

## Assessing the Role of Compensation Strategies on Non-Teaching Staff Performance: a Survey of Technical and Vocational Education Training Institutions in Uasin Gishu County

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**Abstract:** In the modern organizations, staff determine the success and failure of organizations by the means they deliver the services to the client through interactions. The foremost valuable assets available in every organization are its individuals. The main purpose of the study was to evaluate the role of compensation strategies on performance of permanent non-teaching employees: a survey of Technical and Vocational Education Training Institutions in Uasin Gishu county. The specific objective was to establish role of non-financial compensation on permanent non-teaching employees' performance in Technical and Vocational Education Training institutions in Uasin Gishu county. The current study adopted cross sectional survey design based on a sample size of 184 drawn from a target population of 384 non-teaching staff in public TVET institutions (Eldoret National Polytechnic, Rift Valley Technical Training Institute and Ziwa Technical Training Institute) in Uasin Gishu County based on Krejcie and Morgan (1970) schedule. Data was collected using questionnaires whose validity was ensured through piloting. For reliability, Cronbach's coefficient Alpha was 0.83. Data was analysed using descriptive and inferential statistics technique using the SPSS version 21.0 and presented on tables. The study found that non-financial compensation ( $r=0.501$ ,  $p<0.000$ ), has a significant and positive effect on performance. The study therefore concluded that non-financial compensation has an effect on non-teaching staff performance in TVET institutions. Hence recommends that TVET institutions should strengthen their policies on non-financial compensation strategies (Recognition, Appreciation, Learning and Development and Work Environment) to engender maximal performance amongst the non-teaching staff.

**Keywords:** compensation strategies, non-financial compensation and Employee performance

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### I. Introduction

#### 1.1 Background of the Study

The success of an organization in achieving its strategic objectives depends heavily on the performance level of employees. A competitive compensation strategy is one key plan of action that has been mostly adopted by several organizations to secure high levels of employee performance. Employees' willingness to remain on the job primarily depends on compensation packages a corporation offers to its staff, (Armstrong, (2003). Compensation management in essence plays a crucial purposeful role because it's the heartbeat of human resource management.

According to (Mondy, 2010) compensation is the sum total of all rewards given to staff for the services rendered to the organization, the core reason of this can be to attract, retain and encourage employees'. Armstrong (2005) highlighted that compensation management deals with the design, implementation and maintenance of compensation systems that are general to the development of organisational, team and individual's performance. DeNisi and Griffins (2008) expressed that compensation management is a set of rewards that organizations provide to individuals reciprocally for his or her temperament to perform varied jobs and tasks inside the organization. Compensation management is all concerned in the formulation and implementation of strategies and policies that aims at compensating employees' fairly, equitably and systematically in accordance with their contributions to the organization, Armstrong (2005).

There exists a significant relationship between compensation and worker performance Shin-Rong and Chin-Wei (2012). Mayson and Barret (2006) found that a firm's ability to draw in, encourage and retain staff by providing competitive salaries and acceptable rewards is connected to firm performance and growth. The connection between compensation system and staff performance is indivisible, although there are both macro and small environmental factors which can determine the satisfaction an individual derives from it. Factors like high rate of inflation have led to high cost of living, low financial gain and, purchasing power is a reason for poor performance Adeniyi (2013). Compensation has been viewed by most authors as a key determinant of performance and hence the best scheme attracts the best proficient human resources. Harrison and Liska (2008) noted that reward is that the centre piece of the employment contract and this can be the most reason why individuals work.

In the USA, the studies in the late 1990s-2000s, indicated that a lot of figures for incentive pay lead to significant growth within the percentage of staff covered by the incentive pay schemes in formation. From 1994/95 to 2003/04 the numbers increased exceedingly, U.S.A. data sets. Dube and Freeman (2010) concluded that there was a large increase in group incentive pay from the 1970s through the 1990s. Lemieux, McCleod and Parent (2009), estimated that 15 per cent of employees with incentive pay in a given year whereas 37% command jobs within which an employee 'ever' received incentive pay, and 45% of employees were in one amongst the two groups. Lazear and Shaw (2008) reported that near to 67 per cent of corporation's employment individual incentives for 20 per cent of employees' whereas 24 per cent of firms had gain-sharing schemes for 20% of employees. Proof from the 2002 and 2006 special modules of the GSS show that financial participation schemes (i.e. profit sharing, gain sharing or worker share ownership) cover up to 47 per cent of staff (Freeman, et al. (2009); Kruse, et al. (2010).

