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Effect of Transactional Rewards on Employee Performance at Teachers Service Commission, Kenya

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Abstract:

Teachers Service Commission (TSC), Kenya, has been implementing performance management besides transactional rewards since 2005 to enhance quality and cost-effective services. Performance management ensures performance quality improvement, while transactional rewards improve the efforts and productivity of employees. However, efficiency and quality of services are low compared to other state corporations, as evidenced by approximately 5000 teachers who visit its head office per month to solve their work-related problems. Literature on employee performance enhancement has focused on total rewards without disaggregating the same to give specific policy recommendations on transactional rewards. This study thus sought to establish the effect of transactional rewards on employee performance at TSC, Kenya. It was anchored on the Expectancy theory and adopted a correlational research design. The study population was 1200 employees, out of which a sample size of 291 was taken. Individual respondents were drawn through the Cluster sampling technique. Primary data were collected using structured questionnaires. Pearson correlation was used to obtain an association between the study variables.

In contrast, multiple regressions were used to establish the magnitude and direction of the effect of transactional rewards on employee performance. The study revealed that transactional rewards ($B=0.343$, $p=0.000$) significantly and positively predicted employee performance. Thus, TSC Kenya should effect more of them to enhance employee performance. This finding adds value to the existing knowledge of employee performance enhancement strategies and human resource management policy formulations by the TSC.

Keywords: Cost effective service, employee performance, performance management, quality service, teachers service commission Kenya, transactional rewards

1. Background to the Study

Like any organization, Public Sector Organizations (PSOs) are expected to fulfill the demands of the complete range of their stakeholders relevantly, efficiently, and effectively. However, since its inception in 1967, the Teachers Service Commission (TSC) in Kenya has been struggling to enhance quality service in the teaching sector in Kenya. Consequently, TSC in Kenya adopted Performance management (PM) besides transactional rewards (TRs) in 2005 as the main strategy to enable it to achieve its objectives for the fulfillment of the respective stakeholder demands (Okinda, 2014). PM was introduced in TSC, Kenya, among the other Kenyan PSOs in 2005/2006 fiscal year as part of the broader Public Sector Reform Programme to improve efficiency and effectiveness in the Public Service (Obong'o, 2009). PM is a continuous process of recognizing, quantifying, and bettering the performance of individuals and teams and positioning performance with the strategic goals of the organization (Aguinis, 2014). It is a means to enhance quality performance and collaborates for improved performance (Bacal, 2012). For this reason, managers use it as a tool that promotes result-driven cultures, accountability, and transparency due to its strong theoretical base, which improves individual attitudes and, eventually, organizational performance (Vu, Plimmer, and Berman, 2018). Hence, it aims to improve the organizational, functional, team, and individual performance (Hartog den, Bosilie, and Paauwe, 2004). Ideally, PM achieves its aims through the organization's mission and strategic goals and the particular task; performance arrangement; performance of duty; performance judgement; performance examination; and performance renewal and contracting (Aguinis, 2018). A well-designed and implemented PM makes significant contributions to employee and organizational performance (Aguinis, 2018; Chowthury, Hioe, and Schaninger, 2018). To realize that perception, managers should link individuals' goals and business priorities, coach effectively, and differentiate compensation across performance levels (Chowthury, Hioe, and Schaninger, 2018).

Despite implementing PM to improve the quality and cost-effectiveness of services seem inadequate at TSC, Kenya (TSC annual report, 2016-2017). This decrease in quality service may be attributed to a lack of the best way of improving PM and its association with repeated negative outcomes (Pulakos & O'Leary, 2011; Azzone & Palermo, 2011).

Approximately 5000 customers still visit the TSC head office monthly to sort out their work-related problems despite decentralizing the services up to sub-county levels (Kauku, 2017). This is because quality performance at the TSC has been decreasing over the years, as suggested by PSC reports (2006-2009, 2011, and 2012) which evaluated the TSC in terms of quality service rendered and in comparison to other PSOs at positions 71, 94, 72, 110, 135 and 122 out of 116, 124, 130, 139, 202 and 178 PSOs in 2006 to 2009 and 2011 to 2012 respectively except in 2010 when no PSO was evaluated. From 2013 to date, no relative efficiency of the PM has been evaluated among the PSOs to determine how the commission is performing. However, ineffective service tends to show no sign of abating (TSC, 2014). This means that from 2013 to 2021, the effect of PM on employee performance (EP) has not been ascertained at TSC, Kenya. The influence of PM on the EP at TSC, Kenya, thus remains unknown since 2013 to date.

The foregoing may be blamed on the difficulties of making PM work out in many organizations since its failure rate is estimated at 56 percent globally (Hainess III & St-Onge, 2012). The difficulties arise because PM is a highly personal and often threatening process for both managers and employees (Pulakos, 2004). Thus, the effectiveness of PM in enhancing EP remains doubtful. It is unclear, therefore, if PM's benefits have been experienced at TSC, Kenya. Unless performance and productivity are emphasized in TSC, Kenya, her efforts to professionalize teaching services for quality education, and development will be significantly compromised (TSC, 2019). Therefore, the need to enhance the performance of TSC, Kenya, to a level that will sustain the effectiveness of service delivery and productivity to enhance the delivery of quality education (Kirogo, 2019; TSC, 2019).

Studies on the relationship between TRs and EP tend to approach the ways EP is influenced in diverse ways. All the studies on the effect of TRs on EP differ significantly. Quite a number of studies were on total rewards with no specific attention to TRs and revealed positive results on EP (Chijioko, Nnaji, and Chinedu, 2015; Ibrar & Khan, 2015; Ranjan & Mishra, 2017), while one study with some elements of TRs (Nyanja, Maina, Kibet and Njagi, 2013) produced negative results on EP. Conceptually, all the studies were fragmented in that Nyanja, Maina, Kibet, and Njagi (2013) used correlational design in their study, while (Chijioko, Nnaji and Chinedu, 2015; Ibrar & Khan, 2015) applied descriptive design in their studies, and census research design was applied by (Ranjan & Mishra, 2017). Some studies were conducted in different sites, where two studies were contextualized in state corporations (Nyanja, Maina, Kibet and Njagi, 2013; Ranjan & Mishra, 2017) while the rest (Chijioko, Nnaji and Chinedu, 2015; Ibrar & Khan, 2015) were conducted in commercial banks and a private school, respectively. The studies reviewed different applied numbers and the nature of respondents. For instance (Nyanja, Maina, Kibet, and Njagi, 2013; Chijioko, Nnaji, and Chinedu, 2015; Ranjan & Mishra, 2017) used a sample size of 68, 95, and 102 respondents of managerial staff, respectively, while Ibrar and Khan (2015) used 100 mixed cadre as their respondents. The differences in studies were also evident in the form of the statistics they applied. Descriptive statistics were applied in the studies of (Nyanja, Maina, Kibet, and Njagi, 2013; Chijioko Nnaji & Chinedu, 2015; Ibrar & Khan, 2015). In the same vein, inferential statistics were also applied in the studies of Nyanja, Maina, Kibet, and Njagi (2013), Ranjan and Mishra (2017), while the studies of Chijioko, Nnaji, and Chinedu (2015) Ibrar and Khan (2015) applied regression to analyze their results, Ibrar and Khan (2015) also applied correlation in addition to regression analysis.

