DIFFERENTIAL REWARD SCHEME AND EMPLOYEE SATISFACTION IN
NAKURU COUNTY, KENYA

BY

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THE DEGREE OF MASTER IN BUSINESS ADMINISTRATION (HUMAN
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DECLARATION

This research project is my original work and to the best of my knowledge has not been presented for an award of degree in any other University or any other award.

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D53/OL/NKU/32552/15

This research project has been submitted for examination with my approval as the University Supervisor.

Signature …………………..                               Date ………………..
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DEDICATION

This work is dedicated to my spouse, Burton Njoroge, and my children; Caroline Wanjiku, Ann Wanjiru, and Victor Thuo.
ACKNOWLEDGEMENT

I acknowledge the almighty God for his blessing of good health. I wish to acknowledge my supervisor, Dr. Phillip Wambua, for taking me through this research project. I also wish to thank my classmates for their positive contribution to my educational journey.
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<td>NACOSTI</td>
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OPERATIONAL DEFINITION OF TERMS

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<tr>
<td>Allowances;</td>
<td>Refers to the monetary rewards an employee at the county government of Nakuru is given in addition to the basic salary.</td>
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<td>Differential Rewards;</td>
<td>Refers to differences in monetary, non-monetary and psychological payments offered to employees performing similar work functionalities or work demanding similar qualifications within the county government of Nakuru.</td>
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<td>Employee Satisfaction;</td>
<td>It is a feeling of the employee in relations to their job or set of attitudes related to numerous aspects of the job at the county government of Nakuru.</td>
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<tr>
<td>Promotion;</td>
<td>Refers to the movement to a higher work position level within the county government of Nakuru.</td>
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<tr>
<td>Recognition;</td>
<td>Refers to the acknowledgement and esteem of the services provided by the employee to the county government of Nakuru.</td>
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<tr>
<td>Reward;</td>
<td>Refers to all the monetary, non-monetary, and psychological payments that the county government of Nakuru provides for its employees.</td>
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<tr>
<td>Training;</td>
<td>Refers to the act of facilitating acquisition of new knowledge or capacity building (in-service training) to the employee of the county government of Nakuru.</td>
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ABSTRACT

Within the county government, there has been an element of discontent amongst various cadres of employees over differential compensation structures. These different groups of staff have different working terms and reward structures despite working for the same employer and sometimes in jobs requiring equivalent qualifications. The existing studies have not examined employee satisfaction within the county government system in a devolved government structure. The influence of the differential reward system on the employee satisfaction in county government structure has not been examined. The objectives of the study were the examination of the role of recognition, allowances, training and promotion on employee satisfaction in county government of Nakuru. The study was based on the Hertzberg’s Two Factor Theory, McGregor’s Theory X and Theory Y, and the Maslow’s hierarchy of needs Theory. Descriptive research design was used in this study. The target population of this study was 5,100 staff working for the county government of Nakuru. A sample size of 371 respondents was utilized. This study used a questionnaire for the purposes of data collection. The pilot study was undertaken in Nakuru county using 10% of the respondents that is 37 respondents. The validity of the data collection instrument was examined during the pilot study using a set of experts in the area of reward management and employee satisfaction as well as the supervisors. The reliability of the data collection was examined through the use of the Cronbach alpha coefficient of a threshold of 0.7 and above. In respect to the recognition metrics, the study concluded that there are diverse practices used in recognition practices across the county government of Nakuru. The study concluded that there were no harmonized practices in relations to allowances issued at the County Government of Nakuru. The study concluded that there are very low satisfaction levels with the training opportunities within the County Government of Nakuru. The study concluded that the county government of Nakuru employees was not satisfied with the promotional aspects in the county government. The logistics regression analysis was carried out with a view of determining the influence of recognition, allowances, training and promotion on the employee satisfaction levels. The results indicated that the unit increases (individually) in recognition, allowances, training and promotion while keeping the other three independent variables constant would lead to a negative influence on the employee satisfaction levels. This is due to regression coefficient (B) values of -0.079, -0.132, -1.498, and -0.647 for recognition, allowances, training, and promotion respectively. These results suggest that the four independent variables don’t have the capacity to positively and individually influence employee satisfaction without the input of the other variables. Therefore the following model was used; Employee Satisfaction = 6.045-0.079 (Recognition)-0.132 (Allowances)-1.498(Training)- 0.647 (Promotion).
CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

The concept of employee satisfaction is of critical importance across diverse organizations around the world. In Pakistan, Hassan, Hassan, Farooq, Khan, & Iqbal, (2013) study on employee satisfaction in public sector conceptualize employee satisfaction as the feeling of the employee in relation to their job or set of attitudes related to numerous aspects of the job. The study noted that amongst the factors affecting employee satisfaction in Pakistan public sector include employee performance appraisal system and reward management aspects. Hoshi (2014) in a study of employee satisfaction in North Cyprus noted that job satisfaction includes a pleasant and positive emotional state resulting from the appraisal of career or employee’s experience. The study noted that diverse factors influenced employee satisfaction including demographic factors (age, gender etc) and environmental factors (compensation factors, work environment and management aspects etc).

In Bangladesh, Parvin & Karbin (2011) undertook a study on factors affecting employee satisfaction in the pharmaceutical industry. The study noted that employee satisfaction related to how the individual is with his or her job. Amongst the aspects that were indicated to impact on employee satisfaction in the country included pay and benefits, perceived fairness of the promotion system, working conditions’ quality, leadership and social relationships, and the job aspects. In Poland, Blonski & Jefmanski (2013) examined the determinants of Satisfaction of the Employee of Local Government
Units. The study conceptualized employee satisfaction as a pleasurable or positive emotional state resulting from the perception by the individual of his/her job as implementing or giving the opportunity to realize significant values available in the work, provided that these values are consistent with his/her needs. Amongst the challenges that the study identified ad impacting on employee satisfaction included chances of professional development, management aspects, and working conditions.

In Africa, challenges of employee satisfaction exist in different countries. In Somaliland, the employee satisfaction was seen to be critical to the institution. In this context, according to Ali, Edwin, & Tirimba (2015) in a study on Analysis of Extrinsic Rewards and Employee Satisfaction: Case of Somtel Company in Somaliland noted importance of employee satisfaction in Somaliland. The study noted that employee satisfaction is key to the company through an increase in productivity, responsiveness, quality, and customer service in an organization.

In South Africa, Mafini & Pooe (2013) in a study on employee satisfaction in South African government department conceptualized employee satisfaction as the effective orientation that an employee has towards his or her work. The study also notes that employee satisfaction may be defined as the individual employee’s perception and evaluation of the overall work environment. The study noted that diverse factors influence the employee satisfaction including recognition at work, communication aspects, fringe benefits, working environment, nature of work and organization, compensation aspects, supervision factors and compensation aspects amongst other
aspects. The study further indicated that employees who are involved in decision making were more satisfied with their jobs.

In Kenya, Waithaka (2013) examined employee satisfaction amongst employees of government departments of Isiolo County. The study noted that amongst the aspects influencing the job satisfaction levels included promotion aspects, training and development aspects, and financial compensation. On the other hand, Muindi (2014) examined Influence of Governance Practices on Employee Job Satisfaction at Teachers Service Commission Headquarters Nairobi, Kenya. The study noted that amongst the factors that influenced satisfaction amongst the TSC officials included remuneration and involvement in decision making. In respect to remuneration, the study found that 39% of the respondents indicated that remuneration influence job satisfaction at TSC to a very great extent, 28.3% indicated that remuneration influence job satisfaction at TSC to a great extent, 19.7% indicated that remuneration influence job satisfaction at TSC to a moderate extent, while 13% indicated that remuneration influence job satisfaction at TSC to a low extent.

1.1.1 Differential Reward Scheme

According to Bange (2013), the reward scheme in an organization refers to all of the monetary, non-monetary, and psychological payments that an organization provides for its employees. The differential reward scheme refers to differences in monetary, non-monetary and psychological payments offered to employees performing similar work functionalities or work demanding similar qualifications within an organization. The
differential reward schemes are prevalent in different forms across the world. In South Korea, Yoon (2013) examines the pay differentials in organizations. In this context, the study notes that the pay differentials refers to a firm’s pay structure in which employee compensation is distributed across job positions (vertical differential) or within the same jobs (horizontal differential). The study noted that pay differentials lead to the recognition of individual efforts of the employees leading to higher rewards for the performing employees compared to peers. The study noted that this led to higher productivity amongst employees.

On the other hand, Bonache & Sanchez (2009) examined the pay differentials between expatriate workers and host national workers in different countries. The study noted that expatriates in different countries often receive higher pay compensation in comparison to the similarly qualified local employees. In this context, Bonache & Sanchez (2009) noted that the pay differentials often range from approximately three times the local employees’ pay to as high as five times the amount. The study noted that there are several reasons that may lead to the higher pay for expatriates including the contribution of the expatriates, higher international exposure, transfer of knowledge and experience from sophisticated markets to the local environment hence justifying higher pay.

In Sri Lanka, Jayarathna (2014) examined the Impact of Reward Management and Decision Making on Job Satisfaction. The study indicated that there are different facets of employee satisfaction including emotional response towards work situation, and extent in which the work results fulfills expectations. The study found that reward management
explained 3.4% of the variance of employee satisfaction. In Malaysia, Bustamam, Teng, & Abdullah (2014) examined Reward Management and Job Satisfaction among Frontline Employees in Hotel Industry in Malaysia. In respect to the pay aspects as an aspect impacting on employee satisfaction, several components were examined including satisfaction with base pay, satisfaction with pay increase, satisfaction with the process of pay rise, and frequency of pay rise. The respondents indicated that they were not satisfied with the diverse aspect of the pay. In this context, satisfaction with base pay, satisfaction with pay increase, satisfaction with the process of pay rise, and frequency of pay rise had means of 3.064, 2.985, 3.106, and 3.1591 respectively.

In Nigeria, Okpara (2014) examined the influence of Salary Differential on Managerial Job Satisfaction based on commercial banks. The study found that there was salary differential with the male senior bank managers earning more than their female counterparts. The study attributed the higher male salary levels to higher education levels and experience levels amongst the senior male bank managers in comparative to the female bank managers. The study also found that the male bank managers were more satisfied with their salaries in comparison to the female managers.

In Ethiopia, Tekle, (2014) examined Practices of Reward and Employee Motivation in the Institute of Technology, Addis Ababa University. The study found little satisfaction between the reward aspects at the university. In this context, the respondents of the study tended to disagree that pay amounts, promotion practices, recognition aspects, and work condition were satisfactory at the university.
In Kenya, Muindi (2014) in a study on job satisfaction at Teacher Service Commission (TSC) noted that a good reward systems are usually in the form of employee benefits awarded to staff differentially based on individual performance. Okoth (2015) undertook a study on Perceived Effect of Reward Management Practices on Factors Influencing Employee Retention at Communications Authority of Kenya. The study indicated that the rewards are returns given the employees in respect to the work done.

Amongst the rewards aspects found to have an impact on the employee satisfaction included salaries and equitable pay in the company. In this context, the study indicated that respondents on average tended to agree as indicated by a mean of 4.2 that the pay given was commensurate with the job that they did for the company. Similarly, the respondents on average tended to agree as indicated by a mean of 4.3 that there was equitable pay across the institution. This led to a high level of employee satisfaction. Other aspects relating to pay that the study found the respondents were happy with included pay is competitive (mean of 4.7), satisfaction with the pay (mean of 4.0), satisfaction with benefits issued (mean of 4.1) and satisfaction with phone allowances (mean of 3.8).

On the other hand, Okoth (2014) examined the effects of Reward Management on Employee Performance in Hotels in North Coast, Kenya. Amongst the aspects that were examined included the importance of pay on employee satisfaction. In this context the employee were happy with the pay practices within the organization because the
respondents tended to agree that reward of employees is within a very close range (mean of 4.59), and employees in the same department get the same range of pay (mean of 3.89).

The employees who are rewarded lower than their counterparts may feel dissatisfied as they might perceive that they are not getting paid equivalent to work undertaken or seniority level within the organization (Nyangau, 2013). These feelings would be attributed to the observation that there are employees who are undertaking equivalent work and who are paid far much better (Okpara, 2014). The employees may feel that they are equally entitled to higher reward scheme and thus leading dissatisfaction levels. On the other hand, the employees who are being rewarded better than peers may feel satisfied with the rewards accorded.

