The study is on performance of employees in public Audit institutions basically the Kenya National Audit Office (KENAO) and the Internal Audit Department of the Treasury. It is aimed at establishing why these institutions are not performing to the expectation of the general public. Talking about employee performance we are talking about how well or badly the employees execute their duties and obligations. Employees can be said to be performing when the organizations goals are consistently being met in an effective efficient manner. To be able to study employee performance therefore one has to look into the factors that will either enhance or constrain the employee's willingness and ability to perform to the expected standards as set by the organization. How well or bad an employee executes their duties and obligations depend on how motivated they are. Performance can therefore be said to be a function of motivation and Ability i.e;

\[ \text{Performance} = f(\text{Motivation}, \text{Ability}) \]

The main issues looked at in the literature review are; performance standards, measuring employee performance, meaning of motivation, factors affecting motivation, human needs, dealing with employee performance problems among other issues. Also looked at is the effect of Training, Good leadership, communication, experience, working environment, I.C.T infrastructure and Organization culture on the performance of employees. The review explains the various motivation theories like Abraham Maslow's hierarchy of needs, Hertzberg's two factor theory and the equity theory of Adams. The review shows that motivation is key for the productivity, profitability and sustainability of every institution - as the employees are its movers and its live blood. That motivation is not a one off undertaking rather it's a continuous undertaking by management as long as the organization does exist. That it is the responsibility of the management to continually work on employee motivation for sustainability of the organization just like it's the father's responsibility to ensure that the family is held together and in harmony. Inequality in pay is reflected as a serious demotivator and a major cause of industrial unrest in any society. Employees need not only working tools but more so a good working environment where they are treated as humans and not machines. At times workers are in certain environments where even their dear life is endangered and thus a good understanding from the management is essential. This study adopted an exploratory research design.

The secondary data was obtained from the written literature on performance and motivation, while the primary data was obtained through sending of questionnaires to staff of the said institutions. The target population of this study was the Auditors located in Nairobi Province and all the other Provincial Headquarter towns where these Auditors are stationed for purposes of their duties. A sample of employees was drawn using stratified random sampling method. The researcher used quantitative and qualitative methods to analyze data. The Statistical Package for Social Science (SPSS) was used to help analyze the collected data. The study revealed that auditors face serious environmental, communication and leadership problems in their line of duty. On the area of ICT infrastructure and training, the auditors rated their organizations as average while on organization culture most auditors felt that there was a big change for the better but still more needs to done. On the area of experience the organizations are served by well experienced officers only that they have no experience from other organizations meaning that new ideas are lacking. To address the internal environment problems the researcher recommends provision of adequate facilities including employment of more staff, while on the external environment there is need for a change in the system of appointment of the C&AG and giving of prosecutorial powers to the National Audit Office. Parliament should also maintain strict deadlines for debating and taking action on the report of the C&AG. There is also need to inject new blood especially at management level.
in order to improve performance by bringing in new ideas. To improve communication and leadership skills the researcher recommends better training for both management and staff which should include an MBA course for all managers. More investment is needed in the area of ICT infrastructure. The researcher gives a conclusion that even though there be a few areas were the organizations are doing averagely well, yet in the key aspects of working environmental, communication and good leadership they fall short of the expectations of the staff and it's these shortfalls that have led to the poor performance of the auditor in public eye