

**MANAGERS PERCEPTION OF THE INFLUENCE OF REWARDS ON
EMPLOYEE RETENTION AT SOUTH NYANZA SUGAR COMPANY LIMITED**

ASINGO EVALINE ANYANGO

**A RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILMENT FOR THE
DEGREE OF MASTER OF BUSINESS ADMINISTRATION, AT THE
UNIVERSITY OF NAIROBI, SCHOOL OF BUSINESS**

2014

DECLARATION

STUDENTS DECLARATION

I declare that this project is my original work and that it has never been submitted in any other university or institution of higher learning for any award.

Signature

Date

ASINGO EVALINE ASINGO

D61/74108/2012

SUPERVISOR'S DECLARATION

This research project has been submitted for examination with my approval as the University Supervisor

Signature

Date.....

PROFESSOR PETER K'BONYO

Department of Business Administration, School of Business

University of Nairobi

DEDICATION

I dedicate this project to my late dad Jonathan Asingo for his unwavering support and believe in me when he was still alive. To my dear son Mitchel Omondi and two beautiful daughters Faith Achieng and Mercy Awino who stood by me, supported and encouraged me to soldier on despite the up and downs of my tight schedule.

ACKNOWLEDGEMENTS

I thank the Almighty God for His guidance and providence which enabled me to undertake this project that was involving in terms of time and resources.

I wish to express my sincere appreciation to my family and siblings namely Collins Omondi, Brigitte Asingo and Maureen Asingo for their understanding and support during the project.

Lastly, I would also like to express my sincere thanks to my Supervisor, Professor Peter K'bonyo for having agreed to supervise this research paper and his patience in reading the drafts and occasionally guiding me without which the research would not have been a reality.

LIST OF ABBREVIATIONS

COMESA	Common Market for Eastern and Southern Africa
CS	Company Secretary
CQAM	Corporate Quality Assurance Manager
HHR	Head of Human Resource
HICT	Head of Information Communication & Technology
HOA	Head of Agriculture
HOF	Head of Finance
HOP	Head of Procurement
HOM	Head of Manufacturing
HMBD	Head of Marketing & Business Development
JCM	Job Characteristics Models
TCD	Tons Crushed per Day
SONY	South Nyanza

LIST OF TABLES

- Table 4.1 Distribution of respondents by demographic characteristics. Sample (n=10)
- Table 4.2 Perceived influence of pension scheme on employee retention
- Table 4.3 Means and Standard deviations for perceived influence of attributes of health care scheme on employee retention
- Table 4.4 Means and Standard deviations for the influence of sabbatical leave on employee retention
- Table 4.5 Means and Standard deviations for influence of flexible work plan attributes on employee retention
- Table 4.6 Means and Standard deviations for the influence of education programs on employee retention
- Table 4.7 Relative Contributions of Rewards to employee retention

TABLE OF CONTENTS

DECLARATION	ii
DEDICATION	iii
ACKNOWLEDGEMENTS	iv
LIST OF ABBREVIATIONS	v
LIST OF TABLES	vi
ABSTRACT	ix
CHAPTER ONE: INTRODUCTION	1
1.1 Background to the Study.....	1
1.1.1 Concept of Perception.....	2
1.1.2 Employee Rewards	3
1.1.3 Employee Retention.....	3
1.1.4 Sony Sugar Company Limited.....	4
1.2 Research Problem	5
1.3 Research Objective	6
1.4 Value of the Study	7
CHAPTER TWO: LITERATURE REVIEW	8
2.1 Introduction.....	8
2.2 Theoretical Foundation	8
2.2.1 Expectancy Theory	8
2.2.2 Equity Theory	8
2.3 Employee Reward.....	9
2.4 Types of Rewards	10
2.5 Employee Retention.....	11
2.6 Perceived influence of Reward on Employee Retention	12
CHAPTER THREE: RESEARCH METHODOLOGY	15
3.1 Introduction.....	15
3.2 Research Design.....	15
3.3 Data Collection	15
3.4 Data Analysis	15

