

**INFLUENCE OF COMPENSATION STRATEGIES ON EMPLOYEE'S
PERFORMANCE IN THE PUBLIC HEALTH SECTOR IN NAIROBI CITY
COUNTY, KENYA**

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DECLARATION

This research project is my original work and to the best of my knowledge has not been submitted for examination in any other University or institution of higher learning.

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DEDICATION

This project is dedicated to my daughter Jamy and my son Tom for their prayers and encouragement they have always accorded me in my pursuit of this master's degree. May the Lord, God Almighty bless them abundantly.

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First and Foremost to Almighty God who has blessed me with a sound mind and has been my strength and inspiration. I would like to sincerely acknowledge my supervisor Dr. Kiiru for his effort in guiding me to see the success of this research projects. I also acknowledge my colleagues and Kenyatta University community at large for their support during my study period.

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OPERATIONAL DEFINITION OF TERMS

COMPENSATION: This is the aggregate sum of the money related terms and non-financial pay gave to a representative by a business as an end-result of work executed as required.

PERFORMANCE: Refers to the achievement of a set activity in regard to the organizational set standards, with accuracy, within the budget and time.

PUBLIC HEALTH: This includes Health care units, County hospitals, and Maternal and child healthcare

REWARD This is an extra compensation for employees who carry out the activities in their role description and meet or surpass their objectives

INCENTIVES Employee incentives can take many forms, but, ultimately, they are tools managers use to reward good work and encourage employee retention.

BONUSES Reward pay is remuneration well beyond the measure of pay determined as a pay or hourly rate of pay given to a worker.

CUSTOMER SATISFACTION An estimation used to measure how much a client is content with an item, administration, or experience

ABBREVIATION AND ACRONYMS

AMO:	Theory, Ability, Motivation, and Opportunity Theory
APA:	American Psychological Association
AWPs:	Annual Work Plans
CIDP:	County integrated Development Plan
HR:	Human Resources
HRD:	Human Resource Development.
HRM:	Human Resource Management
KEMRI:	Kenya Medical Research Institute
KEMSA:	Authority Kenya Medical Supplies Agency
KEMSA:	Kenya Medical Supplies Agency
KHSSP:	Health Sector Strategic and Investment Plan
MOH:	Ministry of Health
NHIF:	National Hospital Insurance Fund
NHSIP:	Health Sector Strategic and Investment Plan
RBV:	Resource-based view

ABSTRACT

Compensation plays an important role in determining employees' job satisfaction and thus performance. The perception of being paid what one was worth predicts job satisfaction. Health Workers in Kenya have always downed their tools lamenting about their compensation which raises concern about their job satisfaction. However it was not clear the influence compensation has on employees performance to cause the many stand offs. This study therefore sought to establish the effects of compensation on employees' performance in the Public Health Sector in Nairobi City County Kenya. The objectives of the study were to determine the effects of both financial and nonfinancial compensation on employees' performance. The study employed a descriptive research design. Stratified random sampling were used to select a sample size of 110 employees drawn from the target population of 1100. Responses were collected through administration of questionnaire. The validity and reliability of the questionnaire were enhanced through a pilot study carried out in selected Hospitals in Nairobi City County. To ensure the validity of the instruments, both face and content validity was used. Data collected was categorized coded and then tabulated using SPSS. The qualitative data were analyzed using descriptive statistics, means frequency tables and percentage. The study established that competitive salaries, incentives, indirect compensation and rewards had a positive and significant influence on employees' performance. The study concludes that a competitive salary package can improve employee motivation, reduce employee turnover and increase productivity, incentive plans motivate workers for higher efficiency and productivity. It can improve the work-flow and work methods, indirect compensation is a non-monetary benefits offered and provided to employees in lieu of the services provided by them to the organization and that that employees become more engaged when their performance is properly recognized by their employer. The study recommends that paying a competitive salary is crucial for companies wishing to recruit and retain top talent, the organization should review existing reward programs and determining their effectiveness in meeting the organization's objectives, employees should be provided with the adequate allowances and facilities during their overtime, if they happened to do so, such as transport facilities, overtime pay, etc. allowances to get their regular check-ups and that the organization should align employee reward strategies with business strategy.

CHAPTER ONE

INTRODUCTION

1.1 Background of the study

To guarantee the accomplishment of firm objectives, the organizations make an environment of responsibility and participation for its workers through arrangements that encourage employees remuneration. Pay of human asset discovers close connects to exceptionally energetic employees. Propelled employees at that point create unwaveringness or responsibility to the firm coming about to more noteworthy profitability and lower turnover rates (Edralin, 2010).

Compensation is characterized as the aggregate sum of the money related and non-fiscal pay gave to an employee by a business as an end-result of work executed as required (Horton & Chilton, 2010). Improving the quality of health services is a continuing challenge to managers in the health system (Lin & Ho 2012). As a matter of fact, the job satisfaction of health care employees is a very important factor that has a pro-found impact on productivity as well as on the quality of patient care (Dudkiewicz, 2014).

In Denmark, a few organizations frequently direct their very own activity fulfillment reviews and employee fulfillment record has been figured for various European nations. The European Union has called the consideration of member states to the quality parts of work and featured the significance of enhancing work quality through pay plans to advance business and social incorporation (European Commission, 2002).

The subject of worker remuneration is especially important to general wellbeing professionals because of the way that hierarchical and employees' wellbeing and

prosperity rest a lot on work fulfillment which is extraordinarily contributed by pay (Kabango, 2013). The proof from inquires about focuses to particular determinants and relationships of employment fulfillment and efficiency. Disappointment with one's activity because of absence of pay may result in higher employee turnover, non-attendance, gradualness and complaints. Enhanced employment fulfillment, then again, results in expanded efficiency (Khadka, 2012).

Like most other African nations, Kenya is confronted with a human asset emergency in the general health sector: a large number of its experts in the health sector, for example, specialists and medical caretakers, are relocating to the developed nations to look for better work prospects. Within the nation itself, they are leaving country zones to work in urban zones for a similar reason

The emergency started in the basic change programs that the legislature marked with the World Bank and IMF in the 1990s, which requested a stop on enlistment for the general health sector and compulsory staff conservations (Kelsey, 2015). Despite the fact that the government's Economic Survey of 2007 shows incredibly expanded spending on general health sector, the segment remains seriously under-financed and movement to urban regions in Kenya and abroad proceeds unabated (Mwaniki, 2008).

The nature of health frameworks depends significantly on the execution of specialists who are happy with their occupations, and along these lines remain at their stations, work and improve higher efficiency in the health offices. Kenya is looked with an incredible test in this regard, with low health specialist to populace proportions, weakness pointers, and a disturbing mind deplete (Health Sector Review, 2010). Low occupation fulfillment and low inspiration don't just decrease execution of the health frameworks yet additionally comprise a genuine push factor for movement of health

laborers, both from provincial zones to the urban areas, and to different Counties (Onyango & Wanyoike, 2014).

The point of Management is to meet individual and organizational objectives. This requires fortifying health specialists' self-viability by offering proper remuneration and guaranteeing training and supervision, guaranteeing the accessibility of basic means, materials and supplies and in addition hardware and the arrangement of satisfactory working conditions. Poor risky working conditions, low compensation and poor improvement techniques do not just diminish execution of the health frameworks yet additionally comprise a genuine push factor for relocation of health laborers, both from country zones to the urban areas, and to different Counties (Mathaeur, 2011).

It is in this manner an imperative objective of HR administration in the health segment to reinforce the inspiration of health laborers, from heads of health offices to assistant staff. Exceptionally energetic staff will not just perform better yet additionally give a higher nature of health administrations. Medical specialists or nurses who are persuaded in their present place of employment may likewise be as less slanted to leave their activity or even their nation behind looking for choices, for example, higher pay and additionally better working conditions.

Notwithstanding enthusiasm for the issues of human asset for health laborers in developing nations has so far not gotten as much consideration as the subject benefits (Ministry of Health Information Guide, 2009). Compensation is especially basic for open medicinal services organizational prosperity. This is because of numerous reasons. To start with, general health workers fill open needs and persuaded employees are basic to satisfy the legislatures' obligations to their natives and networks. Second, people look for fulfillment from legislative administrations and to

the degree that legislature can react to their requirements auspicious and successfully, their certainty on government development. Government's capacity to react opportune and adequately - to some degree relies upon how much open employees will apply exertion in their occupations. Third, government faces expanding open requests and monetary limitations to meet those requests (Coovadia & McIntyre, 2009). Workers' pay is a focal piece of the work relationship. From the workers' perspective, to do with wages, pay rates and different profit majorly affecting their general salary and their way of life. Employees join extraordinary significance to pay choices when they assess their organization with others. In this manner, pay choice must be deliberately overseen and imparted (Kristal, 2013). This at last impact their work

1.1.1 Employees Compensation

Compensation is characterized by Hameed (2014) as, the cash and advantages that organization give employees in return for work. It contains pay or monthly pay as salary, payments made indirectly as benefits and incentives (Muriithi, 2015). Salary is paid for add up to commitments while money related motivators are paid to particular employees whose work is above standard. Advantages and administrations are accessible to all workers in view of their enrollment in the association.

Compensation is an important and complex part of the organization-employee relationship. According to Franco-Santos, (2014), basic compensation / salary, is important to give workers the way to keep up a sensible way of life. Remuneration additionally gives an unmistakable proportion of estimation of the person to the association. Incidental advantages fulfill the social human relations and large scale monetary objectives.

Leana, (2015) included that, if employees do not win enough to meet their essential monetary objectives, they will look for business somewhere else. In like manner, in

the event that they trust that their commitments are underestimated by the organization, they may display poor work propensities, low assurance and little pledge to the organization.

According to Ejumudo (2014), pay disappointment prompts take away from the organization's efficiency and decrease in the nature of work, may bring down execution, increment complaints or cause them to stop. Poor remunerated occupations can prompt non-appearance and different types of employee withdrawal. Excessive charge then again causes tension, blame and uneasiness, decreases the organizations aggressiveness and its capacity to give employments

Organization management is always concerned about drawing in and keeping employees whose execution meets in any event least levels of worthiness and at keeping non-attendance and turnover to mediocre levels. That is the reason their pay contracts will go for compensating workers so that they can endeavor to amplify firm execution and investors riches. The way in which laborers react to motivating forces gave to them through remuneration assumes a huge job in deciding both their individual level of execution and the execution of the association in general (Aswathappa, 2005).

