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The Role of Motivation in the Relationship Between Reward Management Practices and Employee Performance in the State Corporations: Kenyan Perspective.

The state corporations are marred by under-performance which in turn translates to losses and misappropriation of public funds as majority of the state corporations have been found to register losses and dependent on exchequer for budgetary allocation and survival. This can be associated to lack of a comprehensive reward management system which creates dissatisfaction among employees leading to decreased staff morale and consequently decreased employee performance. The main objective of this study was to establish the role of motivation in the relationship between reward management practices (financial rewards, non-financial rewards, employee benefits and allowances and work life balance benefits) and employee performance in state corporations in Kenya. Various theories which underpinned the study included Abraham Maslows' hierarchy of needs, Vroom's Expectancy theory and Reinforcement Theory. The study used descriptive and explanatory research designs and targeted 6 respondents from the 107 sampled state corporations in Kenya totaling to 642. Data obtained from field survey was analyzed by use of SPSS to test null hypothesis which stated that there is no significant moderating influence of motivation on the relationship between reward management practice and employee performance in the State Corporations in Kenya. The study used regression analysis to test the significance of the variables at 95% confidence (p<0.05 significance level). The findings showed a significant moderating effect of motivation on the relationship between reward management practices and employee performance. The study recommends that state corporations in Kenya needs to establish a reward management policy/system and involve employees in determining acceptable and affordable rewards based on achievement of performance targets and the organization's ability to pay or provide for these rewards which will increase their motivation to work and subsequently their performance to meet organizational goals.

Key Words

Reward management practices, Motivation, Organizational Performance, State Corporations

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