CHAPTER FOUR: DATA ANALYSIS, PRESENTATION AND INTERPRETATION	16
4.1 Introduction.....	16
4.2 Descriptive statistics	16
4.3 Reward Factors influencing the Employee Retention	18
4.3.1 Pension Schemes.....	18
4.3.4 Sabbatical Leave	20
4.3.5 Flexible Work Plan	20
4.3.6 Education Programs Facilitated by Employer	21
4.3.7 Relative Contribution of Rewards to employee retention.....	22
CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS ..	23
5.1 Introduction.....	23
5.2 Summary	23
5.3 Conclusions.....	24
5.4 Recommendations.....	24
5.4.1 Recommendations for Policy	24
5.4.2 Suggestions for Further Studies	25
REFERENCES.....	26
APPENDICES.....	30
Appendix I: Questionnaire	30
Appendix II: Exit Interview Survey.....	33
Appendix III: 2013 Work Place Satisfaction Survey.....	34

ABSTRACT

On average a company losses approximately Kes 10 million with every 10(ten) managerial and professional employees who leave the organization. The combined direct and indirect costs associated with one employee ranges from a minimum of one year's pay and benefits to a maximum of two years pay and benefits. Thus, there is a significant economic impact when an organization losses any of its critical employees especially given the knowledge that is lost with an employee's departure. The purpose of this study was to determine the managers' perception of the influence of rewards on employee retention at South Nyanza Sugar Company Limited Kenya. Descriptive research was used. For this study the target population was ten (10) heads of department who are employees of the organization which is a state corporation. To achieve the research objectives, both primary and secondary data was used. Primary data was collected through a questionnaire. Secondary data was obtained through documents review specifically exit interview and workplace satisfaction survey. Quantitative data was analyzed using descriptive statistics. The study found that there is employee reward policy at Sony Sugar Company Limited and that employees do not leave the organization because of dissatisfaction with employee reward. It was also clear that pension scheme gives a feeling of power by having some control over planning for retirement, reduces worry about one's family security and determines employees remaining in the organization. The study also established that sabbatical leave reduces monotony on jobs, reduces stress on jobs, enhances knowledge and leads to employee retention. It was revealed that health insurance help to reduce the cost of hospitalization, protects employee against any uncertainty, improve health outcome and helps to retain employees in the organization and increase concentration at work hence improved productivity. The study found that flexible work plan helps to motivate and retain employees, improves morale, leads to increased productivity and helps to improve attendance hence high performance. The study found that educational programs enable employees to gain skills, leads to enhanced productivity and retains employee in the organization. The study further established that inadequate rewards are the main reasons employees leave the organization. Other reasons are inequity in reward administration and non-involvement in reward decision. The study recommends that in order to enhance employee retention, Sony Sugar should offer increased medical package, provision of housing facilities at subsidized rent rates, increase salary, provision for growth and development opportunities for staff and a good reward scheme, staff participation in decision making, incentives to motivate staff benefit policies that are competitive and compare favorably with other organizations, transparency in matters relating with staff rewards, establishment of loyalty club/team building and good working conditions.

CHAPTER ONE: INTRODUCTION

1.1 Background to the study

Employee retention has become an increasingly recurring problem in many organizations today; as a result organizations are working to design and put measures in place to address this recurring problem. Employee retention is a vital element in the survival and success of an organization and should be considered when developing strategies and business plans to ensure a competent skilled workforce that delivers the organization objectives and goals. The departure of key staff can have drastic impact on the performance of the organization and those employees likely to leave are usually the most valued ones (Armstrong 2006). Employee retention adds a competitive edge and ensures the organization is able to compete and meet market expectations. Rewards are the returns to employee given by the employer in respect of work done. Expectation of receiving a desired reward motivates employees not only to put in more effort on work but also maintain employment contract in an organization.

This study is founded on two contemporary theories of motivation: the expectancy and equity theories. Expectancy theory indicates that the tendency to act in a certain way depends on the strength of an expectation that the act will be followed by a given outcome and on the attractiveness of that outcome to the individual. On the other hand equity theory indicates that individuals compare their job inputs and outcomes with those of others and then respond to eliminate any inequities.

The theories address job-related factors that influence motivation and consequently, desire to continue working in an organization. The principles of employee's reward programs in Sony Sugar Company Limited include; satisfying the actual or perceived personal needs of the employees , convince the employees that the organization for which they work cares for their needs, provide a tax efficient mechanism in remuneration, meet the legal requirements of the nation, is consistent with both the strategic plans and compensation objective of the organization and the cost of benefits is calculable and provision is made of sound financing (Okumbe, 2001).Presently, the employment relationship is affected by many things among them technological advances, diversification and quality management systems. Employee retention

issues have been identified as very crucial in the work environment as it affects the success of the organization. Outstanding performers will leave an organization because they are underpaid, discontented or unenthusiastic (Coff 1996).