According to Smith, (2015), rewarding behavior binds pay to execution somehow. This is on account of remuneration designs need to compensate conduct that enhances the organization's nature of work, activity, imagination, collaboration and initiative. Managers all through the world as per Adeoye and Elegunde (2014) are looking for approaches to build efficiency by connecting remuneration to execution. Worker remuneration if appropriately controlled is a viable instrument to acquire, keep up and hold a gainful workforce.

Since pay can flag what practices are most esteemed, it has the capability of affecting both firmly singular profitability and the key bearing of the organization (Sartore& MacIntosh, 2012). A study by Sakwa (2004) uncovers that, greater part of private clinics are professionally run and are quick to be focused in view of market rates. It is along these lines vital that aggregate pay that objectives fascination, inspiration and maintenance of representatives apply a coordinated system

1.1.2 Performance of employees in the Health Sector since devolution

Employee performance according to Hossain, (2012) refers to the values and overall benefits that an organization derives from an employee in a specific period of time. On the other hand Govender (2014) defined job performance as a means of attaining goals and objectives within a job. He also indicated that job performance is a set of complex and intricate activities that refers how to a job gets done and not the outcomes of the acts used to perform a job. Carlson *et al* (2006) defined job performance as the completion of activities by employees in a prescribed measurable standard as set by management while utilizing resources in a dynamic environment.

A synthesis of the above definition shows that job performance is used to assess the level at which an employee performs a given job. However, Joo (2012) emphasizes on the need for job performance systems to be based on employee behavior rather than the consequences of those behaviors. Mildred (2016).further indicates that emphasis on consequences is likely to have employees devise easier or alternative way to achieve pre-determined outcomes which are detrimental to the organization in the long term.

Consequently, Simons (2012) and Clarke (2013)seem to agree on the fact that performance should be perceived as the outcome of a set of behavior and that job performance should be regarded as the observable behaviors that workers engage in.

Rummler and Brache(2012) proposed a theory of performance which explained that for an organization to improve its performance, it should either use its people or change technology. Sasse (2015) further argued that an organizations workforce is the largest unexplored potential for improving its productivity. Researchers have cited the importance and relevance of job performance because it is an important criteria used in determining the success and prosperity of an organization Also, Job performance is significant to employees because it indicates level of efficacy, high performance, mastery and elicits feelings job satisfaction (Frenkel,2013)

Despite elaborate implementation of devolved health services in some countries, there are existent challenges pertaining to a number of issues. Key among these concerns is healthcare personnel tend to concentrate in major urban areas hence denying services to far fling local authorities. Employing highly skilled specialists to such areas may prove very difficult (World Health Organization, 2008).There is also likelihood of poor remuneration especially where the payroll is determined at the local level which may consequently lead to reduced performance. Institutional weaknesses can result in recruitment of unqualified staff to satisfy political interests or nepotistic tendencies. As a solution to these challenges, there has been a tendency to recentralize the major skilled workers with low cadre workers being recruited and paid by the local governments.

Another model applied is the contractual bonding where health care workers are deployed in a remote area for a given period of time with additional financial payoff (Nyongesa & Munguti, 2015). The major causes of crisis in the devolved health sector includes, high staff turnover, deficient information systems, inadequate wages, non-involvement of employees in decisions that affects their work life, low

performance, poor working conditions to inability to attract and retain people into public health work (Mildred, 2016).

This poses a challenge on performance and a lack of employee involvement initiatives in the Public Health Sector because an organization has the responsibility to create a conducive work environment and involve employee in decisions that affect their work life by removing barriers that hamper employee involvement. Compensation is also key in playing this role. (Ogolla, 2010).

1.1.3 Public Health Sector in Kenya

The Kenyan health system follows a top down hierarchical structure which is overseen by the Ministry of Health (MOH) and is further split into two sister Ministries which are the Ministry of Medical Services and the Ministry of Public Health and Sanitation. The Ministry of Public Health and Sanitation supports programs that ensure the health goals of the Kenyan people are achieved by intervening in public health issues as described in its mandate. In its activities, the Ministry of Public Health and Sanitation is directed by the strategic framework as developed by Strategy for the National Transformation 2008–2012 (Mildred, 2016)

The Ministry of Public Health and Sanitation plays an important role in implementing the objectives of the public health policy. In this regard, the Ministry of Public Health and Sanitation undertakes the following key functions: Public Health and Sanitation Policy Management, Promotive and Curative Health Services, Preventive Health, Programmes including Health Services, Medical Services Policy and Coordination of Campaign against HIV/AIDS.

The various institutions that are under the Ministry of Public Health and Sanitation include the following: Government Chemist, Kenya Medical Research Institute (KEMRI), Pharmacy & Poisons Board, National Hospital Insurance Fund (NHIF), Radiation Protection Board and Referral Hospitals Authority Kenya Medical Supplies Agency (KEMSA) and National AIDS Control Council (Khssp, 2013).

1.1.4 Public Health Sector in Nairobi City County

The promulgation of the Constitution of Kenya in 2010 resulted in two levels of Government: the National Government and the County government. Article 43 of the Constitution of Kenya 2010, entrenches the rights based approach to health and provides for the devolution of health services to County governments.

The devolved County Governments have the executive and legislative authority to raise revenue, to establish policies, to plan and to make own budgets for the purposes of delivering services closer to the people. Nairobi City County government took office in April 2013 after Kenya's general elections of 2013 with a vision to make Nairobi "The city of choice for all to invest, work and live in" Under the Legal Notice Number 137 of 9th August 2013 and in line with the County Governments Act 2012, the Transitional Authority formally transferred the following health service functions to the Nairobi City County Government (Mwenda,2010)

Promotion of primary health care; County health facilities and pharmacies; Ambulance services: including emergency response and patient referral system; Licensing and control of undertakings that sell food to the public; Enforcement of waste management policies, standards and regulations; Veterinary services; to carry out, coordinate and oversee veterinary services.(Health Sector Working Group

Report, 2016). To deliver these health service functions, the National government, in the Sessional Paper No. 6 of 2012 on the Kenya Health Policy (2014-2030), has designed a Health Policy framework that guides health service delivery in line with the Constitution and with Kenya's Vision 2030.

The policy objectives contained in the Kenya Health Policy (2014 - 2030) and Kenya Health Sector Strategic plan (KHSSP 2013 – 2018) greatly informed the development of the Nairobi City County Health Sector Strategic and Investment Plan (NHSIP) 2013 – 2018 including the seven strategic objectives. The NHSIP plan is implemented and monitored through Annual Work Plans (AWPs). Consolidated nine sub County annual performance reviews are contained in the County Annual Performance Report and Plan (APRP) for implementation of health services. In addition, the County integrated Development Plan (CIDP) defines the County's service and infrastructural needs and targets in the coming five years. (Health Sector Working Group Report, 2016).

1.2 Statement of the Problem

The healthcare sector is an area that has been threatened by brain drain with most of its trained staff seeking greener pastures overseas. Others prefer self-employment or operate private clinics to generate more income (Torres, 2010). Studies done (Lipinge *et al* 2006) confirm remuneration package as the cause of retention and exit of health professionals. Also the mushrooming of private hospitals since the 1990s has led to growth in product competition (Mwangi, 2001).

Organizations are therefore more constrained than ever in making compensation decisions and as result are faced with an incredible tension between needing to compete for the best labour and working within the constraints of the ability to pay. Studies have been done outside Kenya, to determine the effect of remuneration on

workers' performance; Kingma & Mireile (2003) Switzerland, Ajila & Abiola (2004) Nigeria and Lipinge Scholastika, Kathe, Lucille and Monika (2006) Namibia among others.

They found a relationship between employees' performance and compensation. Existing studies have illustrated how HR practices played an important role in the performance of organizations, particularly across industries. Effect of human resource management practices such as compensation on firm performance has received considerable importance in last 25 years showing effective connection between HR practices and firm performance (Qureshi, *et al.*, 2010). Thus, there is a need to show how HR practice of employees' compensation is interlinked with employees' performance in the public sector. From the various studies undertaken globally on HRD practices in different platforms, there is very little, if any, evidence relating to the Public health sector in County Governments in Kenya. (Sheila & Kwasira, 2015)

Looking at the studies that have been conducted on the concept of compensation both locally and globally, the level of contribution to employees performance by this practice has not been analyzed, hence the main objective of this research. Empirical evidence in Kenya from studies which have been conducted in the same including a study by Njoki (2000), Sakwa (2004) and Muthigani (2005) is not fully researched and related studies are not well documented. This is the gap this study seeks to fill. This study seeks to explore the effect that compensation has on performance of employees in the public health in Nairobi City County. Despite public hospitals determining and administering compensation schemes, it is not clear how these schemes affect the performance of employees within the sector in Kenya.

1.3 Objectives of the study

The general objective of the study was to establish the Influence of Compensation Strategies on Employees' Performance in the Public Health Sector in Nairobi City County, Kenya.

1.3.1 Specific Objectives

The specific objectives of this study were as follows;

- i) To investigate the effects of Competitive salaries on employee's performance in the Public Health sector in Nairobi City County.
- ii) To determine the effects of Incentives on employee's performance in the Public Health sector in Nairobi City County.
- iii) To assess the effects of rewards on employee's performance in the Public Health Sector in Nairobi City county.
- iv) To examine the effects of indirect compensation on employee's performance in the Public Health sector in Nairobi City County.

1.4 Research Questions

- i) What is the Influence of Compensation Strategies on Employees' Performance in the Public Health Sector in Nairobi City County?
- ii) What is the Influence of Incentives and rewards on employees' performance in the Health Sector in Nairobi City County?
- iii) What is the Influence of indirect Compensation Strategies on employees' performance in the Health sector in Nairobi City County?
- iv) What is the Influence of rewards on employees' performance in the Health Sector in Nairobi City County?

1.5 Significance of the Study

This study would help the public health sector adopt appropriate compensation schemes for employees' initiatives to enhance their performance thus increasing productivity. Besides, the study would benefit other researchers in carrying out further empirical research studies on employee compensation. The study would enable researchers to find out how various factors affect employee compensation. This research study would also help to highlight other important variables that require further research; this may be focusing of other variables that have effect on the employees' performance. Finally, the study would help public health sector in policy formulation aimed at controlling and motivating employees within the sector in Kenya.

1.6 Scope of the study

The study focused on the Public Health institutions that have embraced appropriate compensation strategies programs in their Human Resources management within Nairobi County. Nairobi City County has been chosen since it's the capital city of Kenya and the economic hub of Kenya where most of the Public Health Institutions are situated. The study area would therefore be good enough to give ground for generalization of the findings on the whole Public Health sector in Kenya. The sample was drawn from 1100 medical staffs who are currently employed in 78 public health institutions found in Nairobi City County.

