EFFECT OF VOLUNTARY FINANCIAL BENEFITS PROGRAMS ON PERFORMANCE OF NON TEACHING STAFF: SECONDARY SCHOOLS IN KAHURO DISTRICT

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A RESEARCH PROJECT SUBMITTED TO THE SCHOOL OF BUSINESS IN PARTIAL FULFILMENT OF THE REQUIREMENT FOR THE AWARD OF MASTERS IN BUSINESS ADMINISTRATION AT KENYATTA UNIVERSITY. (HUMAN RESOURCE OPTION)

OCTOBER 2013
DECLARATION

I, the undersigned, declare that this project is my original work and has not been submitted for award of any degree.

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Sign .............................................. Date ..............................................

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Chairman
Department of Business Administration
School of Business
DEDICATION

This research is dedicated to my dear parents, my family members, and my lovely daughter Clara for their unwavering support and prayers throughout my studies. Your great love and concern overwhelms me a lot. God bless you.
ACKNOWLEDGEMENT

I wish to thank God for the gift of life and strength to go through the entire course and in particular this proposal. I am grateful to my lecturers and supervisor who professionally took me through the studies in K.U. My sincere gratitude goes to my family members for their unwavering moral support and prayers.
ABSTRACT

Human resources are the most important among all the resources an organization owns. The main concern of all organisations is how to improve the employees’ performance. Many approaches have been developed and adopted worldwide to improve the employee’s performance including goal setting approach, measurement and feedback approach, involvement of employees in decision approach, organization’s culture approach, organisation’s expectation approach, job design approach, rewards and recognition approach (Howes, 2010). The aim of all approaches is how to effectively motivate employees to maximize their performance. One common method of motivation is employee rewards or compensation which is focused in this study. This study sought to examine the effect of voluntary financial benefits or rewards, on employee’s performance in secondary schools in Kahuro district. The study is based on primary data to be collected from 106 non teaching staff that was selected by cluster sampling from stratified random sampled fifteen secondary schools in Kahuro. The content validity of the research instrument was ensured through expert guidance from the supervisor. A self designed questionnaire was used for data collection. The data was then analysed using descriptive statistics, multiple regression and factor analysis. It was then presented using tables, charts, and graphs. The study drew conclusions on the effects of voluntary financial benefits programs on employee’s performance based on the four variables of the study. The study found that financial counseling, retirement programs, education programs and health programs plays a major role on employee’s performance. The absence of these programs in work place may result to low morale among employees, absenteeism, stress, and lack of support towards organisation goals and strategies. The study suggested that organizations consider developing and implementing clear and comprehensive acceptable benefits programs when attempting to deal with employees’ performance. Organisations should establish strategies to address employees’ benefits issues such as employee’s expectation, employee’s values, organisation benefits objectives, communication channels in order to motivate employees to greater performance.
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OPERATIONAL DEFINITION OF TERMS

Benefits- Rewards employees receive as a result of their employment and position for the organisation. They thus include social security, medical cover, paid vacation, leave pay, paid trips, counseling, and pensions among others.

Compensation- All the extrinsic rewards employees receive in exchange of their work. It is money for service to his or her employer. Compensation include direct cash payment, and indirect payment in form of employee benefits, incentives to motivate employees to strive to higher level of productivity, bonuses, and any benefits.

Organisation rewards- All types of rewards both intrinsic and extrinsic that are received as a result of employment by the organisation.

Performance- The accomplishment of a given task measured against present Known standards of accuracy, completeness, cost and speed. This is the measure of how efficient and effective an organization is and how it achieves appropriate objectives.

Support staff- They are workers employed by the school board of governor to perform certain responsibilities in the school. They are also referred to as non teaching staff.

Voluntary financial benefits- fringe benefits offered to employees over and above statutory requirements. They are such benefits that are designed and implemented by organisations to motivate their workers to great productivity. They include company-provided car, paid trips, education benefits, training programs, medical cover, saving plans, housing, health programs, paid time off, uniforms and laundry detergent, paid vacations, retirement gratuity, recreation programs, financial counseling, credit unions, among others.
# ACRONYMS AND ABBREVIATIONS

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
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<tbody>
<tr>
<td>ACNC</td>
<td>Accounting National Certificate</td>
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<tr>
<td>BOG</td>
<td>Board of Governors</td>
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<tr>
<td>HR</td>
<td>Human Resource</td>
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<tr>
<td>HRD</td>
<td>Human Resource Development</td>
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<td>HRM</td>
<td>Human Resource Management</td>
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<tr>
<td>ICT</td>
<td>Information Communication Technology</td>
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<tr>
<td>KATC</td>
<td>Kenya Accounting Technician Certificate</td>
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<tr>
<td>KCSE</td>
<td>Kenya Certificate for Secondary Education</td>
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<tr>
<td>NHIF</td>
<td>National Health Insurance Fund</td>
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<td>NSSF</td>
<td>National Social Security Fund</td>
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<tr>
<td>NTS</td>
<td>Non Teaching Staff</td>
</tr>
<tr>
<td>SACCO</td>
<td>Savings and Credit Cooperative</td>
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<td>UK</td>
<td>United Kingdom</td>
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CHAPTER ONE
INTRODUCTION

1.1 Background of Study

Organisation rewards refers to all types of rewards both intrinsic and extrinsic that are received as a result of employment by the organisation. Intrinsic rewards are internal to the individual and are normally derived from involvement in certain activities or task. They, thus, include job satisfaction and feeling of accomplishment. Extrinsic rewards are directly controlled and distributed by the organisation and are more tangible than intrinsic reward. They include base pay and other benefits (Torrington D. 2005).

Compensation, in HR thus, refers to all the extrinsic rewards employees receive in exchange of their work. It is money for service to his or her employer. Compensation include direct cash payment, and indirect payment in form of employee benefits, incentives to motivate employees to strive to higher level of productivity, bonuses, and any benefits. Base wage or salary is the hourly, weekly or monthly pay that employees receive for their work. Incentives are rewards offered in addition to the base wage and usually directly related to performance. Benefits are rewards employees receive as a result of their employment and position for the organisation. They thus include social security, medical cover, paid vacation, leave pay, paid trips, counseling, and pensions among others (Torrington D. 2005).

Rewards are generally categorized into two; namely, financial and non-financial rewards. Non-financial rewards are those one cannot attach monetary value on them. They include job satisfaction, as well as, praise and recognition. However, they do motivate workers to remain committed to the organisation and also drives them to high productivity. Financial rewards are: direct compensation which comprises of rewards in the pay slip and other incentives or allowances and commissions, and indirect financial rewards which refer to benefit that the employee receives. There are mandatory benefits, that is, those that are accrued to employee due to statutory or other requirements. This includes NSSF, NHIF, maternity pay, paid leave, and workers injury benefits. Voluntary indirect benefits are fringe benefits offered to employees over and above statutory requirements. They are such benefits that are designed and implemented by organisations to motivate their workers to great productivity. They include company-provided car, paid trips, education benefits, training programs, medical cover, saving plans, housing, health programs, paid time off, uniforms and laundry detergent,
paid vacations, retirement plans, recreation programs, financial counseling, credit unions, among others (Torrington D 2005).

Most of these benefits are provided by employers voluntarily in order to compete for and retain employees. By offering additional benefits, organisations are recognizing the need to provide great security and benefit support to workers with widely varied personal circumstances. By offering more benefits, employers hope to strengthen the ties between the organisation and employees. Other than the statutory required health insurance (NHIF), some organisations provide other types of insurance like medical cover for certain hospital, life insurance, and educational benefits to their employees and their family members. Education benefits are usually education assistance to pay part or whole cost associated with formal education courses and programs. Some employers extend the some education benefits to the employees family members. Some benefits and services are social and recreational in nature such as picnics, parties, paid trip, recreation facilities and sponsored activities. This is usually aimed at promoting employees happiness and team spirit but employees should retain control of all events associated with organisation because of possible legal responsibilities. There are four independent variables to be considered in this study. These include retirement plans, financial counseling, education benefits, and health programs in work place (Torrington D 2005).

1.1.1 Importance of Indirect Voluntary Benefits to Performance of Workers

Employee performance is the combination of structured planning and the active management choice of one's own professional career. The outcome of successful employee performance should include personal fulfillment, work/life balance, and financial assurity. The performance of employees can be measured using their productivity. Bernolak (1997) defined productivity as how much and how well we produce from resources used. In this case, productivity refers to the time spent by an employee actively executing the job he or she was hired to do, in order to produce the desired outcomes expected from the employees' job description (Reward 2008).

The performance of any worker is largely influenced by intrinsic and extrinsic factors. (Herzberg et al 1957) emphasizes on the distinction between intrinsic and extrinsic motivation is important. This theory underpins the proposition that reward systems should provide for both finances and non-financing rewards. Therefore, apart from providing employees with
salary and wages packages, compensation programs are very essential in boosting their performance (Herzberg et al, 1957). The importance of rewards to employee’s performance cannot be ignored. This is because it helps in boosting employee’s morale. The employees feel motivated to offer their services. This, in return, helps to increase the organisation productivity. Effective performance level measure should be related to results not efforts and the results must be within the job holders control, should be objective and observables and the data must be available for measurement (Armstrong 2003). He further argues that performance level agreements and plans are working documents subject to review to fit new demands and new situations.

Worker’s performance indicators include: quality, timeliness, cost-effectiveness, absenteeism, personal appearance (Hakala, David 2008). The quality of work performed can be measured by several means. The percentage of work output that must be redone or is rejected is one such indicator. In school environment, the lesser complains from the students, teachers and visitors the higher the quality of work done by non teaching staff. How fast work is performed is another performance indicator that should be used with caution. In school, activities are programmed. If the non teaching staff help in achieving this, then, their performance is good. The cost of work performed should be used as a measure of performance only if the employee has some degree of control over costs. For example, though most secondary schools do not operate as businesses, non teaching staff should ensure no damages or wastage is experienced in kitchen, laboratory, and front office stationery. An employee is obviously not performing when he or she is not at work. Other employees’ performance may be adversely impacted by absences, too.

Although the government requires certain benefits, employers have wide latitude in creating the total benefits package they offer employees. These voluntary benefits are becoming relevant at a large majority of both large and small employers (Bohlander George 2007). Employees are more likely to be attracted to and take jobs in organisations where employees receive voluntary benefits. Such organisations attract highly talented employees who contribute to the success of the organisation. Voluntary benefits contribute to high retention of employees, greater loyalty, less turnover and higher commitment to achieve organizational goals and objectives. This is because they feel compensated fairly.
The variety of possible benefits helps employers tailor their compensation to the kind of employees they need. The organization designs compensation packages that will make them obtain the employee they require and thus remain competitive in the labor market. Voluntary benefits help workers to maintain economic security through savings plans, pension, retirement plans, and medical benefits. This, consequently, makes them remain focused on achieving great performance. Voluntary benefits also boost employee’s morale and motivation. This is because they feel that their labor and time in the organization is well reciprocated. It helps in reducing the cost because the employers ensure that the get more from the employee from what they reward them. Thus, low cost for high productivity (Mathis, R.L 2000).

1.1.2 Role of Non Teaching Staff in Secondary Schools

Non teaching staff and their role in secondary school education is the backbone of development of any nation since it stirs us economical, secondary teacher and poll status. To date it remains an important index in measuring development of nation (Human Development Journal 2001). Basically it transforms people by making them more receptive and moulds to invest heavier in education over 40% of government resource are spent in this sector (Econ survey 2003). High schools are important institute as they bridge primary and tertiary education. Thus the performance of secondary school is very vital in enhancing quality education and countries work force. Good performance is a product of various stakeholders in these institutions. These include students (client), parents, teaching staff, the school management and non teaching staff.

The non teaching staff in secondary schools plays different roles depending on their designation. They are categorized into five groups. Firstly, the learning non teaching staff who include, teaching assistance and peer teachers. Their responsibility is mainly to work with teachers in classroom to help students with their learning. Today many secondary schools have employed former students who passed well in KCSE to work as peer teachers. Secondly, there are specialists/ technical staff who include lab technician, librarian, music specialists, artisan, electrician, and ICT specialist. They provide valuable services in their area of specialization support learning and teaching (Human Development Journal 2001).

Administration non teaching staff includes bursar, secretary and accountant. They help the administration in running day to day activities of the office. They provide essential back up services for the whole school ranging from day to day office support to financial/ school
business. Next, the management site staff includes caretaker, caterer, store keeper, cooks, drivers, cleaners and security personnel’s. They ensure there is safe and clean environment for learning. Lastly, the student welfare non teaching staff: chaplain, school nurse, coaches, and mentors/ counselors. They are responsible for the welfare of the student which involves social, emotional and behavior difficulties and career advice. They are responsible for the welfare of students outside school hours learning time (Human Development Journal 2001).

Common school non teaching staff members include school secretary often knows the day to day operations of a school communities most often with parents, answer call, and organization files. Bursar and accountant clerk are in charge of school payroll and billing and other financial responsibilities. They account for every cent a school has received and spent must organized and stay current with all laws dealing with school finance. Cooks responsible for the preparation and serving of food to the entire school is also responsible for the process of cleaning up the kitchen. Cleaners/ ground men/ caretakers responsible for day to day cleaning of the school building that is sweeping, mopping, emptying trash, mowing etc (Human Development Journal 2001).