1.1.1 Concept of Perception

Perception is the process by which we select, organize and interpret information inputs to create a meaningful picture of the world, Kotler and Lane (2009). It is the process of receiving and deriving meaning from stimuli present in an individual's internal and external environment. Perception depends not only on the physical stimuli, but also on the stimuli's relationship to the surrounding field and on conditions within each one of us, Kotler and Lane (2009). Employees are different in terms of how they view the world around them, how they interpret and react to different situations and how they assign meaning to different phenomena. Because perception is influenced by both internal and external stimuli, every employee will perceive other persons, events and contracts differently. It therefore follows that two employees in possession of the exact same set of information will come to different conclusions as a result of their differing capacities for receiving this information.

People can emerge with different perceptions of the same object because of three conceptual processes: selective attention, selective distortion and selective retention. Selective attention is the allocation of processing capacity to some stimulus. Voluntary attention is something purposeful. Selective distortion is the tendency to interpret information in a way that fits our perceptions. Selective retention refers to the fact that most of us do not remember much of the information to which we are exposed, but we do retain information that supports our attitudes and beliefs, Kotler and Lane (2009). Perception is crucial while determining the variables that affect employee turnover in any organization. The reasons for turnover may vary individually as the perceivers will tend to use themselves as a basis for perceiving others, events and objects and the employment relationship.

Perception affects our working relationships in many ways relating to the factors of organizational behavior, such as: individual, group or structure. For example, based on the situation, perceiver and target we may have the perception that the people we are working with

are no good at their job, and therefore we may tend to avoid working with them, in fear of being held responsible for their mistakes, and in so doing, affecting our working relationship with our team members and ultimately the effectiveness and efficiency of the organization.

1.1.2 Employee Rewards

Reward is the compensation organizations give to their employees in acknowledgement of the services rendered by them. Compensation is one of the reason employees look for work, to earn an income. The effort that employees put in order to provide a service to the organization is usually rewarded. Reward Management is concerned with designing and executing of strategies and policies, whose objective is to compensate employees fairly, equitably and consistently according to the value they bring to the organization in ensuring achievement of strategic objectives (Armstrong 2001). Organizations offer rewards and compensation package in order to attract the right caliber of employees, motivate them, gain their commitment and loyalty, encourage proper use of their expertise for the interest of the organization and continue to retain their services. Rewarding employees also helps in creating a positive relationship and reinforces the psychological contract.

1.1.3 Employee Retention

Employee retention is the number of existing staff who keep or stay with their jobs over a fixed period of time. Retention policy should focus on retaining the high performers and talented employees or losing the losers or keeping the keepers (Carsen, 2005). Employee retention is critical to the long term health and success of your business. Managers readily agree that retaining your best employees ensures customer satisfaction, product sales, effective succession planning and deeply embedded organizational knowledge and learning. It is one of the primary health of your organization. If you are losing critical staff members, you can safely bet that other people in their departments are losing as well. Exit interview with departing employees provide valuable information you can use to retain remaining staff (Heathfield, 2002).

Employee retention is a very crucial task for organizations because it determines their existence and success in this highly volatile competitive business environment. Employees are the driving force of any organization without which the organization cannot deliver on its objective nor

compete in the market. Organizations that fail to retain their highly skilled employees are likely to lose their competitive edge in the ever competing business environment. Labor turnover is very expensive in both financial and non-financial terms and impacts on the organization negatively. Organizations must endeavor to identify and understand the factors that affect employee retention and how they should be addressed. A study conducted by Markova & Ford (2011) revealed that rewarding employees with non-monetary rewards strongly predicts their inward motivation which can be seen by the length of service as compared to either group or individual monetary rewards.

Employees hold the skills and expertise that the organization needs to survive, it is therefore imperative that the organization keeps the employees motivated to encourage them to maximize their potentials and make proper use of their skills and knowledge for the benefit of the organization. Organizations use efficient reward systems as one of the incentive tools (Jenkins et al., 1998). However many organizations still use the old reward system based on wage models. Sinha, and Sinha (2012) in comparing factors affecting employee retention in organizations from heavy engineering industry in India found that employees value interpersonal relations with their colleagues as this creates an environment for positive interaction (Dillich, 2000) and encourages work team initiatives, group assignments involving peers at different levels and prospects for interaction both formally and informally (Jones et al 2001) contributes highly to retention.