The studies of Nyanja, Maina, Kibet, and Njagi (2013), Chijioko, Nnaji, and Chinedu (2015), Ibrar and Khan (2015), Ranjan and Mishra (2017) have used various approaches to explore the effect of TRs on EP. The evidence suggests differences in variables, research designs, the context of studies, nature and sample sizes, and the mixed relationship between rewards and EP. Some studies, such as Chijioko, Nnaji, and Chinedu (2015), Ibrar and Khan (2015) Ranjan and Mishra (2017) have not specifically examined the effect of TRs on EP and revealed that total rewards affect EP significantly, whereas only study Nyanja, Maina, Kibet, and Njagi (2013) which examined one aspect of TRs found that it has no effect on EP. However, they did not isolate TRs from other factors of total rewards. This, therefore, means that the level of direct influence of TRs on EP remains unknown.

1.1. Statement of the Problem

For over ten years to date, PM has become an increasingly important EP improvement strategy in TSC, Kenya. The TSC adopted the strategy, besides traditional TRs, to its secretariat staff in 2005 to provide high customer service. The strategy should aim to provide quality service to teachers in Kenya to effectively deliver their mandates and enhance cost-effective and seamless work performance. It should also raise teachers' motivational levels by solving their work-related problems efficiently and effectively. This requires the process of service delivery to be optimized for time efficiency, customer satisfaction, and enough clarity to be easily understood by teachers and secretariat staff. However, the current service delivery system requires continuous adjustments and promotion to make it more effective. It makes teachers lose contact hours with their learners, thus compromising quality education. Contributing to inefficient service provision hinders TSC from transforming and professionalising the teaching service for quality education and development. On a monthly basis, the current service delivery system wastes the time of about 5000 teachers who visit the TSC head office to solve their work-related problems. The reports released on the Performance Evaluation of Public Agencies and, in contrast to other PSOs, rated TSC, Kenya in terms of quality service delivery at positions 71, 94, 72, 110, 135, and 122 out of 116, 124, 130, 139, 202 and 178 state corporations in 2006 to 2009 and in 2011 to 2012 respectively except in 2010 when no PSO was rated. Since 2013, the performance level of the TSC has been unknown because no comparative performance analysis has been done among PSOs. These positions and assertions show that quality service at the TSC has been significantly decreasing over the past years in contrast to PM's significance in enhancing EP. Containing this problem will practically benefit TSC, Kenya, and determine the reasons for deficient performance. Literature on this service's reasons for and consequences has not focused on TRs and PM. However, other human resource practices have not revealed how TRs affect EP, showed inconsistent results, were conceptually and empirically fragmented, and suffer from methodological

problems. However, there has been little work exploring the effect of TRs on EP. TSC, Kenya employs over 306,060 teachers, which requires action to be taken to enable it robustly execute its teacher management function. To mitigate performance deficit, the study determines the relationship between TRs and EP at TSC, Kenya.

1.2. Scope of the Study

The study determined the relationship between TRs and the performance of the secretariat staff at TSC, Kenya, with specific reference to those deployed in the 47 Counties of Kenya. In addition, the study was restricted to the effect of TRs and their key factors of basic pay, contingent pay, and employee benefits on the performance of the secretariat staff at TSC, Kenya. The duration of the study was between 2015 and 2021.

1.3. Conceptual Framework

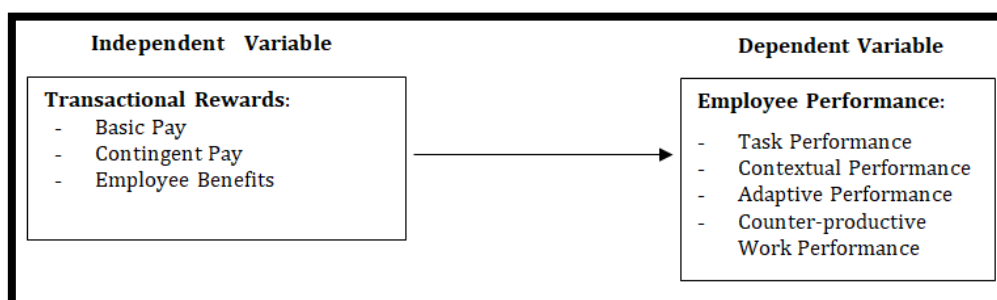


Figure 1: Conceptual Framework on the Effect of TRs on Employee Performance at TSC, Kenya

Source: Adapted from Tiraieyari and Uli (2011)

The study was guided by a conceptual framework adapted from Tiraieyari and Uli (2011), who studied the moderating effects of employee gender and organizational tenure in competency-performance relationships. From the framework, both the downward and upward arrows were eliminated, and adapted one independent variable, unlike the study cited, which investigated two socio-demographic variables, employee gender, and organizational tenure, as the moderators with social competency as the independent variable. Therefore, not all aspects of the framework were adapted from the two authors. Job performance as a dependent variable was borrowed from the framework because social competency as an independent variable was favorably associated with it. In the framework, two socio-demographic variables were used as moderators, whereas in this study, only one explanatory variable, TRs, was applied as a proxy for social competency. This study was like the work of Tiraieyari and Uli (2011) in the sense that employee job performance is the dependent variable.

The independent variable is TRs' key factors, namely: basic pay, contingent pay, and employee benefits. The dependent variable is the individual employee work performance, whose facet includes task performance, contextual performance, adaptive performance, and counter-productive work performance. Thus, it involves aligning key factors of TRs to enhance EP. Within this framework, TRs are seen as an impetus that managers use to work with employees to get more and better work, whereas employees expect to earn more of what they need and want. The aim is to positively impact organizational success. Therefore, the effect of TRs on individual employee work performance was measured and tested. It was, thus, hypothesized that TRs influence individual employee work performance outcomes because they provide information on rewards that are tied to employees' actual behaviors.