In Asian nation, Uddin, Habib, and Hassan (2007) showed a comparative state of affairs of HRM practices with reference to public and the personal sector organizations. The study discovered that the majority of the staff of Wartsila, the personal sector organization was contented with their salaries whereas most of the staff of Asian nation power development board (BPDB), the general public sector organization was extremely discontented with their salaries. A study by Huda, Karim, and Ahmed, (2007) on the HRM practices of twenty non-government organizations (NGOs) of Asian nation noted that inadequate money incentives drawn from one amongst the most reasons resulted in the task discontentedness of the staff. The study recommended that determination of entry-level remunerations and benefits doubtlessly draw in qualified candidates. Khan (2007) flatly highlighted that the general public and also the personal sector institutions of Asian nations didn't discharge their duties properly owing to incorrect achievement and choice of staff, politicization of promotion and placements, poor compensation, and ineffective coaching.

In Nigeria, in line with the compensation Decree of 1987, expressed that everyone organizations and businesses are to produce workers' compensation coverage for the sake of their staff and also those disabled or incapacitated within the line of duty, World Health Organizations. This can be followed by pensions Reform Act of 2003 which needs that leaders needs to take care of an insurance policy in favour of a worker for a minimum of three times annual total compensation or pay of the worker Aloysius, (2007). Another issue in Federal Republic of Nigeria is that the government compensation would appear to be determined primarily by company profit, forms of trade, Size of enterprise and individual performance. In Kenya, Munjuri (2011) studied on the effect of human resources management practices in enhancing worker performance in catholic institutions of higher learning in Republic of Kenya. The researcher found that the compensation had the best impact on increasing employees' level of performance. Busienei,(2013) states that the Means a Corporation manages individual's affairs and particularly compensation will influence its performance. Performance may be a result or set of results that represent productivity and competency associated with a long time objective, goal or common place. Two aspects of performance-related behaviours that are progressively vital in today's work organization are proactive behaviour and creativeness (Griffin, Neal and Parker, 2007).

World Bank (2004) report points out higher education institutions, like universities, colleges and polytechnics, are labour intensive organizations; they rely on individuals for the delivery of their services. The reports confirm that the standard of the workers in the institutions of tertiary education is therefore central to their effectiveness and the same applies to all people-centred organizations, Munjuri (2011).The above scholars among others have significant contribution on the result of compensation strategy on worker performance nevertheless, there's very little research on the compensation strategy of non-teaching employees' within the National Polytechnics in Republic of Kenya, hence it becomes pertinent to carry out this study so as to enhance the modern knowledge on compensation of non-teaching workers in National Polytechnics.

## **1.2 Statement of the problem**

Munjuri (2011) stated that, there is an increased need of higher education in the Republic of Kenya as proved within the growth in range of institutions of higher learning. The government has been strengthening its institutions to match the competition from the private institutions. Polytechnics are at the centre of this up gradation. Even so, there exists a problem of increased worker turnovers, absenteeism, unresponsive nature of staff, inadequate commitment. Mangkuprawira, (2003) noted that dissatisfaction to compensation could cause performance degradation, increasing degree of absenteeism, and employee turnover. An equivalent findings are evident in studies of Tettey, (2009) and Waswa et al. (2008) that among other reasons, poor remuneration, heavy workload and lack of promotional opportunities as the main reason for workers attrition in the public institutions. According to Lewa (2009), most public institutions don't have clear compensation strategies hence have low worker retention power. Anvari et al. (2011), Gungor, (2011), Danish and Usman (2010) states that improper compensation plans can invariably land corporations into issues like higher worker turnovers, less commitment, poor service delivery, dissatisfaction, conflicts, stress and stress connected diseases, labour unrest, industrial actions, tainted company image and accidents.