Maintenance staffs are responsible for keeping all physical operations of school running ranging from school furniture, water, electrical and lighting. Bus driver is the one who provides safe transportation for students from and to school. Librarian overseas the operation of the urban the organization ordering of books, checking out of books, return of books and re shelving of books. They teach students library related skills and support programs that development reading culture coach oversees the day to day operations of a specific sport program, organize practice, scheduling, ordering equipment, and coaching games counselors. They provide counseling service for students who may struggle academically, and have rough home life. They also prepare students for life after high school (Human Dev. Journal 2001).

1.1.3 Situation of Secondary School in Kahuro Districts

Kahuro district is based in Murang'a County. It is the district with the largest number of secondary schools in this county, 35 secondary schools. For more than a decade now Murang’a County has been posting poor performance in education in Central region. This is with some schools registering as low as 2.0 points in K.C.S.E results. Even with a national school within Kahuro district the situation is no different as it means point is below 8. This has raised concern to all the stakeholders, and well wishers. School performance is a
combined effort of all concerned and involved. That is, students who are the key players in school, parents/ guardian who provide required resources, government/ ministry who deploy teachers, B.O.G who offers managerial guidance, teachers who implement the curriculum and the non teaching staff who through their various roles insure smooth learning in the school (Education journal 2011).

The secondary schools in Kahuro district are both day and boarding with an average of 12 non teaching staff each. They are mainly, bursar, according, secondary, messenger, cooks, caterer, security personnel, ground man, electrician, storekeeper, lab technician. Such workers in school are employed either on temporary or permanent basis. Some schools provide their teaching staff with voluntary benefits such as housing, laboratory coats, food programs, education benefits, savings plans, financial counseling, picnics, sponsored social activities, and paid trips whereas NTS are largely left out. Many schools do concentrate a lot in motivating best students, and teachers while the non teaching staffs are largely neglected (Education journal 2011).

In Kahuro district, like many other parts of Kenya, the role of non teaching staff in realizing school goals and objectives is over-looked. They are hardly considered as paramount contributors of school success. Majority of school never give priority to designing voluntary benefits and only provide the mandatory ones. As a result few secondary schools in Kahuro give their NTS some voluntary benefits which include: housing, uniform and detergents. Such schools are Kirogo, Kahuhia, Murang’a, Mugoiri, and Weithaga secondary schools. These schools also registered a mean grade of 7 points and above in last year’s K.S.C.E exams. The other voluntary benefits such as education benefits, financial education, health programs and retirement plans are largely neglected (Education journal 2011).

1.2 Statement of Problem

The performance of school is of great concern to all stake holders. In today’s highly competitive environment a school must engage in ensuring that teachers, students and non teaching staff are continually motivated. The provision of voluntary benefits for employees in Kenya and non teaching staff in Kahuro district has raised a lot of concerns. Questions have been raised on whether or not these programs improve employee’s performance. Majority of Kenyan employees are usually interested in what they take home, than benefits of which the value and content is complicated (KIPPRA 2004). Another study found that some employees
are not aware of existence of such programmes and are not even interested in them. Though NTS are key players in the success of the institutions little has been done to look on what affect their performance.


However such studies and others did not focus on the effect of the voluntary compensation programs on performance on employees. The above studies among others have looked into employee benefits, salary package, but rarely on voluntary financial benefits. This study, in turn, attempts to fill the gap by looking into the direct and mediating effect of voluntary compensation programmes on performance of non teaching staffs in secondary schools in Kahuro District.

1.3 Objectives of the Study
1.3.1 General Objectives
The general objective of the study was to find out the effect of voluntary benefits programs on performance of non teaching staffs in secondary schools in Kahuro District.

1.3.2 Specific Objectives
   i. To investigate how financial counseling affect the performance of non teaching staffs in secondary schools in Kahuro District.
   ii. To establish how retirement plans influence the performance of non teaching staffs in secondary schools in Kahuro District.
   iii. To analyze the effect of education programs on the performance of non teaching staffs in secondary schools in Kahuro District.
iv. To establish how workplace health programs influence the performance of non teaching staffs in secondary schools in Kahuro District.

1.4 Research Questions
Based on the research objectives, the following research questions were advanced to guide the study:

i. Does financial counseling affect the performance of non teaching staffs in secondary schools in Kahuro District?

ii. How does retirement plans influence the performance of non teaching staffs in secondary schools in Kahuro District?

iii. Do education benefits affect the performance of non teaching staffs in secondary schools in Kahuro District?

iv. Do workplace health programs influence the performance of non teaching staffs in secondary schools in Kahuro District?

1.5 Significance of the Study
This study will be significant to a number of stakeholders. Labour unions who will realize the problems that the non teaching staffs face and therefore bargain for better compensation if need be. The professionals in charge of human resource departments will benefit from understanding the association elicited by this study, that is, understands the relationship between voluntary benefits and job performance. The employees will be enlightened on these benefits entitled to them and on how their remittance would affect their service delivery. This study will also be of great benefit to scholars who will be interested in undertaking a research on workers voluntary benefits and other related areas.

1.6 Limitation of the Study
Lack of cooperation from some respondents was a limitation. This was because some employees were reluctant in providing information concerning personal compensation and terms of service-related information. To overcome this, the researcher attached an introduction letter from the university indicating that the information being collecting is for academic purposes only. Literacy level of NTS was also a hindrance to proper data collection. After piloting, the researcher realized that some respondents lacked understanding of some terminologies used because of their low academic level. The researcher therefore rephrased the questionnaire and simplified terms for easy understanding. The nature of duties of the
target population was a limitation because some employees work at night or out of school such as drivers, ground men and watchmen. The researcher sought assistance from school management to facilitate reaching out to such respondents.

1.7 Scope of the Study
The research was carried out in secondary schools in Kahuro District. This was more convenient because the researcher works there. The number of schools in the district provided an ideal scope for the study. Also, the researcher was able to get more information from employees more conveniently. The study participants were non teaching staffs in secondary schools. The study focused on the direct and mediating effects of voluntary benefits programs.
CHAPTER TWO
LITERATURE REVIEW

2.1 Introduction

This chapter covers a review of literature related to the study. First will be brief discussion of different voluntary benefits. It will also review the impact of voluntary benefits in organization. It will also focus on previous studies, their findings and also the gap that the researcher is intending to fill.

2.2 Theoretical Review

Voluntary benefits are those fringe benefits offered to employees over and above the statutory requirements such as housing allowance, moving and transfer allowances, transportation and parking, food services, shopping vouchers, responsibility allowances, social activities, Christmas bonuses, uniform allowances, risk allowances, education benefits, financial counseling, paid trips, savings plan, paid time off, housing, credit unions, staff training programs, retirement plans among others (Torrington D 2005)

National survey data indicate that people are more attached and committed to organisation that offer work-life benefits personally from them. Most firm organisations are now endorsing this in their compensation programs as it pays dividends in morale, productivity and ability to attract and retain top-notch talent (Dimly, E.R. 2004). Motivation is an intrinsic or extrinsic driving force that drives the employee to great performances and high productivity within an organisation, and many organizations are facing retention services and poor performances for lack of it. Hence to be effective reward systems need to be based on a sound understanding of how people at work are motivated (Donata 2011). He points out that reward systems used by employers have often based on simplistic motivation theories, and have often failed. This lower level of understanding of how reward systems work to affects behavior can be blamed partly on the confusion generated by so many opposing theories generated by so many opposing theories of motivation partly on real life offering conflicting examples, and partly on research evidence not being disseminated properly over years.

According to Silva (2009), Hertzberg introduced two separate groups which has strong impact on motivation of employees. Hertzberg theorized that human beings needed to satisfy hygiene factors working condition (motivation related to the job itself) before they would begin to
work at superior levels of performance. He urged that individual would only work by the
fulfillment of so-called ‘motivator factors’ achieved primarily through enriched jobs. He
rejected money as a motivator and emphasis more on enriched job and greater satisfaction
from work (Herzberg 1959) According to the theory, hygiene factors such as working
conditions, salary, rewards and supervision are important but do not motivate employees. The
hygiene factors cannot be ignored but their satisfaction alone apparently will not result to
higher levels of performances. He thus urged that money should not be viewed as the most
potent forces on the job.

Table 2.1 Hertzberg Satisfiers and Dissatisfiers

<table>
<thead>
<tr>
<th>Motivational Factors (Satisfiers)</th>
<th>Hygiene Factors (Dissatisfiers)</th>
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<tbody>
<tr>
<td>Achievement</td>
<td>Status</td>
</tr>
<tr>
<td>Recognition</td>
<td>Salary and fringe benefits</td>
</tr>
<tr>
<td>Work itself</td>
<td>Company policy and administration</td>
</tr>
<tr>
<td>Responsibilities</td>
<td>Relationship at workplace</td>
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<tr>
<td>Promotion</td>
<td>Supervision</td>
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<tr>
<td>Growth</td>
<td>Job security</td>
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Wikipedia (2010) suggests that hygiene needs are cyclical and tend to come back to the
starting point.

Equity theory of motivation holds that employees have a strong need to maintain a balance
between what they perceive as their inputs to their jobs and what they receive from their jobs
in form of rewards. The employees who perceive inequities well take action to eliminate or
reduce the inequities. For example, if an employee believes he or she is underpaid, that
employees will likely reduce expended effort by working more slowly, taking off early or
being absent. Similarly, if an employee, believes she/he is being overpaid, that employee is
likely to work harder or for longer horses. Though pay equity is based on perception it affects
the motivation and productivity of an employee. The organization should do whatever they
can to make these perceptions as accurate as possible (Lawler 2003).
2.3 Compensating Employees

The objectives of a compensation / reward programs should facilitate the effective utilization and management of organization HR. Compensation objectives also should contribute to the overall objectives of the organization. Any reward program, therefore, must be tailored to the needs of an organization and its employees. Objectives of reward programs include: to ensure organisation remain competitive in the labor market, to motivate employees to higher productivity, to maintain budget, to reduce unnecessary turnover, to meet employees personal needs, to attract new employees, and to maintain equity among employees (Freedman S.M 2005). The motivating value of reward compensation constitutes a quantitative measure of an employee’s relative worth. For many employees, compensation package has a direct bearing not only upon their standards of living but also the status and recognition they may experiences both on and off the job. Employees’ perception of the relationship between the contribution they make and the reward they expect to receive in return is important. The employees will exert greater effort if there is reason to expect that it will result to an appropriate reward (Vroom 1994).

According to porter and Lawler (1985), the amount of effort or energy expended by employees is determined by to key a factor that is the value or attractiveness of the reward, and the degree to which the employee believes that increase effort will lead to the attainment of these rewards. Whether or not rewards received lead to satisfaction is dependent upon the employees’ perception of how fair they are. To increase the level of motivation, the reward should have high value to the employees. Managers need to determine what rewards employees value and how much flexibility in compensation and benefits plans should be considered (Frank, Landy 2005).

Adams theorizes that individual form a ratio if their inputs in a given situation to their outcome in that situation. It is fairly common for employees to feel that compared with other employees, they are putting more effort and talent into the job than they are receiving in satisfaction pay, and benefits. Central to the theory is the role of perception in motivation and the fact that individuals make comparisons. If the value of an individual ratio equals the value of the ratio of others the situation is perceived as equitable and no tension. However, the presence of perceived inequity creates tension, which motivates the individual to eliminate or reduce it. His research focused on the effects of wages inequity and how equity may affect the attractiveness of rewards. There are different ways by with an individual may lower/ reduce
feelings of inequity which include, leaving the field by quieting a job, getting a transfer or absenteeism; altering ones on puts by increasing or reducing production; altering one’s outcomes by seeking more pay or other rewards, acting on other persons by getting others to lower their inputs changing the basis of comparison. The majority of students generally support this theory/ equity theory (Armstrong 2003).

2.3.1 External Factors Affecting Compensation Packages
Conditions of the labor market involve supply and demand for qualified labor within an area which influences the compensation packages required to recruit and retain competent employees. The economic power of unions may also prevent employers from lowering wages rates even when unemployment is high among union member. Government regulations also prevent an employer from paying at a market rate less than the required minimum wage (Mccormmick 1999). Areas wage rate implies a formal wages structure should provide rates that are in line with those being by other employers for comparable jobs within the area. Cost of living also affects the compensation package. Because of inflation, compensation rates have had to be adjusted upward periodically in order to help employees maintain their purchasing power. This includes: prices of food, clothing, shelter, fuel, fares, and medical charges that people buy for day to day living. Real wage refers to Wage larger than CPI, and living standards collective bargaining. The unions’ goals in each new agreement are to achieve increase in real wage, thereby improving the purchasing power and standards of living of its members. The agreement negotiated by unions tends to borrow from rate patterns within the labor market. Wages generally are higher in areas where organized labor union is strong (Perry et al 2006).