2. Literature Review

2.1. Expectancy Theory

The theory that explains TRs and EP relationship is Vroom's (1995) Expectancy Theory of Motivation. This theory explains how people in organizations make decisions about various behavioral options (Unda & Ramos, 2016). It attempts to explain how individuals make decisions to achieve the desired end (Scholl, 2002). Thus, it is a useful mechanism for analyzing organizational behavior and workplace motivation (Andrew, 2016). It has been applied to productive organizations (Unda & Ramos, 2016). However, it can also be applied to service organizations because it has been used to analyze job selection, work performance, and job satisfaction (Andrew, 2016). Expectancy theory argues that human beings are mostly rational decision-makers who take actions with the aim of satisfying their needs and achieving their goals (Met & Ali, 2014). Hence, if employees perceive that they may get valued rewards from the organization, they tend to put up greater effort into work (Dessler & Varkkey, 2013). It has three components—expectancy, instrumentality, and valence (Nzuve, 1999). Expectancy is the thinking that an individual's effort will result in the needed performance, which may be based on past experience, self-confidence, and the thought difficulty of performance. On the other hand, instrumentality is the thought that the realized performance expectation will attract greater reward in the form of pay increase, promotion, time-off, training, assignment to challenging positions, and recognition. Valence refers to the value employees place on rewards that correspond to their needs, goals, values, sources of motivation, and likings (Scholl, 2002). Therefore, it suggests that people are motivated if they believe that their effort will lead to acceptable performance (expectancy), performance will be rewarded (instrumentality), and the value of the rewards is attractive to them (valence)

(Met & Ali, 2014). Thus, people should be made aware of the requirements of their positions and reward entitlements (Andrew, 2016) since the theory points out that rewards mediate demands and job performance (Bozkurt, Bektas, Mahir, Kola, and Serra, 2017).

2.2. Transactional Rewards

Rewards are the compensation that an employee receives from an organization in exchange for efforts put into work (Jiang, Xiao, Qi, and Xiao, 2009). It is an exchange of the service one employee has offered (Joshi, 2016). TRs form total pay and benefits received by employees for work done (Dessler & Varkkey, 2013). It has two main components, direct and indirect financial payments like base pay, contingent pay, and employee benefits (Dessler & Varkkey, 2013; Joshi, 2016). The researcher chose TRs instead of total rewards because financial payments form a significant component of the cost structure of any organization (Dessler & Varkkey, 2013). In addition, most studies have not been able to disaggregate the total rewards to show the effect of specific aspects of rewards on EP.

2.2.1. Basic Pay

The base rate is the amount of pay (the fixed salary or wage) that constitutes the rate for the job. It may be varied according to the grade of the job or, for manual workers, the level of skill required (Armstrong, 2012). Many organizations use both hourly and salaried as pay categories which are identified according to the pay distribution and the nature of the jobs (Mathis & Jackson, 2011). Base pay may be influenced by internal and external factors and/or through collective bargaining with trade unions or by reaching individual agreements (Armstrong, 2012). Basic pay may be expressed as an annual, weekly, or hourly rate (Dessler & Varkkey, 2013). Allowances for overtime, shift work, unsocial hours, or increased cost of living may be treated as basic pay (Armstrong, 2012).

2.2.2. Contingent Pay/Variable Pay

These are additional financial rewards that may be provided in relation to performance, competence, skill, or experience (Armstrong, 2012). Contingent pay may be consolidated with basic pay (Mathis & Jackson, 2011). Where such payments are not consolidated (i.e., paid out as cash bonuses), they are described as variable pay. Thus, individual contingent pay, as pay-for-performance plans, ties an employee's pay to the performance, competence, and contribution or skill of one employee (Dessler & Varkkey, 2013). However, pay related to service provided for teams and organizational performance is also considered contingent pay, and contingent pay may be consolidated into base pay or provided in the form of cash lump sum bonuses (Mathis & Jackson, 2011).

Variable pay attempts to provide tangible rewards to employees for performance beyond normal expectations (Mathis & Jackson, 2011). It includes individual incentives, which encompass piece rate, sales commissions, cash bonuses, special recognitions (trips, merchandise), safety awards, and attendance bonuses; team or group incentives, which comprise gain sharing, quality improvement, and cost reduction; and organizational incentives which consider profit sharing, employee stock options, and deferred compensation (Fisher, Schoenfeldt, and Shaw, 2013; Armstrong, 2012).

2.2.3. Employee Benefits

These are elements of remuneration given in addition to the various forms of cash payments, and they include items that are not strictly remuneration (Fisher, Schoenfeldt, and Shaw, 2013). They include pension schemes, personal security, financial assistance, personal needs, company cars and petrol, holidays, health care, flexibility, other benefits, and intangible benefits (Aswathappa, 2008; Mathis & Jackson, 2011). Their objective is to increase the commitment of employees to the organization, among others (Armstrong, 2012). The strategic perspectives on benefits are to attract and retain capable employees and to control or cut costs (Mathis & Jackson, 2011). There are voluntary and legally mandated benefits (Ratna & Srivastava, 2009). Voluntary benefits are provided by employers in order to compete for and retain employees, and they include:

- Health care composed of vision care, wellness program, and psychiatric counseling;
- Financial education with credit unions, financial counseling, and educational assistance;
- Insurance with life insurance, legal insurance, disability insurance;
- Family-oriented sickness care, dependent care, and alternative work arrangements;
- Time off for military reserve, election, lunch and rest breaks, holidays and vacations, funeral and bereavement leaves, sick leave and paid time off; and
- Social and recreation, which include:
 - ✓ Recreation program,
 - ✓ Sporting activities,
 - ✓ Service awards,
 - ✓ Sponsored events, and
 - ✓ Cafeteria and food services (Aswathappa, 2008; Mejia, Balkan, and Carrly, 2010)

In contrast, the legally mandated benefits include:

- Workers' compensation,
- Unemployment compensation, and
- Severance pay;
- Retirement security which includes:
- Social security,

- Early retirement options,
- Pre-retirement counseling,
- Disability retirement benefits,
- Health care for retirees,
- Pension plans, and
- Individual retirement accounts (Torrington, Hall, and Taylor, 2009).

2.2.4. Transactional Rewards as Used in TSC, Kenya

TSC in Kenya recognizes that a well-established reward system is imperative to good employment relationships. To this end, the TSC purposed to use a variety of rewards to appreciate employees who excel in their performance (TSC, 2019). The types of rewards for secretariat employees as specified in Performance Recognition, Reward and Sanctions Policy for the Secretariat, 2019 include but are not limited to:

- Promotion to a higher job group,
- Appointment to an administrative position,
- Recognition for achievement,
- Education tour,
- Sponsorship for further studies,
- Exchange programs,
- Annual award program,
- Sponsorship for conferences,
- Material awards,
- Thirteenth salary,
- Paid vacations, and
- Contract renewal, besides the involuntary benefits and base pay

According to TSC (2019), the awards are categorized as professionalism and experience, exemplary work performance, outstanding initiative and creativity, excellent customer service, innovation in service delivery, and prominent levels of integrity. The said rewards policy also provides for the criteria for identification of deficient performance together with the appropriate sanction for the same. The main purpose of the said policy is to reward exemplary performance and sanction deficient performance to motivate employees to perform. Thus, the policy operates in conjunction with the Constitution of Kenya (2010), TSC Act (2012), Employment Act (2007), and Code of Ethics for Secretariat Staff (2018).