### 1.1.2 Kenyan County Governments

The County Governments in Kenya was introduced in the country through the devolution of government functions through promulgation of the new Kenyan constitution in 2010. The constitution thus led to the formation of 47 county governments that were constituted along colonial era districts. Amongst the functions of county government include agriculture, health services, cultural activities, environment, roads and infrastructure, trade development, early childhood education, and information and communication technology, and Implementation of specific national government policies on natural resources and environmental conservation.
Devolution is conceptualized as the transfer of rights and assets from the center to local governments or communities within the context of national laws that set the limits within which any decentralized management occurs (Nyangau, 2013). The devolution of the government into the central and local government is based on article 6 (2) of the constitution that creates two levels of government that are distinct and interdependent (Kadiri, 2010). In the context of the principle of distinctiveness, each level of government has distinct boundaries, sources of resources and functions. The two levels of government are and should be distinct in their constitutional functions, institutions, resources and legal frameworks (Nyangau, 2013).

According to the County Government of Nakuru (2017), Nakuru County is composed of eleven constituencies; Naivasha, Nakuru Town West, Nakuru Town East, Kuresoi South, Kuresoi North, Molo, Rongai, Subukia, Njoro, Gilgil and Bahati Constituencies. The County economic activities are based on agricultural based especially large scale farming, horticulture and dairy farming. The county is renowned for floriculture especially around Naivasha area. Some of the largest flower farms in the county include Homegrown, Oserian, Karuturi and Preesman. The bulk of the flowers are exported to Holland, UK and Germany. The county economic activities are also based on the tourism activities in the county.

1.2 Statement of the Problem
Employee satisfaction has been examined by diverse scholars across the world. Sims (2014) examined Employee Satisfaction and Performance at the RC Hotel Company
Kitchen Environment. The study’s aspects of employee satisfaction that were examined included payment and promotion opportunities. In the context of payment, 59% of the respondents rated the amount of pay received in a favourable manner. This study was undertaken within the context of a hotel setting which has diverse human resources expectations and practices compared to the public setup that this study focuses on. On the other hand, Hoshi (2014) study of employee satisfaction in North Cyprus noted that diverse factors influenced employee satisfaction including demographic factors (age, gender etc) and environmental factors (compensation factors, work environment and management aspects etc). This study doesn’t examine the aspects of reward management influence on the employee satisfaction which is the focus of this study.

Mafini & Pooe (2013) study on employee satisfaction in South African government department conceptualized noted the aspects affecting employee satisfaction were recognition at work, communication aspects, fringe benefits, working environment, nature of work and organization, compensation aspects, supervision factors and compensation aspects amongst other aspects. While the study focuses on employee satisfaction in government department, it doesn’t focus on employee satisfaction within the context of the devolved government structure.

In Kenya, Waithaka (2013) and Muindi (2014) noted that amongst the aspects impacting employee satisfaction in government departments of Isiolo and TSC respectively were remuneration, promotion aspects, training and development aspects, and financial compensation. While Waithaka (2013) and Muindi (2014) focuses on factors impacting
on employee satisfaction within government departments of Isiolo and TSC respectively, these studies fail to examine employee satisfaction within the context of devolved government infrastructure.

The existing studies have not examined employee satisfaction within the county government system in a devolved government structure. Within the county government, there has been an element of discontent amongst various cadres of employees over differential compensation structures. There is a problem amongst the county governments in administration of rewards amongst its employees due to various structural factors and practices within the human resource management of counties.

The first challenge has been the diverse entry forms of the staff into the county government employment. In this context, some staff were inherited from the defunct local authorities, others were seconded by the national government to county government while a final bunch of staff were recruited directly by the county governments. These different groups of staff have different working terms and reward structures despite working for the same employer and sometimes in jobs requiring equivalent qualifications. The influence of the differential reward system on the employee satisfaction in county government structure has not been examined. This study therefore seeks to examine the influence of the differential reward system on the employee satisfaction in relation to county government of Nakuru.
1.3 Objectives of the Study

1.3.1 General Objective

The general objective of the study was to examine effects of differential reward scheme on employee satisfaction in Nakuru County, Kenya.

1.3.2 Specific Objectives

The study was guided by the following research objectives;

(i) To examine the role of recognition on employee satisfaction in county government of Nakuru

(ii) To find out the effect of allowances on employee satisfaction in county government of Nakuru

(iii) To establish the influence of training on employee satisfaction in county government of Nakuru

(iv) To determine the role of promotion on employee satisfaction in county government of Nakuru

1.4 Research Hypothesis

The study was based on the following research hypothesis;

(i) There is no statistically significant influence of recognition on employee satisfaction in county government of Nakuru.

(ii) There is no statistically significant influence employee satisfaction in county government of Nakuru.

(iii) There is no statistically significant influence employee satisfaction in county government of Nakuru.
(iv) There is no statistically significant influence of promotion on employee satisfaction in county government of Nakuru.

1.5 **Significance of the Study**

This study is of significance to diverse stakeholders including county government, national government, scholars, and human resource practitioners. The findings in this study are of great importance to the national government especially the ministry of devolution and the Public Service Commission (PSC) in productivity aspects of employees. These organs are critical in enhancing capacity building to the county government to enable it better deal with the aspects of differential reward systems and help create long-term solutions to the challenges.

The study is of importance to the county governments in helping them gain an insight into the role of differential reward systems on the employee satisfaction aspects. This is critical in the county government formulating policies and practices that address the challenges in a comprehensive and conclusive manner. The human resource practitioners gain an understanding on the way in which the differential reward scheme influences the employee satisfaction levels. The human resources practitioners may use the information for drafting policies and best practices to address the challenges. The scholars gain through having an expansion of knowledge on the issue of differential reward scheme and employee satisfaction.

1.6 **Scope of the Study**

The study was geographically limited to Nakuru County due to the limitations of funds and times to visit numerous counties. The study examined the role of recognition,
allowances, training and promotion on employee satisfaction in county government of Nakuru which defined the content scope of this study. In the context of the time scope, the study was undertaken in the first six months of 2017 due to the time limitations as the study was meant for an academic purpose. The methodology scope of the study will be descriptive research design. The employees that were of interest to this study were 5,100 county governments of Nakuru employees which defined the population scope of the study.

1.7 Limitations of the Study

The study would have faced low response rate to the questionnaires due to fear of victimization by their employees. This limitation was mitigated through the use of a consent statement that advised the respondents that the data was being collected for the purpose of an academic exercise only, and that their information would be kept anonymous and confidential. The expansive area of the Nakuru County would also have been a limitation of the study due to financial challenges and also time scope of the study. This limitation was mitigated through sampling to ensure that the number of the respondents is manageable. The researcher also used research assistants to issue the questionnaires that reduced the total time that could have been spent in data collection if the researcher solely collected the data.

1.8 Organization of the study

This study research project has five chapters. The first chapter gives the introduction of the study whereby background of the study, statement of the problem, objectives of the study, research hypothesis, significance and scope of the study, and limitations of the study are discussed. Chapter two contains the literature review. This chapter examined the
theoretical review of the study, the empirical review, summary of review literature, and conceptual framework.

Chapter three contained all the methodological aspects of the study. The research design, study population and sample size, data collection and data analysis techniques are some of the key aspects discussed in chapter there. Chapter four presented the results from data analysis whereby both the descriptive and inferential statistics were used in the chapter. Chapter five was the last chapter of this research project where the summary of findings, conclusion and recommendations were made.
CHAPTER TWO
LITERATURE REVIEW

2.1 Introduction

This chapter examined the theoretical review of the study, the empirical review, summary of review literature, and conceptual framework.

2.2 Theoretical Review

The theoretical review was based on Hertzberg’s Two Factor Theory, McGregor’s Theory X and Theory Y, and the Maslow’s Hierarchy of needs Theory.

2.2.1 Hertzberg’s Two Factor Theory

The Hertzberg’s two factor theory also known as the two-factor theory, dual factor theory and Herzberg’s motivation-hygiene theory was developed by Fredrick Herzberg. The theory examines the factors that lead to employee satisfaction or lack of employee satisfaction. In this context, the theory indicates that there are two sets of factors that lead to employee satisfaction and employee dissatisfaction respectively (Chepkosgey, Namusonge, Sakataka, & Nyaberi, 2015). The set of items that lead to employee satisfaction are known as motivators while the set of items leading to employee dissatisfaction if they are absent are known as the hygiene factors.

The motivators in a job environment lead to satisfaction arising from the intrinsic conditions of the job itself such as recognition at work place, achievement, and career development amongst other aspects. Then hygiene factors or maintenance factors refers to aspects that are extrinsic to the job itself and whose absence leads to employee dissatisfaction (Omondi, 2016). These items include job security, salary, fringe
benefits and work conditions amongst other aspects. Since the hygiene factors are what cause employee dissatisfaction, the employer must always work to eliminate challenges with the hygiene factors in order to reduce dissatisfaction in work place.

Herzberg considered the hygiene factors (in order of decreasing priority) as company policy, supervision, employee’s relationship with their supervisor, work conditions, and salary aspects (Noor, 2010). Apart from working on the hygiene factors, organizations must also work on the motivation factors. The motivation factors motivate the employees to perform at higher levels leading to higher employee satisfaction levels. Herzberg argued that it is critical to eliminate the job dissatisfaction factors before creation of conditions that lead employee satisfaction aspects. In this context, there are four factors different combinations that can be used for the purposes of creating employee satisfaction (Kwenin, Muathe, & Nzulwa, 2013).

These combinations include high hygiene and high motivation, high hygiene and low motivation, low hygiene and high motivation, and low hygiene and low motivation. The high hygiene and high motivation is the ideal situation in which the employees are extremely motivated and therefore satisfied (Saira Yousaf, Madiha Latif, 2012). This is the most ideal situation. The work situation is where there is low hygiene and low motivation aspects where the employees are not motivated and have many complaints.

2.2.2 McGregor’s Theory X and Theory Y
The theory X and theory Y were conceptualized by Douglas McGregor in 1960 through his book *The Human Side of Enterprise* (Boamah, 2014). The two theories attempt to
describe the manner in which the employees are motivated within a working environment in order to optimally perform and increase their satisfaction levels. The motivating factors may include aspects such as authority within a working environment, direction and control within the working environment or integration and self-control (Chemeli, 2003).

The theory X assumes that the employees naturally dislike working and would therefore seek to avoid working unless there are consequences for not working. In this context, the employees must be coerced, controlled, directed, and threatened with punishment in order for them to work in an optimal manner within an organization. This theory states that the employees must be closely supervised in order to work (Rouziès, Coughlan, Anderson, & Iacobucci, 2009). Other aspects that can motivate the employees within the context of this theory are salary aspects, career development, and recognition amongst other aspects. The theory Y assumes that the employees are willing to work voluntarily with a view of fulfilling innate potentials. This theory indicates that the employees are capable of self-control and direction in their employment life and thus require a conducive working environment to do so. The employees should be involved in goal setting and in management in general in order to achieve both their goals as well as organizational goals.

2.2.3 Maslow’s Hierarchy of Need

The Maslow’s Hierarchy of Needs was conceptualized by Abraham Maslow in his 1943 paper “A Theory of Human Motivation” and further elaborated in his 1954 book
“Motivation and Personality” (Ntoyian, 2016). The Maslow hierarchy of needs indicates that there are several needs that an individual has including physiological, safety, belonging, love, esteem, and self-actualization needs in that order. A person must first achieve a lower order needs before moving to higher needs within the hierarchy. The bottom four items that is physiological, safety, belonging, and esteem were referred to as deficiency needs or d needs which must first be met before the self-actualization needs. The physiological needs refer to the basic requirements for human survival that is food, sleep and good health amongst other aspects.