1.1.4 Sony Sugar Company Limited

The organization was established in 1976 with an objective of increasing the national sugar production to reduce dependence on importation, to create job opportunities and to enhance regional development. Since its inception, it has continued to make remarkable achievements in spite of the many challenges brought by liberalization of the economy among other factors. Sony Sugar is located in Nyanza Province, Migori County along Kisii-Migori highway and it's approximately 410 kilometers West of Nairobi. At its commissioning in 1976, the company was placed under the management of Mehta Group International up to 1985 when the government then appointed UK consortium Booker Tate International to manage it. Currently the company is fully managed by Kenyans. (Sony Sugar Company Limited, 2014)

Sony Sugar has a strategic plan which covers a period of five years that is 2014-2019. It provides the strategic direction of being a world class manufacturer of sugar and associated products. It also lays foundation for the Company's contribution to the realization of Kenya Vision 2030 and establishes the strategic framework for business level planning, implementation and performance monitoring. The strategic plan defines Sony Sugar's strategic direction for ensuring delivery of tangible results to all stakeholders through vision and mission statements, corporate objectives, strategies and strategic activities, as well as corporate organizational and structural framework. Taking due cognizance of the expected increase in competition arising the gradual phase-out of COMESA sugar import safeguards, the Company has formulated strategies to enable it uniquely position itself in the business environment. For effective implementation of the plan, adequate resources will be acquired, realigned and utilized effectively and efficiently (Sony Sugar Company Limited, 2014).

1.2 Research Problem

Rewards are an important component of any effective performance management system. Rewarding good performance is a challenging task yet it is one which is necessary to support improvements in performance sought through the strategic management initiative (Blyth, 2008). Rewards are intended to align employees with organizational strategy by providing incentive for employees to act in the firm's interest and perform well over time. It is important to establish a reward strategy which clearly articulates the aims of the various reward elements, integrate them in a coherent way which tells employees what they can expect to receive and why. Research has shown that the impact of rewards varies from individual to individual and that some individual respond more to extrinsic rewards (Delery, 1996) whilst others respond better to intrinsic rewards (Dieber and Biswas-Diener, 2002). Since employees expect that as their jobs change, so will their rewards, designing a reward system in a dynamic environment presents a major challenge to organizations.

Sony sugar has put in place various forms of employee rewards which are intended to attract and retain the most qualified staff. In the previous years, Sony Sugar has been facing an increased turnover regardless of the rewards it provides to the staff. For instance in 2012/2013 the organization lost various employees to other organizations, which are State Corporations. In

2013/2014 the number of employees who resigned from the organization increased leading to an outcry. This calls for the review of employee reward that the organization needs to provide to its staff so as to reduce staff turnover.

Studies have been done in relation to employee reward and retention among organizations. For instance Pegg(2009), investigated how reward can impact on talent retention, motivation and productivity levels and how organizations are choosing to inform their people about the type of rewards on offer. Mulwa (2010) carried out a research on factors that influence staff turnover in World Vision and suggested a review of existing pension plan to address staff expectation and Otieno (2010) studied the causes of staff turnover in Private Primary Schools and suggested that employees be well compensated as an indicator for management's appreciation of employees' contributions and abilities. Mungai (2008) noted that banks are among many organizations that do not consider the impact on employee retention as a strategy in managing competition and are likely to become victims of industry competition. Njoroge (2007) did a survey of factors that influence employee retention in manufacturing firms in Nairobi. Njoroge established that employee retention is influenced by the reward, work environment, career development opportunities and employee motivation. By knowing the effect of employee retention as a strategic response to the competitive business environment, it enables an organization to strategize on how to meet the objectives of the organization because employees are an important resource in an organization. However, all these studies did not address the relative importance of manager's perceived influence of rewards and employee retention at Sony Sugar Company Limited. This study will therefore fill the research gaps in knowledge by analyzing the reward and employee retention at Sony Sugar thus leading the question: what are the managers' perceptions of the influence of rewards on employee retention at Sony Sugar?

1.3 Research Objective

The objective of the study was to establish the managers' perceptions of the influence of rewards on employee retention at South Nyanza Sugar Company Limited.

1.4 Value of the Study

The study will be important to Sony Sugar management; they will be able to know the effects of employee rewards on employee retention and to identify various forms of employee benefits to individual employee. This will reduce employee turnover and hence improve the organizations image.