2.3.2 Internal Factors Affecting Compensation Program
First is worth of a job. Organization with formal compensation programs are likely to rely upon a system at job evaluation to aid in ratio determination. This assists the organization to maintain some degree of control over its wage structure. The job covered by job evaluation comprise clerical, technical, and various blue-collar job whereas, those covered least are managerial and top exercises positions. Next is employee’s relative worth- most unions negotiate a single rate for jobs in a particular occupation. The argument is that employees who possess the same qualification should receive the same rate of pay. However it is uncommon for employers in the trade to seek to retain their most competent employees by paying them more than the union scale (Milkovich and Newman 2002).
Differences in employee performances can be recognized and rewarded through, promotion incentives and other benefits. On the other hand, employees tend to be rewarded more for merely being present, rather than for being productive on the job. This is due to the complexity of effective performance appraisal system.

2.4 Categories of Employees Benefits

Employees benefits may be categorizes in different ways (Byars, L. 2008). However employee benefits include the following;

2.4.1 Pension Plan

It is reward given to employee for remaining with the organization until they retire. It was originally meant for retraining personnel (reward philosophy). Earning philosophy view pension as deferred income which employees accumulate during their working lives and which belongs to the after a specific number of years of service or until they retire. There are several types of pension plans namely; contributory plan where contributions are provided jointly by employee and employer; non-contributory plan is where contributions are provided solely by the employer. Thirdly, defined benefits pension plan, were the amount of payment that employee is to receive upon retirement is specifically set fourth based of years of service, age at retirement and earnings. Defined contribution purchase plan establishes the basis upon which an employer is to contribute to the pension fund. The amount of benefits employees are to receive upon retirement is then determined by the funds accumulated in their behalf at the time of retirement and what these funds will purchase in the way of retirement benefits (Richard, D 2004)

2.4.2 Insurance

Insurance services exist in different cover and purpose. There is group life insurance which provides death benefits to beneficiaries, Health-care insurance that caters for medical charges, and dental care designed to help employees pay for dental-care cost (Byars, L. 2008).

2.4.3 Payment for Time Not Worked

This includes paid vacations, paid holidays, paid sick leave, and time lost for personal reasons(Byars, L. 2008).
2.4.4 Employee Services and Other Benefits
These services like other benefits constitute a cost to employer. They include; education programs; this plan help employees keep up to date from advances in their fields and help them get ahead in the organization. The employer covers part or entire costs of tuition and fees. Financial counseling programs and credit unions are established in many organizations to serve the financial needs of the employee. These include SACCO's where members save their money, acquire loan at relatively low rates and enjoy dividends. Health programs mostly arrangement at work place for providing food and beverages, health education, and engaging its employees in exercise activities. The cost of meal may be fully met by the employer or employees may be required to pay. Some organizations provide some form of health services to employees, their spouses and children. The extent of these services varies considerably from organizing to another. Employers provide houses to employees, housing allowance, commuter allowances and transfer allowance (Raymond A 2009).

The employer may motivate employees through paid trips to a destination organized by employer or to the place of their choice. Social and recreational services in an organization include sports program, picnic, sponsored social activities which are geared to make employees happy take time of normal work program, as well as team building (Byars, L 2008).

2.5 Challenge Facing Compensation Package Implementation
Like other forms of compensation, benefits impose significant costs. The organisation managing its labor cost most pay careful attention to the cost of its employee benefits. Some employers assemble creative benefits packages that set the apart in the competition of talent. At the same time, different employees look for different types of benefits. Employers need to examine their benefits packages regularly to see whether they meet the needs of today (Grantham 2007).

At the same time, benefits are more complex than pay structure so benefits are harder for employees to understand and appreciate. Employers need to benefits and why they are valuable so that such benefits succeed in motivating the employees (Ask inc.2007). Research asking employee about their benefits has shown that employees significantly underestimate the cost and value of knowledge is lack of communication from employer (Wilson M. 1985). Such research suggests to employers that better communication, coupled with well-designed
benefits plans, well pay off in practical terms (Johnson et al 2010). He concluded that effective communication of compensation package increases employee’s performance consequently improving productivity. Employer cannot easily understand descriptive material on benefits when it is available. It is important for employer at specified interval communicate certain types of benefit information in a manner an employee can understand. Many managers and employees think of only wages and salaries as compensation and fail to consider the additional costs associated with benefits expenditures (Anna M. R, 2010)

2.5.1 Selecting Employee Benefits
Managers who are committed to managing for maximum performance recognize that one of their major responsibilities is to eliminate roadblocks to successful performance (Kaiser, R.B 2008). To encourage performance especially repeated good performance, it’s important to provide a sufficient number of rewards that employees really value, in timely fashion and in a fair manner. Managers should recognize what employee perceives as meaningful rewards; unfortunately most organizations offer the same mix of reward to all employees. A study shows that many variables such as age, sex, marital status, number of dependents, years of service can influence employee’s preference of certain rewards. The manager should therefore consider tailoring the reward program so that the employee can choose from a menu of similarly valued options (Grantham 2007). Providing rewards in a timely manners means soon after major accomplishments. If there is an excessive delay between effective performance and receipt of the reward then the reward uses its potential to motivate subsequent high performance. Provide rewards in a manner that employees consider fair. This implies collecting employees input, ensure that all employees are treated consistently, include rewards that employees really care about and explain clearly the rules and logic of the rewards process (Cascio, W.F. 2010).

Although the government requires certain benefits, employers have wide latitude in creating the total benefits package they offer employees. Decisions about compensation benefits to include should take into account the organization goals, their budget, and the expectations of the organisation current employees and those it wishes to recruit in future. Employers have more difficulty attracting and keeping talented workers. Also if the employees believe their employer feel no commitment to their welfare they are less likely to feel committed to their employer (Doyle 2010).
2.5.2 Organisation Benefits Objectives
They should include: to cost and maintain an employee’s needs for leisure time and on protection against the risks of old age, loss of health and loss of life. Secondly to establish and maintain an employee benefit program that complements the efforts of employees on their own behalf. Thirdly to evaluate the employee benefit plan annually for its effect on employee benefit plan annually for its effect on employee morale and productivity given, consideration to turn over, unfilled positions, attendance employment complaints and opinions. Fourthly, to determine annually the costs of new, changed, and existing programs. Finally, to self-fund benefits to the extent that a long-run cost savings can be expected for the firm and catastrophic losses can be avoided (B.T Beam Jnr. 1992).

2.6 Voluntary Benefits and Employee Performance
These financial voluntary benefits include: financial counseling, retirement plans, education benefits, health programs among others.

2.6.1 Financial Counseling Programs and Employee Performance
Financial literacy plays a critical role in influencing the savings behaviour in addition to reducing debt loads and accumulating wealth and managing it effectively (Lusardi, Mitchell and Curto, 2010). Financial literacy has been defined as: the ability to make informed judgments and to take effective decisions regarding the use and management of money (Worthington, 2005). Remund (2010) on the other hand defines it as a measure of understanding key financial concepts. The authors suggest that financially literate population is able to make informed decisions and take appropriate actions on matters affecting their financial wealth and well being. Financial literacy requirements change over the life time of an individual in response to the changing financial needs and is therefore important in the private pension’s field due to the unique nature of the financial products supplied which are complex, long-term and have wide social coverage (OECD, 2008).

Apathy, indifference to accessing financial education programs form a large barrier to improving people’s knowledge of managing personal finances and how it affects them (James, 2009). Evidence from both developing and developed countries indicates that many individuals do not know where to get trustworthy and impartial advice about financial issues for instance, in the United States of America, where households have a wide array of financial
products, low levels of financial literacy prevents consumers from making good decisions on financial products (Lusardi and Mitchell, 2006).

According to Kefela (2010), “participants who are less financially literate are more likely to have problems with debt, are less likely to save, are more likely to engage in high cost mortgages and are less likely to plan for retirement” and by extension are less likely to make better choices for their pension schemes. Financial literacy levels in developing countries are quite low. For instance, DFID (2008) shows evidence that only half of the adult population knew how to use basic financial products. The same study found that in seven African countries only 29% of adults had a bank account and that approximately 50% used no financial products whatsoever, not even informal financial products. In Kenya, FSD (2009) reported that 59.5% of the population was excluded from the use of formal financial services. No organisation is immune to the effect of financial entanglement, no matter how good the pay and benefits (brown 1997). However, few are offering education on day-to-day finances. They usually offer long-term retirement planning.

Employers should offer comprehensive personal finance employee education (PFEE). This is because employees empowered with the knowledge and tools necessary to help maximize the financial education programs that employers are offering are likely to become a more confident, motivated and productive workforce (Thomas, E.T 1999). Significant number of employees relies heavily on employer-based financial education when it is made available to them (Bernherm and Garret 1996). Martha Patterson (1997) says that a financially uninformed employee cannot understand how their work duties affect the employer’s finances. Paying attention to employee’s personal lives increases corporate productivity. People who plan and manage their finances well tend to have less stress which can hinder job performance (The HR Battlefield 1997). A research study by Military Family Institute concludes that the indirect cost of poor personal financial behaviors in U.S navy service is estimated to be $472M annually in overall productivity cost (Luther 2000).

Patterson says that employers can compete for quality workers by enriching benefits in two ways, that is, directly by offering richer benefits and indirectly by educating employees on the value of what is being offered as well as helping enrich those benefits even more through their own saving and investment. If the workers do not have financial skills to maximize benefits being offered to them, they will push for more, be less financially secure, and likely to be less
productive (Patterson 1997). With little or no education on investment many workers will remain mired in personal debts, be stressed which is negatively impact on their productivity (Leech 1999). Financial problems are rated as number one cause of stress (Cash 2001).

Finance education given to employees has some advantages, as discussed by Garman. These include: increased employee motivation, self-confidence, and productivity; decrease absenteeism due to financial related matters, securing employees loyalty as well as saving time spent in attending to personal matters (Garman 2007). Employees with financial problem, usually, take time away from productive labor to confer on phone with creditors or seek source of money. Employees also sometimes call sick to their employer so they can meet with another person concerning money. Some take occasionally extended breaks to deal with financial matters. Negative cost incurred by employers includes, lower productivity, absenteeism, theft from employer, employee turnover, and time loss. Financial education that can be offered to employees are preventive education for those facing money challenges, remedial for those experiencing a financial crisis, and productive information for those considering financial opportunity (Garman and Leech 2007).

2.6.2 Retirement Plans and Employee Performance

Retirement income has traditionally come from three sources and has been described as a “three legged stool” consisting of Social Security, employer retirement plans and personal savings. Social security retirement benefits provide a greater proportion of retirement income for low income participants. Currently the NSSF pays retirees an average lump sum of Ksh. 100,000 most retirees usually invest money in small business that fall with a year – throwing them into old age poverty (Said C 2007). A group of scholars in U.S. argued that a worker entailed to a comfortable retirement after a life of work, while older workers are healthier and living longer this does not mean that they should work longer as well. This group advocates preserving retirement and public pensions as well as policies promoting the provision of private pensions. (Kevin D.N. 2004)

Pension plans can be used as part of the company’s strategic plan for human resource management (McGill, et al. 1996). The human resource needs and objectives of companies differ. Employing high quality workers is more important to some firms than others. Firms that face large up-front costs of hiring and training workers will want to have low turnover rates and can institute compensation policies to achieve this result. Companies that are
concerned about an aging workforce may institute policies that encourage retirement at early ages. Pension plans can play an important role in achieving these objectives. Clark and Quinn (2010) urged that retirement plans can be a strategic tool in achieving workforce strategies because depending on the benefits embodied firms can employ quality workers and influence their tenure and retirement decisions. Conwell (1998) concluded that labour appears to be more productive in firms that offer attractive retirement plans.

A survey conducted by Watson Wyatt (2003) in US evaluated the impact of pension plans on employee’s attitude and turnover. In general, the respondents to this survey indicated that some workers highly value retirement plans and are likely to continual working for their current employer than those who do not. The returns for organisation whose value the retirement plan was also greater. The study also showed that pension plans are more important to retention than attraction.

Smith (1994) in her paper concluded that more productive employees retire 1.4 years later. Those employees who believe that they are more productive are more likely to retire later. Smith also pointed that academic institutions that used mandatory requirement as a tool for performance management are likely to be affected by low level of performance and will need to take active measures to manage performance. Several articles on early retirement incentive programs offer an opinion that less productive facility are more likely to choose early retirement. If the benefits were reduced, the impact on productivity could be greater than expected.

Performance and morale are interlinked reductions in benefits may lead to lower morale in the workforce. Ollemay (2003) in his review argued that retirement plan has impact on employee morale. He argued that effective retirement plan created morale among workers. Keefer (2012) in his paper directly points to a link between retirement and morale. He argues that some jobs include a high component of non-monetary reward as well as monetary reward. Some universities have reduced unconventional strategies to encourage early retirement in the goal of reducing the monetary value of professorship. This strategy sends difficult signals to the people directly affected and the next generation and has a negative impact on the morale and employee performance.

Employer-provided pensions represent an important part of labour compensation at many firms. Economic theory suggests that firms are willing to pay workers compensation equal to
the value of their productivity. Compensation can take many forms, with the total cost being the most important issue to the employer. Firms offer pension plans because they can help the company attract, retain, and eventually retire quality workers. If deferred compensation yields greater total value to workers, firms with pension plans will find it easier to employ quality workers. If pensions impose financial penalties on workers who leave “too early,” firms may be able to achieve a lower quit rate by offering pension coverage (Lazear 1979). Pension plans can also be structured to provide strong incentives for workers to alter the timing of retirement in accordance with the firm’s human resource needs.