The safety component takes precedence once the physiological needs have been met (Osemeke, 2016). The safety needs refers to diverse aspects including financial security, physical security, and health well-being amongst others. The belonging components refer to being part of a group within the society and experiencing love within the group. Amongst aspects of belonging includes friendship, intimacy and friendship that a person needs to fill (Daouda, 2014). The esteem need refers to the need to feel respected and valued amongst the society that the person exists. This implies that the person’s contribution and presence is valued by peers and other persons within the society. Finally, the final step involves the self-actualization which is the ability of an individual to achieve their full potential in life.
2.3 Empirical Review

2.3.1 Recognition and Employee Satisfaction

The recognition of the employee is a major aspect of the job that leads to employee satisfaction. Muchai & Benson (2014) in a study on the effect of employee recognition on job performance at Nakuru Water and Sanitation Services Company found employee recognition to be key in employee satisfaction. The study examined recognition influence on employee satisfaction through noting that recognition is critical to the motivation of the employee. Using a sample size of 44 respondents and a five point likert scale, the study found that a majority of the respondents agreed that recognition led to employee motivation and hence satisfaction. This was due to the achievement of a mean of 3.49 in respect to the question as to whether the recognition impacts on employee satisfaction. This study only used descriptive statistics while the current study used both the descriptive and inferential statisticsto show the link between employee recognition and satisfaction and therefore a research gap.
Similarly, Wilches-Alzate (2009) study on recognition and rewards notes that recognition has an impact on the commitment levels, and attitudes towards work executions leading to a high satisfaction levels. This is because the employee feel appreciated for their past efforts and initiatives in work performance hence imparting on their current performance and a feel of worth within the institution. The employees feel valued by colleagues, management and the organization in general hence a positive impact and correlation on their satisfaction levels within the organization. The reviewed study was done outside Kenya while the current study was done in Kenyan context.

Danish & Usman (2010) undertook a study on the impact of reward and recognition in Pakistan. The study examined recognition as the timely, informal or formal acknowledgement of a person’s or team’s behaviours, efforts or business results that supports the organization’s goals and values, and which usually is beyond normal expectations. The study noted that recognition is key for motivating the employees in their work functions as it demonstrates that the employee is valued and appreciated in their work functions, and what they do. The reviewed study was done in Pakistan while the current study was done in Kenya.

In their study, Vijayakumar (2013) examined the Impact of Rewards and Recognition on Employees Job Satisfaction and Motivation in Private Banks of Tirunelveli City. Using a sample size of 184 respondents, the study found that there was a positive and significant correlation between recognition and job satisfaction at $r=0.93$, $p<0.01$ which supported
that recognition supports variation in employee satisfaction. Shariful Alam, Shahrani Ahmed Saeed, Sahabuddin, & Akter (2013) in their studies on employee recognition note that there are two components of recognition. The first step involves the identification of the person and opportunity for praise. The second step involves the physical doing something to acknowledge and praise the customers for the good work. There are diverse activities that can be undertaken through recognition including informal thank you as well as formal programs which the criteria for recognition are set. The reviewed study was done within banking sector while the current study was done in county government whose employees have different duties and terms of reference.

Brun & Dugas (2008) in their study on employee satisfaction notes that lack of recognition constitutes the second-largest risk factor for psychological distress in the workplace. This is due to the fact that employees would wish to be recognized for work undertaken and sacrifices that they may have undertaken in their work. The study noted that there are diverse functions that can recognized in the work functions including personal recognition, recognition of work practices, recognition of job dedication and recognition of results. The study noted that there are two types of recognition that can occur based on the source that is recognition by one’s supervisors as well as recognition by peers. This study was qualitative in approach while the current study was quantitative in approach.
2.3.2 Allowances and Employee Satisfaction

According to Dauda (2014), allowances within the work environment can be awarded for diverse reasons. Dauda (2014) noted that there are four different categories of allowances that can be accorded to employees. The category 1 kind of allowances relate to the normal duties, responsibilities and requirements of a job. The category 2 allowances relate to special circumstances that may arise in the course of working such as overtime allowances. The category 3 allowances include the allowances that staff welfare or job related that seek to enhance the welfare of the employee and their family e.g. medical allowance. Finally, the category 4 allowances include the allowances that provide a standard of living for a given position e.g. housing. This study was qualitative in approach while the current study was quantitative in approach.

The allowances within a reward scheme are a good motivator for the employees to work hard in their employment. In this context, Okoth (2015) notes that allowances which can be perceived as extra compensation implies that the employees feel appreciated for the extra effort that they make for the organization. This is because the allowances such as overtime, and risk allowances are given to the employees on the basis that the employees have gone an extra mile that influence their work life balance and therefore employees feel compensated when they get the extra monetary consideration in terms of allowances(Anderson, 2013). On the other hand, Parvin & Karbin (2011) in a study on the employee satisfaction in pharmaceutical company notes that allowances when managed well can be a source of motivation as money generally is an important indicator of status within the society. The reviewed study was done within apharmaceutical
company while the current study was done in governance sector and therefore a contextual gap.

The allowances also drive the employee satisfaction in the sense that the employees value the organizations that invest money in them. Apeyusi (2012) in a study on the influence of reward systems on corporate performance notes that allowances and money in general is a form of extrinsic reward. Extrinsic motivation does not come from the work itself but it is supposed to ensure the quality of the work and to ensure that the basic rules are followed at work. This is because the financial money motivates people to work. The allowances can be examined as hygiene factors or maintenance factors which are extrinsic to the job itself but causes dissatisfaction in the work environment if they are not there.

Within the county government structure, there is differential reward scheme in respect to the allowances payable to the county government staff. The staff from defunct local authorities, employees previously in national government whose functions were devolved, and employees sourced directly by the county government enjoy diverse allowances scheme. This has the influence of creating differences in reward schemes amongst the staff that are doing comparable work.

2.3.3 Training and Employee Satisfaction

Career development opportunities are key to employee satisfaction in any organization. According to Mulwa (2014) in a study on the influence of training on job satisfaction at
Kenya Medical Research Institute (KEMRI) argued that training is a crucial component of employee satisfaction. The training leads to the upgrading of the employee skills and competencies hence leading to ability to execute the job demands as well as an increased ease of work execution. This increased ease of executing the work demands leads to an increased feeling of satisfaction. This study was done in a research institute while the current study was done in county government which employee composition is different and also the qualifications are different which opened a contextual research gap that this current study filled.

The training aspect signals to the employee the employers’ commitment to developing the employee. This is important in leading to employee loyalty and acts as an intrinsic reward for the employee. The training component has also been seen to an increase in a sense of belonging and hence satisfaction. Kanana (2016) argue that training leads to employees’ acquisition of valuable skills leading to self-fulfillment and increased job satisfaction. The employee training facilitates the self-fulfillment through the removal of pressures that arise from in competencies and inefficiencies. This study was qualitative in approach while the current study was quantitative in approach.

Chepkosgey et al., (2015) undertook a study on the Effect of On-the-Job-Training Practice on Employee Satisfaction at Kapsara Tea Factory. The study noted that effective on job training led to the minimization of learning costs, improvement of the employees, and improvement of quality of work and overall productivity. The study argued that the training helps in the improvement of the employee competency and productivity hence
impacting positively on the employee satisfaction within an organization. The study found that the employees appreciated trainings as they were perceived as an investment by the company. Amongst the training aspects that led to employee satisfaction include the content of training, relevance of training aspects, and criteria used in selecting eligible persons for training aspects. This study was done in agricultural while the current study was done in governance sector whose employee composition and qualifications are different and therefore opened a contextual research gap that this current study filled.

Mohammed (2016) study on training practices and employees job satisfaction in the United Nations economic commission for Africa also found significant influence of training and employee job satisfaction. In respect to training aspects and their influence of employee job satisfaction, the study found that employees were concerned with the ability of training to inclusive, availability of training opportunities to diverse people within the organizations, and role of training in enhancing chances of promotion within the work area. The study found the correlation between training and job satisfaction to have a positive correlation of 0.495 that was significant. The reviewed study focused on employees of United Nations economic commission for Africa while the current study focused on county government employees who experience different motivation in their tasks.

Muindi (2014) examined Influence of Governance Practices on Employee Job Satisfaction at Teachers Service Commission Headquarters Nairobi, Kenya. Amongst the aspects examined included the aspects of training and employee job satisfaction. The
study found that 47.7% of the respondents indicated that employee training influence job satisfaction at TSC to a Very great extent, 25.5% indicated that employee training influence job satisfaction at TSC to a Great extent, 13.6% indicated that employee training influence job satisfaction at TSC to a Moderate extent, while 4.5% indicated that employee training influence job satisfaction at TSC to a low extent. This study only used descriptive statistics while the current study used both the descriptive and inferential statistics to show the link between employee recognition and satisfaction and therefore a research gap.

### 2.3.4 Promotion and Employee Satisfaction

The schemes of service are critical components of employment and determine the employee satisfaction levels within the organization. Amongst the major component of schemes of service is the promotions scheme in an organization and how it influences the employee satisfaction in the organization (Hassan et al., 2013). The promotion has been defined as the advancement of an employee’s rank or position in an organization hierarchy system. The promotion can involve the advancement of designation, salary and benefits, and the job description as well as responsibilities.

According to Boamah (2014), promotion and promotion prospects play a critical role in ensuring that the employees are motivated to work hard and employee feel satisfied when their efforts are rewarded appropriately through promotion. The promotion also is an admission that the employee is competent in their work and that they have the right skills matrix in their work functions. This leads to a feeling employee satisfaction within the
organization (Ogutu, 2014). There is a link between promotion aspects and employee satisfaction.

The employee promotional aspects provide platform for career advancement, increased responsibilities, and increased social status which induce feelings of satisfaction as it signifies growth amongst the workers. Employees are more satisfied with their current job if they see a path available to move up the ranks in the company and be given more responsibility and along with it higher compensation. Many companies encourage employees to acquire more advanced skills that lead to the chance of promotion. On the other hand, the lack of promotion may signal limited career growth hence leading to employee dissatisfaction levels within the organization. The fairness of the promotion is critical to employee satisfaction levels.

Boamah (2014) in a study on the effect of job promotion on employee satisfaction noted that promotion has approximately the same influence on job satisfaction as a sixty-seven percent wage increase with everything kept constant. The study stated that workers valued the promotion itself more than the wage increase that accompanies the promotion. Ntoyian (2016) indicates that promotion is positively correlated with employee satisfaction. The ability of an organization to have a culture that provides equitable promotion is critical in ensuring that the employees are kept motivated. These studies were done outside Kenya while the current study will be done on a Kenyan context.
Noor (2010) in a study on the Supervision, Salary and Opportunities for Promotion as Related to Job Satisfaction examined the influence of promotion on satisfaction levels. The study utilized a sample size of 300 respondents within Dhaka city. The study found that promotion aspects were positively correlated with employee job satisfaction as indicated through a correlation coefficient of 0.754. This correlation was found to be significant in the context that the skilled workers are often more satisfied when there are opportunities for growth and personal development. On the other hand, Naveed, Usman, & Bushra (2011) undertook a study on Promotion: A Predictor of Job Satisfaction A Study of Glass Industry of Lahore (Pakistan). The study utilized a sampled size of 156 employees. The study using the regression analysis found that 18.5% change in job satisfaction is due to the internal promotion. These studies were done outside Kenya and therefore there was need to establish the influence of promotion on employee satisfaction in a Kenyan context.

2.4 Differential Reward Schemes and Employee Satisfaction

The differential reward schemes have an influence on the employee satisfaction levels within different organizations. Amongst the items that have an impact on the employee satisfaction include the basic pay, allowances, training and promotion schemes. The basic pay impacts on the employee satisfaction in diverse ways. These include the amount of basic pay, the frequency of review of basic pay, and comparative aspect of the basic pay amongst employees undertaking similar level of employment aspects.

The basic pay is a critical component in the employee’s welfare as it determines the pensionable salary of the employee after retirement (Ntoyian, 2016). The allowance
allocated to the employees is of critical concern to the employees as it is an additional benefit over their salary based on their responsibility. The allowances signal to the employees that their input is recognized especially in contexts where there is a significant amount of self-sacrifice is involved. The employees feel that they are being compensated for the extra mile undertaken in the execution of their work functions.

The training aspects is tied to the employee satisfaction level in the context that the employee appreciate the initiative of the employer to upgrade the skills of the employees (Muindi, 2014). This enables competency of job execution hence leading to employee satisfaction levels. Finally, the promotion aspects is a key aspect of employee satisfaction as it leads to an employee getting into a higher level of job execution within their work environment (Naveed, Usman, & Bushra (2011). This leads to more responsibility and rewards for the same.