1.7 Limitations of the Study.

The study extent is limited due to the confidentiality of the information requested from the respondents. However, assurance was given through a letter from the University that the information obtained would only be used for research work.

Besides, time limitation is another factor that would be handled through the appointment of a research assistant.

1.8 Organization of the study

This study is organized in five chapters. Chapter one constitutes the background of the study, statement of the problem, objectives, significance, scope, limitations and organization of the study. Chapter two comprises of the theoretical literature review, empirical literature review, summary of literature review and research gaps and conceptual framework. Chapter three encompasses the methodology which presents the research design, target population, sampling design, research instrument, data collection procedure, data analysis and ethical considerations. Chapter four constitutes the research findings and discussion which presents the response rate, background information, descriptive statistics, inferential statistics and analysis of qualitative data. Chapter five presents the summary, conclusion, recommendations for policy and practice, and recommendations for further study.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter presents the literature review relevant to the area of study. It summarizes the information from other researchers who have carried out their research in the same field of study. The various areas of literature to be reviewed include; theoretical review, empirical review, summary of research gaps and the conceptual frame work.

2.2 Theoretical Review

This section sheds light on the theoretical framework supported by different authors' views on compensation and employee's performance and the various theories relevant therein. The connection among pay and worker execution can be seen from the viewpoints of various hypotheses pertinent to the investigation. With the end goal of this investigation, the specialist will survey various hypotheses as connected by different scientists internationally. The speculations are further investigated based on experimental proof found in writing on the topic of worker performance.

2.2.1 Ability, Motivation, Opportunity Theory (AMO Postulate)

The AMO theory was formulated by Olander and Thogersen, 1995. According to the theory organizational interests are best served by a system that attends to the employee's ability, motivation, and opportunity. AMO theory of motivation clarifies the connection among inspiration and execution. The hypothesis suggests that execution at singular level relies upon high inspiration, ownership of the essential aptitudes and capacities and a proper job and comprehension of that job (Savaneviciene & Stankeviciute, 2010). It is a short advance to indicate the HRM rehearses that support high aptitudes and capacities, for instance cautious choice and high interest in preparing; high inspiration, for instance representative contribution

and execution related pay; and a fitting job structure and job discernment, for instance work plan and broad correspondence and criticism. Diverse HR rehearses/approaches affect capacity, inspiration, and somewhat, capacity prerequisites/opportunity (Katou, 2008). Enlistment and choice, preparing and advancement strategies are relied upon to have their essential impact on capacity (and related hope inspiration discernments).

Job design and job analysis basically decide capacity prerequisites/opportunity and somewhat, (characteristic) rewards advertised. Pay has its essential impact on remunerations offered and instrumentality observations (inspiration). The AMO hypothesis claims, there will be upgraded execution if the workplace gives the vital help (for instance through working innovation) (Musah, 2008). Ahmid, (2012) contended that the organization may embrace a high-responsibility technique, including work rehearses, examination, intensity, reasonable pay, and extensive preparing and improvement with the goal for representatives to have high duty and inspiration. This hypothesis suggests that an organization's HRD practices should accelerate advancement for those staffs with high capacity and inspiration at whatever point an open door emerges. This implies those with high capacity and inspiration ought to be given need over those with bring down capacity and inspiration as to remuneration. This theory is important in this study thusly in light of the fact that it encourages basic leadership concerning employee's remuneration.

2.2.2 Expectancy Theory

Expectancy theory was formulated by Victor H.Vroom, 1964 at the Yale School of Management. The hypothesis suggests that an individual will act unquestionably in light of the fact that they are roused to choose a particular conduct over different practices because of what they expect the aftereffect of that chose conduct will be. An investigation by Seligman, (2014) on positive brain research, inspiration is probably

going to be when there is an apparent and usable connection between and result, with the result being viewed as a methods for fulfilling needs. As it were, there must be a connection between a specific reward and what must be done to accomplish it.

This theory is imperative with regards to this study as it is instrumental particularly when planning performance based worker welfare programs. In the Kenyan setting, people in general area specifically the Public Health depends altogether on government employees to give administrations to the general population. Adjusting aggressive rewards and enhanced worker execution must be of key noteworthiness to the National Government. The last need to outline execution based worker welfare programs in order to guarantee government employees keep on performing outstandingly. This hypothesis contends that there must be clear technique for improvement. It is this methodology that representatives will contrast against their capabilities with check whether they can create in an association or not. This hypothesis clarifies why an organization's staff would feel certain that they can develop in a similar association, subsequently stay there, or look for advancement somewhere else by going there prompting way out of staff (Sheila & Kwasira, 2015).

2.2.3 Resource based View Theory

RBV theory was formulated by Penrose (1949). This theory believes that organizations should search inside to discover the wellsprings of upper hand as opposed to taking a gander at the aggressive condition for it. Inside the asset based view (RBV) of the firm, which advocates that an association can increase upper hand by drawing in and holding best HR, universalistic and possibility HRM-execution linkage models have been either hypothetically or experimentally created (Wood, 1999). The universalistic model proposes that a predefined set of HRD hones (the alleged accepted procedures) will dependably deliver unrivaled business results

whatever the going with conditions. The possibility display contends that an association's arrangement of HRM approaches and practices will be viable on the off chance that it is steady with other authoritative procedures.

There is no agreement among scientists with respect to which a model is the transcendent one (Wood, 1999). With regard to the HRD-execution linkage display building writing, in spite of the fact that Wimbiscus (1995) bolsters the view that HRD does not have a bringing together model that might be utilized to comprehend HRD issues, most current HRD models are following the universalistic as opposed to the possibility point of view (Kuchinke, 2003). Preparing (Holton and Naquin, 2005) and employability (Garavan & O'Donnell, 2004) are thought to be the fundamental segments for individuals to secure capabilities that thusly will essentially enhance hierarchical execution.

There is few researchers most eminently Lepak (2013) who advocate that interest in HR might be dependent upon the particular attributes and commitment of gatherings of representatives to the association. In dissecting the effect of HRD on authoritative execution every one of the HRM execution linkage models created supplements the others by including builds, factors or connections (Alcazar & Gardey, 2005).

2.3 Empirical Review

This section discusses past studies, relate them to the current research and give summary on gaps that need further research; The general objective is to examine the effects of compensation on employee's performance in the public health sector in Kenya but empirical review will be focused on Competitive Salaries, Incentives and Rewards & Indirect compensation.

2.3.1 Competitive Salaries and Employees performance

It has been discovered that there is a critical connection between pay in type of pay rates and worker and hierarchical execution. (Shin-Rong & Chin-Wei, 2012). For instance, Mayson and Barret (2006) found that a company's capacity to pull in, persuade and hold workers by offering focused compensations and proper prizes is connected to firm execution and development. Then again, Inés and Pedro (2011) found that the remuneration framework utilized for the business people affects singular sales representative execution and deals association viability. Hence, in an ever aggressive business condition, numerous organizations today are endeavoring to recognize imaginative pay procedures that are straightforwardly connected to enhancing performance in organizations (Denis & Michel, 2011).

The study survey results conducted by Mclean and Tanner (1999) revealed that 70% of CEOs (chief executive officer) and 58% of human resource managers said that the company can implement compensation programs to improve performance of employees. (Wekesa & Nyaroo, 2013). Harber (2014) states that if you heard that money does not provide the motivation to do better or if the compensation in the form of money/salary was ranked low, it is the result of a disability survey. In addition, he said that it is funny if a person is not motivated to excel by money. William, (2010) stated that when employees feel their efforts are appreciated and the company introduced a system of fair compensation and satisfaction, the company will have optimized motivation and hence increased employee performance.

Brown (2003) in his study on employees' motivation and performance saw compensation in form of salaries as exchange return between the workers and themselves as a privilege for being representative of an association, or as a reward for

a vocation well done. Workers pay does not depend exclusively on the occupations they hold, rather association shift the sum paid by contrasts in execution of the individual, gathering or entire association also contrasts in representatives' characteristics, for example, security, instruction levels and abilities;(Gomez-Mejia, Berrone & Franco-Santos2014). Fürmeine Eltern (2011) in his study entitled "Compensation and Performance" noted that Pay decisions have an impact on a wide variety of activities along the HR value chain as they influence activities like; recruitment, development, and detainment of employees. Also, pay is an important element for the motivation and satisfaction of employees.

As per a study report by the Society of Human Resource Management (2012), 6 out of 10 workers demonstrated that remuneration in type of compensations was imperative to their general employment execution, putting it just three rate focuses underneath circumstances that utilization aptitudes and capacities and just a single rate point beneath professional stability in 2012. It is additionally expressed pay, alongside employer stability, has reliably stayed on the rundown of the best five activity fulfillment factors most vital to workers. As the financial atmosphere keeps on warming up and enlisting rates increment, alluring pay bundles will be one of the systems associations going after ability will use to enlist and hold the best representatives (SHRM, 2012).

Adams (2013) on his study on the impact of employee motivation on organizational performance recommends that individuals are persuaded to look for social value in the prizes they get for superior. As indicated by him the result from work incorporates; pay acknowledgment, advancement, social relationship and characteristic reward. To get these prizes different sources of info should be utilized by the workers to the

activity as time, understanding, endeavors, training and steadfastness. He proposes that, individuals tend to see their results and contributions as a proportion and afterward contrast these proportions and others and swing to end up propelled if this proportion is high. Work inspiration does not decide representative's level of execution, but rather it influences his/her exertion toward playing out the assignment (Kiruja & Elegwa, 2013).

According to Nduro, (2012) on his study on people and motivation, money has huge spurring power in as much as it symbolizes impalpable objectives like security, power, distinction, and a sentiment of achievement and achievement. He likewise displays the motivational influence of cash with the procedure of occupation decision and explains that cash has the ability to pull in, hold, and inspire workers towards higher execution. For example, if a representative has another activity offer, which offers more noteworthy money related rewards and has indistinguishable occupation attributes with his present place of employment, that laborer would most likely be inspired to acknowledge the new activity offer (Nduro, 2012). Sachau(2007) distinguished essential pay as a "cleanliness factor" that could cause representative occupation disappointment if its desire are not understood. They additionally discovered that essential pay was one of the key components that altogether impact representatives' activity fulfillment. Mulveyet al. (2002) additionally discovered that poor pay meant low employment fulfillment, which was thusly identified with low degrees of work commitment.