Numerous studies have estimated pension coverage as a function of worker and firm characteristics. In general, coverage increases with annual earnings, age, job tenure, and firm size. Unionized workers are more likely to have pension benefits than non-union workers and substantial variation in coverage rates exists across industries and occupations. Relatively few studies have attempted to explain the choice of a pension plan by individual workers. In most cases, companies offer one primary pension plan, either a defined benefit or a defined contribution plan, and the worker is enrolled in that plan. Thus, the choice of a pension is directly tied to the choice of a job (Clark and Pitts 1999).

Firms offer pensions as part of their compensation packages to attract, retain, and retire quality workers. The value of pension coverage to workers and the cost to firms depends on whether worker productivity is increased by pension coverage, via longer tenure and perhaps greater investment in human capital. In addition, the cost and value of pensions depend on whether earnings or other benefits are reduced when pensions are provided. Companies may adopt pensions in an effort to enhance labour productivity. Theories of firm-specific human capital suggest that firms will invest more in workers who are likely to remain with the firm for longer periods of time. The use of deferred payments that depend on longer job tenure can result in more investment in human capital and therefore higher productivity (Becker, 1996). Such compensation schemes might also reduce shirking on the job (Becker and Stigler, 1974; Lazear 1979) and promote more efficient job matches between firms who will benefit from low turnover rates and workers with low turnover probabilities.

There have been relatively few empirical studies that have attempted to estimate directly the effect of pensions on firm productivity (Clark 1987). In a series of studies, Dorsey and his colleagues have assessed the impact of pensions on labour productivity. Dorsey (1995)
reviews a wide range of studies on the effect of pension coverage on productivity, and concludes that on balance, the literature supports the view that incentives established by non-portable benefits do enhance productivity. He concluded that a productivity enhancing effect is plausible given existing models of the labour market.

In a subsequent paper, Dorsey and Macpherson (1997) find a strong positive relationship between pension coverage and training on the job, providing a further link between the use of pensions as a form of compensation and employee productivity. In their book on pensions and productivity, Dorsey, Cornwell, and Macpherson (1998) estimate a series of productivity models and conclude that labour appears to be more productive in firms that offer defined benefit pension plans. If workers who change jobs tend to lose pension wealth, then we should observe negative relationship between mobility and coverage. Empirical studies using a variety of data sets and specifications do find this negative relationship. An early study by Mitchell (1982) estimated that pension participants were less likely to change jobs during a four year period than workers not covered by an employer-provided pension McCormick and Hughes (1984). (Ippolito 1999) concludes that “pensions are important tools to obtain long-term commitments to the firm.” In summary, the evidence is clear that pensions are an important component of compensation and that incentives associated with pension plans alter worker behaviour. In general, pension participants are less likely to quit, more likely to have longer job tenure, and more likely to retire at specific ages related to their pension plans.

Implications and risks of having different benefit plans for employees within the school environment, there are teaching and non-teaching staff. While teachers are permanent and pensionable i.e. Their employer cater for non teaching staff on the other side contribute through NSSF however, during the non-teaching staff there are those who are casually employed meaning that their employer does not contribute partly contribute for their retirement benefit. There is therefore a significant disparity in the way different employees in the school environment get their retirement benefit. A survey of different retirement programmes in UK positioned to significance concern on workers morale and performance (AON Consulting 2008). He pointed out that although companies did not think there is risk in having two-tier pension structures, the implication was adverse on employee performance. This impacted on workforce behaviour and related risks.
2.6.3 Workplace Education Programs and Employee Performance

Workplace education program is any program providing instruction in at least some basic skills that is located on-site at the workplace or is sponsored by the employer off-site. Basic skills are the skills required for effective functioning in job. In recent years, increasing attention has been drawn to the plight of people with low levels of education. Lower skilled workers have borne the impact of economic changes that have left them worse off in both relative and absolute terms (Levy & Murnane, 1992). The only possible solution is increased basic skills. For the adult population, this means continuing education provided outside of the 8.4.4 school system. A key component of that education delivery system is workplace-based education and training programs. It was noted that, most employees do not have a union behind them to bargain directly for workplace education programs. Moreover, although support for workplace education programs is undoubtedly much higher among union leaders than among management, workplace education programs traditionally have not been at the top of unions’ priority lists (Levenson 2002).

It is also important to make the distinction between training and education. Education traditionally refers to school-based learning that focuses on broad skill development. Training traditionally refers to nonschool-based learning that focuses on narrowly defined tasks. Most companies are averse to providing education, broadly construed, because it is perceived as having no immediate impact on job performance. Consequently, even activities that might be defined as educational are referred to as training. There are many examples of training programs that cover a broad range of basic skills, only some of which are directly related to job tasks (Levenson, 2001). In other cases, tuition reimbursement programs encourage employees to obtain skills that may have scant relevance to their jobs. Whether the company acknowledges it or not, such programs appear to be more like education than training.

Discussion of the theory of why companies train would be remiss if it did not address the statement, “Companies will not pay for basic skills training.” Articulated often by academics and policy analysts and sometimes by practitioners, this conventional wisdom is derived from economic reasoning that is rooted in Nobel Laureate Gary Becker’s (1964) theory of human capital. The confusion surrounding this observation is twofold. First, it turns out that the theoretical conditions under which companies will not pay for basic skills training do not always exist. The statement itself cannot and should not be viewed as irrefutable. Second, even though companies might not pay for basic skills training, many provide it.
Becker’s (1964) work on human capital is viewed as seminal, in part because it provides a systematic way of differentiating those skills for which companies provide training from those skills that employees are expected to acquire on their own. Human capital simply refers to the skills embodied in people that can be viewed as assets of the firm in the same way that machines (physical capital) and money (financial capital) are viewed. In addressing the issue of who is responsible for the provision of general versus specific skills, Becker provided a framework for identifying who receives the benefits of the skill acquisition. General human capital is any skill that raises productivity at more than one firm; specific human capital is any skill that raises productivity at only one firm. If a worker possesses many of the basic skills required for a job but needs improvement in one or a few literacy skills, the company may view the benefit gained from helping this worker gain those skills as exceeding its cost.

The complementarities between basic skills and other required skills mean that some basic skills might be worth more on one job than on another. Even if the firm bears the cost for improving the worker’s basic skills, the worker’s alternative wage might not rise sufficiently to make leaving for a different job financially attractive. It is difficult for workers to credibly signal to other employers the full extent of any new general skills they have learnt (Bishop, 1997). And the company that financed such skill acquisition certainly will not seek to advertise that fact to other employers who might want to poach those workers. This effectively makes some general human capital acquisition look like firm-specific human capital acquisition because wages do not have to grow as fast as productivity for the firm to prevent the employee from leaving for a new job.

The management literature views training as a benefit and so expects employees to respond to it the way in which they respond to other benefits, with a positive attitude (called commitment to the current employer) and reduced turnover. But the management literature typically fails to acknowledge the general versus specific nature of skills and the impact of rewards on attitudes and turnover. Benson (2001) argued that the impact of training on commitment and turnover depends on the type of training (general vs. specific) and on whether the employee is rewarded for gaining the new skills. If the training is specific, then the employee’s only hope for increased reward lies with his or her current employer, and turnover will decrease because of the positive effect of increased commitment. With general training, there exists the prospect of increased rewards at a different firm, which counteracts the positive commitment
effect. Benson argued that the alternative employment rewards effect dominates; thus, if the training is general, turnover should increase.

Providing Workplace Education Programs is seen as a mean of increasing employee commitment, loyalty, and productivity and reducing turnover, all of which can have a beneficial impact on the bottom line. It is concluded that workplace education has the following effect: Worker morale, quality of output, ability to use new technology, ability to cope with change in the workplace, increased output of products and services, increased profitability, reduced time per task, reduced error rate, time savings, retention of workers ability to work independently, reduced absenteeism and lateness, Lafleur (1999)

2.6.4 Workplace Health Programs and Employee Performance

A healthy and productive workforce is critical for economic success and population health. Illness at the workplace can result in lost productivity, which arises from two sources: absenteeism and presenteeism. Absenteeism refers to an employee's time away from work due to illness or disability. Presenteeism refers to the decrease in productivity in employees whose health problems have not necessarily led to absenteeism and the decrease in productivity for the disabled workers before and after their absence period. It is defined as being present at work, but limited in some aspects of job performance by a health problem, and it is often a hidden cost for employers. It includes time not spent on job tasks and decreased quality of work (e.g. product waste and product defects). Absenteeism and presenteeism are part of a continuum within which workers likely transition back and forth over time (Morten, R.M. 2011).

Health promotion in the workplace is defined as preventing, minimizing and eliminating health hazards, and maintaining and promoting work ability. Worker health and wellness is maintaining a balance of the physical, mental and social ingredients, as well as health habits associated with good physical condition, energy and vitality (Heart Foundation 2011). Workplace health programs can cover a broad range of health areas. However, most workplace health programs target at least some of the following areas given the importance of each in general health and wellbeing. Healthy eating can significantly impact an employee’s ability to do their job effectively by, for example, improving their ability to concentrate. Nutrition programs educate employees about food choices and equip them to make healthier food and drink choices. Organisations can ensure there are healthy choices available in staff
rooms, and office meetings and functions, plus provide easy access to fresh fruit and healthy snacks (Physical Activity, Nutrition & Obesity Research Group 2006). Physical activity, in addition to healthy eating, physical activity is an important part of a healthy lifestyle.

Workplace health programs can offer employees opportunities to incorporate physical activity into their daily lives, and also provide an environment that supports physical activity. Smoking cessation—Smokers tend to fall ill more frequently than non-smokers. Promoting services, such as the Quit line or allowing time to see a doctor to discuss quitting smoking, are valid options for employers to include in their workplace health programs. Stress management—Stress itself takes a toll on employees. Stress is also linked to other health concerns, such as depression, heart disease, diabetes, and obesity. Workplace health programs that help employees manage stress can improve their health and wellbeing. Whilst this guide focuses on nutrition and physical activity only, it is recognised that gains in either or both of these health areas can have benefits on other areas, such as stress management (Heart Foundation 2011).

Healthy eating is essential for good health. Serving healthier food in the workplace is an important part of promoting health and wellbeing among your staff. Citizens in lower socio-economic groups appear to face the largest diet related health threats in these respects (Kjøller et al. 2007; Robertsen et al. 2007), which suggests that factors in the environment play an important role in nutritional behaviour (Ball et al. 2006). There is a lack of compatibility between long working-hours and personal commitments, and employees find it difficult to find an appropriate balance between work and personal life and face problems with stress. For example, almost 9 per cent of the adult Danish population was estimated to be affected by stress in their everyday life in 2005 (Kjøller et al. 2007). This combination of current life-style challenges points at the workplace as a suitable arena for new interventions to improve the health status and quality of life for a substantial share of the population. Solutions that can contribute to improved dietary behaviour, while at the same time contributing to relieving the pressure on individuals to find an appropriate balance between workplace and personal life responsibilities, are key factors in solving these challenges (Morten, R.M. 2011).

While studies of worksite initiatives addressing multiple health risks simultaneously have indicated favourable benefit-cost ratios due to reduced absenteeism and higher productivity, the body of literature containing cost-benefit assessments of pure dietary interventions at
worksites is very limited, Gates (2008). Temporary conditions such as a lack of energy or concentration, reduced well-being and stress may also be linked to a poor diet and these may also lead to increased absenteeism or presenteeism at workplaces.

A workplace health program refers to activities undertaken in the workplace that support the health and wellbeing of employees. These activities may focus on individual behaviour change (e.g. education sessions or physical activity classes), and/or they may be targeted at an organizational level, creating policies and environments (physical and social) which support healthy behaviors such as healthy catering policy or active transport end-of-trip facilities (Morten, R.M. 2011).

There is increased awareness regarding the value of workplace health programs that support the health and wellbeing of employees. Organisations that have implemented workplace health programs have reported positive business outcomes such as improved employee retention and productivity, among other benefits. Commonwealth Governments have recently acknowledged these benefits and announced initiatives to assist organisations in developing healthy workplace programs that will benefit employers and employees. Research shows there are many measurable benefits to organisations and employers in implementing workplace health programs, including increased workplace productivity, reduced absenteeism, improved employee satisfaction, improved employee recruitment and retention, improved employee engagement and reduced worker’s compensation costs (Gates 2008).

Benefits of a healthy workplace for employers include: improve work performance and productivity, reduce absenteeism and sick leave, decrease frequency and costs of worker’s compensation, improve employee morale, satisfaction and motivation, improve corporate image and attraction/retention of employees, increase return on training and development investment as well as improve employee engagement and employee relationships (Morten, R.M. 2011).