2.5 Summary of Research Gaps

The financial compensation of the employee in terms of salary is a key component of employee satisfaction. The salary consideration of the employees must be developed in a manner that it is able to attract, retain, reward and motivate the employees. The salary compensation must be thought in terms of motivation for the employee in work delivery and hence deriving of employee satisfaction. Secondly, the reasons for employee satisfaction or dissatisfaction with the salary schemes must be considered. Finally, the employee must consider the criteria that may be used in the development of the financial compensation systems.
The allowances within a reward scheme are a good motivator for the employees to work hard in their employment. The allowances can be perceived as extra compensation implies that the employees feel appreciated for the extra effort that they make for the organization. The allowances also drive the employee satisfaction in the sense that the employees value the organizations that invest money in them. The training leads to the upgrading of the employee skills and competencies hence leading to ability to execute the job demands as well as an increased ease of work execution. This increased ease of executing the work demands leads to an increased feeling of satisfaction. The training aspect signals to the employee the employers’ commitment to developing the employee. This is important in leading to employee loyalty and acts as an intrinsic reward for the employee. The training component has also been seen to an increase in a sense of belonging and hence satisfaction.

The promotion also influences on employee performance. The promotion and promotion prospects play a critical role in ensuring that the employees are motivated to work hard and employee feel satisfied when their efforts are rewarded appropriately through promotion. The promotion also is an admission that the employee is competent in their work and that they have the right skills matrix in their work functions. This leads to a feeling employee satisfaction within the organization.

There are diverse exiting studies on aspects of reward structure and employee satisfaction. These studies include Ali and Tirimba (2015) study on analysis of extrinsic
rewards and employee satisfaction with a reference to Somtel Company in Somaliland. Anderson (2013) examined the factors influencing job satisfaction among teaching staff in large public secondary schools in Nairobi County. On the other hand, Kimwama (2016) examined effects of financial rewards on employees’ job satisfaction at the General post office. These studies don’t examine the influence of the differential reward schemes amongst the different cadres of staff and how the same affects their satisfaction.

### 2.6 Conceptual Framework

<table>
<thead>
<tr>
<th>Independent Variables</th>
<th>Dependent Variable</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Recognition</strong></td>
<td></td>
</tr>
<tr>
<td>- Level of self-recognition</td>
<td></td>
</tr>
<tr>
<td>- Recognition for work practices</td>
<td></td>
</tr>
<tr>
<td>- Recognition for job dedication</td>
<td></td>
</tr>
<tr>
<td>- Recognition for task accomplishment</td>
<td></td>
</tr>
<tr>
<td><strong>Promotion Schemes</strong></td>
<td></td>
</tr>
<tr>
<td>- Equitable promotion</td>
<td></td>
</tr>
<tr>
<td>- Magnitude of promotion</td>
<td></td>
</tr>
<tr>
<td>- Frequency of promotion</td>
<td></td>
</tr>
<tr>
<td><strong>Employee Satisfaction</strong></td>
<td></td>
</tr>
<tr>
<td>- Level of motivation</td>
<td></td>
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<tr>
<td>- Level of Job stress</td>
<td></td>
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<tr>
<td>- Prioritization of work related tasks</td>
<td></td>
</tr>
<tr>
<td>- Absenteeism level.</td>
<td></td>
</tr>
<tr>
<td><strong>Training</strong></td>
<td></td>
</tr>
<tr>
<td>- Access to training</td>
<td></td>
</tr>
<tr>
<td>- Relevance of training &amp; opportunities</td>
<td></td>
</tr>
<tr>
<td>- Number of trainings</td>
<td></td>
</tr>
<tr>
<td><strong>Allowances</strong></td>
<td></td>
</tr>
<tr>
<td>- Amount of allowances</td>
<td></td>
</tr>
<tr>
<td>- Number of allowances payable</td>
<td></td>
</tr>
<tr>
<td>- Frequency of allowances</td>
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CHAPTER THREE
RESEARCH METHODOLOGY

3.1 Introduction
The research methodology focuses on the process of research and the decision which the researcher has to execute in the research project. In this context, this chapter examines research design, target population, sampling techniques and sample size, data collection instrument, validity and reliability, pilot study, data collection method, data analysis and ethical consideration.

3.2 Research Design
The research design has been described as the plan and structure of investigation so conceived as to obtain answers to the research questions (Mugenda, 2003). Descriptive research design was used in this study. The descriptive research design involves the description of the study phenomenon as it is on the ground without any variable manipulation (Mugenda, 2003). Descriptive research design has the capacity to obtain a lot of information even from a small sample size. This research design is also advantageous over other research designs for its accuracy for it does not manipulate the variables of the study because is concerned about occurrence of events or phenomena in its natural setting (Kombo & Tromp, 2009). It is due to such merits that the researcher chose descriptive research design for this research project. This descriptive research
design was used in the study with a view of enabling the researcher to describe the influence of differential reward scheme on employee satisfaction in devolved government with a focus on the county government of Nakuru, Kenya.

3.3 Target Population

The target population is a well-defined or specified set of people, group of things, households, firms, services, elements or events that are being investigated (Sekaran & Bougie, 2011). The target population has also been defined as a set of people with a least one common characteristic that is of interest to the researcher. The target population of this study was the county government of Nakuru employees. There are 5,100 staff working for the county government of Nakuru. The top management are critical in this study due to the fact that they are involved in policy formulation while middle management are involved in the supervisory aspects of the team members.

<table>
<thead>
<tr>
<th>Employee Category</th>
<th>Job Group</th>
<th>Number of Employee</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top Management</td>
<td>P-T</td>
<td>255</td>
<td>5%</td>
</tr>
<tr>
<td>Middle Management</td>
<td>K-N</td>
<td>867</td>
<td>17%</td>
</tr>
<tr>
<td>Non-Management Staff</td>
<td>A-J</td>
<td>3,978</td>
<td>78%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>5,100</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Source: County Government of Nakuru (2017)

3.4 Sampling Procedure and Sample Size

Sampling is the process of choosing a subset of the population to represent the views and opinions of the entire population (Orodho, 2008). The sampling is also a process of selecting a finite number of population members to represent the entire population due to limitations of finances and logistical capabilities. The sample size of this study
was calculated through the Yaro Yamane Formula. The formula to scientifically derive the sample from the target population is illustrated hereunder.

\[
n = \frac{N}{1 + N(e^2)}
\]

Where

- \( n \) = sample size
- \( N \) = size of target population
- \( e \) = error margin (0.05)

Substituting these values in the equation, estimated sample size (\( n \)) was:

\[
n = \frac{5,100}{1 + 5,100 (0.05^2)} = 371 \text{ respondents}
\]

### Table 3.2: Sampling Frame

<table>
<thead>
<tr>
<th>Employee Category</th>
<th>Job Group</th>
<th>Sample Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top Management</td>
<td>P-T</td>
<td>18</td>
</tr>
<tr>
<td>Middle Management</td>
<td>K-N</td>
<td>63</td>
</tr>
<tr>
<td>Non-Management Staff</td>
<td>A-J</td>
<td>290</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>371</td>
</tr>
</tbody>
</table>

The stratified sampling method was used for the data collection. The stratified method was based on the strata of top management, middle management and non-management staff. The top management, middle management and non-management staff were 18, 63, and 290 respectively. The simple random sampling was utilized within the strata.

### 3.5 Data Sources and Collection Instrument

This study used a questionnaire for the purposes of data collection. The questionnaire has been described as a means of eliciting the feelings, beliefs, experiences, perceptions, or attitudes of some sample of individuals (Mugenda, 2003). A structured questionnaire
was utilized for the study. A structured questionnaire refers to a questionnaire in which the respondents have been issued with options in relations to the questions asked. This study used structured questionnaire because it is able to gather data relatively fast which helped in accomplishing the research work in the stipulated time scope by the university. Again, the questionnaire provides privacy for the respondents for they were able to carry with them the questionnaire and fill in at their own time without the researcher supervising them to do so (Keller, 2014). This resulted to high response rate.

The questionnaire consisted of five components or sub sections, that is, parts A, B, C, D, E and F. Part A had the respondent’s characteristics while the other sections examined the study variables. Therefore part B captured information in regard to recognition aspects at the county government of Nakuru. Part C focused on the allowances the county government officials receive while part D was concerned about training aspects of employees working at the county government of Nakuru. Part E of the question contained questions in regard to promotion aspects accorded to employees in the county government under investigation in this study. The last part of the questionnaire (Part F) measured the level of employee satisfaction whereby aspects such as employee motivation, prioritization of work related tasks and employee absenteeism were focused. The Likert scale was utilized for this study to measure the statements in part B to Part F.

3.6 Validity and Reliability of Data Collection Instrument

This section discusses how and where the pilot study was carried out to ascertain validity and reliability of the research instruments.
3.6.1 Pilot Study

The pilot study of this study was undertaken. The pilot study is a small scale study that examines the validity and reliability of the research instruments and seeks to identify any challenges with the research instrument that may compromise smooth data collection process during the full scale study. Such challenges include ambiguity in questions, lengthy questionnaires, relevance of questions and questionnaire formatting amongst other issues. The pilot study was undertaken in Nakuru County using 10% of the respondents, that is, 37 respondents that were excluded in the final study.

3.6.2 Validity

The validity of the data collection was also examined for the study. The validity has been defined as the extent to which the instrument measures what it purports to measure thus being concerned with the accuracy and meaningfulness of inferences (Sekaran & Bougie, 2011). The validity of the data collection instrument was examined during the pilot study using a set of experts in the area of differential rewardschemes and employee satisfaction as well as the research supervisor.

3.6.3 Reliability

The reliability of the data collection instrument was examined. The reliability of the data collection instrument measures the consistency of the results over a period of time or the ability of the responses to be replicated with time (Cooper & Schindler, 2008). The reliability of the data collection was examined through the use of the Cronbach alpha coefficient of a threshold of 0.7 and above as set by (Mugenda, 2003). This study obtained a Cronbach alpha coefficient of 0.769 which confirmed that the questionnaire was reliable.
3.7 Data Collection Procedure

The researcher obtained a field authorization letter from Kenyatta University for the purposes of data collection. The researcher used the field authorization letter to obtain authority from National Commission of Science, Technology and Innovation (NACOSTI) to undertake the study. The researcher then administered a consent statement to the respondents advising them of the purpose of the study, the right to participate in the study voluntarily and the right to keep their information confidential. The questionnaires were distributed through a drop and pick method in which the questionnaires were dropped and picked at a later stage for the purposes of data analysis.

3.8 Data Analysis and Presentation

The data analysis is the process through which application of reasoning to understand the data that has been gathered with the aim of determining consistent patterns and summarizing the relevant details revealed in the investigation (Kombo & Tromp, 2009). The study was analyzed using SPSS software for the descriptive and inferential statistics. The descriptive statistics that were undertaken included the means, frequencies, and standard deviations. The inferential statistics that were undertaken included the logit regression analysis. The logit regression model used in the study is shown below:

\[ \text{Logit} (y) = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \epsilon \]

Where; \( Y = \text{Employee Satisfaction} \)

\( \beta_0 = \text{constant} \)

\( \beta_1,..., \beta_4 = \text{Coefficients of estimates} \)

\( X_1 = \text{Recognition} \)

\( X_2 = \text{Allowances} \)
X_3 = Training
X_4 = Promotion and \( \varepsilon \) is the error term.

However there were diagnostics tests that were considered before using the model. These include; normality, categorical data (ordinal data), heteroscedasticity, auto correlation and multicollinearity. For a logit regression model to be used to predict the dependent variable using independent variables, the data must be normally distributed. Normality tests are used to determine whether a data set is modeled for normal distribution (Jankowicz, 2005). In this study, normality was tested using the Shapiro-Wilk Test. Shapiro-Wilk. A P-value less that significant level, that is, 0.05 meant that that the data was normally distributed (Kombo & Tromp, 2009).

Presence of multicollinearity problem may result into erratic changes in the dependent variable as a result of small changes in the model or data. Multicollinearity occurs when the independent variables are too highly correlated with each other (Jankowicz, 2005). The absence of multicollinearity was tested using tolerance and Variance Inflation Factor (VIF) values. A value of 0.25 is recommended as the minimum level of tolerance and on the other hand, VIF values higher than 10 indicate that multicollinearity is a problem (Saunder, Lews, & Thornhill, 2009).