In a comparative design, investigation on execution evaluation has uncovered that adequate data, for this situation on execution examination criteria, builds fulfillment with the execution evaluation framework. The model proposes that compensation

fulfillment relies upon the level of inconsistency between person's impression of the measures of pay, that they ought to get, and what they really do get

2.3.2 Incentives and Rewards & Employees Performance

Zaman *et al* (2011) demonstrated that there is a huge and positive connection between extraneous prizes and worker inspiration and consequently execution, yet the test is that businesses are not offering reasonable and satisfactory monetary prizes to their representatives. In the event that representatives feel that their exertion is valued, and the organization has a decent pay structure in view of occupation assessment, the employees' inspiration and duty will enhance and consequently execution. The more noteworthy the prizes offered to the representative the more noteworthy the levels of their performance (Wekesa, 2013).

In the study conducted by Probst & Brubaker (2001), it indicated that the distinction between work fulfillment and disappointment lies in the representatives and the sum and kind of remunerations that the worker anticipates. Representatives expect that their commitment and endeavors ought to be esteemed and given significance similarly they esteem their activity and work towards achieving the errands relegated. Prasetya and Kato (2011), in their investigation uncovered that there are noteworthy impacts from both money related and non-budgetary on the worker performance.

A study by Fister (2004), revealed that employees assess different hierarchical practices and give them meaning; they property the intention and the level of earnestness of their boss. Seen authoritative help is fortified by HRD rehearses in the region of remuneration administration, preparing and improvement, formative assets expected to the advancement of wellbeing, security and well-being of workers. Seen hierarchical help has a few constructive outcomes for the business and workers; it

advances authoritative responsibility, work fulfillment, hierarchical citizenship conduct, work fulfillment and lower the levels of occupation related pressure subsequently expanded performance in organization.

This incorporates both extrinsic and intrinsic rewards because of the work by the organization. A factual huge and constructive relationship was found to oversee prizes and inspiration, inferring that if rewards being offered/to representatives were to be modified, at that point there would be a comparing change in fulfillment and work inspiration while the occasional pay increases, recompense, rewards, incidental advantages and different pay on customary and particular periods keep their resolve high and makes them more persuaded (Danish and Usman 2010). Besides, Harrison and Liska (2008) in their examination situated that reward is the highlight of the business contract; after all it is the fundamental motivation behind why individuals work.

According to Sarvanidis, (2013), Consumer loyalties and performance of organization is the aftereffect of its worker's fulfillment. There has been studies demonstrating a positive connection between stock reward and worker execution. The confirmations in Taiwan propose that there exist positive relationship between the measure of stock rewards and firms' working execution. It is likewise discovered that organizations with bigger firm size or high development opportunity have a tendency to embrace stock reward. (Tetteh, 2014).

Performance based compensation is the predominant human Resource rehearse that organizations use to assess and compensate representatives' endeavors (Collins and Clark, 2003). Clearly, execution based pay has a constructive outcome upon worker and hierarchical execution. In a quantitative substance examination of the story

portrayals of 50 fast development firms and a correlation gathering of 50 moderate development organizations led by Barringer *et al.* (2005), results showed that worker motivating forces separated the quick development from the moderate development firms. Firms that were quick development arranged gave their representatives budgetary motivating forces and investment opportunities as a major aspect of their pay bundles. In doing as such, firms figured out how to evoke elevated amounts of execution from representatives, give workers the inclination that they have a proprietorship enthusiasm for the firm, pull in and hold astounding representatives, and move a segment of a company's business hazard to the employees.

Collins and Clark (2003) studied 73 high-technology firms and demonstrated that the connections between the HR practices and firm execution (deals development and stock development) were intervened through their best chiefs' interpersonal organizations. Cho *et al.* (2005) recommended that motivation designs are viable in diminishing turnover rates. Broker *et al.* (2001) led a longitudinal investigation of the viability of motivating force designs in the lodging business and found that motivator designs were identified with higher incomes, expanded benefits, and diminished expense. (Vlachos, 2008).

In a related study Katou (2012) discovered that pay and motivating forces straightforwardly influence operational execution. To be powerful, remuneration practices and approaches must be lined up with hierarchical destinations. While execution based remuneration can persuade representatives, now and then workers see it as an administration instrument to control their conduct Samnani, and Singh (2014). In such a case, representatives are less steadfast and submitted, in this way pay designs have the inverse than wanted result Valle-Cabrera (2013).Employee turnover

can essentially moderate income development, especially in industries (Lanivich,2016).

Deci and Ryan as a team with two of their associates directed an investigation to inspect the impacts of execution unexpected rewards on a representative's inherent inspiration. The examination additionally found that these sorts of remunerations are exceptionally controlling since these prizes are specifically connected with a representative's execution of some errand (Cameron & Ryan, 2013).

2.3.3 Indirect compensation and Employees Performance

Dessler (2011), refers to Indirect Compensation as the aberrant money related and non-monetary installments workers get for proceeding with their work with the organization which are a vital piece of each representative's pay. Other wording, for example, incidental advantages, representative administrations, advantageous pay and strengthening pay are utilized. As indicated by Muriithi (2015). Aberrant Compensation or Employee benefits are components of compensation given notwithstanding the different types of money pay. They likewise incorporate things that are not entirely compensation, for example, yearly holidays.

Management utilizes it apparently to encourage its enlistment exertion or impact the capability of representatives coming to work for an organization, impact their remain or make more prominent duty, raise confidence, decrease non-appearance when all is said in done and enhance the quality of the association by founding a complete program here (Noe *et al.*, 1996). As indicated by Larbi (2014),Indirect or Supplementary Compensation includes 'incidental advantages' offered through a few worker administrations and advantages, for example, lodging, sponsored nourishment, medicinal guide, crèche et cetera. It includes rewards given by associations to workers

to their enrollment, participation or investment in the association. Due to the expanding expenses of incidental advantages, a few people likewise mark them as 'concealed finance (Tetteh, 2014).

A study conducted by Gareth and Jeorge (2010) revealed that Some types of indirect compensation offered by today's organizations i.e Social security, medical expenses, retirement benefits, Paid holidays and other benefits such as food services, free traveling facility, have a direct correction with employees motivation and consequently improved performance.

According to (Bond & Galinsky, 2006) The way that numerous small organization do, that give a few, if not all, of the advantageous advantages to the lower-wage workers, it show that they see the speculations significant for motivations behind upgrading enrollment, execution, and maintenance. It demonstrates how essential it is for associations to give their workers with fitting incidental advantages (notwithstanding compensations and wages) and ensure that the components of their Conditions of Service are legitimately executed. This will build worker resolve and make the nature of products and enterprises better at low costs and furthermore increment benefit (Mashal, 2014).

According to Megira, (2017), performance is a financial proportion of adequacy which abridges and shows the measure of the result delivered by an individual, association, industry or monetary framework relative to the measure of the sources of info used to create them. Associations all around the globe have distinguished the significance of execution to contend and furthermore to make due in the market. Also, genuine execution change adopts a vital extensive strategy which depends on the

representatives, it is imperative to furnish them with the fundamental beneficial advantages to urge them to play out their best (Mashal, 2014).

From the point of view of Al-Sinawi (2016) on indirect compensation and employees performance; since indirect pay assist associations with recruiting and hold fantastic workers that are viewed as key assets in accomplishing upper hand, one can expect that general allure of associations can be upgraded through advantages contributions and that representatives will then be affected to feel more noteworthy fulfillment and dedication. Accordingly, this should prompt more prominent exertion and efficiency. To put it plainly, higher backhanded remuneration may increment hierarchical profitability by drawing in and holding work of better quality. At the end of the day, aberrant remuneration might be a directing job and upgrade the beneficial outcome of work contribution on an association's yield through maintenance and enrollment of skillful representatives. (Mensah, 2012).

2.4 Summary of Literature and Research Gaps

This sub-section summarizes the literature reviewed and clearly brings out the research gaps identified

Table 2.1: Summary of the Literature Reviewed and Research Gaps

Author	Topic	Variables	Methodology	Research Gap
Mclean and Tanner (Hays, 1999)	compensation programs and employees performance	<ul style="list-style-type: none"> ➤ Compensation programs ➤ Employees performance 	Qualitative	The study focused on compensation programs offered by organizations but did not clearly elaborate on the specific components of compensations and their effects on employees performance thus a research gap
Society of Human Resource Management (2012)	Compensation and Employees job satisfaction	<ul style="list-style-type: none"> ➤ Compensation ➤ Employees Job Satisfaction 	Qualitative	The researcher focused on the effects of Compensation on Job satisfaction and did not directly address the effects of the same on organizational performance thus the research gap to be addressed.
Sinclair (2002),	Rewards and Employees Motivation	<ul style="list-style-type: none"> ➤ Rewards ➤ Employees Motivation 	Qualitative	The research was focused on Rewards and their effects on employee's motivation thus narrowing the findings. It did not address other aspects of compensation and their effects on employees' performance thus a research gap to be addressed in this study.
De Vaney and Chen (2003)	Employees salary and Job satisfaction	<ul style="list-style-type: none"> ➤ Employees Salary ➤ Job satisfaction 	Qualitative	The research findings were narrowed on salary as an element of employee's job satisfaction. This is

				a gap that this research study will address since it will explore all the components of compensation and their effects on performance of employees.
Zaman et al (2011)	extrinsic rewards and employee motivation	<ul style="list-style-type: none"> ➤ Extrinsic rewards ➤ Employees motivation 	Qualitative	The research did not address other aspects of compensation and their relationship with performance thus a gap this study seeks to bridge.
Collins and Clark (2003)	HR practices and firm performance	<ul style="list-style-type: none"> ➤ HR Practices ➤ Employees Motivation 	Quantitative	The research was focused on technology firms thus narrowing the findings. The same did not explain if other factors that could not apply to other industries would influence employees' performance.
George (2010)	Indirect compensation and employees' motivation.	<ul style="list-style-type: none"> ➤ Indirect compensation ➤ Employees motivation 	Qualitative	The research study focused on Indirect compensation and did not focus on other forms of direct compensation that would influence employee's performance thus a research gap.