2.3. Employee Performance

Performance is what an employee does (Mathis & Jackson, 2009). It is about behavior, not what employees produce (Aguinis, 2014). Job performance is the overall expected value from employees' behavior, carried out over a set of periods (Motowidlo & Harrison, 2013). According to Jacobs, Hellman, Wuest, and Markowitz (2020), job performance relates to the act of doing a job and a single activity. It is also strictly behavior and a separate entity from the outcomes of the job, which relate to success and productivity. EP common to all jobs have elements such as quantity output, quality output, timeliness of output, presence at work, and cooperativeness (Mathis & Jackson, 2009).

High-performance results from appropriate behavior and the effective use of the required knowledge, skills, and competitiveness (Armstrong, 2006). Performance means both behaviors and results (Brumback, 1988). Behaviors emanate from the employee and transform the performance into action and are the product of mental and physical effort applied to tasks and can be judged (Armstrong, 2009). This is because performance is evaluative (its judgement is based on whether it helps advance or hinder organizational goals) and multi-dimensional (multiple behaviors are needed to describe an employee's performance) (Aguinis, 2018). This means that there are distinct kinds of behavior that have the capacity to advance or hinder organizational goals (Aguinis, 2014).

In managing performance, competence factors need to be included in the process (Armstrong, 2006). This means that performance is determined by a combination of declarative knowledge (information), procedural knowledge (Know-how), and motivation (Willingness to perform) must be present for performance to reach satisfactory levels. Performance is thus a function of (declarative knowledge, procedural knowledge, and motivation) for which if any of the three determinants of performance has a small value, then performance will have an extremely low value (Aguinis, 2018). Variables inherent in the organization, such as leadership, culture, work environment, motivation, and training, may also constrain individual EP (Hartog den, Bosilie, and Paauwe, 2004). Carlson, Upton, and Seaman (2006) proposed setting competitive compensation levels, training and development, performance appraisal, recruitment packages, and maintenance of morale as human resource management practices (HRPs) that positively impact EP. At the same time, Tessma and Soeters (2006) concluded that the HRPs that are positively and significantly associated with EP are practices that include recruitment and selection, placement, employee performance evaluation, compensation, promotion, grievance procedure, and social security. Bacal (2012) also stated that performance is affected by the interaction of the work and the individual. Important individual work performance dimensions, as proposed by Koopmans et al. (2011), include task performance, contextual performance, adaptive performance, and counter-productive work behavior.

Task performance is the proficiency with which one performs central job tasks (Aguinis, 2014). Its outcomes include completing job tasks, work quantity, work quality, job skills, job knowledge, keeping knowledge up-to-date, working accurately and neatly, planning, and organizing, administration, decision making, solving problems, oral and

written communication, monitoring and controlling resources (Koopmans et al, 2011). On the other hand, contextual performance refers to individual behaviors that support the organizational, social, and psychological environment in which the technical core must operate (Armstrong, 2012). The activities required to be a good member of an organization include taking on extra tasks, effort, showing initiative, enthusiasm, attention to duty, resourcefulness, industriousness, persistence, motivation, dedication, proactivity, creativity, cooperating with and helping others, politeness, effective communication, interpersonal relations, organizational commitment, and/or coaching newcomers on the job (Aguinis, 2018; Koopmans et al., 2011).

Counter-productive work performance refers to behavior that harms the well-being of the organization. These include absenteeism, presenteeism, theft, being late to work, engaging in off-task behavior, too many or longer breaks, complaining, tardiness, doing tasks incorrectly, accidents, insulting or gossiping about co-workers, fighting, or arguing with co-workers, disregarding safety, misusing privileges, aggression, and substance abuse. On the other hand, adaptive performance refers to the extent to which an individual adapts to changes in a working system or work roles which include:

- Solving problems creatively,
- Generating new and innovative ideas,
- Adjusting goals and plans to situations,
- Learning new tasks and technologies,
- Being flexible and open-minded to others,
- Understanding other groups or cultures,
- Showing resilience,
- Remaining calm,
- Analyzing quickly, and
- Acting appropriately (Koopmans et al., 2011; Aguinis, 2014)

Performance dimensions should be included in a performance management system for organizational success (Aguinis, 2018). Logically, therefore, deficient performance is attributed to inadequate leadership, bad management, defective systems of work, and situational and personal factors (Mwita, 2000; Armstrong, 2006).

Judging performance requires assessment using clear standards (Armstrong, 2006), which, according to Bacal (2012), has not been invented by anybody, and he suggests rating, ranking, and objective based as methods of performance appraisal, whereas Aguinis (2014) suggest behavior, results, and trait approach to measure results. Moreover, Armstrong (2006) gives an overall analysis of performance as written assessment, performance rating, forced distribution, quota system, and visual assessment as ways of assessing performance. Imperatively, wherever there are attempts to manage performance, a PM will be present in some form or the other (Broadbent & Laughlin, 2009). The management of performance would require that:

- Organizational and individual aims and objectives need to be defined and set,
- Corporate planning needs to be done,
- Organizational strategy and service objectives to jobs and clients need to be linked,
- Staff training and development needs to be identified,
- Results need to be assessed through personal appraisal while using personal indicators,
- Performance contracts should be signed,
- The knowledge gained through training should be used to modify attitudes,
- External and internal communication should be enhanced, and
- Organizational development and performance review should be embraced (Mwita, 2000)

3. Empirical Literature Review

Empirical review has advanced findings on other studies related to the influence of TRs on EP. As recommended by Boote and Beile (2005), a substantive, thorough, and systematic search was done to identify concepts related to the topic of this study. The searches were conducted between May and August 2019 in computerized databases such as ERIC (Educational resource information center), EBSCO, PsycINFO, Google Scholar, ProQuest, emerald, and the internet. The searches were restricted to literature published less than 10 years and in English only. The eligibility of studies for inclusion was based on the title, abstract, concepts of employee and organizational performance, and full and partial access. In contrast, exclusion criteria were based on the following:

- Not on work performance,
- Not at the employee level, or not at the concept of EP, and
- Publications that had restricted retrievals

In total, the searches resulted in 20 hits from the aforementioned databases, respectively. From these, 16 were removed due to duplicity, and 4 were found to be eligible on account of title and abstract. It is also worth noting that some authorities provided useful guidelines and that some articles were retrieved from the internet because some are better supported by non-scholarly sources. Therefore, the studies provided knowledge on this topic, many of which were on developing countries. The review compared the relevant literature to identify gaps in knowledge.

3.1. Effect of Transactional Rewards on Employee Performance

Nyanja, Maina, Kibet, and Njagi (2013) studied the effect of reward on employee performance (EP) at Kenya Power and Lighting Company (KPLC), Kenya. Their general aim was to determine the effect of reward on EP and specifically to determine the effect of cash bonus on EP. Using a correlational research design with 68 managerial employees as respondents, they found that cash bonus has insignificant effects on EP. Based on the findings, they recommended that organizations should focus on changing the intrinsic nature and content of jobs to achieve peak performance.