The study checked the absence of Heteroscedasticity challenges in the multiple linear regression model. Heteroscedasticity refers to the circumstance in which the variability of independent variables is unequal across the range of values of dependent variable in a regression model. Lavene Statistic was used to test the hereroscedasticity of data whereby
a p-value less than 0.05 proved that the data was homoscedastic (Sekaran & Bougie, 2011). Serial correlation (autocorrelation) analysis was undertaken in order to understand whether there were correlation amongst the residuals of different observations per independent variables. This study used Durbin–Watson statistic to detect the presence of autocorrelation in the independent variable. According to Sekaran & Bougie (2011) lack of autocorrelation problem is illustrated by a Durbin-Watson statistic values between 1.5 and 2.5.

3.9 Ethical Consideration

The ethical consideration of the study was examined to ensure that appropriate behaviours are considered during the undertaking of the research. The research sought for introduction letter from Kenyatta University that outlined the purpose of the study to the respondents for informed consent purposes. The researcher then obtained a letter of authorization from NACOSTI to undertake the study in the county government of Nakuru. The respondents were issued with the consent statement that advised them that the data collected was meant for academic purposes only and sought their free will to participate in the study. In this regard, the researcher kept all the information obtained through the study questionnaires confidential and used the data only for academic purposes. Privacy of the respondents was not violated at any point for the respondents are allowed to fill the questionnaires at their own privacy at convenience. The identity of the respondents remained anonymous throughout the study for the respondents were not required to indicate any identifying details in any part of the questionnaire.
CHAPTER FOUR
RESEARCH FINDINGS AND ANALYSIS

4.1 Introduction

This study sought to examine the effect of differential reward schemes on employee satisfaction in Nakuru County, Kenya. In this context, the study was guided by the four objectives that included the examination of the roles of recognition, allowances, training and promotion on employee satisfaction in county government of Nakuru. This chapter therefore seeks to examine the research findings of the research objectives and thereafter undertake data analysis. Data analysis was undertaken using both descriptive and inferential statistics. The descriptive statistics includes the means, standard deviations and frequency distributions while the inferential statistics were undertaken using the logit regression analysis.

4.2 Response Rate

The target population of this study was 5,100 employees of the county government of Nakuru of which a sample size of 371 respondents used for data collection purposes in this study.

<table>
<thead>
<tr>
<th>Sample Size</th>
<th>Returned Questionnaires</th>
<th>Rejected Questionnaires</th>
<th>Analyzed Questionnaires</th>
<th>Response Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>371</td>
<td>320</td>
<td>16</td>
<td>304</td>
<td>86.3%</td>
</tr>
</tbody>
</table>

Source: Research Data (2017)

Therefore, 371 questionnaires were distributed to the respondents of which 320 questionnaires were returned. This constituted a response rate of 86.3%. Out of the 320 returned questionnaires, only 304 were used for data analysis. This was as a result of
16 questionnaires being rejected due to being incomplete as well as questionnaires containing identifiers such as names which would introduce bias elements. A response rate of 86.3% is deemed sufficient for the study as it is above a recommended threshold of 80% (Mugenda & Mugenda, 1999).

4.3 Reliability Statistics
The reliability was tested using the cronbach alpha coefficient. The cronbach alpha coefficient of recognition, allowances, training and promotion were 0.715, 0.815, 0.765, and 0.845 respectively which were above 0.7.

4.4 Background Characteristics
The gender, education level, length of service, marital status, and age distributions were used to examine the background characteristics of the respondents.

4.4.1 Gender Distribution
The gender distribution of the respondents was examined as illustrated through table 4.2. The results indicate that the upto 45.1% of the respondents were male compared to 54.9% female respondents. The aspects of gender are useful in the examination of the employee satisfaction as noted by Hoshi (2014) in the study of employee satisfaction in North Cyprus. On the other hand, Okpara (2014) in a study on the influence of Salary Differential on Managerial Job Satisfaction based on commercial banks found that there were salary differentials amongst male senior bank managers earning more than their female counterparts. This led to differences in employee satisfaction based on the gender lines.
Table 4.2: Distribution by Gender

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>137</td>
<td>45.1%</td>
</tr>
<tr>
<td>Female</td>
<td>167</td>
<td>54.9%</td>
</tr>
<tr>
<td>Total</td>
<td>304</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Source: Research Data (2017)

4.4.2 Education Level

The education levels of the employees were examined based on four levels that is secondary, college, graduate and postgraduate levels as illustrated in table 4.3. In this context, 19.1% of the respondents had postgraduate education levels, 23.4% had graduate levels education levels while 50.0% had college levels education. Finally, 7.6% of the respondents had secondary school level education. The education levels have an impact on the employee satisfaction in diverse ways. According to Nyangau (2013) and Okpara (2014), the education levels of the employees influence the rewards expectations in terms of salary and promotion prospects thus having a bearing on employee satisfaction levels.

Table 4.3: Distribution by Education Level

<table>
<thead>
<tr>
<th>Education Level</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Secondary Level</td>
<td>23</td>
<td>7.6%</td>
</tr>
<tr>
<td>College Level</td>
<td>152</td>
<td>50.0%</td>
</tr>
<tr>
<td>Graduate Level</td>
<td>71</td>
<td>23.4%</td>
</tr>
<tr>
<td>Post Graduate</td>
<td>58</td>
<td>19.1%</td>
</tr>
<tr>
<td>Total</td>
<td>304</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

4.4.3 Length of Service

The number of years the respondent has worked in the county government of Nakuru was examined by grouping the years in two categories, that is, 1-3 years and over 3 years. This is due to the fact that the county governments have only been in existence since 2013 general elections. The respondents who had worked for 1-3 years formed 22.4% with majority of the respondents (77.6%) have worked for over three years.
Table 4.4: Distribution by Length of Service

<table>
<thead>
<tr>
<th>Length of Service</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-3 Years</td>
<td>68</td>
<td>22.4%</td>
</tr>
<tr>
<td>Over 3 Years</td>
<td>236</td>
<td>77.6%</td>
</tr>
<tr>
<td>Total</td>
<td>304</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Source: Research Data (2017)

4.4.4 Marital Status

The marital status of the respondents was examined using three items that is single, married and divorced components. In the context of marital status, 19.1% of the respondents were single while 3.6% were divorced. Majority of the respondents, 77.3%, were married. The marital status of the employee was critical in gauging the employee satisfaction levels as the work life balance requirements for different marital status are different. Married employees have a higher family time requirements and needs compared to their single counterparts hence influencing their satisfaction levels differently.

Table 4.5: Distribution by Marital Status

<table>
<thead>
<tr>
<th>Marital Status</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single</td>
<td>58</td>
<td>19.1%</td>
</tr>
<tr>
<td>Married</td>
<td>235</td>
<td>77.3%</td>
</tr>
<tr>
<td>Divorced</td>
<td>11</td>
<td>3.6%</td>
</tr>
<tr>
<td>Total</td>
<td>304</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Source: Research Data (2017)

4.4.5 Age Distribution

The age distribution of the respondents was examined as illustrated in table 4.6. In this context, 14.8% being between 25-35 years and 50.7% were 36-45 years. Those aged 46-55 years were 26.6% while those who were over 55 years were 7.9%. The age distribution of the respondents is useful in the study on employee satisfaction as different age groups have different expectations that influence their satisfaction levels.
Table 4.6: Distribution by Age

<table>
<thead>
<tr>
<th>Age Range</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>25-35 Years</td>
<td>45</td>
<td>14.8%</td>
</tr>
<tr>
<td>36-45 Years</td>
<td>154</td>
<td>50.7%</td>
</tr>
<tr>
<td>46-55 Years</td>
<td>81</td>
<td>26.6%</td>
</tr>
<tr>
<td>Over 55 Years</td>
<td>24</td>
<td>7.9%</td>
</tr>
<tr>
<td>Total</td>
<td>304</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Source: Research Data (2017)

4.5 Descriptive Statistics

4.5.1 Recognition and Employee Satisfaction

According to Danish & Usman (2010) recognition was seen as the timely, informal or formal acknowledgement of a person’s or team’s behaviours, efforts or business results that supports the organization’s goals and values, and which usually is beyond normal expectations. The recognition metric was examined using five metrics that is being happy with personal recognition for work well done, being happy with recognitions of work practices adopted, being happy with recognitions for job dedication, being happy with recognition of the work results that are acknowledged, and value of recognition of supervisors. Past studies that have found a positive correlation between recognition and employee satisfaction included Danish & Usman (2010) in a study on the impact of reward and recognition in Pakistan. Others were Vijayakumar (2013) who examined the Impact of Rewards and Recognition on Employees Job Satisfaction and Motivation in Private Banks of Tirunelveli City. This study therefore seeks to examine whether recognition was critical to the employee satisfaction at the county government of Nakuru.

The study sought to know whether the respondents were satisfied with personal recognition for work well done. Most of the respondents (38.8%) disagreed, 30.0% agreed, and an equal number (15.5%) strongly agreed and were uncertain. The high
number of the respondents who disagreed could be linked to the poor human resource management practices at the county government. When asked whether they were happy with recognitions of work practices they have adopted, 57.9% of the respondents were in agreement. The responses on strongly agreed, uncertain and disagreed were 7.6%, 7.6% and 27.0% respectively. These results indicated that a majority of the respondents were happy with the recognitions for work practices that they have adopted such as going to work early and handing over assignments on time.

In the context of recognition for job dedication, most of the respondents were satisfied with the recognition they got with a cumulative majority of 49.7% affirming it. However, 3.9% of the respondents strongly disagreed, 26.6% disagreed and 19.7% were uncertain in relations to the recognition of the job dedication levels. In answer to the whether the respondents were happy with the recognition of the work results that are acknowledged, an equivalent number of respondents agreed and disagreed (34.5%). The respondents value recognition from their supervisors with a cumulative 69.1% affirming it.

Table 4.7: Frequency Distribution of Recognition

<table>
<thead>
<tr>
<th></th>
<th>SA Freq. (%)</th>
<th>A Freq. (%)</th>
<th>U Freq. (%)</th>
<th>D Freq. (%)</th>
<th>SD Freq. (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Am happy with personal recognition for work well done</td>
<td>15.5%</td>
<td>30.3%</td>
<td>15.5%</td>
<td>38.8%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Am happy with recognitions of work practices I have adopted</td>
<td>7.6%</td>
<td>57.9%</td>
<td>7.6%</td>
<td>27.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Am happy with recognitions for job dedication</td>
<td>7.6%</td>
<td>42.1%</td>
<td>19.7%</td>
<td>26.6%</td>
<td>3.9%</td>
</tr>
<tr>
<td>Am happy with the recognition of the work results that are acknowledged</td>
<td>15.1%</td>
<td>34.5%</td>
<td>11.8%</td>
<td>34.5%</td>
<td>3.9%</td>
</tr>
<tr>
<td>I value recognition from my supervisors</td>
<td>38.2%</td>
<td>30.9%</td>
<td>7.9%</td>
<td>23.0%</td>
<td>0.0%</td>
</tr>
</tbody>
</table>

Source: Research Data (2017)
In order to further gain an insight into the effects of recognition on employee satisfaction, the means and standard deviations were calculated. On average, the respondents were uncertain and there lacked consensus in relation to how they felt about personal recognition for work well due to a mean of 3.2237, and standard deviation of 1.1240 respectively. Additionally, the respondents were on average uncertain on their satisfaction on recognition by the county government of Nakuru of work practices they have adopted due to a mean of 3.4605.

There was moderate consensus that the county government of Nakuru recognises work practises that the respondents have adopted due to a standard deviation of 0.9707. On the other hand, the respondents were on average were uncertain on whether they were satisfied in the context of recognition for job dedication (mean 3.2270, standard deviation = 1.0489), and recognition of the work results that are acknowledged (mean=3.2237, standard deviation =1.1868). On average, the respondents were not certain whether they value recognition from their supervisors (mean=3.8421, standard deviation = 1.1667).