The gap that exists necessitated this study because of the fact that majority of the Technical and Vocational Educational Training institutions have weak compensation strategies for its non-teaching staff. This study, in turn, tried to fill the gap by establishing how the compensation strategies affect the performance of permanent non-teaching staffs in Technical and Vocational Educational Training institution Uasin Gishu County.

### **1.3 Objective of the Study**

This study sought to achieve the following specific objective:

- i) To establish the effect of non-financial compensation (Recognition, Appreciation, Learning and Development and Work Environment) on non-teaching staff performance in Technical and Vocational Education Training Institutions in Uasin Gishu County.

### **1.4 Research Questions**

The study sought to answer the following research question.

- i) What is the effect of non-financial compensation (Recognition, Appreciation, Learning and Development and Work Environment) on non-teaching staff performance in Technical and Vocational Education Training Institutions in Uasin Gishu County?

## **II. Literature Review**

### **2.1 Non-Financial Compensation and Employee Performance**

Non-financial rewards are the non-monetary gains that influence individuals through non-material rewards like giving additional responsibility, promotion, praise and recognition publically Musaazi,(2002). Maicibi (2007) in his definition of an equivalent includes indirect financial rewards arising from work itself, such as; accomplishment and autonomy. Such non-financial rewards are believed to have an effect on job commitment either negatively or positively. Non-financial rewards tend to attract extremely qualified and competent employees' who are probably extremely committed to the accomplishment of organization goals. In line with Armstrong (2009) talking on the role of non-financial rewards in enhancing employees' commitment and performance on the duty determined that "the notion of total reward says that there are additional rewards to individuals than throwing cash at them". Non-financial rewards will build staffs after duty. It encourages them to contribute further by developing a deal that addresses broad number of problems. Armstrong (2009) adds that making a fun, challenging and empowered work atmosphere which people are ready to use their abilities to try and do meaningful jobs that they're shown appreciation is probably going to be an additional thing to enhance motivation, commitment and performance. Maicibi (2003) highlights three main styles of non-financial rewards that's, the need for power, need for affiliation and need for accomplishment. If a company is to form its staffs commitment on the duty, then there is need to administer them the power in form of promotions and acceptance on the duty through recognition. Musaazi (2002) observes that absence of effective reward strategy that considers the requirements of staff and their aspirations demoralizes them resulting in low job commitment.

Malhotra et al. (2007) established that intrinsic non-financial rewards are additional powerful predictors of affective commitment than financial rewards. Coetsee (2004) underscores the importance of linking rewards to smart performance and he explains that giving this compensation and meriting staff can encourage them to figure out more durable relationships and it has an effect on their behaviour by motivating them. Furthermore, social rewards, facilitates staff and develops their trust and interest in pursuing organization goals. Staff who perceived their supervisor as supportive was additionally affectively committed to their employer. Zingheim and Schuster (2000) argues that once supervisors are committed to their subordinates and interact in behaviours that support organizations objectives, staff expertise emotional gratification are additional probably to reply by developing trust and modelling their supervisor's behaviours.

Chiang and Birtch (2009) posit that rewards that are non-financial in nature, like the provision of a rise in holidays, and increase in family benefits, contribute towards the worker perceiving his/her workplace as a supportive and caring organization. By providing staff with the maximum amount rewards as attainable (in proportion to their work efforts), staff are ready to operate more efficiently. This concept is further supported by Luthan et al., (2006) who stresses that once staffs are ready to see that their company really values and rewards certain service behaviours, then the staff would additionally wish to embrace or welcome such values, and that they would be ready to exhibit fascinating behaviours supported by their perceptions and the promise of rewards. The staff's perceptions with regards to their reward climate and getting a chance to advance influence their attitudes towards their employer. Lack of chance for advancement or growth will cause a high ratio turnover for any organization. Even the foremost seasoned worker has to be told what he or she is doing is correct once in a while Shamsuzzoha (2007). Lack of chance for advancement through seniority or otherwise might end in dissatisfaction that simmers in an employee's mind until he or she finally quits. In the case of jobs having no real future, candidates ought to receive a full rationalization before they're employed. If a company

doesn't have probabilities for promotion of their staff, they'll quickly lose this resource to others. Promotion likelihood is the degree of potential quality tool within a company. Promotional probabilities cut back turnover since a worker will continue hopefully eyeing a vacancy. Promotion of workers could be a rational motivator with the sense that a worker is glad whilst he performs his duties. With job satisfaction turnover reduced tremendously Cascio, (2002).