Chijioke, Nnaji, and Chinedu (2015) studied the effects of rewards on EP in selected commercial banks in Awka Metropolis in Nigeria. Their purpose was to determine whether a relationship exists between intrinsic and extrinsic reward systems and EP. They used 95 senior and middle management staff of eight banks as the respondents to find the presence of a relationship between rewards and EP and a significant difference in the effects of intrinsic and extrinsic rewards on EP. Based on the results, they recommended that a balance should be created by managers in adopting the appropriate motivational measures to apply and that management should employ feedback mechanisms to inform them of the performance of various reward systems.

Ibrar and Khan (2015) used a qualitative research design to study the impact of rewards on EP at Malakand Private School in Pakistan. Their purpose was to investigate how EP is impacted by extrinsic rewards (bonus, lunch, work tools, car benefits, housing, private office, flexible office hours, free medical, relaxation room, and free tickets) and intrinsic rewards (welfare, recognition, opportunity for growth, involvement, appreciation, and training and development). They administered questionnaires to 100 respondents with descriptive analysis, correlation, and multiple regressions to find a positive relationship between rewards and EP.

Ranjan and Mishra (2017) studied the impact of rewards on EP in Indian Oil Corporation, Patna region in India. They measured the impact of intrinsic rewards and extrinsic rewards on EP. Using a census study, they collected data using a structured questionnaire from 102 managerial employees. They used descriptive statistics and inferential statistics to find significant relationships between the independent variables and dependent variables (EP) and that cash bonuses have a positive influence on EP. Based on the findings, they recommended that the government should ensure that the reward schemes are more employee-oriented other than organization oriented and that individual employees should be able to pick their rewards as per their preferences.

A review of the literature on the effect of rewards on EP shows that the studies of Chijioke, Nnaji, and Chinedu (2015), Ibrar & Khan (2015), and Ranjan & Mishra (2017) were on total rewards. The study by Nyanja, Maina, Kibet, and Njagi (2013) considered only cash bonuses on EP. While the reviewed literature agrees that both the intrinsic and extrinsic rewards have a positive influence on EP (Chijioke, Nnaji, and Chinedu, 2015; Ibrar & Khan, 2015; Ranjan & Mishra, 2017), the one on cash bonus revealed no effect on EP (Nyanja, Maina, Kibet and Njagi, 2013) and that the study of Chijioke, Nnaji, and Chinedu (2015) showed a significant difference on the effects of extrinsic and intrinsic rewards on EP. The studies of Nyanja, Maina, Kibet, and Njagi (2015) applied correlational research design, the studies of Chijioke, Nnaji, and Chinedu (2015) and Ibrar & Khan (2015) used descriptive research design, and the studies of Ranjan and Mishra (2017) applied census design of research. The studies of Nyanja, Maina, Kibet, and Njagi (2013), Chijioke, Nnaji, and Chinedu (2015), and Ibrar & Khan (2015) looked at the aspects of rewards on EP and applied descriptive statistics. Nyanja, Maina, Kibet, and Njagi (2013) and Ranjan and Mishra (2017) used inferential statistics. In addition to using descriptive statistics, Chijioke, Nnaji, and Chinedu (2015) and Ibrar and Khan (2015) applied regression techniques. Besides descriptive statistics and regression analysis, Ibrar and Khan (2015) also applied correlational statistics. The studies of Nyanja, Maina, Kibet, and Njagi (2013), Chijioke, Nnaji, and Chinedu (2015), Ranjan & Mishra (2017) used 68, 95, and 102 managerial employees as their respective respondents except for the study of Ibrar and Khan (2015) which used 100 employees as their respondents with no specificity to their status. The studies of Nyanja, Maina, Kibet, and Njagi (2013) and Ranjan and Mishra (2017) were contextualized in state corporations, and the studies of Chijioke, Nnaji, and Chinedu (2015) and Ibrar and Khan (2015) were based at commercial banks and a private school, respectively. In the same vein, the studies of Chijioke, Nnaji, and Chinedu (2015) and Ranjan & Mishra (2017) were region based. However, the studies of Nyanja, Maina, Kibet, and Njagi (2015) and Ibrar and Khan (2015) were branch based.

The studies of Chijioke, Nnaji, and Chinedu (2015), Ibrar & Khan (2015), and Ranjan and Mishra (2017) were on total rewards and revealed consistent results. In contrast, the study on cash bonuses revealed a negative result (Nyanja, Maina, Kibet, and Njagi, 2013). However, paradoxically, the study of Ranjan and Mishra (2017), which revealed that both extrinsic and intrinsic rewards have a significant relationship with EP, concludes that cash bonuses have an impact on EP. The study of Chijioke, Nnaji, and Chinedu (2015) revealed that rewards have significant differences in EP and that managers should decide whether to rely on extrinsic or intrinsic rewards. Ibrar and Khan (2015) revealed a positive relationship between rewards and EP. Some studies reviewed were quantitative and applied a different number of participants (Nyanja, Maina, Kibet, and Njagi, 2013; Chijioke and Chinedu, 2015; Ranjan and Mishra, 2017) except the study of Ibrar and Khan (2015), which was qualitative. The study of Nyanja, Maina, Kibet, and Njagi (2013) applied 68 managerial staff as participants and got negative results. Meanwhile, Ranjan and Mishra (2017) applied 102 managerial staff as their respondents and revealed positive results. Some studies found positive results (Chijioke, Nnaji, and Chinedu, 2015; Ibrar & Khan, 2015) with 95 and 100 managerial and a mixture of cadres, respectively.

The study by Chijioke & Chinedu (2015), Nyanja, Maina, Kibet, and Njagi (2013), Ibrar & Khan (2015), and Ranjan & Mishra (2017) applied a quantitative approach to research, and therefore, it relates to this study, whereas the study by Ibrar and Khan (2015) is qualitative and therefore does not relate to this study. Another dissimilarity is evident in the studies by Nyanja, Maina, Kibet, and Njagi (2013) Chijioke, Nnaji, and Chinedu (2015) and Ranjan and Mishra, 2017; Ibrar & Khan, 2015) in terms of respondents. They used 68, 95, 100, and 102 managerial employees as respondents when this

study used 296 participants of mixed cadres. However, one study on the effect of cash bonuses on EP reveals that cash bonuses have a negative effect on EP (Nyanja, Maina, Kibet, and Njagi, 2013). The foregoing showed that the results of the empirical studies that measured the influence of TRs on EP are inconsistent. The studies tried to establish the effect of total rewards on EP. However, they did not study TRs in relation to EP. Therefore, this study sought to establish the effect of TRs on EP at TSC, Kenya.

4. Research Methodology

4.1. Research Design

The study is quantitative and thus employs a correlational research design since it allows inquiry to establish the effect of TRs on EP at TSC, Kenya (Creswell, 2014).

