceived likelihood that performance will be followed by a particular outcome (Tosi et al, 1995). This implies that when employees engage in a particular behaviour, they do so with the intention of achieving a desired outcome or reward.

2.3 Equity Theory

This theory was developed by J Stacy Adams. This theory states that employees will be motivated if they are treated equitably and de-motivated if they are treated inequitably. Equity can be defined as an individual's belief that he is being treated fairly relative to the treatment of others. Adam suggests that employees make these comparisons by focusing on inputs and outcomes ratios. An employee's contributions or input to an organization include time, education, effort, experience and loyalty. Outcomes are what an individual receives from an organization such as pay, recognition and social relationships. People view their outcomes and input as a ratio and then compare with the ratio of someone else.

The comparison may result in the individual feeling equitably rewarded, under rewarded or over-rewarded. An individual who experiences a feeling of equity will maintain status quo. If there is a feeling of inequality then he is likely to change the input. In equity theory, if rewards are to motivate employees they must be perceived as being equitable and fair. All employees should be made aware of the basis for rewards

Empirical evidence has shown that when certain specifiable conditions exist rewards system do have an influence on performance (Gerhat and Milkovich, 1992; Lawler, 1990; Vroom 1964). What are these conditions? Important rewards must be perceived to be tied in a timely fashion to effective performance organizations get the kind of behaviour that leads to the rewards that their employees value. This occurs because people have their own needs and mental maps and they use these maps to choose the behaviour that leads to outcome that satisfy their needs. Managers should therefore not reward employees based on their own discretion but a standard or guidelines should be followed in order to prevent biases to some extent.

2.4 Maslow's Hierarchy of Human Needs

Abraham Maslow developed this theory in the 1940's. This theory assumes that people are motivated to satisfy five levels of needs: physiological, security, belongingness, esteem and self-actualization. This ranking is guided by four major assumption, firstly, only unmet needs motivate, secondly, people needs are arranged in order of importance from basic to complex, Thirdly, people will not be motivated to satisfy higher level needs unless the lower level needs have been at least minimally satisfied and lastly human needs can be arranged on a hierarchy with the basic needs appearing at the bottom while self-actualization coming at the apex. An individual is motivated first and foremost to satisfy physiological needs.

When these needs are satisfied he is motivated and moves up, the hierarchy to satisfy security needs. This process of moving up continues until the individual reaches the self-actualization level.

Physiological needs represent basic issues of survival such as food, sex, water & air. In organizations most physiological needs are satisfied by adequate salaries and by the work environment itself, which provide employees with rest rooms, adequate lighting, comfortable temperatures and ventilation.

Security or safety needs refers to the requirements for a secure physical and emotional environment. e.g. desire for adequate housing and clothing. Need to be free from worry about money, job security and desire for safe working conditions.

Security needs are satisfied for people in the work place by Job continuity, adequate insurance, retirement benefit package and a good grievance resolving system. Social needs include need for love and affection and for acceptance by one's peers. Managers can help ensure the satisfaction of these needs by allowing social interaction and by making employees feel like a team or a group of people working together.

Esteem needs comprise of needs for a positive self-image, self-respect and need for recognition and respect from others. Organizations can help address esteem needs by providing variety of external symbols of accomplishment such as job titles and spacious offices. At the top of the hierarchy are those needs that Maslow defines as self-actualization needs.

These needs involve realizing one's potential for continued growth and individual development. Since these needs are individualized and personalized, they are perhaps the most difficult for managers to address. An employee should try to meet these needs on his own. However, an organization can help the employee by creating a climate for fulfilment of these needs.

For instance on organization can help in fulfilment of needs by encouraging employees to participate in decision making. This process of consulting in decision making helps employees in experiencing personal growth and development associated with self-actualization

3. Conceptual Framework

A conceptual framework can be defined as a set of broad ideas and principles taken from relevant fields enquiring how to structure a subsequent presentation (Reichel and Ramey, 2007). As a research tool, it is intended to assist the researcher develop awareness and understanding of the situation under scrutiny and communicate it. The conceptual framework of this study included independent variables, promotion, recognition, quality of work life, total reward package and the dependent variable is the staff performance. Independent variables are the factors that the researcher thinks will explain the variations while the dependent variable is the variable that the researcher attempts to predict (Orodho and Kombo, 2002)

3.2 Research Gaps

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

Previous researchers have recorded the importance of rewarding employees in an effort to influence their behavior. However, there still lacks in depth understanding of which sets of rewards are ideal for different cadres of employees may not necessarily be influenced by the same set of incentives. To fill the gaps, the study aims at investigating the effects of reward systems as a strategy of improving performance of staff in public secondary schools in Kiambu Sub-county.