2.5 Conceptual Framework

The conceptual base for this study will be drawn from the four independent variables namely; Competitive salaries, Incentives, Rewards and Indirect compensation that when varied change the dependent variable employees performance. The research would indicate the relationship of the independent variables and the dependent variables as conceptualized below. A Schematic diagram showing the relationship between dependent variable and the independent variables

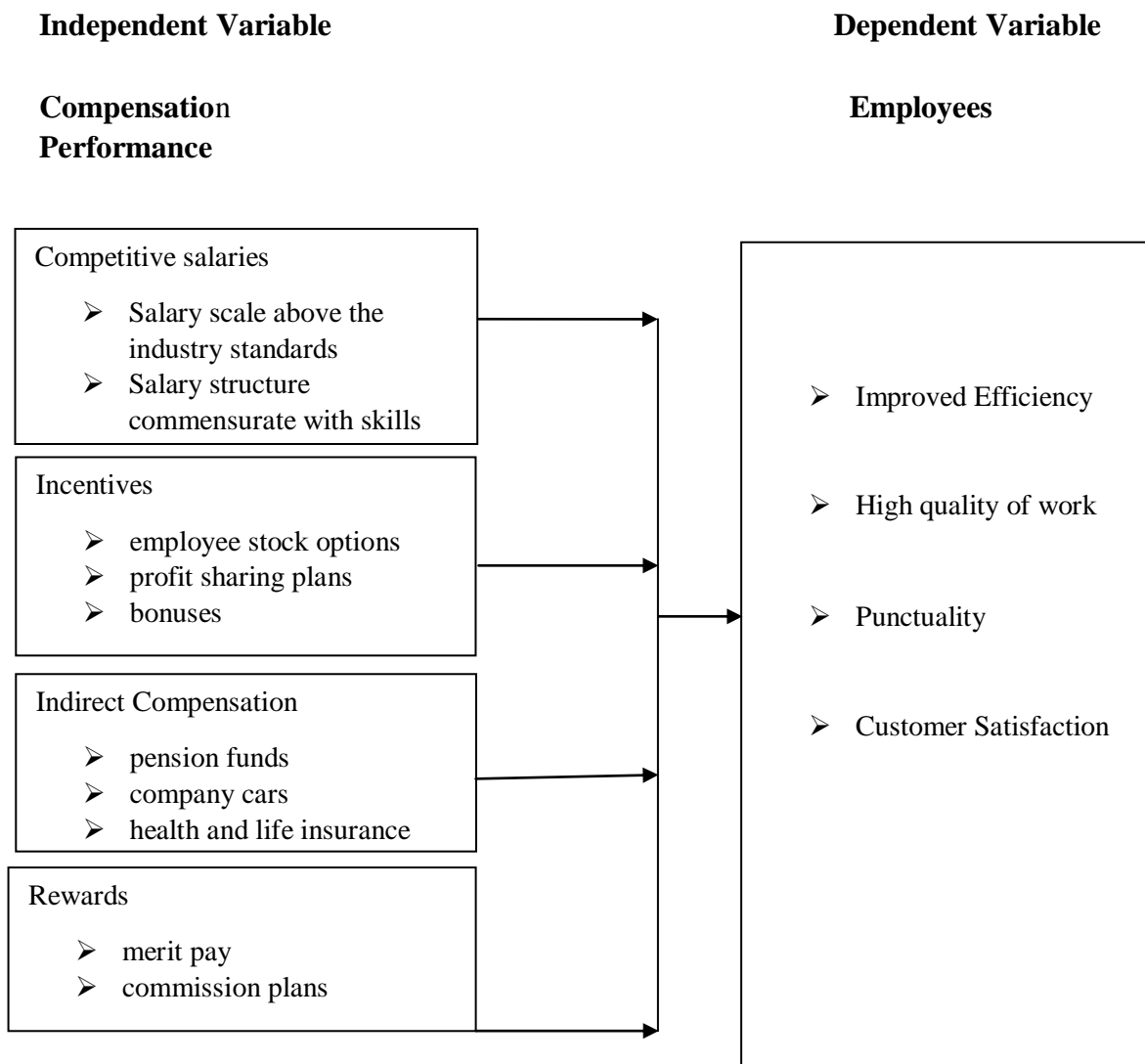


Figure 2.1: Conceptual Framework

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter discusses how the study was conducted, explaining the methods and steps that was used to conduct this research. The basis of any meaningful research depends on the methods and procedures employed in data collection and a clear definition of the target group of respondents. It covers an overall scheme, plan or structure conceived to aid the researcher in answering the raised research questions. The chapter specifically has the following subsections included; research design, target population, sampling design, data collection, data analysis processing and interpretation.

3.2. Research Design

The study employed descriptive survey research design to find out the Influence of Compensation Strategies on Employees' Performance in the Public Health Sector in Nairobi City County, Kenya. According to Fink, (2012), descriptive survey is a method of collecting information by interviewing or administering a questionnaire to a sample of individuals. This design was to assist the researcher to obtain important information concerning the status of phenomena and where possible draw general conclusions from the facts discovered. Descriptive survey was to enable the researcher to have a systematic collection and presentation of data in order to determine the Influence of Compensation Strategies on Employees' Performance in the Public Health Sector in Nairobi City County. Besides, this design was to minimize bias and maximizes the reliability of the data collected and analyzed. Furthermore, Descriptive research design was deemed fit for this study since it was to allow the

collection of data from a sizable population in a highly economical way thus the best strategy to fulfill the objectives of this study.

3.3 Target Population

A population is defined as the total collection of elements about which we wish to make some inferences. A population element is the subject such as a person, an organization, customer database, or the amount of quantitative data on which the measurement is being taken Odhiambo, (2014), Rea & Parker (2014), explained that the target population should have some observable characteristics to which the researcher intends to generalize the results of the study. The target population was staffs of the public health facilities licensed to operate within Nairobi City County by the Ministry of Health with specific focus on the section Heads and managers of institutions.

The study focused on the Public Health institutions that have embraced appropriate compensation programs in their Human Resources management within Nairobi. Nairobi County had been chosen since it's the capital city of Kenya and the economic hub of Kenya where most of the Public Health Institutions are situated. The study area would therefore be good enough to give ground for generalization of the findings on the whole Public Health sector in Kenya.

3.4 Sample Size and sampling design.

A sample design is a definite plan determined before any data are actually collected for obtaining a sample from a given population. A sample is a set of entities drawn from a population with the aim of estimating characteristics of the population, Howell (2012) it is a fraction of the population selected such that the selected portion represents the population adequately. Sampling is the process of selecting a biased or

random subset of individual observation for the purposes of making projections based on statistical inferences. The sample was drawn from 1100 medical staffs who are currently employed in 78 public health institutions found in Nairobi City County.

According to Mugenda and Mugenda (2003) 10% is a representative of the entire population thus the researcher collected data from the sample of 47 respondents of the total population as indicated in the table below;

Table 3.1: Sampling Matrix

Jon Designation	Population	Sample
Section Heads	150	15
Physicians	180	18
Medical Doctors	130	13
Nurses	330	33
Pharmacists	200	20
Surgeons	110	11
Total	1100	110

Source: Nairobi City County Health Ministry Office (2016)

Besides, purposive sampling design was used because the research focused on the intensive study of a known characteristic of the population. The sample design is also convenient and economical on costs.

3.5 Data Collection and Instruments

The study collected the data from two sources the primary and the secondary. Primary data is raw data gathered by the researcher through the data collection instruments and has not been used elsewhere while secondary data was collected from previous research, print and the internet sources. Primary data was collected using

questionnaires which had both open ended and closed questions. The questionnaires were divided into two parts. Part one of the questionnaire gathered bio-data of the respondents while second part obtained information on the employees' opinions and perceptions in regard to the study.

The questionnaires were administered by the researcher through direct interaction with the respondents to explain the motive of the study and for purposes of creating rapport that facilitated the carrying out of interviews with these respondents. However, incase collection of data through face to face proved difficult due to tight work schedules on the side of the respondents, the researcher used the drop and pick method. The researcher also sought help of research assistance to administer the questionnaires. On the other hand, secondary data for analysis included data from the company's annual reports to shareholders. This data was used to validate the findings from the primary data.

3.6 Reliability and Validity of data collection instruments

3.6.1 Reliability of Data Collection Instruments

Reliability is the consistency of a set of measurement items while validity indicates that the instrument is testing what it should Zumbo (2012). Reliability is the consistency of your measurement, or the degree to which an instrument measures the same way each time it is used under the same condition with the same subjects. In short, it is the probability of your measurement. A measure is considered reliable if a person's score on the same test given twice is similar. It is important to remember that reliability is not measured, it is estimated. Reliability does not, however, imply validity because while a scale may be measuring something consistently, it may not necessarily be what it is supposed to be measuring.

3.6.2 Validity of Data Collection Instrument

The researcher used the most common internal consistency measure known as Cronbach's alpha (α). This indicates the extent to which a set of test items can be treated as measuring a single latent variable Podsakoff (2012). The recommended value of 0.7 was used as a cut-off of reliabilities. Validity is the strength of our conclusions, inferences or propositions. More formally, Kirui, (2016) define it as the best available approximation to the truth or falsity of a given inference, proposition or conclusion.

3.7 Data Analysis and Presentation

The data collected, was first be cleaned, sorted and coded using numerical numbers. Then, it will be entered in the Statistical Package for Social Sciences (SPSS) software for analysis to be done. Descriptive and inferential statistics in the form of pie charts, contingency tables and bar graphs and regression models was used to describe the data. Measures of association will be used to examine the relationship between the independent and dependent variables. The mean score for each attribute was calculated and the standard deviation used to interpret the respondents deviation from the mean. The results were presented on frequency distribution tables, pie charts and bar charts. Here the interest was focused on frequency of occurrence across attributes of measures. This followed inferential analysis using regression analysis and Pearson correlation to examine the relationship between variables.

The objective was to compute the regression analysis of the variables. The β coefficients were calculated to measure Employees compensation. ANOVA was used to measure the effect of compensation on employees' performance

The equation for the regression model were expressed as:

$$EP = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \epsilon$$

Where EP = Employees Performance, β_1 - β_4 =Coefficients of the model

X_1 = Competitive salaries

X_2 = Incentives

X_3 = indirect Compensation

X_4 = Rewards

ϵ = Error term

3.8 Ethical Considerations

Ethical considerations in research are critical. Ethics are the norms or standards for conduct that distinguish between right and wrong. They help to determine the difference between acceptable and unacceptable behaviors. (Resnik, 2011). The researcher considered Standard ethical principles when interacting with human participants, including voluntary participation in the research, informed consent, and confidentiality and anonymity where appropriate. No participants were excluded for any reason. All participants were allowed on voluntary basis and the same received informed consent, in line with APA's ethical standards. Besides, the researcher ensured that only assessment of those components that were of relevance to the study were being conducted and participants protected from any Harm either physical and/or psychological harm.

CHAPTER FOUR

DATA ANALYSIS, PRESENTATION AND INTERPRETATION

4.1 Introduction

This chapter presents the data analysis, presentation and its interpretation based on the descriptive and regression analysis.