4.2. Study Area

The study was conducted in the TSC, Kenya offices in 47 Counties and more than 230 Sub-County TSC administrative units in Kenya. The choice of TSC, Kenya, as the context of the study was guided by the fact that it is not the only single largest employer among the Public Sector Employers in Kenya but also in East and Central Africa, and the choice of counties was informed by the fact that they have provided services closer to the people through decentralization of the TSC functions and improved teacher supervision at the institutional level (TSC Annual Report, 2016-2017). Article 251 (1) (c) of the Kenyan Constitution allows the Commission to recruit its own professional, technical, and administrative staff to form the secretariat as per section (18) (1) of the TSC Act 2012 Laws of Kenya. Consequently, it has employed over 3000 secretariat employees apart from the commissioners, of whom about 1200 are stationed in the field, to enable it to discharge its mandates (TSC, 2017).

Kenya is delineated by coordinates between the latitudes 0.0236'S and longitudes 37.9062'E, and it is inhabited by 44 communities. It is bordered by Tanzania to the south, Uganda to the southwest, South Sudan to the northwest, Ethiopia to the north, Somalia to the northeast, and on the southeast by the Indian Ocean. It is located on the eastern coast of Africa, lies a stride of the equator, and is on the west of Lake Victoria. Kenya's total land boundary length is 3477 km, and the length of its coastline is 536 km, with the total area including 11230 km² of water, 582650 km² of land, and a maximum length of 1131 km SSE-NNW and a maximum width of 1025 km ENE-WSW. The Population and Housing Census of 2019 reveal that Kenya is inhabited by 47.6 million persons, with an annual growth rate of 2.2 percent. There is a total of 31,661 public primary and post-primary educational institutions across the country, and they are served by 306,060 teachers, with a total enrolment approximated at 12,282,904 learners.

4.3. Target Population

The population of the study was the current 1200 TSC, Kenya secretariat staff stationed in all counties of Kenya from which the study sample was identified. The county staffs are comparable to the head office staff in terms of gender, age, educational level, professional qualification and experience, and job roles. They were chosen because counties have strengthened the decentralization of TSC functions and improved teacher supervision at the institutional level.

4.4. Sampling Techniques and Sample Size

A cluster sampling technique was used to select the study respondents because they were scattered in their respective 47 counties and 230 sub-counties in Kenya. Therefore, it was not possible to obtain a sampling frame from them, as supported by Mugenda (2008). A sample size of 291 secretariat staff was determined using the Krejcie and Morgan (1970) sample size estimation table. However, 296 of them participated in the study.

4.5. Sources and Types of Data

Data sources were the TSC secretariat employees deployed in the counties of Kenya. The dependent variable (EP) was ratio scaled. Own-designed questionnaires were used to collect quantitative primary data.

4.6. Pretesting of Research Instrument

Piloting was conducted in Migori County on 10th February, 2021. The piloted county was selected through a simple random sampling technique. The number of participants to be piloted in a study is debatable. Mugenda (2008) proposes that the number be between 1% and 10%, depending on the sample size. On the other hand, Sudman (1983) recommends 12 to 50 people because the number is cost, energy, and time efficient which is a large enough number that will note the problems with the survey questions. Therefore, to increase the likelihood of success of this study, the instrument was pilot tested on a small group of 21 respondents who were like the intended participants and within the range of the recommendations of Sudman (1983) and Mugenda (2008). Furthermore, 21 participants are adequate for piloting because, according to Hertzog (2008), samples in size range typical of pilot studies produce imprecise and sometimes seriously biased estimates of relevant statistics.

The sampled County had 21 TSC secretariats of the 1200 study population, and the 21 secretariats were all piloted. The aim of the pilot test was to determine the validity and reliability of the research instrument as per the study objective. Piloting ensured that the entire survey schedule ran smoothly and that coding and analyses were done properly and efficiently. The pilot test was also done to establish whether:

- There were question item flow and other areas for improvement,
- The instructions to respondents were clear, and

- The objective of the study was effectively addressed before the actual data collection process.

The pilot county was excluded from the main study. The research instrument which was piloted was the researcher’s own developed questionnaires. Generally, the findings for the piloting study indicated that the items in the instruments were very clear, understood well by the respondents, and the content was relevant and valid to the study. However, the respondents suggested:

- Revision of HR technical terminologies to everyday English language terms,
- The maximum time taken to administer the questionnaire was 15 minutes,
- The respondents had no issue with the length of the questionnaires, and
- The researcher was well-received in the pilot county, which could be attributed to the earlier communication to them by the TSC regarding the upcoming research.

The pilot results determined that the content of the questionnaire is valid and relevant for the collection of data for this research.

4.7. Reliability and Validity Testing

Reliability measures the degree to which the research instrument yields consistent results after repeated trials (Mugenda, 2008). To minimize random error, a reliability coefficient of 0.898 and 0.720 for TRs and EP respectively were computed. These, against the threshold of Cronbach’s Coefficient set at $\alpha = .7$, suggest that the instrument used was reliable (Mugenda, 2008; Creswell, 2014). The study applied construct validity to measure the theoretical concepts of TRs and EP (Mugenda, 2008; Aila & Ombok, 2015). The results showed that the instrument was highly valid and yielded data that has construct validity, allowing 8-10% non-random error.

4.8. Measurement of Variables

TRs and EP were measured on an instrument as a continuous score, and the scores from the sample were expected to be normally distributed. Ordinary least square (OLS) techniques were used to estimate various parameters associated with TRs and EP. The result of multiple regressions being conducted at 95% level of significance was compared with the result of OLS to determine the significance of the performance estimated. Pearson Product-Moment Correlation analysis was undertaken to establish the magnitude and direction of the association between TRs and EP (Mutai, 2014; Creswell, 2014). The outcome was therefore presented in the form of tables and textual write-ups because they enable readers to refine and distill the data to glean relevant information (Mutai, 2014).

4.9. Data Analysis

Descriptive statistics, correlation, and regression analysis were used to analyze the data (Mugenda, 2008). Descriptive statistics enables the researcher to discover miscoded values, missing data, and other problems in the data set (Mutai, 2014). It also enables the researcher to organize, summarize, interpret, and communicate quantitative information obtained from the study (Hayes, 2021). Pearson Product-Moment Correlation analysis was conducted to determine the magnitude and direction of the association between TRs and EP at TSC Kenya (Aguinis, 1995). Multiple regression analysis is an accessible data analytic technique in major statistical packages (Frazier, Baron, and Tix, 2004). A typical simple regression model is of the form:

$$EP = f(\text{TRs}) \dots\dots\dots (3.1)$$

However, the several explanatory variables within TRs are:

- Base Pay (BP),
- Contingent Pay (CP), and
- Employee Benefits (EB) (3.2)

The regression model and corresponding general function representing EP as adapted from (Mukras, 2012; Mutai, 2014) and modified by the researcher are as follows:

$$EP = f(\text{TRs}) = f(\text{BP}, \text{CP}, \text{EB}) \dots\dots\dots (3.3)$$

Thus, the mathematical form of the multiple regression model is expressed as:

$$EP_i = \beta_0 + \beta_1 BP_i + \beta_2 CP_i + \beta_3 EB_i \dots\dots\dots (3.4)$$

The equation (3.4) can be re-specified after incorporating the disturbance term as:

$$EP_i = \beta_0 + \beta_1 BP_i + \beta_2 CP_i + \beta_3 EB_i + \epsilon_i \dots\dots\dots (3.5)$$

Where:

- EP = the employee performance,
- i = individual employee,
- BP = Base Pay,
- CP = Contingent Pay,
- EB = Employee Benefits,
- ϵ = error term,
- β_0 = the intercept, and
- $\beta_1, \beta_2,$ and β_3 are the slopes of the variables $BP_i, CP_i,$ and $EB_i,$ respectively.