2.7 Empirical Review
Shahla A. (2007) researched on influencing job performance of NTS in public universities. He found that the NTS at Kenyatta University are characterized with low morale, low motivation and lack interest in their work. The NTS were also found to be unhappy with certain unfair practices like recruitment, promotion, compensation package, incentives, disciplinary action
and HRD programs. In his conclusion, he argued that there is need for concern about reward programs, individual needs and welfare issues of employees. Evans M. (2002) also studied on non academic members of staff at JKUAT. He found that the members are a demoted lot. The implication is that the institution is getting less than what it should harvest from its human resources. Thomas (2002) studied on motivational factors affecting work performance of NTS of JKUAT. From findings of the study, he conducted that most NTS are a demotivated lot. He recommended for ways of motivating employees names: reward/recognition, HRD, promotion of merit, and appointment on qualifications.

Kimani (2009) researched on factors influencing the performance of accounting staff in public secondary schools in Kenya. He sought to establish the level of education for account clerks and how this affected their performance, the level of professional training and experience, channel of communication used within the school, as well as technology and performance. His findings include majority of them are form four graduates with ACNC or KATC qualification. They had not attended any refresher courses whatsoever. He concluded that the low performance is a result of lack of supervision and low level of education and training for accounting staff.

Ann W. (2005) researched on motivational factors on performance of NTS in secondary schools (Laikipia). She looked into factors like remuneration, promotion and appreciation. In her conclusion, she stated that NTS are motivated by remuneration, appreciation, empathy and help for employees with problems by their employer. However, NTS were found not to enjoy promotion. For this reason she recommended that NTS should be rewarded well and working environment improved. She found there is need to review compensation package of these employees. Mutinda (2003) looked into motivation of employees in secondary schools. The research found that principals rarely motivate those under these employees.

Chagmasa (1993) looked in job satisfaction and stated that school workers are unlikely to be satisfied with what they do. Churchman (2001) studied on the effect of extended leave on organisation performance. She concluded that the staff turn-over is at its lowest in such organisations. This is coupled with decline in time lost by employees as well as reduction in claims for accident and sickness benefits. This limited study shows that positive benefits accrue to employers who sponsor such programs as part of a comprehensive employee assistance program. However such studies and others did not focus on the effect of the
voluntary compensation programs on performance of employees. This study in turn attempts to fill the gap by looking into direct and mediating effects of voluntary benefits on non teaching staff in secondary schools in Kahuro district.

2.8 Conceptual Frame Work

**Figure 2.1 Conceptual Frame Work**

<table>
<thead>
<tr>
<th>Independent Variables</th>
<th>Dependent Variables</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial counseling program</td>
<td>Employee performance</td>
</tr>
<tr>
<td>- Frequency</td>
<td></td>
</tr>
<tr>
<td>- Participants</td>
<td></td>
</tr>
<tr>
<td>- Time</td>
<td></td>
</tr>
<tr>
<td>Retirement plans</td>
<td>Intervening variables</td>
</tr>
<tr>
<td>- Types</td>
<td></td>
</tr>
<tr>
<td>- Maturity time</td>
<td>Cost</td>
</tr>
<tr>
<td>- Financier</td>
<td>Employee’s value/needs</td>
</tr>
<tr>
<td>Workplace Education programs</td>
<td></td>
</tr>
<tr>
<td>- Types</td>
<td></td>
</tr>
<tr>
<td>- Facilitation</td>
<td></td>
</tr>
<tr>
<td>- Time</td>
<td></td>
</tr>
<tr>
<td>- Participators</td>
<td></td>
</tr>
<tr>
<td>Workplace health programs</td>
<td></td>
</tr>
<tr>
<td>- Types</td>
<td></td>
</tr>
<tr>
<td>- Frequency</td>
<td></td>
</tr>
<tr>
<td>- Participants</td>
<td></td>
</tr>
<tr>
<td>- Sponsor</td>
<td></td>
</tr>
</tbody>
</table>

Source (Researcher, 2013)

There are four independent variables which were considered in the study. These are financial counseling programs, retirement programs, workplace education programs and workplace health programs. The research was intended to establish the relationship that exists between these independent variables and the dependent variable in secondary schools.
Financial counseling programs include offering preventive education for those facing financial challenges and productive information for those considering financial opportunities. Finances have been the major reward for compensating employees for their services in an organisation. It is a motivation factor, way of measuring the worth of a job and major reason of stress in work place (Garman and Leech 2006). Financial counseling programs are important in compensation of employees.

Retirement plans include social security, employer-based programs and personal savings. Since the Social Security program was established, citizens have come to accept 60 as the age employees are expected to retire. Many companies followed suit, and 60 is typically viewed as the end of the road for corporate careers and the trigger for pensions. But today, reaching age 60 does not mean it’s time to retire. The promise of a relaxing and stress-free retirement has been replaced in many cases by the reality that people are not prepared to retire. Some employees cannot afford to retire or are just plain afraid to retire. Age 60 is now just another year in an ongoing career, and retirement has no set time frame. Staying in the workforce past traditional retirement age will have broad implications for employers, younger workers, and the economy (Dave B. 2013). Milne, (1996) argue that employers play a lead role in encouraging employees to undertake retirement programs. In absence of such initiative by the employer, employees take less interest in retirement preparation and planning.

Workplace education programs incorporate both school-based and non-school based programs. Highly trained employees who are interested in bettering themselves can be an incredible asset in the workplace. The workplace is changing at a rapid pace and organisations that hope to keep up with the changes that are yet to come are well served by making sure their workforce is ready. Employees must continually strive to develop new skills to keep up with the evolving business world (Kelly 2006).

Workplace health programs focuses on means of ensuring a healthy and productive workforce. The health of employees influences their morale, productivity, well-being and satisfaction. Nutritious eating habits and physical exercise are crucial to maintaining good health. Corporate nutrition benefits both employer and employee. For an organisation, any form of ill health that prevents an employee from optimally fulfilling his or her job (Morten R.M 2011).
CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction
The chapter focuses on the research design used, the target population of the study, the sampling design, data collection instruments and techniques and the data analysis and presentation techniques.

3.2 Research Design
This study employed descriptive survey design. This involves using a survey design as a strategy for collecting and analyzing data that answers research questions, to gather information, summarize, present and interpret data for the purpose of classification. According to Bryman (2008), a research design provides a framework for collecting and analyzing data. According to Ordho (2003), descriptive survey research is intended to produce statistical information about aspects of population that interest policy makers without manipulating any data. The method collects information by interviewing or administering a questionnaire to a sample of individuals. According to Gay (1992) this method determines and reports the way things are such as public opinion and attitudes whereby a clear layout of pertinent and precise information on the study aspect and phenomena are obtained and general conclusion drawn. The researcher used primary data.

3.3 The Target Population
The study was carried out in secondary schools in Kahuro district, Murang’a County. The target population was 35 secondary schools with a total population of 420 non teaching staff. The study targeted key informants like secretaries, bursars, cooks, security personnel, lab technicians, school nurses, ground men, cleaners, and drivers.

3.4 Sampling Design
Stratified Random sampling was used in the study to select a sample of 15 schools from a population of 35. According to Tromp (2006), a population is divided into subgroups called strata and a sample is selected from each strata. The target population was in strata consisting of boys’ schools, girls’ schools, and mixed day schools. The non teaching staff will be clustered into four categories, that is, front office personnel, kitchen staffs, security personnel and maintenance department. Purposive sampling was then be used to determine the number
of participant at each cluster forming 30% of their population in Kahuro district. The sample was within the 10% minimum sample (Gay, 1976) for statistical analysis. The sample should be small enough to be economical and ensure representation of all in the population proportionately (Mugenda and Mugenda, 2003).

Table 3.1 Strata of Schools in Kahuro District

<table>
<thead>
<tr>
<th>School</th>
<th>Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Boys schools</td>
<td>4</td>
</tr>
<tr>
<td>Girls schools</td>
<td>6</td>
</tr>
<tr>
<td>Mixed schools</td>
<td>25</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>35</strong></td>
</tr>
</tbody>
</table>

Source (Researcher, 2013)

Table 3.2 Target Population

<table>
<thead>
<tr>
<th>Group</th>
<th>Population</th>
<th>Sample</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Front office staffs</td>
<td>70</td>
<td>21</td>
<td>0.3</td>
</tr>
<tr>
<td>Kitchen staffs</td>
<td>140</td>
<td>42</td>
<td>0.3</td>
</tr>
<tr>
<td>Security personnel</td>
<td>140</td>
<td>42</td>
<td>0.3</td>
</tr>
<tr>
<td>Maintenance department</td>
<td>70</td>
<td>21</td>
<td>0.3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>420</strong></td>
<td><strong>126</strong></td>
<td><strong>0.3</strong></td>
</tr>
</tbody>
</table>

Source: (Researcher, 2013)

3.5 Data Collection Instruments

Primary data was collected using questionnaires. The questions were both closed to enhance uniformity and open ended to ensure maximum data will be obtained. Questionnaires are the most commonly used when respondents can be reached and are willing to cooperate. The method can reach a large number of subjects who know how to read and write independently (Peil, 1995). According to Orotho (2004) questionnaires are widely used in educational studies to obtain information about current conditions and practices. They assist in making enquiry concerning attitudes and opinions quickly and in precise form. Secondary data was obtained from books, internet and journals as indicated in the literature review.
3.6 Piloting
Piloting was tried out in Murang’a high school which is not within the actual sample. Piloting refers to pre-testing of questionnaires to a selected sample which is similar or identical to the actual sample to be used in the study. The researcher was able to detect deficiencies in the instruments for instance insufficient space to write, clustered questions and wrong phrasing of questions. The researcher did the necessary correction to the questionnaires which included rephrasing some questions.

3.7 Data Collection Procedure
The researcher got an introduction letter from the school of business at Kenyatta University ascertaining that he is a bona fide student of the university. The researcher will book an appointment with the management of the sample schools. Explanation of the purpose of the study was explained and an assurance that results and information to be collected is confidential was made. Questionnaires were left for a week for the respondents to fill. The researcher collected the instruments for analysis later.

3.8 Validity
According to Wiersna (1995) validity is the extent to which an instrument measures what it is intended to measure or the degree to which results obtained from the analysis of data actually represent the phenomenon under study. External validity was ensured by making sure that the sample size and nature is a true reflection of the whole target population. This was facilitated by various sampling designs to be employed. Content valid was ensured by designing a questionnaire that was in line with the objectives of this study. Prior the distribution of questionnaires to the actual sample, a pilot study involving 12 NTS was conducted to validate the content of the questionnaire in terms of relevance and accuracy. The repeated advice from the supervisors ensured that the concepts are accurately representing the study.

3.9 Reliability
Mugenda and Mugenda (2003) define reliability as a measure of the degree to which a research instrument yields consistent results or data after repeated trial. The study used split-half method. In this approach an instrument is designed in such a way that there are two parts. Subjects’ scores from one part are correlated with scores from the second part. This helps to eliminate chance error. Spearman’s correlation coefficient for the two halves was computed using the formula.
\[ R = 1 - 6 \frac{\sum D^2}{N(N^2 - 1)} \]

Where 
- \( r \) – correlation coefficient
- \( N \) – Sample
- \( \sum \) - Summation of scores
- \( D \) – Deviation

\[ SH = \frac{2r}{1+r} \]

Where
- \( SH \) – split half
- \( r \) – Correlation coefficient

3.10 Data Analysis and Presentation

The results of the research were analyzed using qualitative and quantitative methods. The quantitative data generated was subjected to the descriptive statistics. The data will also be analysed using the techniques of rank correlation coefficient and factor analysis. SPSS will be used to aid the analysis. Data was presented using frequency distribution and measures of tendency such as mean, mode and median as well as measures of dispersion such as percentages, range, standard deviation, mean deviation and quartile range was calculated. Data was also presented using tables, pie charts, and graphs. Qualitative data was coded and themes that relate to the research questions in the study identified. The qualitative data was interpreted by attaching significance to the themes and the patterns observed. Alternative explanations were considered by looking at differences in responses recorded in data collection (Mugenda and Mugenda, 2003).
CHAPTER FOUR
DATA ANALYSIS, PRESENTATION AND INTERPRETATION

4.1 Introduction
This chapter presents data analysis and discussion of the study findings and the effects of voluntary financial benefit programs on performance of non teaching staffs. Analysis of data was carried out using description statistics with the aid of statistical package for social scientists (SPSS)

4.2 Background of the Study
This section deals with response rate, the background information of the respondents’ gender, age, education level and work experience.

4.2.1 Response Rate
The study targeted 126 respondents, however, only 106 respondents managed to respond to the questionnaires. This translate to 84.13% which was a good response. This response rate also ensured validity of the research, in that the response findings were true reflection of the entire population (Wiersna 1995). The respondents were distributed as follows:-

Table 4.1 Response rate

<table>
<thead>
<tr>
<th>Strata</th>
<th>Sample size</th>
<th>Frequency</th>
<th>Percentage %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Front office</td>
<td>21</td>
<td>19</td>
<td>15.07</td>
</tr>
<tr>
<td>Kitchen</td>
<td>42</td>
<td>35</td>
<td>27.78</td>
</tr>
<tr>
<td>Security</td>
<td>42</td>
<td>34</td>
<td>26.98</td>
</tr>
<tr>
<td>Maintenance</td>
<td>21</td>
<td>18</td>
<td>14.29</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>126</strong></td>
<td><strong>106</strong></td>
<td><strong>84.13</strong></td>
</tr>
</tbody>
</table>

Source (survey data 2013)

Table 4.1 above shows that 15.07% of the respondents were front office, 27.78% were kitchen workers, 26.98% were security personnels and 14.29% were maintenance staffs. This translated to 84.13% of the target sample. This is an indication that the respondents were drawn from all clusters of staffs in schools. This means the findings collected is a true reflection of the effects of voluntary benefits on performance of NTS.
4.2.2 Respondents Gender

The researcher sought to establish the gender of the respondents. The respondents were asked to state their gender. 62 of the respondents were males and 44 were female. Figure 4.2 gives a description of the gender.