4.2 Response Rate

The response rate was based on total number of 110 questionnaires administered to the Section Heads, Physicians, Medical Doctors, Nurses, Surgeons and Pharmacists which were duly attended to and returned. This is shown in Table 4.1.

Table 4.1: Response Rate

Category	Frequency	Percentage
Responded	99	90.0
Non- responded	11	10.0
Total	110	100

Source: Research Data (2018)

Table 4.1 indicates that those respondents who responded account for 90.0% and those who did not account for 10.0%. Mugenda and Mugenda (2003) a response rate of 50% is adequate for a study, 60% is good and 70% is excellent for a study. Therefore this response rate was considered ideal and reliable for the study.

4.3 Reliability Results and Demographic Findings

The background information of the respondents was analysed based on gender, age, educational level and work experience.

4.4 Respondents Gender

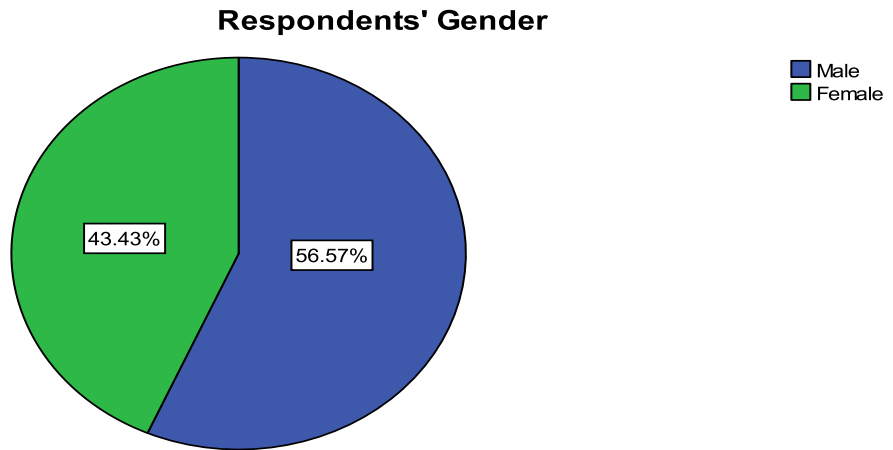


Figure 4.1: Respondents' Gender

Source: Researcher (2018)

The results in Figure 4.1 show that male respondents accounted majority as indicated by 56.57% while female respondents accounted for 43.43%. This shows that both genders were fairly represented.

4.5 Respondents Age

Table 4.2: Respondents' Age

		Frequency	Percentage
Valid	Below 25 years	10	10.1
	25 - 35 years	33	33.3
	36 - 45 years	33	33.3
	Above 45 years	23	23.2
	Total		99

Source: Research Data (2018)

The results in Table 4.2 shows that majority (33.3%) of the respondents were aged between 25 to 45 years, 23.2% were aged 45 years and above, 10.1% aged below 25 years. These findings show that the study participants were obtained from different categories of ages. This shows that majority of the employees were youth. According to Inmyxai and Takahashi (2012) youngsters who are at their learning stage are more willing to learn new things and accept new ideas.

4.6 Respondent's Education Level

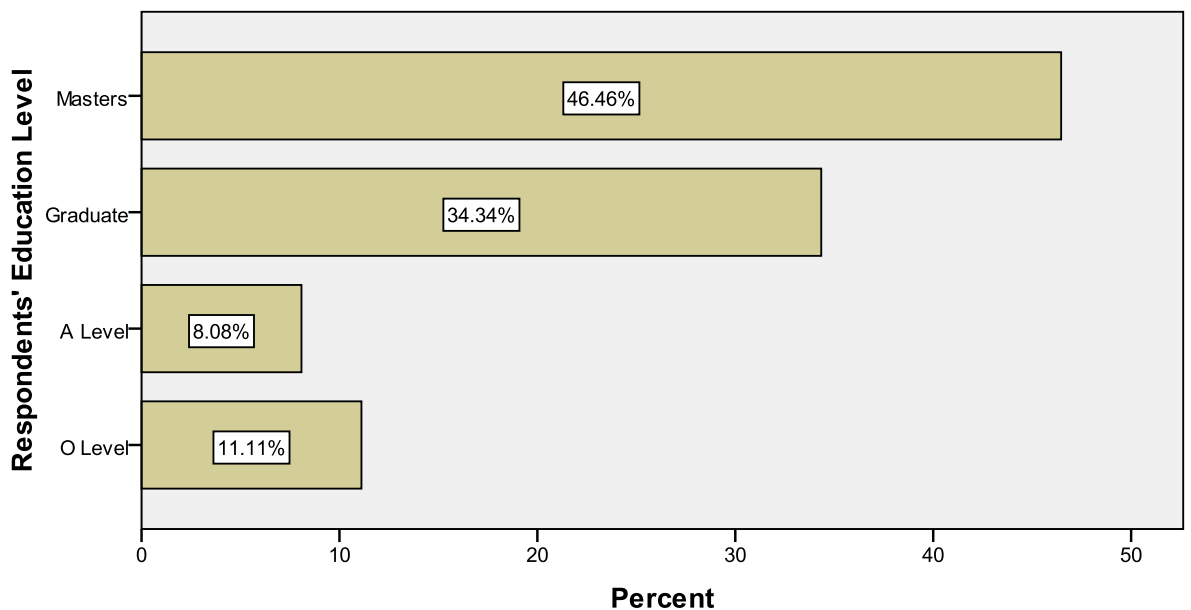


Figure 4.2: Respondents' Education Level

Source: Research Data (2018)

The results in Figure 4.2 show that majority (46.46%) had attained a masters level of education, 34.34% were graduates, 11.11% had O level and 8.08% had a A level certificate. In this case, the respondent had the requisite level of literacy to participate in the study and provide the information of interest to the researcher.

Table 4.3: Respondents' Work Experience

		Frequency	Percentage
Valid	1 - 5 years	13	13.1
	6 - 10 years	12	12.1
	11 - 15 years	34	34.3
	16 and above	40	40.4
	Total	99	100.0

Source: Research Data (2018)

Table 4.3 indicates that majority (40.4%) of the respondents had a work experience 16, 34.3% between 11 to 15 years, 13.1% between 1 to 5 and 12.1% between 6 to 10 years. These results confirm that the employees involved in this study had necessary experience to provide the information that was of interest to the researcher. It could also imply low labour turnover.

4.7 Descriptive Statistics

Descriptive statistics such as means and standard deviations were used to present that quantitative data with the use of Statistical Package for Social Sciences (SPSS) version 17.0. The findings of the descriptive statistics were based on study variables which include competitive salaries, incentives, indirect compensation and reward.

4.7.1 Competitive Salaries and Employees' Performance

The first research objective sought to investigate the effects of Competitive salaries on employees' performance in the Health sector in Nairobi City County. The findings are presented in Table 4.4.

Table 4.4: Data Transmission

Statement	M	Sd.Dev
Salary is above market pay rates	3.89	0.911
Salary is fair and equitable within the internal job descriptions	3.95	1.105
The salary structure is commensurate with skills in the medical facility	3.22	1.215
The salary incremental rates are high in the Nairobi City County	3.70	1.150
The monthly pay package is attractive	3.94	0.974
The going rate for the job is commensurate with the location	3.85	1.363
Employees are highly motivated	4.15	0.865
There are opportunities for upward mobility	4.27	0.777
The pay is fair in terms of International standards	3.97	0.542
Aggregate	3.88	0.989

Source: Research Data (2018)

The results in Table 4.4 show that the respondents agreed that competitive salaries influence the employees performance in the Health sector in Nairobi City County as shown by the aggregate mean of 3.88 with a significance variance of 0.989. The respondents strongly agreed on the statement that there are opportunities for upward mobility and that employees are highly motivated as shown by mean of 4.27 and 4.15 respectively and standard deviation of 0.777 and 0.865 respectively. Mayson and Barret (2006) found that a company's capacity to pull in, persuade and hold workers by offering focused compensations and proper prizes is connected to firm execution and development.

The respondents agreed on the statements that the pay is fair in terms of International standards, salary is fair and equitable within the internal job descriptions, the monthly pay package is attractive, and Salary is above market pay rates and that the going rate for the job is commensurate with the location as shown by mean score of 3.97, 3.95, 3.94, 3.89 and 3.85 with respective standard deviation of 0.542, 1.105, 0.974, 0.911 and 1.363. This is in line with Inés and Pedro (2011) who found that the remuneration

framework utilized for the business people effectively affects singular sales representative execution and deals association viability.

The respondents were not sure on the statement that the salary structure is commensurate with skills in the medical facility as shown by mean of 3.22 and a standard deviation of 1.215. This is in contrary to William (2010) who stated that when employees feel their efforts are appreciated and the company introduced a system of fair compensation and satisfaction, the company will have optimized motivation and hence increased employee performance.

4.7.2 Incentives and Employees' Performance

The second research objective sought to determine the effects of incentives on employees' performance in the Health sector in Nairobi City County. The findings are presented in Table 4.5.

Table 4.5: Incentives

Statement	M	SD
Employees are rewarded for work well done	4.31	0.716
Free and subsidized meals are provided to employees	4.28	1.047
Vouchers and tangible goods are given at the end of year	4.08	1.271
A positive work environment is in place	4.03	1.052
Incentives are provided with equity and fairness	4.05	1.413
Team incentive plans are offered to the best teams	4.47	0.644
There is a sense of job security	4.39	0.985
Aggregate	4.23	1.018

Source: Research Data (2018)

The results in Table 4.5 show that the respondents strongly agreed that incentives influence the employees' performance in the Health sector in Nairobi City County as shown by the aggregate mean of 4.23 with a significance variance of 1.018. The respondents strongly agreed on the statements that team incentive plans are offered to

the best teams, there is a sense of job security and that employees are rewarded for work well done as shown by mean score of 4.47, 4.39 and 4.31 respectively and with respective standard deviation of 0.644, 0.985 and 0.716. Zaman *et al* (2011) demonstrated that there is a huge and positive connection between extraneous prizes and worker inspiration and consequently execution yet the test is that businesses are not offering reasonable and satisfactory monetary prizes to their representatives.

The respondents also agreed on the statements that free and subsidized meals are provided to employees, vouchers and tangible goods are given at the end of year, incentives are provided with equity and fairness and that a positive work environment is in place as shown by mean score of 4.28, 4.08, 4.05 and 4.03 and with respective standard deviation of 1.047, 1.271, 1.413 and 1.052. In the study conducted by Probst & Brubaker (2001), it indicated that the distinction between work fulfillment and disappointment lies in the representatives and the sum and kind of remunerations that the worker anticipates.