5. Results and Discussions

5.1. Descriptive Statistics

According to Trochim (2020), descriptive statistics describe the basic features of data, provide summaries about the sample and the measures, and form the basis of every quantitative data analysis in a study. Its purpose is to simplify and organize a set of scores (Gravetter & Wallnau, 2004). They are, however, a straightforward way of describing the collected data but do not allow the making of conclusions beyond the analyzed data or reach conclusions on hypotheses that might have been made (Babbie, 2010).

5.1.1. Summary of the Descriptive Statistics

Descriptive Statistics								
	N	Mean	Std. Deviation	Variance	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
Employee Performance	296	3.38	.587	.344	-.125	.142	.171	.282
Transactional Rewards	296	3.08	.671	.450	-.032	.142	.213	.282
Valid N (listwise)	296							

Table 1: Summary of Descriptive Statistics

Source: Field Data, 2021

The mean is the average of a set of scores or measurements (Mugenda, 2008). It is obtained by adding up the scores and dividing them by the number of observations (Gravetter & Wallnau, 2004). A five-point Likert scale was used to measure TRs and EP. This is a psychometric response scale in which the study responders to research questions specified their level of agreement to a statement in five points:

- Strongly disagree,
- Disagree,
- Neither agree nor disagree,
- Agree and
- Strongly agree (Preedy & Watson, 2010)

Table 1 indicates that the respondents neither agreed nor disagreed with TRs (M=3.08) and EP (M= 3.38), implying instrumentality is low. Meaning at TSC, Kenya, the valued rewards follow all levels of performance (Scholl, 2002).

There was a need to know how scores differed among themselves in magnitude around the mean of the distribution (Mutai, 2014). This is because samples consistently tend to be less variable than their populations, giving a biased estimate of population variability (Gravetter & Wallnau, 2004). Therefore, the standard deviation was applied because it gives the extent to which scores in a distribution deviate from their mean (Mugenda, 2008). The scores in TRs (SD=.671) and EP (SD=.587) are clustered closely, and variability is small. This shows that the individual responses, on average, are a little less than one point from the mean, meaning respondents respectively neither agreed nor disagreed with TRs and EP. This implies that rewards at TSC, Kenya, are allocated based on position and seniority, not on performance (Aguinis, 2014).

The distributions in this study are negatively skewed. Skewness is a measure of horizontal departure from distribution (Mugenda, 2008). Negative skewness implies that most of the measures are remarkably high with very few low measures and the values are less than -1.0 (Gravetter & Wallnau, 2004). This means the scores have piled up to the right-hand side, and the tail tapered off to the left (Jushan & Serena, 2005). Thus, TRs and EP are negatively skewed, as indicated by the values -.032 and -.757, respectively. Hence, a mass of the distribution is concentrated on the left, with TRs being the most skewed. Therefore, it can be concluded that the distribution is normal.

Kurtosis is a measure of vertical departure from a normal distribution (Jushan & Serena, 2005; Mugenda, 2008). In a normal distribution, kurtosis will always be equal to 3, and a departure from it shows either a peaked (leptokurtic) or a flat (platykurtic) distribution (Jushan & Serena, 2005). All variables were flat (platykurtic) .21 and .17 for TRs and EP, respectively. This implies that their standard deviation from the mean is not outside the range of normality. Standard errors for skewness and kurtosis are all the same for TRs and EP at .142 and .282 for skewness and kurtosis, respectively. They reflect the functions of the sample size.

5.2. Correlation Analysis

Correlation analysis was carried out to measure the degree of relationship between the variables, and the results are indicated in table 2. The results in table 2 show the association between TRs and EP at TSC, Kenya.

		Totals for Employee Performance	Totals for Transactional Rewards
Totals for employee performance	Pearson correlation Sig. (2-tailed)	1	
	N	296	
Totals for transactional rewards	Pearson correlation Sig. (2-tailed)	.392	1
	N	.000**	296
		296	

Table 2: Association between TRs and EP at TSC, Kenya
 **. Correlation Is Significant at the 0.05 Level (2-Tailed)
 Source: Field Data, 2021

Table 2 shows that TRs ($r=0.392$, $p=0.000$) have a moderate significant positive association with EP at TSC, Kenya (Mutai, 2014). This means that 39.2% of EP at TSC, Kenya, can be significantly associated with TRs, although the existence of an association between two or more variables does not necessarily imply any causal relationship (Mukras, 2012; Curwin & Slater, 2013). The findings suggest a possibility of a positive relationship between TRs and EP at TSC, Kenya. The respective influences of the constructs of TRs on EP at TSC, Kenya, were isolated for further correlation analysis, and the results are shown in table 3.

		Total Employee Performance	Basic Pay	Contingent Pay	Employee Benefits
Total Employee Performance	Pearson Correlation Sig.(2-tailed)	1			
	N	296			
Basic Pay	Pearson Correlation Sig.(2-tailed)	.385	1		
	N	.000**	296		
		296			
Contingent Pay	Pearson Correlation Sig.(2-tailed)	.352	.419	1	
	N	.000**	.000**	296	
		296	296		
Employee Benefits	Pearson Correlation Sig.(2-tailed)	.467	.503	.566	1
	N	.000**	.000**	.000**	
		296	296	296	296

Table 3: Association between the Constructs of TRs and EP at TSC, Kenya
 **. Correlation Is Significant at the 0.01 Level (2-Tailed)
 Source: Field Data, 2021

The constructs that form TRs are basic pay, contingent pay, and employee benefits. The results indicating the extent to which each construct is related to EP and to what extent the variation in each of them changes with the variation in EP at TSC, Kenya, are shown in table 3. Basic pay ($r=0.385$, $p=0.000$), contingent pay ($r=0.352$, $p=0.000$), and employee benefits ($r=0.467$, $p=0.000$), all had a moderate significant positive association with employee performance at TSC, Kenya (Mutai, 2014). This means that 38.5%, 35.2%, and 46.7% of EP at TSC, Kenya, can be significantly associated with basic pay, contingent pay, and employee benefits, respectively. However, the existence of an association between two or more variables does not necessarily imply any causal relationship (Mukras, 2012; Curwin & Slater, 2013). The findings suggest a possibility of a positive relationship between basic pay, contingent pay, employee benefits, and EP at TSC, Kenya.