![Figure 4.1 Gender of Respondents: Source (Survey Data 2013)](image)

From figure 4.2 above, majority of the respondents were male with a percentage of 58.49% while 49.51% were female. This indicates that there is gender parity among employees in schools. It is also an indication that both gender were involved in the study, thus the findings of the research did not suffer from gender bias.

4.2.3 Response Age

The study sought to estimate the age of the respondents. The respondents were asked to indicate their age brackets. Figure 4.2 gives a description of the age distribution.

![Figure 4.2 Age of the Respondents: Source (Survey Data 2013)](image)
From figure 4.2 above 10.38% of the respondent were below 30 years, 21.70% were between 34-40 years, 37.74% were between 40-50 years, 24.53% were between 50-60 years and 5.65% were over 60 years. This was an indication that majority of the respondents were between 40-50 years. It also indicated that more than half of the respondents are above 40 years and therefore majority of employees in school are not youths. They are therefore unlikely to change their career or even employer. It is also an indication that the respondents are aware of how their employer had been offering the benefits. They were in a position to give credible information on the effect of these programs on thier job performance.

4.2.4 Level of Education

The researcher sought to establish the academic qualification of the NTS. The results of the respondents are as shown in the table 4.2 below;

Table 4.2 Level of Education

<table>
<thead>
<tr>
<th>Level of Education</th>
<th>Frequency</th>
<th>Percentage %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary education</td>
<td>31</td>
<td>29.25</td>
</tr>
<tr>
<td>Secondary education</td>
<td>29</td>
<td>27.36</td>
</tr>
<tr>
<td>Certificate</td>
<td>37</td>
<td>34.90</td>
</tr>
<tr>
<td>Diploma</td>
<td>5</td>
<td>4.72</td>
</tr>
<tr>
<td>Degree</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Any other</td>
<td>4</td>
<td>3.77</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>126</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

From the table 4.2 below, it was evident that 29.25% of the respondents had primary school certificate, 27.36% had completed secondary level, 34.90% had done various certificates at tertiary level, 4.72% were diploma holders, none was degree holders and 3.77% had other academic qualifications which was CPA (k). This was an indication that the respondents had at least gone through formal education system thus they were in a position to understand the content of the questionnaire and offer credible information. The research indicated that majority employees have pursued certificates programs at tertiary level. They are thus likely to be motivated by offering them education benefits programs. This also indicated the need to continually empower the employees through education programs.
4.2.5 Working Experience of Respondents

The study sought to establish the working experience of the respondents. The respondents were asked about their working experience. Figure 4.3 below shows the results of the question.

![Bar chart showing working experience](image)

**Figure 4.3 Work Experience: Source (Survey data, 2013)**

From figure 4.3 above 5.66% of the respondents have worked for less than 5 years, 8.49% had worked between 5-10 years and 25.47% had worked between 10-15 years, 36.79% had worked between 15-20 years and 25.47% had worked for more than 20 years in the same institution. The results indicated that the mobility of NTS from one employer to the next is very low, hence they remain in the same station for as long as over 20 years. They thus understand better the terms of services offered in such institutions well. They also understood their organisation thus in a good position to give credible information on effect of voluntary benefits on employee performance. It is also an indication of their loyalty to thier employer which requires to be rewarded.

4.3 Retirement Programs and Employee Performance

The researcher sought to establish the effects of retirement programs on employees performance. The researcher also sought to establish the years the respondent is to work before retirement and the retirement programs that the respondent has joined.
4.3.1 Number of Years One is to Work Before Retirement

The researcher sought to establish the number of years the respondent was planning to work before retirement. The respondents were asked to indicate the years before retirement as bracketed. The table below shows the results of the question.

Table 4.3 Years to Work Before Retirement

<table>
<thead>
<tr>
<th>Years</th>
<th>Frequent</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Below 5 years</td>
<td>9</td>
<td>8.49</td>
</tr>
<tr>
<td>5-15 years</td>
<td>15</td>
<td>14.15</td>
</tr>
<tr>
<td>15-25 years</td>
<td>40</td>
<td>37.74</td>
</tr>
<tr>
<td>25-35 years</td>
<td>16</td>
<td>15.09</td>
</tr>
<tr>
<td>Over 35 years</td>
<td>26</td>
<td>25.53</td>
</tr>
<tr>
<td></td>
<td>106</td>
<td>100</td>
</tr>
</tbody>
</table>

Source (survey data 2013)

From table 4.3 above, 8.49% of respondents are planning to work for less than 5 years, 14.15% will work between 5-15 years, 37.74% will work for 15-25 years, 15.09% will work for 25-35 years and 25.53% will work for over 35 years before retiring. From the findings it seemed that many employers are planning to work for 15 years and above. The results also indicated that some employees are not ready to retire at the age of 60 years. They are thus willing to continue offering their services even after reaching the statutory retirement age of 60. This may however have effects on their performance as productivity of an employee decreases with advance age. It also limit the opportunity to upcoming work force who would however bring new ideas, skills and knowledge of the institution. The result also indicted that such employees who are likely to retire in the next 20 years form the majority of the respondents. The establishment of employer-based retirement programs would be a motivator to them. They would feel motivated and their loyalty to organisation well appreciated.

4.3.2 Existence of Employer-based Retirement Programs

The researcher sought to establish whether employees in secondary school enjoy employer-based retirement programs. The respondents were asked to state whether they have any employer-based program other than NSSF. The figure 4.4 below shows the results.
From figure 4.4 above, majority of respondents at 83.02% do not enjoy any employer – based retirement programs other than NSSF while 16.98% have employer-based retirement programs. This can be concluded that by the time they retire the only source of saving from employer available to them is the NSSF. Lack of retirement programs affect employees performance negatively. The results indicated that there is need to establish workplace retirement programs to boost their concentration to work and organisation goals.

4.3.3. Effects of Retirement Program and Employee Performance

The study sought to establish effects of retirements programs on employee performance. The respondents were asked to rate these effects on employee performance. The results are as shown below in table 4.4

<table>
<thead>
<tr>
<th>Statement</th>
<th>Frequency</th>
<th>SA</th>
<th>A</th>
<th>AA</th>
<th>D</th>
<th>SD</th>
<th>total</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Failure to save for retirement has negative impact on employee’s performance</td>
<td>% 59.43</td>
<td>63</td>
<td>16</td>
<td>17</td>
<td>8</td>
<td>2</td>
<td>106</td>
<td>4.23</td>
</tr>
<tr>
<td>Towards retirement, employee takes time off tries to settle down issues to do with retirement.</td>
<td>% 72.64</td>
<td>77</td>
<td>20</td>
<td>6</td>
<td>2</td>
<td>1</td>
<td>106</td>
<td>4.61</td>
</tr>
</tbody>
</table>
Retirement is a major cause of workplace stress at old age hence affecting employee effectiveness.

| Employees who do not save enough for retirement hence opt to stay on job past age of 60 years. | Frequency | % |
|---|---|---|---|---|---|---|---|---|---|---|
| | 82 | 77.36 | 10 | 9.43 | 8 | 7.55 | 3 | 2.83 | 3 | 2.83 | 106 | 100 | 4.56 |

From the table 4.4 above, 59.43% strongly agreed that failure to save towards retirement adversely affect employee’s performance, 15.04% agreed, 16.04% a little agreed, 7.54 disagreed, and 1.9% strongly disagreed. 72.64% strongly agreed that employee towards retirement takes time off to settle down issues to do with retirement while 18.86% agreed, 5.66% a little agreed, 1.9% disagreed and 0.94% strongly disagreed. 77.36% strongly agreed that retirement is a major cause of workplace stress at old age hence affecting employee effectiveness while 9.43% agreed, 7.55% a little agreed, 2.83 disagreed and 2.83 strongly disagreed. 42.45% strongly agreed that employees who do not save enough for retirement hence opt to stay on job past age of 60 years, 33.96% agreed, 1.9% a little agreed, 12.26% disagreed and 9.43% strongly disagreed.

Most of the respondent commented that failure to have a good retirement program had negative effect on employee’s performance employee take time off to settle down issues to do with their retirement young work force who would replace the retiring employees fail to secure such opportunities of those who extend their tenure, the morale of employees and productivity also decreases it can be concluded that failure to have a retirement programs affect employee performance negatively.

4.4 Work place financial counseling and employee performance

This section shows the effect of workplace financial counseling on employee performance.

4.4.1 Availability of Financial Counseling at Workplace

The researcher sought to estimate whether their employer offer them work place financial counseling. The results are shown in figure 4.5 below.
From figure 4.5 above, majority of respondents at 69.81% do not access financial counselling at workplace while 30.19% access financial counselling. This is an indication that many employers do not offer financial counseling to their employees. This means that performance of employees would be affected greatly by their financial issues. This is characterised by stress, absenteeism, and financial mismanagement which lowers employee performance.

### 4.4.2 Frequency of Accessing Financial Counseling

The respondent were asked the frequency at which they access financial counseling at workplace. The results are in 4.5 as follows:-

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monthly</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Quartely</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Annually</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Before retirement</td>
<td>32</td>
<td>30.19</td>
</tr>
<tr>
<td>Never</td>
<td>74</td>
<td>69.81</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>106</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Source (survey data 2013)
From table 4.5 above 30.19% of the respondents accessed financial counselling before retirement while 69.81% did not access financial counseling at work place at all. This findings were also reflected by Kenyan report 2009, that stated that 59.5% of Kenyan population was excluded from financial literacy. It also indicated that few employers offer day-to-day finances planning but only long-term retirement planning. Most respondents comment that the nature nature of their duties and work is a major hinderance to their access to financed counseling at workplace. This is because when the schools are offering financial counseling, most employees are busy attending to their duties, or even on night shift. Poor communication was another reason commented as employees are not aware of when will counselling be offered and who will facilitate such programs. They have thus found themselves left out, and go without attending financial counseling. The employee commented that they felt discriminated on this ground which lowers their morale. Employers should thus offer comprehensive personal financial employee education.

4.4.3 Effects of Financial Counseling Programs on Employee Performance
The researcher sought to investigate on the effects of financial counseling programs on employee performance. The respondents were asked to rate these effects. The results are as shown below in table 4.6

<table>
<thead>
<tr>
<th>Statements</th>
<th>Frequency</th>
<th>SA</th>
<th>A</th>
<th>AA</th>
<th>D</th>
<th>SD</th>
<th>Total</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Most employees depend on workplace financial counseling when provided</td>
<td>Frequency</td>
<td>50</td>
<td>24</td>
<td>16</td>
<td>9</td>
<td>7</td>
<td>106</td>
<td>3.31</td>
</tr>
<tr>
<td></td>
<td>%</td>
<td>47.17</td>
<td>22.65</td>
<td>15.09</td>
<td>8.49</td>
<td>6.60</td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>Paying attention to employee’s personal live increases corporate productivity</td>
<td>Frequency</td>
<td>16</td>
<td>43</td>
<td>22</td>
<td>20</td>
<td>5</td>
<td>106</td>
<td>3.43</td>
</tr>
<tr>
<td></td>
<td>%</td>
<td>15.10</td>
<td>40.57</td>
<td>20.76</td>
<td>18.87</td>
<td>4.72</td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>Poor financial behaviours have negative impact on one’s job performance</td>
<td>Frequency</td>
<td>42</td>
<td>35</td>
<td>17</td>
<td>10</td>
<td>2</td>
<td>106</td>
<td>3.99</td>
</tr>
<tr>
<td></td>
<td>percentage</td>
<td>39.62</td>
<td>33.02</td>
<td>16.04</td>
<td>9.43</td>
<td>1.89</td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>Many employees take time off to deal with their financial problems</td>
<td>Frequency</td>
<td>10</td>
<td>60</td>
<td>24</td>
<td>7</td>
<td>5</td>
<td>106</td>
<td>3.59</td>
</tr>
<tr>
<td></td>
<td>percentage</td>
<td>9.43</td>
<td>56.61</td>
<td>22.64</td>
<td>6.6</td>
<td>4.72</td>
<td>100%</td>
<td></td>
</tr>
</tbody>
</table>

Source (Survey data 2013)
From the table 4.6 above, 47.17% strongly agreed that most employees depend on workplace financial counseling when provided, 22.65% agreed, 15.09% alittle agreed, 8.49% disagreed and 6.6% strongly disagreed. The researcher sought to investigate whether paying attention to employee’s personal live increases corporate productivity and 15.1% strongly agreed, 40.57% agreed, 20.76% alittle agreed, 18.87% disagreed and 4.72% strongly disagreed. 39.62% strongly agreed that poor financial behaviours have negative impact on one’s job performance, 33.02% agreed, 16.04% alittle agreed, 9.43% disagreed and 1.89% strongly disagreed. 9.43% strongly agreed that many employees take time off to deal with their financial problems, 56.61% agreed, 22.64% alittle agreed, 6.6% disagreed and 4.72% strongly disagreed. This is an indication that lack of financial counselling negatively affects employee performance. This is due to absenteeism, and a feeling of no being appreciated and cared for. Most respondent commented that lack of financial counseling had negatively effects on employees performance. They stated that because employees with financial problems tend to have low morale at job place, sabotage the work, and may not support the strategic goal of the institution. Theft may also occur at workplace when employee are financially distressed. It can be concluded that offering workplace financial counselling improves performance.