4.7.3 Indirect Compensation and Employees' Performance

The third research objective sought to assess the effects of indirect compensation on employees' performance in the Health Sector in Nairobi City County. The findings are presented in Table 4.6.

Table 4.6: Indirect Compensation

Statement	M	SD
Employees receive pension upon exit	4.28	1.157
Employees have health insurance	3.49	1.649
Employees are treated to paid vacations.	3.68	1.472
The staff are provided with decent housing	3.06	1.374
There is a well communicated pay policy	4.08	1.205
The employees have a paid annual leave	4.01	0.802
Employees are entitled to company vehicles	3.42	0.715
There is a gymnasium in the institution	3.96	0.678
Employees are given extraneous allowances	3.94	0.643
Male employees get paternity leave	4.21	0.799
Aggregate	3.88	1.371

Source: Research Data (2018)

The results in Table 4.6 show that the respondents agreed that indirect compensation influence the employees' performance in the Health sector in Nairobi City County as shown by the aggregate mean of 3.88 with a significance variance of 1.371. The respondents strongly agreed on the statement that employees receive pension upon exit, male employees get paternity leave, there is a well communicated pay policy and that the employees have a paid annual leave as shown by mean score of 4.28, 4.21, 4.08 and 4.01 respectively with respective standard deviation of 1.157, 0.799, 1.205 and 0.802. As indicated by Muriithi (2015). Aberrant Compensation or Employee benefits are components of compensation given notwithstanding the different types of money pay. They likewise incorporate things that are not entirely compensation, for example, yearly holidays.

The respondents were not sure on the statement that employees are entitled to company vehicles and that the staff are provided with decent housing as shown by mean of 3.42 and 3.06 respectively and with respective standard deviation of 0.715

and 1.374. As indicated by Larbi(2014) indirect or supplementary compensation includes 'incidental advantages' offered through a few worker administrations and advantages, for example, lodging, sponsored nourishment and medicinal guide. It includes rewards given by associations to workers to their enrollment, participation or investment in the association.

4.7.4 Reward and Employees' Performance

The fourth research objective sought to examine the effects of reward on employees' performance in the Health sector in Nairobi City County. The findings are presented in Table 4.7.

Table 4.7: Reward

Statement	M	SD
Employees receive merit pay	3.21	0.523
Bonuses are given for group achievements	3.77	0.698
Job enrichment is used to reward employees	4.11	0.436
There are opportunities for upward mobility	3.61	0.577
Promotions are given to deserving employees	3.46	0.663
Rewards are fairly distributed	3.23	0.699
Specific behaviours are rewarded like working extra hours	4.52	0.513
Employees are involved in decision making	4.44	0.709
Management acknowledges excellent performance	3.89	0.755
The staff are highly motivated	3.77	0.668
Aggregate Score	3.80	0.624

Source: Research Data (2018)

The results in Table 4.7 show that the respondents agreed that reward influence the employees' performance in the Health sector in Nairobi City County as shown by the aggregate mean of 3.88 with a significance variance of 1.371. The respondents strongly agreed on the statements that specific behaviours are rewarded like working extra hours, employees are involved in decision making and that job enrichment is

used to reward employees as shown by mean score of 4.52, 4.44 and 4.11 respectively and with respective standard deviation of 0.513, 0.709 and 0.436. According to Wekesa (2013) the more noteworthy the prizes offered to the employees the more noteworthy the levels of their performance. The respondents agreed were neutral on the statements that rewards are fairly distributed and that employees receive merit pay as shown by mean score of 3.23 and 3.21 respectively and with respective standard deviation of 0.699 and 0.523. This contradicts with the findings of Harrison and Liska (2008) who in their study established that reward is the highlight of the business contract; after all it is the fundamental motivation behind why individuals work.

4.7.5 Employee Performance

The study sought to establish the extent to which compensation influences employees' performance in the Health sector in Nairobi City County. The findings are presented in Table 4.8.

Table 4.8: Employee Performance

Statement	M	SD
Employees meet their objectives	3.92	1.21
Employees have necessary skills to perform task	4.13	0.88
Employees are continuously trained to improve performance	4.27	0.84
Employees are loyal to the organization	4.22	0.74
There is high productivity	4.19	1.07
Employees are efficient in their work	4.22	0.75
There is a low labour turn over	4.17	0.86
Employees arrive to work on time	4.36	0.66
Aggregate	4.19	0.88

Source: Research Data (2018)

The results in Table 4.8 show that the respondents strongly agreed that compensation influence the employees' performance in the Health sector in Nairobi City County as

shown by the aggregate mean of 4.19 with a significance variance of 0.88. The respondents strongly agreed that employees arrive to work on time, employees are continuously trained to improve performance, employees are efficient in their work, there is high productivity and that employees have necessary skills to perform task as shown by mean score of 4.36, 4.27, 4.22, 4.19 and 4.13 respectively and a respective standard deviation of 0.66, 0.84, 0.75, 0.74 and 0.88.

Compensation is characterized as the aggregate sum of the money related and non-fiscal pay gave to an employee by a business as an end-result of work executed as required (Horton & Chilton, 2010). Improving the quality of health services is a continuing challenge to managers in the health system (Lin & Ho 2012). As a matter of fact, the job satisfaction of health care employees is a very important factor that has a pro-found impact on productivity as well as on the quality of patient care (Dudkiewicz, 2014).

4.8 Regression Analysis

Multiple regression analysis was conducted so as to test relationship among variables. Statistical Package for Social Sciences (SPSS) version 17.0 was used to code, enter and compute the measurements of the multiple regressions for the study. This is shown in Table 4.9.

Table 4.9: Model Summary

Model Summary									
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.523 ^a	.773	.753	1.199	.273	11.750	4	99	.000

a. Predictors: (Constant), competitive salaries, incentives, indirect compensation, rewards

Source: Research Data (2018)

Adjusted R square is coefficient of determination which tells us the variation in the dependent variable due to changes in the independent variable. From the findings in Table 4.9 the value of adjusted r squared was 0.753 (75.3%) an indication that there was variation of 75.3% on the employees' performance in the Health sector in Nairobi City County was due to changes in competitive salaries, incentives, indirect compensation, rewards at 95% confidence interval. Additionally, this therefore means that factors not studied in this research contribute 24.7% of employees' performance and a further research should be conducted fill in that gap.

Analysis of Variance (ANOVA) was used to determine the linear relationship among the variables under investigation. Using this method, the sum of squares, degrees of freedom (df), mean square, value of F(calculated) and its significance level was obtained. The results are shown in Table 4.10.

Table 4.10: Analysis of Variance

ANOVA ^b						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	67.566	4	16.892	21.750	.000 ^a
	Residual	179.703	95	1.438		
	Total	247.269	99			

a. Predictors: (Constant), competitive salaries, incentives, indirect compensation, rewards

b. Dependent Variable: Employee Performance

Source: Research Data (2018)

The significance value is 0.000^a which is less than 0.05 thus the model is statistically significant in predicting how various factors affect the employees' performance in the Health sector in Nairobi City County. The F critical at 5% level of significance was 18.33. Since F calculated is greater than the F critical (value = 21.750), this shows that the overall model was significant. The relationship ($p < 0.05$) indicated a linear relationship among the variables under the study meaning there was 95% chance that the relationship among the variables was not due to chance.

Table 4.11: Determination of Coefficient

Model		Coefficients ^a						
		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	.495	.929		.102	.000	1.743	1.932
	Competitive Salaries	.623	.187	2.293	3.334	.001	.253	.992
	Incentives	.431	.095	2.108	1.382	.002	.320	.057
	Indirect compensation	.502	.120	4.283	3.340	.001	.164	.640
	Rewards	.531	.093	3.027	2.332	.003	.153	.215

a. Dependent Variable: Employee Performance

Source: Research Data (2018)

As per the SPSS generated table above, the equation ($Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \varepsilon$) becomes: $Y = 0.495 + 0.623 X_1 + 0.431 X_2 + 0.502 X_3 + 0.531X_4$

Where Y= Employee Performance

X₁= Competitive Salaries

X₂= Incentives

X₃= Indirect Compensation

X₄= Rewards

According to the regression equation established, taking all the independent variables into constant at zero, employees' performance in the Health sector in Nairobi City County was 49.5%. The data findings analyzed also showed that all the independent variables had a positive and significant effect on the employees' performance in the Health sector in Nairobi City County as indicated by beta values. The relationships ($p < 0.05$) are all significant with competitive salaries (2.293, $p < 0.05$), incentives (2.108, $p < 0.05$), indirect compensation (4.283, $p < 0.05$) and rewards ($t=3.027$, $p < 0.05$). Competitive salary was found to be the most (62.3%) significant followed by rewards (53.1%), Indirect compensation (50.2%) and incentives (43.1%).

In a related study Katou (2012) discovered that pay and motivating forces straightforwardly influence operational execution. To be powerful, remuneration practices and approaches must be lined up with hierarchical destinations. While execution based remuneration can persuade representatives, now and then workers see it as an administration instrument to control their conduct Samnani and Singh (2014). In such a case, representatives are less steadfast and submitted, in this way pay designs have the inverse than wanted result Valle-Cabrera (2013). Employee turnover can essentially moderate income development, especially in industries (Lanivich, 2016).

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter covers that summary of the findings, recommendations for policy and practice, conclusions and recommendations for further studies.

5.2 Summary of the Findings

The first research objective sought to investigate the effects of competitive salaries on employees' performance in the Health sector in Nairobi City County. The study established that competitive salaries had a positive and significant influence on employees' performance. There are opportunities for upward mobility and that employees are highly motivated, the pay is fair in terms of International standards, salary is fair and equitable within the internal job descriptions, the monthly pay package is attractive, and Salary is above market pay rates and that the going rate for the job is commensurate with the location.

The second research objective sought to determine the effects of incentives on employees' performance in the Health sector in Nairobi City County. The study established that incentives had a positive and significant influence on employees' performance. The team incentive plans are offered to the best teams, there is a sense of job security and that employees are rewarded for work well done and that free and subsidized meals are provided to employees, vouchers and tangible goods are given at the end of year, incentives are provided with equity and fairness and that a positive work environment is in place.

The third research objective sought to assess the effects of indirect compensation on employees' performance in the Health Sector in Nairobi City County. The study

established that indirect compensation had a positive and significant influence on employees' performance. Employees receive pension upon exit, male employees get paternity leave, there is a well communicated pay policy and that the employees have a paid annual leave.

The fourth research objective sought to examine the effects of rewards on employees' performance in the Health sector in Nairobi City County. The study established that rewards had a positive and significant influence on employees' performance. Specific behaviours are rewarded like working extra hours, employees are involved in decision making and that job enrichment is used to reward employees.