**Table 4.8: Means and Standard Deviations of Recognition**

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>Std. Dev.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Am happy with personal recognition for work well done</td>
<td>3.2237</td>
<td>1.1240</td>
</tr>
<tr>
<td>Am happy with recognitions of work practices I have adopted</td>
<td>3.4605</td>
<td>0.9707</td>
</tr>
<tr>
<td>Am happy with recognitions for job dedication</td>
<td>3.2270</td>
<td>1.0489</td>
</tr>
<tr>
<td>Am happy with the recognition of the work results that are acknowledged</td>
<td>3.2237</td>
<td>1.1868</td>
</tr>
<tr>
<td>I value recognition from my supervisors</td>
<td>3.8421</td>
<td>1.1667</td>
</tr>
</tbody>
</table>

*Source: Research Data (2017)*
4.5.2 Allowances and Employee Satisfaction

Okoth (2015) notes that allowances can be perceived as extra compensation implies that the employees feel appreciated for the extra effort that they make for the organization. This is because the allowances such as overtime, and risk allowances are given to the employees on the basis that the employees have gone an extra mile that influence their work life balance and therefore employees feel compensated when they get the extra monetary consideration in terms of allowances (Anderson, 2013). The influence of allowances on employee satisfaction in this study was examined using five metrics. These metrics included amounts of allowances paid being fair for roles undertaken, different allowances payable for roles undertaken being fair, and amounts of allowances payable the respondents’ role being comparable to colleagues with similar qualifications in the organization. Other aspects include differences of allowances payable for the respondent’s roles being comparable to colleagues with similar qualifications in the organization and being happy with allowances accorded to the respondents’ roles.

In relations to the question as to whether the amounts of allowances paid are fair for the roles they undertake, 53.9% of the respondents disagreed, and an equal 23.0% agreed and strongly disagreed. A majority of the respondents (57.2%) disagreed on the question on whether different allowances payable for their role are fair for the roles they undertake. Those who responded with agree, uncertain, and strongly disagree were 19.1%, 11.8%, and 11.8% respectively. In the context of whether the amount of allowances payable in their role is comparable to colleagues with similar qualifications in the organization, 30.6% of the respondents were uncertain while a cumulative 54.3% felt they
were not similar (27.0% disagreed, 27.3% strongly disagreed), while 3.9% strongly agreed that they were similar.

Table 4.9: Frequency Distribution of Allowances

<table>
<thead>
<tr>
<th></th>
<th>SA Freq. (%)</th>
<th>A Freq. (%)</th>
<th>U Freq. (%)</th>
<th>D Freq. (%)</th>
<th>SD Freq. (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>The amount of allowances paid are fair for the roles I undertake</td>
<td>0.0%</td>
<td>23.0%</td>
<td>0.0%</td>
<td>53.9%</td>
<td>23.0%</td>
</tr>
<tr>
<td>The different allowances payable for my role are fair for the roles I undertake</td>
<td>0.0%</td>
<td>19.1%</td>
<td>11.8%</td>
<td>57.2%</td>
<td>11.8%</td>
</tr>
<tr>
<td>The amount of allowances payable in my role is comparable to colleagues with similar qualifications in the organization</td>
<td>3.9%</td>
<td>11.2%</td>
<td>30.6%</td>
<td>27.0%</td>
<td>27.3%</td>
</tr>
<tr>
<td>The different allowances payable for my role are comparable to colleagues with similar qualifications in the organization</td>
<td>0.0%</td>
<td>14.8%</td>
<td>38.2%</td>
<td>27.6%</td>
<td>19.4%</td>
</tr>
<tr>
<td>I am happy with the allowances accorded to my roles</td>
<td>0.0%</td>
<td>22.7%</td>
<td>7.9%</td>
<td>53.9%</td>
<td>15.5%</td>
</tr>
</tbody>
</table>

*Source: Research Data (2017)*

When asked whether the different allowances payable for their role are comparable to colleagues with similar qualifications in the organization, 14.8%, 38.2%, 27.6%, and 19.4% agreed, were uncertain, disagreed and strongly disagreed with the metric. I am happy with the allowances accorded to my roles. In the context of whether the respondents are happy with the allowances accorded to their roles, 53.9% disagreed and 15.5% strongly disagreed, while 22.7% agreed and 7.9% were uncertain on the issue. On average, the respondents disagreed on all the metrics on allowances and employee satisfaction various metrics due to means of below 2.5 within an likert scale of 5 composed of strongly disagree, disagree, uncertain, agree and disagree.
The respondents had moderate consensus that the different allowances payable for their role are not fair for the roles they undertake, and the different allowances payable for their role are not comparable to colleagues with similar qualifications in the organization. This was due to a standard deviation of between 0.5 and 1 that is 0.9259 and 0.9680 for different allowances payable for my role are fair for the roles I undertake and different allowances payable for my role are comparable to colleagues with similar qualifications in the organization respectively.

<table>
<thead>
<tr>
<th>Table 4.10: Means and Standard Deviations of Allowances</th>
</tr>
</thead>
<tbody>
<tr>
<td>The amount of allowances paid are fair for the roles I undertake</td>
</tr>
<tr>
<td>The different allowances payable for my role are fair for the roles I undertake</td>
</tr>
<tr>
<td>The amount of allowances payable in my role is comparable to colleagues with similar qualifications in the organization</td>
</tr>
<tr>
<td>The different allowances payable for my role are comparable to colleagues with similar qualifications in the organization</td>
</tr>
<tr>
<td>I am happy with the allowances accorded to my roles</td>
</tr>
</tbody>
</table>

**Source: Research Data (2017)**

There was no consensus on whether amount of allowances paid are fair for the roles they undertake (Std. Dev. = 1.0497), the amount of allowances payable in their role is comparable to colleagues with similar qualifications in the organization (Std. Dev. =1.1158), and whether they are happy with the allowances accorded to their roles (Std. Dev. =1.0008). This was because these items had standard deviations of above 1.000.

### 4.5.3 Training and Employee Satisfaction

Training has been seen to have positive influence of employee satisfaction. According to Mulwa (2014) training is a crucial component of employee satisfaction. The training leads to the upgrading of the employee skills and competencies hence leading to ability to execute the job demands as well as an increased ease of work execution. This increased
ease of executing the work demands leads to an increased feeling of satisfaction. Kanana (2016) argue that training leads to employees’ acquisition of valuable skills leading to self-fulfillment and increased job satisfaction. The employee training facilitates the self-fulfillment through the removal of pressures that arise from in competencies and inefficiencies.

In order to examine the influence of training on employee satisfaction in this study five metrics were used. These metrics include sufficiency of access to training opportunities, training opportunities being relevant, colleagues with similar qualifications having access to training opportunities accessible to the responsible, ease of accessibility to training opportunities, and colleagues in other departments being able to access training opportunities with similar ease.

Most of the respondents (77.0%) responded to the contrary on whether they have sufficient access to training opportunities, with only 3.6% strongly in agreement on the metric. The training opportunities the respondents are exposed to are relevant with 46.1% agreeing, and 15.1% strongly agreeing. The respondents who were uncertain, disagreed, and strongly disagreed were 7.9%, 19.1% and 11.8% respectively. The respondents who were uncertain whether colleagues with similar qualifications have access to training opportunities that they access were 27.3%, while those who agreed were 27.0%. Those who responded with disagree and strongly disagree on whether colleagues with similar qualifications have access to training opportunities that they access were 19.4% and 22.7% respectively.
On whether the respondents access the training opportunities with ease, most of the respondents (88.5%) do not, with 46.4% disagreeing, and 42.1% strongly disagreeing. In the context of whether colleagues in other departments are able to access training opportunities with similar ease, 26.6%, 27.6%, 38.5%, and 7.2% of the respondents chose agree, uncertain, disagreed, and strongly disagreed, respectively to the metric.

<table>
<thead>
<tr>
<th>Table 4.11: Frequency Distribution of Training</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td>I have sufficient access to training opportunities (Freq. (%)</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>The training opportunities I am exposed to are relevant (Freq. (%)</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Colleagues with similar qualifications have access to training opportunities that I access (Freq. (%)</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>I access the training opportunities with ease (Freq. (%)</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Colleagues in other departments are able to access training opportunities with similar ease (Freq. (%)</td>
</tr>
</tbody>
</table>

Source: Research Data (2017)

On average, the respondents disagreed that they have sufficient access to training opportunities (mean=2.2237) and that colleagues with similar qualifications have access to training opportunities that the respondent’s access (mean=2.6941). Additionally there was no consensus on both metrics with responses having standard deviations of 1.08209 and 1.19480 respectively which were above a standard deviation of 1. On average, there was uncertainty on whether the training opportunities the respondents are exposed relevant (mean=3.3355)with the same generally attracting no consensus in the responses
(Std. Dev. =1.27398). The respondents on average disagreed that they access the training opportunities with ease (mean=1.8059), with there being moderate consensus on the same (Std. Dev. =0.95363). The respondents were on average unsure whether colleagues in other departments are able to access training opportunities with similar ease (mean=1.8059, Std. Dev. =0.93510).

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>Std. Dev.</th>
</tr>
</thead>
<tbody>
<tr>
<td>I have sufficient access to training opportunities</td>
<td>2.2237</td>
<td>1.08209</td>
</tr>
<tr>
<td>The training opportunities I am exposed to are relevant</td>
<td>3.3355</td>
<td>1.27398</td>
</tr>
<tr>
<td>Colleagues with similar qualifications have access to training opportunities that I access</td>
<td>2.6941</td>
<td>1.19480</td>
</tr>
<tr>
<td>I access the training opportunities with ease</td>
<td>1.8059</td>
<td>0.95363</td>
</tr>
<tr>
<td>Colleagues in other departments are able to access training opportunities with similar ease</td>
<td>2.7368</td>
<td>0.93510</td>
</tr>
</tbody>
</table>

Source: Research Data (2017)

4.5.4 Promotion and Employee Satisfaction

The influence of promotion on employee satisfaction was examined using five metrics. These five metrics included the pace of promotion in respondent’s department, deserving candidates have a fair chance of promotion in my department, ability for colleagues with equal qualifications to have similar pace of promotion, colleagues undertaking equivalent work having similar pace of promotion, and the pace of promotion in the department being similar to other government departments. On whether the pace of promotion in their department is reasonable, 30.9% of the respondents strongly disagreed, 15.5% disagreed and 27.6% were uncertain. Only 26.0% agreed that the pace of promotion in their department is reasonable, with no respondent giving a strongly agree response.
Table 4.13: Frequency Distribution of Promotion

<table>
<thead>
<tr>
<th></th>
<th>SA Freq. (%)</th>
<th>A Freq. (%)</th>
<th>U Freq. (%)</th>
<th>D Freq. (%)</th>
<th>SD Freq. (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>The pace of promotion is reasonable in my department</td>
<td>0.0%</td>
<td>26.0%</td>
<td>27.6%</td>
<td>15.5%</td>
<td>30.9%</td>
</tr>
<tr>
<td>Deserving candidates have a fair chance of promotion in my department</td>
<td>0.0%</td>
<td>22.7%</td>
<td>15.5%</td>
<td>23.0%</td>
<td>38.8%</td>
</tr>
<tr>
<td>Compared to other colleagues with equal qualifications, we have similar pace of promotion</td>
<td>0.0%</td>
<td>22.0%</td>
<td>7.9%</td>
<td>35.2%</td>
<td>34.9%</td>
</tr>
<tr>
<td>Compared to other colleagues doing equivalent work, we have similar pace of promotion</td>
<td>0.0%</td>
<td>18.8%</td>
<td>15.5%</td>
<td>38.8%</td>
<td>27.0%</td>
</tr>
<tr>
<td>The pace of promotion in my department would be similar to other government departments</td>
<td>0.0%</td>
<td>26.0%</td>
<td>27.6%</td>
<td>15.5%</td>
<td>30.9%</td>
</tr>
</tbody>
</table>

Source: Research Data (2017)

When asked whether deserving candidates have a fair chance of promotion in their department, 22.7%, 15.5%, 23.0% and 38.8% of the respondents gave agree, uncertain, disagree and strongly disagree responses. A cumulative majority of 70.1% felt they do not have similar pace of promotion compared to other colleagues with equal qualifications while 65.8% felt they do not have similar pace of promotion compared to other colleagues doing equivalent work. In relation to the pace of promotion in their department, 30.9% of the respondents strongly disagreed and 15.5% disagreed that it would be similar to other government departments. Those who were uncertain on whether the pace of promotion in their department would be similar to other government departments were 27.6%, while those who agreed were 26.0% of the respondents.