Legally required benefit programs include social security, workers compensation while discretionary programs include health benefits, pension plans, paid time off, tuition reimbursement, recognition award, foreign service premiums, responsibility allowance, child care, on campus accommodation, promotion, annual increment and a host of others ( Cascio, 2003; Dessler, 2005; Bernadin,2007). Benefits, in a nutshell are the indirect financial and non financial payments employees receive for continuing their employment with an organization. Employee benefits, though a part of total compensation embraces non monetary form of compensation ranging from health care plans, to pension or retirement plans, social security, insurance, family and medical leave (Bernadin, 2007), severance pay, payments for time not worked (vacations, sabbatical, holidays), workers compensation, that is, those injured on the job (Cascio, 2003), foreign service premiums, child care, tuition reimbursement and on campus accommodation (Noe et al 2006). Other emerging trends in employee benefits embrace flexibility or what is known as cafeteria approach to benefits. This allows an employee to choose from array of benefits in lieu of pay. An employee who is a bachelor may choose money in lieu of child care (Miner and Crane, 2005).

Employee coaching provides opportunities to staff to widen their knowledge and skills for additional economic cooperation and attain individual development Jun et al (2006). Once staff receives self-development coaching, the extent of their job satisfaction is more than those when there is no such coaching. As per Cole (2005), the benefits of a worker development to a company include: increasing the employees' morale since coaching can improve the employees' confidence and motivation; lowering the cost of production through higher and economical employment of fabric and instrumentation thereby reducing and avoiding waste. Additionally, he determined that coaching of staff ends up in a coffee turnover that comes as results of improved security within the geographical point. Coaching helps improve modification management by increasing the understanding and involvement of staff in modification management method.

### **III. Methodology**

#### **3.1 Research Design**

The current study adopted cross sectional survey design based on a sample drawn from across the Uasin Gishu County and used explanatory research design. This design enabled the researcher to get a larger population hence a reasonable sample size. According to Saunders et al. (2009), Survey method is a popular and common strategy in business research. It enables large amount of data to be collected from an ideal population and in a highly economical way. It is often characterized by the selection of random samples from large populations to obtain empirical knowledge of a contemporary nature Saunders, Lewis and Thorn hill (2009).

#### **3.2 Study Area**

The study was carried out in Uasin Gishu County which is situated in the mid-west of Kenya's Rift Valley, some 330km North West of Nairobi. Uasin Gishu is a cosmopolitan county, covering an area of 3345.2 square kilometers .Uasin Gishu County is home to 894,179 people as per the 2009 National Statistics, representing 50% male and 50% female. The county has several middle level colleges and universities. Among the higher learning institutions include Moi University, Alphax College, Elgon View College, Rift Valley Technical Training Institute and Eldoret Polytechnic (Magical Kenya, 2016).

#### **3.3 Target Population**

Mugenda and Mugenda (1999) define a target population as a complete set of individuals, cases or objects with some common observable characteristics. The study targeted permanent non-teaching employees' from public TIVET institutions in UasinGishu County namely Eldoret National Polytechnic, Ziwa Technical Training Institute and Rift Valley Technical Training Institute. The target population from all these institutions was 338 employees as presented in the table below.

**Table 3.1 Target Population**

<b>Selected institutions</b>	<b>SAO</b>	<b>H O S</b>	<b>Non-teaching Staff</b>	<b>Frequency</b>
Eldoret National Polytechnic Main	1	16	230	247
Ziwa Technical Polytechnic	1	2	15	18
Rift Valley Technical Training Institute	1	10	62	73

### 3.4 Sampling Techniques and Sample Size

#### 3.4.1 Sampling Techniques

This study employed stratified random sampling method as a technique of probability method which was done according to the three technical institutions. The samples were drawn from (Heads of sections and, Permanent non-teaching employees). This was also stratified as Senior Administrative Officers, Heads of Sections and non-teaching staff. Purposive sampling technique was used to select 4 Senior Administrative Officers and 15 heads of sections because they have specific information for each section. Proportional Simple Random sampling technique was used to select 166 permanent employees from the three institutions since all employees had the same characteristics and the probability of being chosen is equal.

