

Effects of reward and compensation systems on employee performance within the national museums of kenya

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Abstract:

Reward and compensation systems in any organization are a vital tool and play an important role as far as employee motivation and performance was concerned. The way organizations managed their reward and compensation systems determined or influenced the attitudes of employees towards work, as well as their performance. This study therefore sought to investigate the effects of reward and compensation systems on employee performance. Specifically, it were to analyze major levels of reward and compensation systems, find out how those levels were designed or established, and established the specific earnings and their effects on employee performance within the National Museums of Kenya. The study adopted the survey design. The target population involved all the 220 members of staff from Nairobi. Random sampling was used to select members of staff from five directorates i.e. directorates of Administration and Human Resource, Research and Collection Management, Regional Museums Sites and Monuments, Cultural and Corporate Affairs. The sample size involved 44 employees which is 20% of the target population that representing the senior, middle and support staff. The data collection instrument used was the questionnaire. The data collected from the study was analyzed using both quantitative and qualitative techniques. With the assistance of the computer program, that is, Special Program for Social Scientists (SPSS) version 16.0, multiple regressions was used to measure the effects reward and compensation systems at different levels of management on employee performance. Regression analysis was also used to examine the relationship between staff performance at different levels of management vis a vis reward and compensation systems. Tables, graphs and descriptive charts were used to present the data. The study found out that the reward and compensation systems had effects both positive and negative on employee performance that included increased efficiency and effectiveness, productivity and morale on the positive side; while labor turnover, reduced productivity and work performance are effects on the negative side. The recommended improvement on reward and compensation systems and further studies to be conducted to investigate strategies used to' deal with the problem of employee recruitment and retention among others.