4.5 Workplace Education Programs

This section shows the effects of work place education programs to the employee performance.

4.5.1 Programs Attended by Employees

The researcher sought to establish whether employees attended any education programe after securing employment. The respondents were asked whether they had ever attended any education program after securing their current job. The researcher are shown in figure 4.7
From figure 4.6 above majority of respondents at 60.38% had attended workplace education program while 39.62% said they had never attended any workplace education program. It indicates that workplace education program is popular among working institution. It also shows that employees view indication as a way of making one remain relevant to the organisation, and a mean for promotion. This would eventually improve their performance.

4.5.2 Type of Education Program Attended

The researcher sought to establish what type of education program had the respondent attended. Respondent were asked the nature of the education program they attended. Table 4.7 gives the results of the question.

Table 4.7 Education Program Attended

<table>
<thead>
<tr>
<th>Program</th>
<th>Frequency</th>
<th>Percentage %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short courses</td>
<td>19</td>
<td>29.69</td>
</tr>
<tr>
<td>Seminars</td>
<td>40</td>
<td>62.50</td>
</tr>
<tr>
<td>Workshops</td>
<td>14</td>
<td>21.88</td>
</tr>
<tr>
<td>On-job-training</td>
<td>23</td>
<td>35.94</td>
</tr>
<tr>
<td>Any other</td>
<td>8</td>
<td>12.50</td>
</tr>
</tbody>
</table>

From table 4.7 above, among 64 respondents who had attended education programs, 29.69% had attended short courses, 62.5% had attended seminars, 21.88% had attended workshops,
35.94% had received on job training and 12.50% have attended other courses to advance their career. Some front office staffs stated that they have advanced their education after securing job on C.P.A, computer packages, front office management and library skills. Some respondents happened to have attended more than one program at work place. This can be concluded that employees attend those education programs that are relevant to their work and directly related to their job task. This is likely to have immediate impact on job performance. This also shows that their participation depended on the training one got.

4.5.3 Sponsor of the Education Program
The researcher sought to establish who paid for the expenses incurred in the education program attended. The results from the respondents are shown below in the table 4.8

<table>
<thead>
<tr>
<th>Financier</th>
<th>Percentage %</th>
</tr>
</thead>
<tbody>
<tr>
<td>The employer</td>
<td>9.38</td>
</tr>
<tr>
<td>The trainer/facilitator</td>
<td>15.63</td>
</tr>
<tr>
<td>The worker/employee</td>
<td>74.99</td>
</tr>
</tbody>
</table>

From the table 4.8 above 9.38% of the respondents stated that the employer sponsored the education program attended, 15.63% were sponsored by the facilitator while 74.99% paid for those education programs. This can be concluded that the majority of the respondents had to meet the expenses for attending such education programs and the employers who are meeting the training needs of their employees is very low at 9.38%. However, human capital being skills that raises productivity in an organisation, the employer should view the benefit gained from helping the workers gain those skills as exceeding the cost. This is because wages do not have to grow as fast as productivity for the organization (Benson 2011)

4.5.3 Effects of Workplace Education Programs and Employee Performance
The researcher sought to analyse the effects of workplace education program on employee performance. The respondents were asked to rate the effects of workplace education programs on employees performance and the results are as shown.
### Table 4.9 Effects of Workplace Education Programs

<table>
<thead>
<tr>
<th>Statements</th>
<th>Frequency</th>
<th>SA</th>
<th>A</th>
<th>AA</th>
<th>D</th>
<th>SD</th>
<th>MEAN</th>
</tr>
</thead>
<tbody>
<tr>
<td>Educating employees motivate them to greater performance</td>
<td></td>
<td>73</td>
<td>15</td>
<td>9</td>
<td>9</td>
<td>0</td>
<td>4.43</td>
</tr>
<tr>
<td>Workers need continuous training to cope with changing job needs.</td>
<td></td>
<td>80</td>
<td>7</td>
<td>19</td>
<td>0</td>
<td>0</td>
<td>4.58</td>
</tr>
<tr>
<td>Training boosts employee’s self-confidence hence greater performance</td>
<td></td>
<td>101</td>
<td>4</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>4.94</td>
</tr>
<tr>
<td>Employee go for training to meet new certifications but not to improved</td>
<td></td>
<td>30</td>
<td>64</td>
<td>7</td>
<td>4</td>
<td>1</td>
<td>4.11</td>
</tr>
<tr>
<td>their performance.</td>
<td></td>
<td>16</td>
<td>87</td>
<td>3</td>
<td>0</td>
<td>0</td>
<td>4.12</td>
</tr>
</tbody>
</table>

Source (Survey data 2013)

From the table 4.9 above, 68.88% strongly agreed, 14.14% agreed, 8.49% a little agreed and 8.49% disagreed that educating employees motivate them to greater performance. The respondents were asked whether workers need continuous training to cope with the job needs and 75.47% strongly agreed, 6.60% agreed, 17.93% alittle agreed. The respondents were asked whether training boosts workers self-confidence consequently greater performance and 92.28% strongly agreed, 3.78% agreed while 0.94% a little agreed. 28.3% strongly agreed that employees advance their education for certification not to improve their performance. 60.38% agreed, 6.61% alittle agreed, 3.77% disagreed while 0.94 % strongly disagreed. The respondents were asked whether training employees reduced errors and wastage in workplace and 15.1% strongly agreed, 82.07% agreed, 2.83% alittle agreed. This can be concluded that workplace education motivates employee to great performance enable them cope with the changes occurring at the workplace, boost their confidence and reduce errors and wastage. This in total improves employees performance. Most of the respondents commented that providing workplace education programs sponsored by employer may lead to greater loyalty to organization goals, the turnover would be low in such organizations, it would enhance internal promotion thus increasing morale and performance.
4.6 Workplace Health Programs and Employee Performance

This section shows the effects of workplace health program on employees performance.

4.6.1 Availability of Workplace Health Programs

The researcher sought to establish whether employers provide their employees with workplace health programs. The respondents were asked whether the institution offer such programs to non-teaching staffs and the result are shown in figure 4.7 below.

![Figure 4.7 Availability of Workplace Health Programs](image)

**Figure 4.7 Availability of Workplace Health Programs**

Source (survey data 2013)

From the figure 4.7 above 32.07% of the respondents stated that their employers offer workplace healthy programs to their employees while 67.93% stated that such programs do not exist in their work place. This can be concluded that most employers do not offer health programs to their employee. In such organization the rate of absenteesm is due to poor health of workers, loss of time as workers look for meals and beverages, low energy among workers during afternoon and low morale among employees who have to cater for their meals. This lowers employees performance as workers need energy to carry them throughout the day.

4.6.2 Types of Work Place Health Programs Offered

The researcher sought to establish the kind of health program offered at work place and the respondents results are shown in table 4.10 below.
From the table 4.10 above 32.07% of the respondent stated that their employer offer meals as their healthy program while health exercise and food canteen as well as health related literature do not exist. 67.93% stated that healthy programs do not exist in their workplace. This can be concluded that majority of their employers who offer healthy program usually provide meals only. This is an indication that in institutions food canteen do not exist for employees. They are thus forced to look for meals and snacks outside their workplace. This lead to loss of energy and time which would be used on job.

4.6.3 Effects of Workplace on Employee Performance

The researcher sought to analyse the effects workplace health programs on employee performance. The respondents were asked to rate effects of workplace health programs on employee performance. The results are shown in table 4.11 below.

<table>
<thead>
<tr>
<th>Statements</th>
<th>SA</th>
<th>A</th>
<th>AA</th>
<th>D</th>
<th>SD</th>
<th>Total</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health programs increase productivity, improved morale and working atmosphere</td>
<td>Frequency %</td>
<td>87 82.08</td>
<td>16 15.09</td>
<td>3 2.83</td>
<td>0 0</td>
<td>106 100</td>
<td>4.79</td>
</tr>
<tr>
<td>Health programs increase physical capacity, energy levels and mental alertness among employees</td>
<td>Frequency %</td>
<td>1 0.94</td>
<td>101 95.29</td>
<td>3 2.83</td>
<td>0 0</td>
<td>1 0.94</td>
<td>106 100</td>
</tr>
<tr>
<td>Health programs reduce stress and anxiety at workplace</td>
<td>Frequency %</td>
<td>90 84.91</td>
<td>9 8.49</td>
<td>7 6.6</td>
<td>0 0</td>
<td>1 0.94</td>
<td>106 100</td>
</tr>
</tbody>
</table>
From table 4.11 above, 82.08% strongly agreed that healthy program increase productivity, morale, and atmosphere, 15.09% agreed and 2.83% a little agreed. The respondents were asked whether health programs lower rates of absenteeism 56.61% strongly agreed, 31.13% agreed and 9.43% a little agreed, 1.89% disagreed and 0.94% strongly agreed. The respondents were asked whether healthy programs increase physical capacity, energy level and mental alertness among employees and 0.94% strongly agreed, 95.29% agreed, 2.83% a little agreed and 0.94 strongly disagreed. 84.91% of the respondent strongly agreed that healthy programs reduce work stress and anxiety 8.49% agreed and 6.6% a little agreed. This indicated that health programs affect employee performance in organisation which do not offer them. Employees who enjoy them are mentally alert, have sustainable level of energy throughout working hours, high morale, and have good mental capacity. The employees also register low rates of absenteeism, reduced stress and anxiety, they thus have high performance at work. Most of the respondent commented that workplace health program also improve on relationships among workers hence promoting team work. They also commented that employees feel appreciated and cared for thus promoting loyalty and support towards the organization goals and strategies. However some respondents stated that when employees are supposed to pay for such programs these may lead to division and demotivation among employees. They therefore supported employer-based programs.
CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter presents the summary of the findings, conclusions, recommendations and suggestions for further research. The study sought to establish the effects of voluntary financial benefits on employee’s performance. This study therefore collected data to find out how voluntary financial benefits affect non teaching staff’s performance of secondary in Kahuro district in Murang’a County.

5.2 Summary of Findings

Based on the study’s objectives, the findings are summarized as per the variables. The studies revealed that majority of the respondents were male with a percentage of 58.49%, while the female were 41.51%. The study also revealed that majority of the respondents were certificate holders at 34.9%, 4.72% were diploma holders, 27.36% were form four leavers, 29.25% were class eight leavers, and 3.77% had CPA (K). Majority of the respondents had a work experience of between 15 to 20 years at 36.79%, 25.47% had over 20 years, 23.59% between 10-15 years, 8.49% between 5-10 and 5.66% between 0-5 years. Majority of respondents were between 40-50 years at 37.74% this represent middle-aged generation in this unit. This means that they have gathered great experience and have served for considerable duration. There is also unlikelihood of them changing career thus need to be motivation to sustain required level of performance.

5.2.1 Effects of Retirement Programs on Employee Performance

Based on the first objective, majority of respondents at 83.02% do not enjoy any employer – based retirement programs other than NSSF while 16.98% have employer-based retirement programs. This can be concluded that by the time they retire the only source of saving from employer available to them is the NSSF. When the respondents were asked whether failure to save towards retirement adversely affect employee’s performance, majority at 59.43% strongly agreed. When the respondents were asked whether employee towards retirement takes time off to settle down issues to do with retirement 72.64% strongly agreed. When the respondents were asked whether retirement is a major cause of workplace stress at old age hence affecting employee effectiveness 77.36% strongly. When the respondents were asked
whether employees who do not save enough for retirement may opt to stay on job, past age of 60 years, 42.45% strongly agreed. Lack of retirement programme leads to employees taking time off to settle down issues to do with retirement, cause workplace stress at old age hence lowering performance. This re-affirms that employees recognises the negative effect that failure to have retirement programs has on ones performance at job.

5.2.2 Effects of Financial Counseling Programs on Employee Performance

Based on second objective, majority of respondents at 69.81% do not access financial counselling at work place while 30.19% do access, however just before retirement. When the respondents were asked whether most employees depend on workplace financial counseling when provided 47.17% strongly agreed. When the respondents were asked whether paying attention to employee’s personal live increases corporate productivity, majority of respondents at 40.57% agreed. When the respondents were asked whether poor financial behaviours have negative impact on one’s job performance, 39.62% strongly agreed. When the respondents were asked whether many employees take time off to deal with their financial problems, 56.61% agreed. This implies that employees are aware of how their personal financial illiteracy and problems will negatively affect their job performance. Paying attention to employee’s personal live increases corporate productivity, because many employees take time off to deal with their financial problems.