The means and standard deviations of the promotional aspects on the employee satisfaction were examined. The means of the promotion metrics were 1.9408, 2.2204, and 2.1711 for the pace of promotion is reasonable in the respondents’ department,
deserving candidates getting fair chance of promotion in the respondents’ department, deserving candidates have a fair chance of promotion in my department, and colleagues with equal qualifications having similar pace of promotion respectively. On the other hand, the means for colleagues undertaking similar work having similar pace of promotion and pace of promotion in the department being similar to other government departures were 2.2599 and 2.4868 respectively. The means for the promotions indicated that the respondents on average tended to disagree with the metrics due to means of between 1.5 and 2.5.

**Table 4.14: Means and Standard Deviations of Promotion**

<table>
<thead>
<tr>
<th>Description</th>
<th>Mean</th>
<th>Std. Dev.</th>
</tr>
</thead>
<tbody>
<tr>
<td>The pace of promotion is reasonable in my department</td>
<td>1.9408</td>
<td>1.1503</td>
</tr>
<tr>
<td>Deserving candidates have a fair chance of promotion in my department</td>
<td>2.2204</td>
<td>1.1861</td>
</tr>
<tr>
<td>Compared to other colleagues with equal qualifications, we have similar pace of promotion</td>
<td>2.1711</td>
<td>1.1332</td>
</tr>
<tr>
<td>Compared to other colleagues doing equivalent work, we have similar pace of promotion</td>
<td>2.2599</td>
<td>1.0538</td>
</tr>
<tr>
<td>The pace of promotion in my department would be similar to other government departments</td>
<td>2.4868</td>
<td>1.1801</td>
</tr>
</tbody>
</table>

**Source:** Research Data (2017)

### 4.5.5 Employee Satisfaction

This study sought to find out whether the respondents were satisfied with their current employment status. Most of the respondents (54.7%) said they were not satisfied with their current employment status. Those who responded to the affirmative were 45.7%.

**Table 4.15: Frequency Distribution of Employee Satisfaction**

<table>
<thead>
<tr>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>139</td>
</tr>
<tr>
<td>No</td>
<td>165</td>
</tr>
</tbody>
</table>

**Source:** Research Data (2017)
4.6 Inferential Statistics

4.6.1 Recognition and Employee Satisfaction

The logistics regression analysis was carried out with a view of determining the influence of recognition on the employee satisfaction levels. The results indicated that the unit increase in recognition would lead to a negative influence on the employee satisfaction levels. This is due to regression coefficient (B) values of -0.588 for recognition. These results suggest that the recognition variable doesn’t have the capacity to positively and individually influence employee satisfaction without the input of the other variables.

Employee Satisfaction = 2.178 - 0.588(Recognition).

Table 4.16: Logistic Regression of Recognition and Employee Satisfaction

<table>
<thead>
<tr>
<th>Step 1a</th>
<th>B</th>
<th>S.E.</th>
<th>Wald</th>
<th>df</th>
<th>Sig.</th>
<th>Exp(B)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recognition and Employment Satisfaction</td>
<td>-0.588</td>
<td>0.145</td>
<td>16.459</td>
<td>1</td>
<td>.000</td>
<td>0.556</td>
</tr>
<tr>
<td>Constant</td>
<td>2.178</td>
<td>0.511</td>
<td>18.157</td>
<td>1</td>
<td>.000</td>
<td>8.825</td>
</tr>
</tbody>
</table>

a. Variable(s) entered on step 1: Recognition and Employment Satisfaction.

4.6.2 Allowances and Employee Satisfaction

The logistics regression analysis was carried out with a view of determining the influence of allowances on the employee satisfaction levels. The results indicated that the unit increase in allowances would lead to a negative influence on the employee satisfaction levels. This is due to regression coefficient (B) values of -0.703 for allowances. These results suggest that the allowances variable doesn’t have the capacity to positively and individually influence employee satisfaction without the input of the other variables.

Employee Satisfaction = 1.846 - 0.703(Allowances)
Table 4.17: Logistic Regression of Allowances and Employee Satisfaction

<table>
<thead>
<tr>
<th>Step 1(^a)</th>
<th>Allowances and Employee Satisfaction</th>
<th>B</th>
<th>S.E.</th>
<th>Wald</th>
<th>df</th>
<th>Sig.</th>
<th>Exp(B)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>-0.703</td>
<td>0.151</td>
<td>21.639</td>
<td>1</td>
<td>0.000</td>
<td>0.495</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Constant</td>
<td>1.846</td>
<td>0.380</td>
<td>23.637</td>
<td>1</td>
<td>0.000</td>
<td>6.332</td>
</tr>
</tbody>
</table>

\(a\). Variable(s) entered on step 1: Allowances and Employee Satisfaction.

4.6.3 Training and Employee Satisfaction

The logistics regression analysis was carried out with a view of determining the influence of training on the employee satisfaction levels. The results indicated that the unit increase in training would lead to a negative influence on the employee satisfaction levels. This is due to regression coefficient (B) values of -1.920 for training. These results suggest that the training variable doesn’t have the capacity to positively and individually influence employee satisfaction without the input of the other variables.

Employee Satisfaction = 5.155-1.920 (Training)

Table 4.18: Logistic Regression of Training and Employee Satisfaction

<table>
<thead>
<tr>
<th>Step 1(^a)</th>
<th>Training and Employee Satisfaction</th>
<th>B</th>
<th>S.E.</th>
<th>Wald</th>
<th>df</th>
<th>Sig.</th>
<th>Exp(B)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>-1.920</td>
<td>0.249</td>
<td>59.702</td>
<td>1</td>
<td>0.000</td>
<td>0.147</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Constant</td>
<td>5.155</td>
<td>0.665</td>
<td>60.049</td>
<td>1</td>
<td>0.000</td>
<td>173.337</td>
</tr>
</tbody>
</table>

\(a\). Variable(s) entered on step 1: Training and Employee Satisfaction.

4.6.4 Promotion and Employee Satisfaction

The logistics regression analysis was carried out with a view of determining the influence of promotion on the employee satisfaction levels. The results indicated that the unit increase in promotion would lead to a negative influence on the employee satisfaction
levels. This is due to regression coefficient (B) values of -1.160 for promotion. These results suggest that the promotion variable doesn’t have the capacity to positively and individually influence employee satisfaction without the input of the other variables.

Employee Satisfaction $= 2.752-1.160 \text{ (Promotion)}$

**Table 4.19: Logistic Regression of Promotion and Employee Satisfaction**

<table>
<thead>
<tr>
<th>Step</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td>PromotionandEmployeeSatisfaction</td>
</tr>
<tr>
<td>Step 1a</td>
</tr>
<tr>
<td>B</td>
</tr>
<tr>
<td>-1.160</td>
</tr>
<tr>
<td>Constant</td>
</tr>
</tbody>
</table>

a. Variable(s) entered on step 1: PromotionandEmployeeSatisfaction.

### 4.6.5 Logistic Regression Analysis

The logistics regression analysis was carried out with a view of determining the influence of recognition, allowances, training and promotion on the employee satisfaction levels. The results indicated that the unit increases (individually) in recognition, allowances, training and promotion while keeping the other three independent variables constant would lead to a negative influence on the employee satisfaction levels. This is due to regression coefficient (B) values of -0.079, -0.132, -1.498, and -0.647 for recognition, allowances, training, and promotion respectively. These results suggest that the four independent variables don’t have the capacity to positively and individually influence employee satisfaction without the input of the other variables.

*Employee Satisfaction* $= 6.045-0.079 \text{ (Recognition)}-0.132 \text{ (Allowances)}-1.498 \text{(Training)}-0.647 \text{(Promotion)}$
Table 4.20: Logistic Regression of Employee Satisfaction

<table>
<thead>
<tr>
<th>Variable</th>
<th>B</th>
<th>S.E.</th>
<th>Wald</th>
<th>df</th>
<th>Sig.</th>
<th>Exp(B)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recognition</td>
<td>-.079</td>
<td>.199</td>
<td>.157</td>
<td>1</td>
<td>.692</td>
<td>.924</td>
</tr>
<tr>
<td>Allowances</td>
<td>-.132</td>
<td>.210</td>
<td>.395</td>
<td>1</td>
<td>.530</td>
<td>.877</td>
</tr>
<tr>
<td>Training</td>
<td>-1.498</td>
<td>.284</td>
<td>27.885</td>
<td>1</td>
<td>.000</td>
<td>.224</td>
</tr>
<tr>
<td>Promotion</td>
<td>-.647</td>
<td>.237</td>
<td>7.479</td>
<td>1</td>
<td>.006</td>
<td>.524</td>
</tr>
<tr>
<td>Constant</td>
<td>6.045</td>
<td>.942</td>
<td>41.204</td>
<td>1</td>
<td>.000</td>
<td>422.152</td>
</tr>
</tbody>
</table>

a. Variable(s) entered on step 1: Recognition, Allowances, Training, Promotion
CHAPTER FIVE
SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

The study sought to examine the effects of differential reward scheme on employee satisfaction in Nakuru County, Kenya and was guided by four objectives. The objectives included examination of the role of recognition, effect of allowances, influence of training, and role of promotion on employee satisfaction in county government of Nakuru. A total of 304 questionnaires were used for data analysis.

The study found that 45.1% of the respondents were male compared to 54.9% female respondents. Examination of the education levels of the respondents found 19.1% of the respondents had postgraduate education levels, 23.4% had graduate levels of education levels, and 50.0% had college levels education while 6% of the respondents had secondary school level education. The results indicated that 22.4% of respondents had worked for 1-3 years while 77.6% had worked for over three years. The results indicated that a majority of 77.3% were married, 19.1% were single and 3.6% were divorced. The study found that 14.8% were 25 to 35 years, 50.7% were 36 to 45 years, 26.6% were 46 to 55 years and 7.9% were over 55 years. Most of the respondents (54.7%) said they were not satisfied with their current employment status while those who responded to the affirmative were 45.7%.

5.2 Summary of the Results

The summary of the study was examined based on the objectives of the study.
5.2.1 Recognition and Employee Satisfaction

The recognition and employee satisfaction was examined using various metrics. In this context the average personal recognition for work well done, recognition of work practices adopted, recognition for job dedication, recognition of the work results that are acknowledged and recognition from supervisors was 3.2237, 3.4605, 3.2270, 3.2237, and 3.8421. The study found that in terms of recognition, the most satisfying was recognition from supervisors (3.8421) followed by recognition of work practices adopted (3.4605), recognition for job dedication (3.2270), and personal recognition for work well done and recognition of the work results that are acknowledged (3.2237). This study therefore found that on average the respondents were most satisfied by recognition from supervisors and were least satisfied equally by personal recognition for work well done and recognition of the work results that are acknowledged. The logistic regression analysis indicated that the unit increase in recognition would lead to a negative influence on the employee satisfaction levels. This is due to regression coefficient (B) values of -0.588 for recognition. These results suggest that the recognition variable doesn’t have the capacity to positively and individually influence employee satisfaction without the input of the other variables.

5.2.2 Allowances and Employee Satisfaction

Allowances and employee satisfaction was examined using the various metrics which sought to know whether amount of allowances paid to the respondents are fair for the roles they undertake, the different allowances payable for their role are fair for the roles they undertake, the amount of allowances payable in their role is comparable to colleagues with similar qualifications in the organization, the different allowances
payable for their role are comparable to colleagues with similar qualifications in the organization, whether they are happy with the allowances accorded to their roles.

On average, the respondents disagreed that with all aspects on allowances and employee satisfaction due to means of below 2.5. The respondents had moderate consensus that the different allowances payable for their role are not fair for the roles they undertake, and the different allowances payable for their role are not comparable to colleagues with similar qualifications in the organization as they both had standard deviation of between 0.5 and 1. Standard deviations for amount of allowances paid are fair for the roles they undertake, the amount of allowances payable in their role is comparable to colleagues with similar qualifications in the organization, and whether they are happy with the allowances accorded to their roles were above 1.000 which implied no consensus on each of the metrics. The logistics regression analysis results indicated that allowances variable doesn’t have the capacity to positively and individually influence employee satisfaction without the input of the other variable.

5.2.3 Training and Employee Satisfaction

Training and employee satisfaction was measured through examining whether respondents had sufficient access to training opportunities, whether the training opportunities they are exposed to are relevant, whether colleagues with similar qualifications have access to training opportunities that they access, whether they access the training opportunities with ease, and whether colleagues in other departments are able to access training opportunities with similar ease.
On average, the respondents disagreed that they have sufficient access to training and that they access the training opportunities with ease with means 2.2237 and 1.8059 respectively. On average, there was uncertainty on whether the training opportunities the respondents are exposed to are relevant, whether colleagues with similar qualifications have access to training opportunities that they access, and whether colleagues in other departments are able to access training opportunities with similar ease with means between 2.5 and 3.5. The logistic regression analysis indicated that training variable doesn’t have the capacity to positively and individually influence employee satisfaction without the input of the other variables.