3.3 Data Analysis and Presentation

According to Orodho (2003), research design is a chance, outline or plan that is used to generate answer to research problems. It is needed because it facilitates a smooth sailing of the various research operation thereby making research as efficient as possible yielding maximum information with minimum expenditure of effort, time and money (Kothari, 2003).The study adopted a descriptive survey design. This design is ideal because the study aimed at collecting information from respondents on their attitudes and opinions in relation to managerial behavior on reward system.

According to Mugenda and Mugenda (2003) descriptive survey is a method which enables the research to summarize and organize data in an effective and meaningful way. Cooper and Schindler (2003) view that descriptive survey method is concerned with finding out who, what, where, when and how much. This is concerned with the` how 'the various reward systems influence the performance of public secondary school staff in Kiambu Sub-County.

Descriptive survey method provides tools for describing collections of observations and reducing the collected information to understandable form.

3.4 Data Presentation

Quantitative data was presented through statistical tools such as frequency distribution tables, pie-charts, bar-graphs etc for easy understanding. The researcher then interpreted the research findings from the evidence presented by the data collected. Conclusions were based on the findings. Finally guided by the objectives of the study, the researcher made recommendations Mugenda and Mugenda (2003) explains that recommendations must be consistent with the purpose of the study and its objectives. Qualitative data was presented descriptively.

4. Methodology

The study adopted a descriptive survey design. The target population was made of 320 teaching staff and 280 Non-teaching staff. The researcher took 10% of the target population which translated to a sample size of 60 respondents. According to Mugenda and Mugenda (2003), a sample size representing 10% of the target population is adequate as long as it will have a minimum of 30 elements.

5. Results and Discussion

The data collection instrument was a questionnaire which was sent to a sample of 60 respondents. However, only 47 questionnaires were returned adequately filled in.
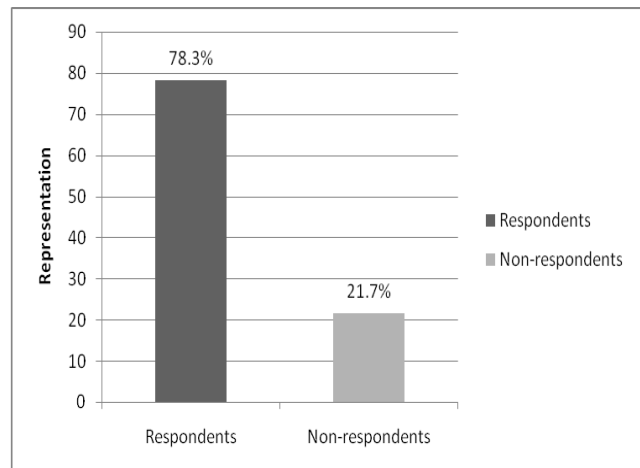
5.1 Response Rate

This response rate was considered adequate for reporting as it exceeded the generally accepted threshold of 50% (Mugenda & Mugenda 2003).

5.2 Age of Respondents

From the research finding 7% of the respondents were aged below 30 years, 20% were aged between 31 – 40 years, 47% were aged between 41 – 50 years and 26% over 50 years. This implies that majority of the respondents were adult aged between 40 – 50 years and probably had similar ways of being motivated.

6. Promotion

The findings revealed that promotions for teachers are fairly distributed at 50% although when it comes to non-teaching staff only a few 15% were promoted within the same period of four years. The study revealed that promotions have positive impact on staff performance. This is in line with a study conducted ne Kelly and Radford (2009) that found that performance is improved when employees are hired and promoted by the employer fairly.