#### 3.4.2 Sample Size

The study used Krejcie and Morgan Table (1970) to calculate the sample size. Sample is the segment of the population that is selected for investigation (Bryman and Bell, 2003). In quantitative research, the need to sample is one that is almost invariably encountered and sampling constitutes a key step in the research process in social survey research. Sampling was proportional random sampling which attracted a sample size of 184 respondents from a target population of 338 respondents. The distribution of the respondents was as shown in the Table 3.2.

**Table 3.2** Sample size

Selected institutions	SAO	HOS	Permanent non-teaching employees	Frequency
Eldoret National Polytechnic	1	8	125	134
Ziwa Technical Training Institute	1	2	7	10
Rift Valley Technical Training Institute	1	5	34	40
<b>Total</b>	<b>3</b>	<b>15</b>	<b>166</b>	<b>184</b>

### 3.5 Data Collection Instruments

A researcher can opt for collecting data from secondary sources or from primary sources. Primary data is used for this specific study whereas; secondary data is data collected by others for the use of their specific purpose Saunders et al. (2009). The data collection instruments are tools to collect information from the intended target population (sample size). The data collection instrument that was used in this study was questionnaire. A total of 184 questionnaires were issued to the respondents. The questionnaires were used because it is deemed to be the method that collects a lot of information over a short period of time and they are also economical.

### 3.6 Validity and Reliability

#### 3.6.1 Validity

The research ensured validity of research instruments by using simple language free from jargon to make it easily understood by the respondents. To test validity, the questionnaire to be used in the study were availed to the supervisors and other specialized lecturers in this field of study in the School to review the test items to ensure that they were based on the content area before commencing data collection. The researcher also sought the opinion of individuals who could render intelligent judgment about their adequacy Fraenkel, (1993)

#### 3.6.2 Reliability

Creswell (2000) poses a question to researchers that if you administer a test to a subject twice, do you get the same score on the second administration as you did on the first? The reliability of test is the answer to this question Kombo and Tromp, (2006). Data collected from the pilot study was used to compute the reliability of the instruments' items. The Cronbach's coefficient alpha was applied on the results obtained to determine how items correlate among themselves in the same instrument. Cronbach's coefficient Alpha of more than 0.7 was to be taken as the cut off value for being acceptable, which enhanced the identification of the dispensable variables and deleted variables.

The results of the reliability test are shown in table 3.3 below.

**Table 3.3** Cronbach’s Alpha Reliability Results

Variables	Number of items	Cronbach Alpha Coefficient	Comment
Non-financial compensation	4	0.812	Acceptable
Direct Financial Compensation	4	0.731	Acceptable
Indirect Financial Compensation	4	0.852	Acceptable
Non teaching Staff Performance	3	0.864	Acceptable

It was evident from table 3.3 that the Cronbach Alpha Coefficients were above the 0.7 mark, which implied that all the variables were reliable and hence adopted the questionnaire.

**3.8 Data Analysis and Presentation**

**3.8.1 Data Analysis**

The questionnaires were edited, coded into SPSS software and cleaned before being analysed, and tabulated to improve on the quality of data (Kothari,2004). Data coding is assigning numerals and symbols, while data cleaning is the examining the collected unrefined data to identify errors and omissions and correct if possible. Data was analyzed by use of descriptive techniques. The descriptive statistics were frequency and percentages. The study further performed advanced descriptive analysis by computing Karl Pearson’s coefficient of correlation to check whether there is linear relationship between the variables (non-financial compensation, direct financial compensation, indirect financial compensation and performance of non teaching staff) by means of the Statistical Package for Social Sciences (SPSS) version 21.0.

**3.8.2 Presentation**

The data from the questionnaires was entered into Statistical Package for Social Sciences (SPSS) version 21.0 from which data was extracted in form of frequency tables. Patterns of commonalities were pooled, discourses were identified, and significant differences were also highlighted (Brannen, 2008). Tables were used in presentation to allow for visual simplicity of presented data and frequency tables that quantify data.