5.2.4 Promotion and Employee Satisfaction

The influence of promotion on employee satisfaction was examined using the pace of promotion in respondent’s department, deserving candidates having a fair chance of promotion in my department, ability for colleagues with equal qualifications to have similar pace of promotion, colleagues undertaking equivalent work having similar pace of promotion, and the pace of promotion in the department being similar to other government departments with mean scores of 1.9408, 2.2204, 2.1711, 2.2599, and 2.4868 respectively. The means for the promotion metrics were of between 1.5 and 2.5 which indicated that the respondents on average disagreed with the metrics. Additionally the responses for each of the metrics on promotion were widely distributed with standard deviations above 1 which implied no consensus on any of the metrics. The logistics regression analysis results suggest that the promotion variable doesn’t have the capacity to positively and individually influence employee satisfaction without the input of the other variables.
5.3 Conclusion

The conclusion of the study was based on four objectives as below;

5.3.1 Recognition and Employee Satisfaction

In respect to the recognition metrics, the study concluded that there are diverse practices used in recognition practices across the county government of Nakuru. This was based on the fact that on average four out five metrics had the respondents being uncertain on whether they were satisfied with those individual metrics. These metrics included satisfaction with personal recognition for work well done, recognitions for work practices that have been adopted, and recognitions for job dedication. Additionally, four of the five metrics had very high standard deviations of above 1.0. These metrics included satisfaction with personal recognition for work well done, satisfaction with recognition for job dedication, satisfaction with recognition for work results being acknowledged, and valuing recognition for the recognition from work supervisors.

5.3.2 Allowances and Employee Satisfaction

The study concluded that there were no harmonized practices in relations to allowances issued at the County Government of Nakuru. This was in light to the results indicating that the respondents tended to disagree with all the allowances metrics due to means between 1.5 and 2.5. This fact was reinforced by the fact that three metrics for allowances had standard deviations above 1.0.

5.3.3 Training and Employee Satisfaction

The study concluded that there are very low satisfaction levels with the training opportunities within the County Government of Nakuru. This is due to very low scores
on average in relations to sufficiency of access to training opportunities, relevancy of training opportunities, equitable access of training opportunities amongst colleagues with similar qualifications, ease of access to training opportunities, and ability of colleagues in other departments being able to access training with similar ease.

5.3.4 Promotion and Employee Satisfaction
The study concluded that the county government of Nakuru employees was not satisfied with the promotional aspects in the county government. The means for the promotions indicated that the respondents on average tended to disagree with the metrics due to means of between 1.5 and 2.5. This was also evidenced by high standard deviations of above 1.0.

5.4 Recommendations
The study recommends that the county government of Nakuru should professionalize on their human resources management and practices.

5.5 Suggestions for Further Studies
The study recommends for further studies an examination of the challenges that the county government faces in a bid to improve on the human resources management practices.
REFERENCES


Vijayakumar, V. (2013). Impact of Rewards and Recognition on Employees Job
Satisfaction and Motivation in Private Banks of Tirunelveli City, (1994), 64–73.


APPENDIX A

INTRODUCTORY LETTER

My name is Tabitha Nyambura Norman, a Masters of Business Administration (MBA) student at Kenyatta University. You have been selected as part of the study entitled “Effect of Differential Reward Scheme on Employee Satisfaction in Nakuru County, Kenya”.

Kindly do take a few minutes to respond to the questions in the attached questionnaires. Your input will be integral in the successful completion of the research project. Your response will be treated with utmost confidentiality and will only be used for academic purposes. No financial compensation will be made for participating in this study. In case of any need for more clarification, kindly don’t hesitate to contact me.

Yours’ Sincerely,

Tabitha Nyambura Norman
APPENDIX B

QUESTIONNAIRE

Instructions: Please complete the following questionnaire appropriately.
Confidentiality: The responses you provide will be strictly confidential. No reference
will be made to any individual(s) in the report of the study.
Please tick or answer appropriately for each of the Question provided.

PART A: BACKGROUND INFORMATION

1) What is your gender? Male [ ] Female [ ]

2) What is your highest education level? Primary [ ]
Secondary Level [ ]
College Level [ ]
Graduate Level [ ]
Post Graduate Level [ ]

3) How Long have you worked in the County Government? Less than a year [ ]
1-3 Years [ ]
Over 3 Years [ ]

4) What is your marital status? Single [ ]
Married [ ]
Widowed [ ]
Divorced [ ]

5) What is your age group? 18-25 Years [ ]
25-35 Years [ ]
36-45 Years [ ]
46-55 Years [ ]
Over 55 Years [ ]

PART B: RECOGNITION AND EMPLOYEE SATISFACTION

For each of the following parts, please tick where applicable to the extent to which you
agree using the following likert scale.
SA= Strongly Agree   A=agree   U=Uncertain   D=Disagree   SD=Strongly

<table>
<thead>
<tr>
<th></th>
<th>SA</th>
<th>A</th>
<th>U</th>
<th>D</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>Am happy with personal recognition for work well done</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Am happy with recognitions of work practices I have</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

71
<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>adopted</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8) Am happy with recognitions for job dedication</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9) Am happy with the recognition of the work results that are acknowledged</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10) I value recognition from my supervisors</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**PART C: ALLOWANCES AND EMPLOYEE SATISFACTION**

For each of the following parts, please tick where applicable to the extent to which you agree using the following likert scale.  
SA= Strongly Agree  A=agree  U=Uncertain  D=Disagree  SD=Strongly

<table>
<thead>
<tr>
<th></th>
<th>SA</th>
<th>A</th>
<th>U</th>
<th>D</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>11) The amount of allowances paid are fair for the roles I undertake</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12) The different allowances payable for my role are fair for the roles I undertake</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>13) The amount of allowances payable in my role is comparable to colleagues with similar qualifications in the organization</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14) The different allowances payable for my role are comparable to colleagues with similar qualifications in the organization</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15) I am happy with the allowances accorded to my roles</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**PART D: TRAINING AND EMPLOYEE SATISFACTION**

For each of the following parts, please tick where applicable to the extent to which you agree using the following likert scale.  
SA= Strongly Agree  A=agree  U=Uncertain  D=Disagree  SD=Strongly

<table>
<thead>
<tr>
<th></th>
<th>SA</th>
<th>A</th>
<th>U</th>
<th>D</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>16) I have sufficient access to training opportunities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>17) The training opportunities I am exposed to are relevant</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18) Colleagues with similar qualifications have access to training opportunities that I access</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>19) I access the training opportunities with ease</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20) Colleagues in other departments are able to access training opportunities with similar ease</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**PART E: PROMOTION AND EMPLOYEE SATISFACTION**

For each of the following parts, please tick where applicable to the extent to which you agree using the following likert scale.  
SA= Strongly Agree  A=agree  U=Uncertain  D=Disagree  SD=Strongly

<table>
<thead>
<tr>
<th></th>
<th>SA</th>
<th>A</th>
<th>U</th>
<th>D</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>21) The pace of promotion is reasonable in my department</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>22) Deserving candidates have a fair chance of promotion in my department</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>23) Compared to other colleagues with equal qualifications, we have similar pace of promotion</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Compared to other colleagues doing equivalent work, we have similar pace of promotion

The pace of promotion in my department would be similar to other government departments

PART F: EMPLOYEE SATISFACTION

26) Do you feel satisfied with your current employment status?

Yes [ ]
No [ ]
APPENDIX C

KENYATTA UNIVERSITY LETTER

FROM: Dean, Graduate School
TO: Tabitha Nyambura Norman
C/o Business Administration Department.

SUBJECT: APPROVAL OF RESEARCH PROJECT PROPOSAL

This is to inform you that Graduate School Board, at its meeting of 21st June, 2017 approved your Research Project Proposal for the M.B.A Degree Entitled, “Effect of Differential Reward Scheme on Employee Satisfaction in Nakuru County, Kenya”.

You may now proceed with data collection, subject to clearance with the Director General, Commission for Science, Technology & Innovation.

As you embark on your data collection, please note that you will be required to submit to Graduate School completed Supervision Tracking forms per semester. The form has been developed to replace the progress report forms. The supervision Tracking Forms are available at the University’s website under Graduate School webpage downloads.

Thank you.

HARRIET BABOKE
FOR: DEAN, GRADUATE SCHOOL

cc: Chairman, Department of Business Administration

Supervisors:

1. Dr. Philip Wambui
   Department of Business Administration
   Kenyatta University
Kenyatta University
Graduate School

E-mail: deao-graduate@ku.ac.ke
Website: www.ku.ac.ke

P.O. Box 43644, 00100
NAIROBI, KENYA
Tel. 8710901 Ext. 57330

Our Ref: D53/OL/NKU/32522/2013

DATE: 27th June, 2017

Director General,
National Commission for Science Technology
& Innovation,
P.O. Box 30623-00100,
NAIROBI

Dear Sir/Madam,

RE: RESEARCH AUTHORIZATION FOR TABITHA NYAMBURA NORMAN – REG. NO.
D53/OL/NKU/32522/2013

I write to introduce Ms. Tabitha Nyambura Norman who is a Postgraduate Student of this
University. She is registered for M.B.A. degree programme in the Department of Business
Administration.

Ms. Norman intends to conduct research for an M.B.A Project Proposal entitled, “Effect of
Differential Reward Scheme on Employee Satisfaction in Nakuru County, Kenya”.

Any assistance given will be highly appreciated.

Yours faithfully,

[Signature]

MRS. LUCY N. MBAARU
FOR: DEAN, GRADUATE SCHOOL

11/01/14
APPENDIX D

NACOSTI LETTER

THIS IS TO CERTIFY THAT:
MS. TABITHA NYAMBURA NORMAN
of KENYATTA UNIVERSITY, 0-20100
NAKURU, has been permitted to conduct
research in Nakuru County

on the topic: EFFECT OF DIFFERENTIAL
REWARD SCHEME ON EMPLOYEE
SATISFACTION IN NAKURU COUNTY,
KENYA

for the period ending:
18th September, 2018

Applicant's
Signature

Permit No: NACOSTI/P/17/51665/19169
Date Of Issue: 19th September, 2017
Fees Received: Ksh 1000

Director General
National Commission for Science,
Technology & Innovation

CONDITIONS
1. The License is valid for the proposed research,
research site specified period.
2. Both the Licensee and any rights thereunder are
non-transferable.
3. Upon request of the Commission, the Licensee
shall submit a progress report.
4. The Licensees shall report to the County Director of
Education and County Governor in the area of
research before commencement of the research.
5. Excavation, filming and collection of specimens
are subject to further permissions from relevant
Government agencies.
6. This Licence does not give authority to transfer
research materials.
7. The Licensee shall submit two (2) hard copies and
upload a soft copy of their final report.
8. The Commission reserves the right to modify the
conditions of this License including its cancellation
without prior notice.

REPUBLIC OF KENYA

National Commission for Science,
Technology and Innovation

RESEARCH CLEARANCE
PERMIT

Serial No.A 15815
CONDITIONS: see back page
Ref No. NACOSTI/P/17/51665/19169

Tabitha Nyambura Norman
Kenyatta University
P.O Box 43844-00100
NAIROBI.

RE: RESEARCH AUTHORIZATION

Following your application for authority to carry out research on “Effect of differential reward scheme on employee satisfaction in Nakuru County, Kenya,” I am pleased to inform you that you have been authorized to undertake research in Nakuru County for the period ending 18th September, 2018.

You are advised to report to the County Commissioner, the County Director of Education, in Nakuru County before embarking on the research project.

Kindly note that, as an applicant who has been licensed under the Science, Technology and Innovation Act, 2013 to conduct research in Kenya, you shall deposit a copy of the final research report to the Commission within one year of completion. The soft copy of the same should be submitted through the Online Research Information System.

GODFREY P. KALERWA MSc., MBA, MKIM
FOR: DIRECTOR-GENERAL/CEO

Copy to:

The County Commissioner
Nakuru County.

The County Director of Education
Nakuru County.