In addition, the study will add value to policy makers (Government) especially ministry of labour as they will want to come up with retention strategies in the Kenyan job market. The ministry may come up with policies and adopt them in order to retain staff and reduce labour turnover. These policies will enable organizations to retain the best employees who have excellent skills, high talent and have knowledge of the organization.

This study will increase the body of knowledge especially human resource scholars as they will be able to perceive what strategies organizations can adopt in retaining staff. In addition it will enable scholars understand how organizations can come up with retention strategies that will motivate employees to remain with the organization and improve performance.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

Literature review is a survey and discussion of the literature in a given area of study. The literature review in this study covered theoretical foundation and the link between rewards and perception.

2.2 Theoretical Foundation

The study was guided by expectancy and equity theories of motivation.

2.2.1 Expectancy Theory

One of the most widely accepted explanations of motivation is Victor Vroom's (1964) expectancy theory. Expectancy theory argues that the strength of our tendency to act a certain way depends on the strength of our expectation of a given outcome and its attractiveness. In more practical terms, employees will be motivated to exert appraisal; that a good appraisal will lead to organizational rewards such as bonuses, salary increases, or promotions and; that the rewards will satisfy the employees' personal goals. The theory focuses on three relationships: effort- performance relationship where the probability perceived by the individual that exerting a given amount of effort will lead to performance, performance-reward relationship where the degree to which the individual believes performing at a particular level will lead to the attainment of a desired outcome and reward-personal goals relationship where the degree to which organizational rewards satisfy an individual personal goals or needs and the attractiveness of those potential rewards for the individual.

2.2.2 Equity Theory

Equity theory of motivation indicates that individuals compare their jobs inputs and outcomes with those of others and then respond to eliminate any inequities. Employees perceive what they get from a job situation (salary levels, raises, recognition) in relationship to what they put into it (effort, experience, education and competence), and then they compare their outcome-input ratio with that of relevant others (Stephen and Timothy (2009)). Employees might compare themselves

to friends, neighbors, co-workers or colleagues in other organizations or compare their present job with past jobs. Employees with short tenure in their current organizations tend to have little information about others inside the organization. Employees with long tenure rely more heavily on co-workers for comparison. Upper-level employees, those in the professional ranks, and those with higher amount of education tend to have better information about other people in other organization and will make more other-outside comparisons.

2.3 Employee Reward

Employee rewards and earnings form compensation packages available in different combinations and at different labour markets. Employee reward is essential for the development of corporate industrial relations. In addition, Vroom maintained in his expectation theory that everyone works in expectation of some rewards (both spiritual and material) and welfare is one of them. In other words, the degree of reward influences the quality and quantity of work and in turn productivity. So it is important how to explore how to give the stimulus (welfare) in order to promote work motivation and productivity (Vroom, 1964).

Reward as described by Fernandes (1998) refers to all the components that make up a reward package. It includes the direct financial rewards, indirect financial rewards, work environment and learning and development. When an organization is able to adopt and put in place a reward package that does not only focus on the monetary benefits but instead includes the non-monetary aspects like work environment as well as learning and development, then it can be said that the organization has a concrete total reward package (Armstrong & Brown,2011). Jiang, et al (2009) contend that when organizations introduce a total reward strategy, they will among other things enhance employee's job satisfaction, motivation and job performance as well as their psychological contract and commitment to the organization. Total reward strategy is a holistic approach, it includes all aspects valued by employees in the employment relationship like direct financial rewards, indirect financial rewards, learning and development and the work environment.

2.4 Types of Rewards

Drawing on Hickman and Oldham's (1980) Job Characteristics Model (JCM), the motivation of sales associates is influenced by the extent to which they experience work as meaningful, their identification with the organizational values and their satisfaction with the rewards they receive. This is because rewards are the most common human resource management practice used to acknowledge and compensate sales associates for good performance (Brown 2005). It has been well demonstrated that different types (financial/ non-financial) and targets (individual / group) of rewards encompass different outcome utility, informative content and mechanisms regulating behaviors. In a meta-analysis, Stajkovic and Luthans (1997) demonstrated that different types of rewards have different effects on employee behavior and performance. While the effects of reward contingencies on performance has been identified (rewards increase in-role performance at the expense of extra-role performance, its effects on the extent to which sales associates will engage in in-role and the different types of extra-role behaviors (directed at customers, the organization and coworkers) is still ambiguous.