**IV. Findings, Conclusions And Recommendations**

The objective of this study was to find out the effects To establish the effect of non-financial compensation (Recognition, Appreciation, Learning and Development and Work Environment) on non-teaching staff performance in Technical and Vocational Education Training Institutions in Uasin Gishu County, to achieve this objective, the participants were asked to respond to items in the questionnaire on a likert scale of 1-5. The results are presented in Table 4.1.below

**4.1 Non-Financial Compensation and Non-Teaching Staff Performance**

The researcher sought to establish the effect of the non-financial compensation on non-teaching staff performance. The responses were as presented in the tables below.

**Table 4.1** Recognition and Appreciation of staff performance

<b>My Organization recognizes and appreciates staff performance</b>			
	Frequency	Percent	Cumulative Percent
Strongly Agree	42	23.7	23.7
Agree	63	35.6	59.3
Undecided	6	3.4	62.7
Disagree	42	23.7	86.4
Strongly Disagree	24	13.6	100.0
<b>Total</b>	<b>177</b>	<b>100.0</b>	

From table 4.2, it is evident that majority of the respondents (59%) agree that their respective organization recognizes and appreciates staff performance. Nevertheless, 36% of the respondents were of contrary opinion while only 3% were undecided over the issue. The results imply that most of the Technical and Vocational Education Training Institutions do appreciate the ability of non-financial compensation to spur good performance among employees. This was inferred from the fact that they recognize effort exerted by employees and in turn reward it through their own ways.

This results are in agreement with Musaaazi,(2002) findings which revealed that non-financial rewards like giving additional responsibility, promotion, praise and recognition publically do influence individuals performance. Absence of effective reward strategy that considers the requirements of staff and their aspirations demoralizes them resulting in low job commitment.

**Table 4.3: Education advancement permission**

<b>Education advancement allowed in our institution.</b>			
	Frequency	Percent	Cumulative Percent
Strongly Agree	43	24.3	24.3
Agree	80	45.2	69.5
Undecided	9	5.1	74.6
Disagree	35	19.8	94.4
Strongly Disagree	10	5.6	100.0
<b>Total</b>	<b>177</b>	<b>100.0</b>	

The results in table 4.2 indicates that majority of the respondents who account for about 69% do agree that education advancement is permitted in their organization. About 24% of the respondents are of a contrary opinion while 5 % remain indecisive. The general implication of the results is that the Technical and Vocational Education Training Institutions do offer opportunities to the non teaching staff so as to spur performance. The institutions seem to appreciate the fact that through advancement of education special skills are acquired hence could help in quality service delivery. However, there are those respondents who alludes that education advancement is disallowed in their organization. The interpretation for this could be that the institutions consider some factors like position, age and experience before allowing an employee to advance education.

The finding above concurs with the study findings by Armstrong (2009) who asserts that non-financial rewards like opportunity to study will build staffs after duty and encourages them to contribute further by developing a deal that addresses broad number of problems. Armstrong (2009) adds that empowered work atmosphere which people are ready to use their abilities to try and do meaningful jobs enhances motivation, commitment and performance. Shamsuzzoha (2007) concluded that lack of chance for advancement through seniority or otherwise might end in dissatisfaction that simmers in an employee’s mind until he or she finally quits. In the case of jobs having no real future, candidates ought to receive a full rationalization before they're employed. If a company doesn’t have probabilities for promotion of their staff, they'll quickly lose this resource to others.

**Table 4.3: Training and Development opportunities**

<b>Our organization has training and Development programs to spur good performance</b>			
	Frequency	Percent	Cumulative Percent
Strongly Agree	29	16.4	16.4
Agree	36	20.3	36.7
Undecided	27	15.3	52.0
Disagree	43	24.3	76.3
Strongly Disagree	42	23.7	100.0
<b>Total</b>	<b>177</b>	<b>100.0</b>	

In table 4.3, the results indicate that most of the respondents accounting for 48% held the opinion that their organization did not have training and development programs that are likely to spur good performance. About 36% of the respondents agreed that their organization carry out training and development programs while 15% were undecided. The results imply that that the institutions’ training programmes were a reserve of few due to some reason probably related costs. The institutions cannot train all staff but rather the few-trained staffs are meant to train the others. This seems to be a challenge as shown by the results since most are not trained. These findings concur with Luthan et al., (2006) who alludes that the staff’s perceptions concerning their reward climate and getting a chance to advance influence their attitudes towards their employer. Lack of chance for advancement or growth will cause a high ratio turnover for any organization. It also affects performance of the employees since they are in the company temporarily. Cole (2005), enumerates the benefits of a worker development to a company include increasing the employees’ morale since coaching can improve the employees’ confidence and motivation; lowering the cost of production through higher and economical employment of fabric and instrumentation thereby reducing and avoiding waste.