5.3. Regression Analysis

Multiple linear regression analysis was carried out to establish the effect of TRs on EP at TSC, Kenya, and the results are indicated in table 4.

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
(Constant)	2.321	.148		15.674	.000**b		
Transactional rewards	.343	.047	.392	7.304	.000**b	1.000	1.000

Table 4: Regression Coefficients of TRs^a
 Source: Field Data, 2021
 Dependent Variable: Average Employee Performance
 ** Indicates Statistical Significance at 5% Level

Table 4 shows that TRs (B=0.343, P=0.000) are a significant positive predictor of EP. The t-statistic of 7.30 against a p-value of 0.000 suggests that the coefficient of TRs is significant. This implies that for every unit change in TRs, the EP at TSC, Kenya, changes by 0.343 units. Therefore, the null hypothesis that TRs have no significant effect on EP at TSC, Kenya, is rejected. The standard error, which measures an uncertainty about the true value of the regression (TRs) coefficient, is 4.7%. The variance of the inflation factor for TRs is 1, which is within the threshold of 4 recommended by Pan & Jackson (2008), showing that there is no multicollinearity. The model equation for this relationship is:

$$EP = 2.321 + 0.343TRs \dots\dots\dots (4.1).$$

SE: (0.148) (0.047)

t: (15.674) (7.304)

Although the focus of this study was to analyze the effect of TRs on EP at TSC, Kenya, an analysis of the effects of the constructs that formed TRs was also done. The findings of this analysis are respectively shown in table 5.

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
(Constant)	2.281	.162		14.063	.000**d		
Basic pay	.098	.040	.151	2.422	.016**d	.749	1.336
Contingent pay	.163	.048	.217	3.380	.001**d	.707	1.414
Employee benefits	.095	.050	.120	1.894	.059	.723	1.383

Table 5: Regression Coefficients for the Indicators of TRs^c

Source: Field Data, 2021

Dependent Variable: Average Employee Performance

** Indicates Statistical Significance At 5% Level

Table 5 shows Basic pay, contingent pay, and employee benefits as the constructs that formed TRs. Table 5 shows a significant positive relationship between basic pay, contingent pay, and EP at TSC, Kenya (B₁=0.098, p=0.016) And (B₂=0.163, p=0.001) Respectively. This implies that for every unit change in basic pay and contingent pay, the EP at TSC, Kenya changes by 0.098 and 0.163 units, respectively. However, employee benefits had an insignificant positive influence on EP at TSC, Kenya (B₃=0.095, p=0.059). This implies that although each employee receives benefits, such benefits may not be attractive to the employee. The contingent pay (β₂=0.217, p=0.001) had the strongest effect on EP at TSC, Kenya. The standard error of basic pay, contingent pay, and employee benefits are .040, .048, and .050, respectively. The variance of inflation factors corresponding to the independent factors ranges between 1.336 and 1.414, which meets the threshold of 4 recommended by Pan & Jackson (2008), and attests that there is no multicollinearity. The regression model equation for this relationship is:

$$EP = 2.281 + 0.098BP + 0.163CP + 0.095EB \dots\dots\dots (4.2).$$

SE: (0.162) (0.040) (0.048) (0.050)

t: (14.063) (2.422) (3.380) (1.894)

The finding of the study compares with the concepts and theories of several past studies. Chijioke, Nnaji, and Chinedu (2015) investigated the effects of rewards in selected commercial banks in the Awka metropolis in Nigeria and found a relationship between rewards and EP and a significant difference in the effects of intrinsic and extrinsic rewards on EP. This is because both extrinsic and intrinsic rewards affect people differently. Ibrar & Khan (2015) and Ranjan & Mishra (2017) respectively investigated the impact of rewards on EP at Malakand private school in Pakistan and in Indian Oil Corporation, Patna region India and found a positive relationship between intrinsic and extrinsic rewards and employee job performance. This is because most employees do not base their satisfaction and commitment on the reward received. However, some studies believe that financial rewards positively influence job satisfaction (Almohtaseb, Almahameed, Tobeery & Shaheen, 2017). However, Nyanja, Maina, Kibet & Njagi (2013) studied the effect of rewards on EP at Kenya power and lighting company limited in Nakuru, Kenya, and reported an insignificant effect of cash bonuses on EP. This is because bonuses are distributed at the discretion of employers and can be more easily stopped than pay raises. The previous studies tried to find out the effect of total rewards on EP. However, TRs as a profound construct had not been considered. Thus, the effect of TRs on EP was still unknown. Therefore, this study sought to establish the effect of TRs on EP at TSC, Kenya and the results indicate that TRs are a significant positive predictor of EP where a salary point or scale increase in TRs increases EP by 0.343 units. The study shows that TRs also determine EP as opposed to past studies. It goes beyond the past studies focused on establishing the effect of total rewards on EP. Hence, the first study establishes the effect of TRs on EP in a large public sector service organization in Kenya and East and Central Africa. The significance of the findings of the study is that, at least for the first time, an attempt has been made to inform the understanding of how TRs influence EP. Thus, it enhances the body of knowledge by defining what TRs mean to the secretariat staff at TSC, Kenya. This understanding will help management formulate policies that motivate employees to attain peak performance.

The residual diagnostics were carried out, and the results are captured in table 6. The residuals of the transformed data when plotted indicate that they are normally distributed with a mean of zero when the histogram is bell-shaped (Nikhil, Kingshuk & Mihir, 2015).

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	2.64	4.06	3.38	.229	296
Residual	-1.897	1.364	.000	.540	296
Std. Predicted Value	-3.239	2.965	.000	1.000	296
Std. Residual	-3.492	2.511	.000	.995	296

Table 6: Residual Statistics for the Effect TRs on EP

Source: Field Data, 2021

The results in table 6 indicate that the bell-shape of the histogram was realized because the residuals are distributed around their mean. It is noted that residuals are identically distributed, with the mean being at zero and equal variance. Therefore, it can be concluded that the model met the assumption of homoscedasticity.

6. Conclusions and Recommendations

This study was to establish the effect of TRs on the performance of employees at TSC, Kenya. Results indicate a significant positive effect of TRs on EP at TSC, Kenya. The TRs indicator of contingent pay reported the highest significant positive effect on employee performance, followed by basic pay. Employee benefits had an insignificant effect. This implies that of the TRs indicators, contingent pay and basic pay were highly regarded in influencing EP improvement compared to employee benefits at TSC, Kenya. Therefore, it is recommended that to enhance EP at TSC Kenya, there is a need to emphasize basic pay and contingent pay. In addition, employee benefits would also play a significant role in EP.

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