5.3 Conclusions

The study concludes that a competitive salary package can improve employee motivation, reduce employee turnover and increase productivity. Employee turnover has a significant cost to businesses, which motivation can help reduce. While salary is not the only motivating factor for employees, it can help workers feel valued by the employer.

The study concludes that incentive plans motivate workers for higher efficiency and productivity. It can improve the work-flow and work methods. When employees are dedicated, supervision costs can be reduced. The rewards usually relate to the achievement of certain goals, either personal, team or organisational, or a combination of all of these.

The study concludes that indirect compensation is a non-monetary benefits offered and provided to employees in lieu of the services provided by them to the organization. They include Leave Policy, Overtime Policy, Car policy,

Hospitalization, Insurance, Leave travel Assistance Limits, Retirement Benefits, Holiday Homes.

The study concludes that employees become more engaged when their performance is properly recognized by their employer. Through rewards, the organization can ensure that the job satisfaction level of your employee increases, hence would result to better employee retention.

5.4 Recommendations for Policy and Practice

The study recommends that paying a competitive salary is crucial for companies wishing to recruit and retain top talent. The organization should establish salary ranges that match all of the job descriptions. To determine salary ranges, research and analyze the competitive salary ranges for all relevant jobs based on geographic location.

The study recommends that the organization should review existing reward programs and determining their effectiveness in meeting the organization's objectives. Analyse various reward strategies and the identification of suitable programs for your company. Implementation of the total rewards program and evaluate the incentive programs.

The study recommends that employees should be provided with the adequate allowances and facilities during their overtime, if they happened to do so, such as transport facilities, overtime pay, etc. allowances to get their regular check-ups. Organizations should provide for flexible timings to the employees who cannot come to work during normal shifts due to their personal problems and valid reasons.

The study recommends that the organization should align employee reward strategies with business strategy. It is essential to reward behaviors that will deliver your

organization's strategic objectives, such as customer service, innovation, quality and efficiency. Focus on rewards that matter to employees.

5.5 Suggestion for Further Studies

The study examined on how competitive salaries, incentives, indirect compensation and rewards influence employee performance in Health sector in Nairobi City County. Therefore, further studies should be carried out on how other variables not studied influences employees performance in other sector.

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APPENDIX 1

LETTER OF INTRODUCTION

Mary Ijaya Mmbusa

P.O.BOX 8699-00200

Nairobi

Dear Sir/Madam

RE: DATA COLLECTION

I am a final year student of Kenyatta University undertaking Masters in Business Administration; Human Resource Management Option. I am carrying out research on the **Influence of Compensation Strategies on Employees' Performance in The Public Health Sector in Nairobi City County, Kenya**. I am kindly requesting you to answer the questionnaire given with honesty and to the best of your knowledge. The information given will be used for academic purpose only and it will be treated with utmost confidentiality.

A copy of the final report will be availed to you upon request. Your assistance will be highly appreciated.

Yours Faithfully

Mary I. Mmbusa

Researcher

APPENDIX II
QUESTIONNAIRE

This study seeks to examine the Effects of Compensation on Employees Performance in the Health Sector in Nairobi City County .The study forms part of the requirement for the award of MBA in Human Resource Management. Respondents are assured that the information given will be treated with confidentiality and solely used for academic purposes only. Please fill sections A and B .Your feedback will be highly appreciated.

Section A- Respondents Details and Bio Data

1. What is your gender?

Male

Female

2. What is your age bracket?

Below 25

25-35

36-45

Above 45

3. What is your highest level of education?

O Level

A Level

Graduate

Masters

Others Specify _____

4. How long have you worked at the Health Facility?

1-5 years

6-10 years

11-15 years

16-20 years

SECTION B

i :Competitive salaries :On a scale of 1-5 kindly indicate the extent to which you agree with the following statements, where Strongly Agree 5, Agree 4, Disagree 3, Strongly Disagree 2, Not Sure 1.

	1	2	3	4	5
Salary is above market pay rates					
Salary is fair and equitable within the internal job descriptions					
The salary structure is commensurate with skills in the medical facility					
The salary incremental rates are high in the Nairobi City County					
The monthly pay package is attractive					
There is a performance related pay rise					
The going rate for the job is commensurate with the location					
Employees are highly motivated					
There are opportunities for upward mobility					
The pay is fair in terms of International standards					

ii .Incentives

On a scale of 1-5 kindly indicate the extent to which you agree with the following statements, where Strongly Agree 5, Agree 4, Disagree 3, Strongly Disagree 2, Not Sure 1

	1	2	3	4	5
Employees are rewarded for work well done					
Free and subsidized meals are provided to employees					

Vouchers and tangible goods are given at the end of year					
A positive work environment is in place					
Incentives are provided with equity and fairness					
Team incentive plans are offered to the best teams					
There is a sense of job security					

iii. Indirect compensation

On a scale of 1-5 kindly indicate the extent to which you agree with the following statements, where Strongly Agree 5, Agree 4, Disagree 3, Strongly Disagree 2, Not Sure 1

	1	2	3	4	5
Employees receive pension upon exit					
Employees have health insurance					
Employees are treated to paid vacations					
The staff are provided with decent housing					
There is a well communicated pay policy					
The employees have a paid annual leave					
Employees are entitled to company vehicles					
There is a gymnasium in the institution					
Employees are given extraneous allowances					
Male employees get paternity leave					
Employees have job satisfaction					
A reward structure is in place					

IV. Reward

On a scale of 1-5 kindly indicate the extent to which you agree with the following statements, where Strongly Agree 5, Agree 4, Disagree 3, Strongly Disagree 2, Not Sure 1

	1	2	3	4	5
Employees receive merit pay					
Bonuses are given for group achievements					
Job enrichment is used to reward employees					
There are opportunities for upward mobility					
Promotions are given to deserving employees					
Rewards are fairly distributed					
Specific behaviours are rewarded like working extra hours					
Employees are involved in decision making					
Management acknowledges excellent performance					
The staff are highly motivated					

V. Employee performance

On a scale of 1-5 kindly indicate the extent to which you agree with the following statements, where Strongly Agree 5, Agree 4, Disagree 3, Strongly Disagree 2, Not Sure 1

	1	2	3	4	5
Employees meet their objectives					
Employees have necessary skills to perform task					
Employees are continuously trained to improve performance					

Employees are loyal to the organization					
There is high productivity					
Employees are efficient in their work					
There is a low labour turn over					
Employees arrive to work on time					

Thank you

APPENDIX III: Work Plan and Time Schedule

Activities	Time allocation
Project report	8 weeks
Piloting and retesting	4 days
Issuing of questionnaires	2 days
Collection of questionnaires	4 days
Coding	5 days
Data analysis	3 weeks
Discussion	1 week
Final review of project	1 week
Total	3 months and 3 weeks

Source: Author 2018

APPENDIX IV: Project Budget

Items	Budgeted cost Ksh
Preparation of Research Project	
Printing of chapters 1-3	4,000
Travelling	4,000
Internet usage	3,000
Food	5,000
Total	16,000
Data collection	
Printing of questionnaires	5,000
Transport	2,500
Telephone charges	2,000
Total	9,500
Analysis	
Internet usage	3,500
Printing of final report	3,000
Total	6,500
Grant Total	32,000

APPENDIX V: Approval Letter from Graduate School



KENYATTA UNIVERSITY
GRADUATE SCHOOL

E-mail: dean-graduate@ku.ac.ke

P.O. Box 43844, 00100
NAIROBI, KENYA
Tel. 810901 Ext. 4150

Website: www.ku.ac.ke

Internal Memo

FROM: Dean, Graduate School

DATE: 8th November, 2018

TO: Mary Ijaya Mmbusa
C/o Business Administration Dept.

REF: D53/CTY/PT/37980/2016

SUBJECT: APPROVAL OF RESEARCH PROJECT PROPOSAL

This is to inform you that Graduate School Board at its meeting of 7th November, 2018 approved your Research Project Proposal for the M.B.A Degree Entitled, "Compensation Strategies and employees performance in the Public Health Sector in Nairobi City County, Kenya".

You may now proceed with your Data Collection, Subject to Clearance with Director General, National Commission for Science, Technology and 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.

A handwritten signature in black ink, appearing to read 'Elijah Mutua'.

ELIJAH MUTUA
FOR: DEAN, GRADUATE SCHOOL

c.c. Chairman, Business Administration Department.

Supervisor: Dr. David Kiiru (PhD)
C/o Department of Human Resource Management
Kenyatta University

EM/cm

APPENDIX VI: Research Authorization Letter from Graduate School



**KENYATTA UNIVERSITY
GRADUATE SCHOOL**

E-mail: dean-graduate@ku.ac.ke

Website: www.ku.ac.ke

P.O. Box 43844, 00100
NAIROBI, KENYA
Tel. 8710901 Ext. 57530

Our Ref: D53/CTY/PT/37980/2016

DATE: 8th November, 2018

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

Dear Sir/Madam,


**RE: RESEARCH AUTHORIZATION FOR MARY IJAYA MMBUSA – REG. NO.
D53/CTY/PT/37980/2016**

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

Ms. Ijaya intends to conduct research for a M.B.A Project Proposal entitled, “Compensation Strategies and employees performance in the Public Health Sector in Nairobi City County, Kenya”.

Any assistance given will be highly appreciated.

Yours faithfully,


PROF. ELISHIBA KIMANI
FOR: DEAN, GRADUATE SCHOOL

EK/cm

APPENDIX VII: Research Authorization by NACOSTI



NATIONAL COMMISSION FOR SCIENCE, TECHNOLOGY AND INNOVATION

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Website: www.nacosti.go.ke
When replying please quote

NACOSTI, Upper Kabete
Off Waiyaki Way
P.O. Box 30623-00100
NAIROBI-KENYA

Ref. No. **NACOSTI/P/18/21190/26907**

Date: **15th November, 2018**

Mary Ijaya Mmbusa
Kenyatta University
P.O. Box 43844-00100
NAIROBI.

RE: RESEARCH AUTHORIZATION

Following your application for authority to carry out research on "*Effects of compensation on employees performance in the public health sector in Nairobi City County*" I am pleased to inform you that you have been authorized to undertake research in **Nairobi County** for the period ending **15th November, 2019**.

You are advised to report to **the County Commissioner and the County Director of Education, Nairobi 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.


BONIFACE WANYAMA
FOR: DIRECTOR-GENERAL/CEO

Copy to:

The County Commissioner
Nairobi County.

The County Director of Education
Nairobi County.