**Table 4.4: Working Environment**

<b>Our organization has a conducive working environment</b>			
	Frequency	Percent	Cumulative Percent
Strongly Agree	30	16.9	16.9
Agree	60	33.9	50.8
Undecided	18	10.2	61.0
Disagree	41	23.2	84.2
Strongly Disagree	28	15.8	100.0
<b>Total</b>	<b>177</b>	<b>100.0</b>	

In table 4.5, it is evident that half of the respondents (50%) agree that their working environment is conducive. About 39% held a contrary opinion and alluded that their working environment was not very conducive while 10% were undecided. The results show that the institutions have well conditioned some working areas while other remains unsatisfactory to the occupants. There seems to be those who do not recognize whether their working environment was conducive or not. This lot was insensitive hence; their performance was not related to the environment they worked in. An enhanced work environment is a key factor to performance. The findings agree with Luthan et al., (2006) who stresses that staff in good environment would embrace company values, and that they would be ready to exhibit fascinating behaviours. Shamsuzzoha (2007) posit that even the foremost seasoned worker has to be told what he or she is doing is correct occasionally. This is in ensuring that the worker feel that the environment around them appreciates what they are doing.

**4.2 Non-financial Compensation and Non-teaching staff performance**

This correlation sought to establish the relationship between non-financial compensation and non-teaching staff. Pearson product correlation was computed at 0.01 significance level.

**Table 4.6** Correlations on Non-financial compensation and non-teaching staff performance

		Non-financial compensation	Non-teaching staff Performance
Non-financial compensation	Pearson Correlation	1	.501**
	Sig. (2-tailed)		0
Non-teaching staff Performance	Pearson Correlation	.501**	1
	Sig. (2-tailed)	0	
**. Correlation is significant at the 0.01 level (2-tailed).		N=177	

From table 4.6, it was evident that non-financial compensation was positively and statistically significant ( $r=0.501$ ,  $p<0.000$ ). This implies that non-financial compensation correlated to non-teaching staff performance is positively and statistically significant. At 99% level of confidence (significant at the 0.01 level (2-tailed), a unit change in non-financial compensation leads to 50.1 % in no teaching staff performance. This finding concurs with Harrison and Liska (2008) who found that rewards is that the centre piece of the employment contract and this can be the most reason why individuals work. This includes both extrinsic and intrinsic rewards received by those employed in the organisation.

**4.3 Conclusion**

The study concludes that non-financial compensation has an effect on non-teaching staff performance in TVET institutions. TVET institutions recognize effort exerted by employees and in turn reward it through their own strategies. They further permit education advancement and appreciate the fact that through advancement of education special skills are acquired hence could help in quality service delivery. Training and development programmes were a reserve of few due to some reason probably related costs. TVET institutions have well conditioned some working areas while other remains unsatisfactory to the occupants.

**4.4 Recommendations**

**4.4.1 Recommendation on policy and practice**

The study recommends that TIVET institutions should embrace and adopt sound and fair compensation strategies that will boost high organization commitment and high productivity. This should be done by formulating, communicating and compensation policies to the non-academic staff members in the TIVET institutions. It also recommends that, the organizations should purpose seriously on formulating and implementing non-financial compensation policies like promotions, recognition and appreciation. These are intrinsic motivation factors and it has the ability to reduce staff turnover and improves the quantity and quality of the goods and services.

**4.4.2 Recommendation for further Research**

Since this study focused only on compensation strategies in TIVET institutions in Uasin Gishu County, the results might not bring the true picture of all the TIVET institutions in Kenya, the study therefore recommends that a similar study be done in all the other TIVET institutions in the remaining forty six counties so as to bring the true picture of the compensation strategies in TIVET institutions across the country.



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