7. Recognition

Recognition was noted to be a high driver of staff performance as those who had been recognized in one way or another were found to have been satisfied and motivated. However, majority of the respondents 40% teaching staff and 70% of non-teaching staff indicated that they had never been recognized for their performance. Those who had been recognized also indicated that given a choice they would prefer promotion as they were not satisfied with the reward they received as a sign of being recognized for work well done. This was in line with a study conducted by Naekermann et al (2010) which found that those rewarded significantly increase their performance compared to those who are not recognized.

It was noted that when employees receive feedback about their performance especially praise for work well done, they experienced feeling of happiness and therefore they are intrinsically motivated to keep performing well.

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8. Quality of Worklife

Correlation of quality of work life (qwl) and job performance was found to be high in members of teaching staff and average in members of non teaching staff. This is in line with the observations made by Nyaigoti-Chacha (2011). He noted that job performance for professionals was found to be high and strong with little supervision where quality of work life was conducive.

The study found that employees who were satisfied with the quality of work life in their institutions experienced high internal work motivation and had lower absenteeism and turnover rates than their disappointed counterparts from other institutions who seemed to dislike their jobs and were looking for transfers to other institutions. This means that poor quality of work life partly contributes to high turnover of employees.

9. Total Reward Package

Total reward package is a reward that existed and very beneficial to all employees. Study leave with pay and pension benefits were also accepted to be available to teaching staff. However rewards such as sick pay tuition reimbursement, insurance, child care, car loan, free lunch were unavailable to them.

The study revealed that employees in public secondary schools in Kiambu County felt that their earnings were less than those of their peers in other professions. There was therefore the effect of "others earning more than me" which leads to low motivation. This was found to be a factor that makes employees in public secondary schools to engage with other income generating ventures in order to end up earning the same or more than their peers in other professions.

10. Conclusion

The conclusions of the study are drawn from the most significant sections. Four independent variables promotion, recognition, quality of work life and total reward package were considered. Whereas quality of work life was found not to be very significant, total reward package, promotion and recognition were found to contribute significantly to performance of staff in public secondary schools in Kiambu Sub County.

The study concludes that rewards serve as a motivation to employees in public secondary schools in Kiambu Sub County. A well managed reward strategy is therefore a motivation of high performance among employees. Both intrinsic and extrinsic motivational factors are important in influencing employees' performance. To ensure the success of the reward strategies the employer needs to consider the uniqueness of the situation and the need of different category of employees.

This conclusion is supported by other numerous research studies that indicate that monetary compensation, recognition, promotion, job security and other factors are important in improving the performance of the employees.

Finally with additional motivation, employees in to public secondary schools could perform excellently.

11. Recommendations

The main objective of this study was to investigate the effects of reward strategies on the performance of staff in public secondary schools in Kiambu Sub County. Recommendations that follow are aimed at improving areas of concern in order to enhance employee work performance. The study makes the following recommendations guided by the objectives of the study.

11.1 Recommendations on Promotion

The teacher employer and school managers should design an attractive scheme of service for their employees to enhance retention. The institutions should also have a fair and a structured method of identifying staff for promotion by T.S.C and the school B.O.M.

11.2 Recommendations on Recognition

The schools should establish criteria for recognizing good performance. The schools should also involve employees in identifying the rewards that are appropriate to their individual needs.

11.3 Recommendations on Quality of Worklife

It is recommended to the teacher's employer TSC and assisting staff employer to initiate additional reward strategies that enhance quality of work life such as free transport, free lunch, child care, insurance and beneficial loans in order to motivate staff to excel. A happy worker is more productive than an unhappy one.

11.4 Recommendations on Total Reward Package

When setting salaries the employer need to keep in mind the fact that employees are concerned not only with what they earn but also with what those around them earn. To safe guard against the feeling of earning less among the employees, the employer should ensure that the total package given to reward employees compare favourably with that of peers in other professions.

11.5 Recommendations for Further Research

The study focused on positive influence of promotion, recognition, quality of work life and total reward package on employee performance. However we have positive and negative effects of these reward strategies. A similar study should be carried to examine the negative effects of these reward strategies in an organization. The findings will help in alerting managers on how to check for any undesirable behaviour as a result of the reward strategy.

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