5.2.3 Effects of Workplace Education Programs and Employee Performance

Based on the third objective, majority of respondents at 60.38% had attended workplace education program while 39.62% said they had never attended 62.5% had attended seminars, 74.99% paid for those education programs. This can be concluded that the majority of the respondents had to meet the expenses for attending such education programs. When the respondents were asked whether Educating employees motivate them to greater performance 68.88% strongly agreed. When the respondents were asked whether workers need continuous training to cope with the job needs and 75.47% strongly agreed. When the respondents were asked whether training boosts workers self-confidence consequently greater performance and 92.28% strongly agreed. When the respondents were asked whether employees advance their education for certification but not to improve their performance 60.38% agreed. When the respondents were asked whether training employees reduced errors and wastage in work place 15.1% strongly agreed while 82.07% agreed. Educating employees motivate them to greater
performance, enables workers to cope with the job needs and boosts workers self–confidence consequently greater performance.

5.2.4 Effects of Workplace Health Program on Employees Performance

Based on the fourth objective, 32.07% of the respondents stated that their employers offer workplace health programs to their employees while 67.93% stated that such programs do not exist in their workplace. Those who receive health programs, that is 32.07% of the respondent stated that their employer offer meals to their employees while health exercise, food canteen as well as health related literature do not exist. When the respondents were asked whether health programs increase productivity, improved morale and working atmosphere 82.08% strongly agreed. When the respondents were asked whether health programs lower rates of absenteeism 56.61% strongly agreed. When the respondents were asked whether health programs increase physical capacity 95.29% agreed energy levels and mental alertness among employees. When the respondents were asked whether health programs reduce stress and anxiety at workplace, 84.91% of the respondent strongly agreed. Health programs reduce stress and anxiety at workplace, increase productivity, improved morale and working atmosphere.

5.3 Conclusions

It can be concluded that the most popular and available voluntary financial benefits among non teaching staff in secondary school in kahuro district is education programs, followed by health programs, financial counseling and least available retirement programs. Majority of employees have stated that they pay for those education programs with an aim of obtaining certificates rather than to improve their performance at work. This may be due to the routine nature of the duties. The findings also indicate that respondents tend to enjoy such programs because of the cost that they will be forced to meet. They also commented that they would recommend that their employers support or finance those programs.

It can be concluded that lack of voluntary financial benefits affects employees performance negatively. This is characterised by low morale among employees, high rate of absenteeism, stress and anxiety at workplace, failure to support organisation goals and strategies, constant errors and wastages, slow adjustment to changes and sabotaging work. These, consequently, lead to low performance and productivity among employees at workplace.
5.4 Recommendations
To maximize on the potential and ability of employees within an organisation, it is recommended that organisations to come up with strategies on how to motivate they workers to greater performance. This should include formulating voluntary financial benefits programs for their employees. Such programs should be designed in way to include the employees so as to obtain the views and values. This will also enhance the financial value of the programs, its relevance to their job performance as well as winning they support towards the same. It is also recommended that a periodical evaluation of these programs should be carried out to determine areas requiring attention.

Organisation should establish strategies to address voluntary financial benefits issues such as cost, organisation objectives, and employees expectations. This is to ensure that, it offers those programs that of value to the employees in order to enhance employee’s satisfaction.

5.5 Suggestions for Further Studies
Further studies in Kenya need to be done to find out how voluntary financial benefits affect employee performance in other sectors such as banking, industry, health sector. This is because this institutions have different human resource needs from that of education sector. The nature of the work of their employees is also different. Further studies also need to be done on the effects of other voluntary benefits on employee performance. This is because this study focused on four variables only, that is, education programs, financial counseling, retirement programs and health programs. The study did not investigate on effect of paid leaves, paid trips, company cars among other benefits. Further studies also need to be done on the factors limiting implementation of voluntary benefits in various organisation. This is because the study findings haver indicated that many employees do no enjoy voluntary benefits.
REFERENCES


http://www.cdc.gov/workplacehealthpromotion/pdfs/WorkplaceHealthModel.pdf


<table>
<thead>
<tr>
<th></th>
<th>Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
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</tr>
<tr>
<td>2</td>
<td>Gatara girls</td>
</tr>
<tr>
<td>3</td>
<td>Gathinja mixed secondary school</td>
</tr>
<tr>
<td>4</td>
<td>Gitie mixed secondary school</td>
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<tr>
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<td>Gitige mixed secondary school</td>
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<tr>
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<td>Kianderi girls high school</td>
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<td>Kionjoini mixed</td>
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<td>Kirogo boys high school</td>
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<td>Koimbi boys high school</td>
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</tr>
<tr>
<td>31</td>
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<tr>
<td>32</td>
<td>The Philips ACA mixed</td>
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<tr>
<td>33</td>
<td>Theri mixed</td>
</tr>
<tr>
<td>34</td>
<td>Weithaga mixed secondary school</td>
</tr>
<tr>
<td>35</td>
<td>Weithaga boys high school</td>
</tr>
</tbody>
</table>
Appendix 1: Transmittal Letter

TERESIA WANJIRU NDUNGU
KENYATTA UNIVERSITY
P.O BOX 43844
NAIROBI

Dear Sir/Madam,

**RE: PERMISSION TO CONDUCT RESEARCH**

I am an MBA student at Kenyatta University undertaking a research project as a partial fulfilment of the MBA degree course. I am researching on “Effects of Voluntary Benefits on performance of Non Teaching Staff in Kahuro District.”

I am therefore seeking your assistance in providing the necessary information in the above area. Your participation will assist me in gathering information related to the study. Any information collected will be treated with utmost confidentiality and used solely for academic purposes.

Yours faithfully

Teresia Wanjiru
Appendix 2: Questionnaire for Non Teaching Staff

Introduction
This questionnaire seeks information on effects of voluntary benefits on non teaching staff in secondary schools in Kahuro district. The information given will be treated confidentially and for academic purpose only. Please respond to all items in the questionnaires.

Section A: Background Information
1. Please tick [✓] against the applicable answers.
   i) Gender
      a. Male [    ]
      b. Female [    ]
   ii) Age
      a. Below 30 years [    ]
      b. 30-40 years [    ]
      c. 40-50 years [    ]
      d. 50-60 years [    ]
      e. Over 60 years [    ]
   iii) Your highest level of education/training.
      a. Primary level [    ]
      b. Secondary level [    ]
      c. Certificate [    ]
      d. Diploma [    ]
      e. Degree [    ]
      f. Any other (specify)..........................
   iv) For how long have you worked for this school?
      a. 0-5 years [    ]
      b. 5-10 years [    ]
      c. 10-15 years [    ]
      d. 15-20 years [    ]
      e. Over 20 years [    ]

SECTION B: Retirement Programs and Employee Performance
1. For how long are planning to work before retiring?
   a. Below 5 years [    ]
   b. 5-15 years [    ]
   c. 15-25 years [    ]
   d. 25-35 years [    ]
   e. Over 35 years [    ]
2. Apart from NSSF, do your employer supports any employer-based retirement program?
   a. Yes [    ]
b. No [ ]

3. The table below represents statements regarding workplace retirement programs. Rate your level of agreement with the statement by ticking on the appropriate column according to the scale below.

SA (strongly Agree) = 5, A (Agree) = 4, AA (A little Agree) = 3, D (Disagree) = 2, SD (strongly disagree) = 1

<table>
<thead>
<tr>
<th>STATEMENTS</th>
<th>SA</th>
<th>A</th>
<th>AA</th>
<th>D</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Failure to have a retirement program has negative impact on employee’s performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Towards retirement, employee takes time off tries to settle down issues to do with retirement.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Retirement is a major cause of workplace stress at old age hence affecting employee effectiveness.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Employees who do not save enough for retirement hence opt to stay on job past age of 60 years.</td>
<td></td>
<td></td>
<td></td>
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</tbody>
</table>

Based on your general assessment comment on how else does retirement programs affect employee’s performance?

___________________________________________________________________________

_______________________________________________________________

SECTION C: Workplace Financial Counseling and Employee Performance

1. Does your school offer financial counseling to non teaching staff?
   a) Yes [ ]
   b) No [ ]

2. If yes, how often does it happen?
   a) Monthly [ ]
   b) Quarterly [ ]
   c) Annually [ ]
   d) Never [ ]

3. If no, what are the reasons?

4. The table below represents statements regarding workplace financial counseling programs. Rate your level of agreement with the statement by ticking on the appropriate column according to scale below.

SA (strongly Agree) = 5, A (Agree) = 4, AA (A little Agree) = 3, D (Disagree) = 2, SD (strongly disagree) = 1
1. Most employees depend on workplace financial counseling when provided

2. Paying attention to employee’s personal live increases corporate productivity

3. Poor financial behaviours have negative impact on one’s job performance

4. Many employees take time off to deal with their financial problems

Based on your general assessment comment on how else does financial counseling affect the performance on non teaching staff?

SECTION D: Workplace Education Programs and Employee’s Performance

1. Apart from the qualification you had when employed, have you ever attended any education program?
   i) Yes [   ]
   ii) No [   ]

2. If yes, which one of the following programs have you attended?
   i) Short courses [   ]
   ii) Seminars [   ]
   iii) Workshops [   ]
   iv) On-job-training [   ]
   v) Any other [   ] specify---------------------------------------------------------------

3. Who paid for the above program?
   i) The employers [   ]
   ii) The trainees [   ]
   iii) The facilitator/sponsor [   ]

4. The table below gives some statements regarding the effect of workplace education programs and employee’s performance. Rate your agreement with the statements according to the scale below.
   SA – (strongly Agree) = 5, A – (Agree) = 4, AA (A little Agree) = 3, D- (Disagree) = 2, SD – (strongly disagree) = 1

<table>
<thead>
<tr>
<th>STATEMENTS</th>
<th>SA</th>
<th>A</th>
<th>AA</th>
<th>D</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td></td>
<td></td>
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<td></td>
<td></td>
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<tr>
<td>2.</td>
<td></td>
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<tr>
<td>3.</td>
<td></td>
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</tbody>
</table>
4. Employee go for training to meet new certifications but not to improved their performance

5. Training employees reduce errors and wastage in workplace.

Based on your general assessment, comment on how else do education programs affect performance of non teaching staff?

________________________________________________________

SECTION E: Workplace Health Programs and Employee Performance

1. Does your school offer workplace health programs such as lunch to its non teaching staffs?
   i) Yes [   ]
   ii) No [   ]

2. Which of the following programs are offered in your school?
   i) Meals [   ]
   ii) Health exercises eg mountain climbing[   ]
   iii) Food canteen [   ]
   iv) Health issues book and leaflets [   ]

3. The table below gives statements regarding workplace health programs and employee performance. Rate your agreement with the statements according to the scale below.

   SA (strongly Agree) = 5, A (Agree) = 4, AA (A little Agree) = 3, D (Disagree) = 2, SD (strongly disagree) = 1

<table>
<thead>
<tr>
<th>STATEMENTS</th>
<th>SA</th>
<th>A</th>
<th>AA</th>
<th>D</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Health programs increase productivity, improved morale and working atmosphere</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>2. Health programs lower rates of absenteeism</td>
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<td></td>
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<tr>
<td>3. Health programs increase physical capacity, energy levels and mental alertness among employees</td>
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<td></td>
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<td></td>
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<tr>
<td>4. Health programs reduce stress and anxiety at workplace</td>
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</table>

Based on your general assessment, comment on how else do workplace health programs affect non teaching staff performance?

________________________________________________________

Thank you
# Appendix 3: Research Budget

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<thead>
<tr>
<th>Item</th>
<th>Sub-Total (Shs.)</th>
<th>Total (Shs)</th>
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<tbody>
<tr>
<td><strong>a)</strong> Stationary</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reams</td>
<td></td>
<td></td>
</tr>
<tr>
<td>laptop</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>b)</strong> Typing and printing</td>
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</tr>
<tr>
<td>Cost @ 20 per page</td>
<td>8000</td>
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</tr>
<tr>
<td><strong>c)</strong> Photocopies charges</td>
<td>2500</td>
<td></td>
</tr>
<tr>
<td><strong>d)</strong> Report binding costs</td>
<td>1500</td>
<td>13000</td>
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<tr>
<td><strong>e)</strong> Travelling costs when</td>
<td></td>
<td></td>
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<tr>
<td>meeting the respondents</td>
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<tr>
<td>14 days @ 500</td>
<td>7000</td>
<td>9000</td>
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<td>11) Questionnaire pretesting for 4</td>
<td>2000</td>
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<tr>
<td>respondents @ 500</td>
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<td><strong>f)</strong> Consultations</td>
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<td>Travelling costs</td>
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<td><strong>g)</strong> Telephone and e-mail services</td>
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<td><strong>h)</strong> 10% contingencies</td>
<td>3500</td>
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<tr>
<td><strong>i)</strong> Total</td>
<td>72,500</td>
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## Appendix 4: Work Plan

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<tr>
<th>ACTIVITY</th>
<th>Week 1</th>
<th>Week 2</th>
<th>Week3</th>
<th>Week4</th>
<th>Week5</th>
<th>Week6</th>
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<tbody>
<tr>
<td>1. Pilot testing</td>
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<td>2. Data collection</td>
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<tr>
<td>3. Data editing</td>
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<td>4. Data coding and entry</td>
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<td>5. Data analysis</td>
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<td>6. Report writing and submission</td>
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