It is worth noting at this stage the distinction between formal and informal rewards. Examples of formal reward programs include pay-for-performance, incentives and employee of the month awards. In contrast, informal reward programs are those designed and spontaneously presented by individual heads of departments. In addition tangible rewards may also include recognition in the form of verbal compliments, praise and expressed appreciation for a job well done. While many practitioners acknowledge the motivational effects of both formal and informal rewards (Brown, 2005), the above study focused solely on the managers perceived influence on reward programs namely pay-for-performance structures and opportunities for promotion.

The structure and allocation of rewards may affect the motivation of individual team members and inclusion of rewards is central to many models of work group effectiveness (Hackman, 1990). However, the impact of rewards on group effectiveness is unclear and the models provide little guidance regarding the specific type of rewards that maximize particular outcomes in work groups. As De Matteoo et al, (1998) comment in their extensive review of team-based rewards, there is little research on specific guidance for designing rewards in team-based environments. Much of the existing research was conducted in laboratories under artificial conditions and only

a fraction of studies have examined intact work groups in natural settings. Even without this information, organizations have continued to practice team-based incentives (Delery, 1998).

Traditional reward systems have been dominated by base payments determined by specific jobs, the need to maintain equity among employees, and the need to pay salaries and wages that are competitive in the marketplace. Under this category of reward, individual employees are paid according to the skills they brought to the job and not encouraged or rewarded for flexibility, judgment or working with others. Some have argued that these reward systems, based on traditional, bureaucratic models, organizations have been overtaken by new organizational structures and work processes such as teamwork. These traditional reward systems are based on the principles of scientific management which emphasize a functional division of labour, hierarchical differentiation in authority and direct standardization of work routines (Avlonitis and Panagopoulos, 2007). Often, these type of reward system do not reward and reinforce the kinds of behaviors required by teamwork. As such, there may be incongruity between traditional reward systems and the requirements of emerging forms of organizations (Lawler, 1990), such as the lean model.

Intrinsic rewards are those that an individual receives internally as a result of their involvement in activities that enhance feelings of self-competence, growth, satisfaction, responsibility and autonomy. Intrinsic rewards most frequently associated with six sigma include the development and use of new skills and competencies, increased level of responsibility, discretion and control over work and the feelings of satisfaction that accompany those changes (McCunn,1993). The need of employees to perceive the link between intrinsic rewards and their participation in six sigma cannot be understated.

2.5 Employee Retention

Employee retention is influenced by various factors; however compensation and benefits stand out as the most commonly highlighted elements of employee retention. Studies by Cho et al, (2006), Becker and Huselid, (1999), Milman (2003) have tackled the effect of compensation, remuneration and appreciation on retention and turnover rates .Delery and Doty (1996) asserted that making use official or non-official procedures in the work place has many premeditated

consequences that affect retention of employees. For instance having in place efficient HR management plans enhances retention and performance therefore improving productivity. In particular strategic recruitment and induction programs, training and development programs, enhancement of the work environment to meet employee needs, labor-management practices, employee participation programs, performance reviews and evaluation, career advancement programs and incentive based pays that acknowledge and reward employee accomplishments are all key factors that will bring about the desired results (Huselid, 1995, US Department of Labor 1993).

Setting of organizational goals and objectives as well as involving them in the governance and direction of the organization through team assignments will increase job contentment and reduce turnover. Many researchers' have established work systems such as customization, reengineering, product diversification, differentiation and the likes result in enhanced performance and positively improved employee morale and loyalty to the employers (Pfeffer, 1994, Huselid, 1995, Osterman, 1994 MacDuffe). In addition research studies have indicated that monetary rewards are not adequate to appeal and maintain the workforce. Milman and Ricci (2004), Milman (2003) deduced that intrinsic satisfaction and the work conditions are the most important predictors of retention, as opposed to monetary rewards. According to Walsh and Taylor (2007) although rewards and life/work balance are key elements, the retention and turnover of management employees are affected by the lack of opportunities for professional growth and career advancement.

2.6 Perceived influence of Reward on Employee Retention

Organizations offer more types of rewards to help and attract and retain employees' as well as increase morale and job performance. The objectives of the employee reward policies and practices of an organization are to provide an attractive and competitive total remuneration package which both attracts and retain high quality employees. It does not motivate employees. This is because the normal rewards provided by a business seldom make a direct and immediate impact on performance. However, rewards can create a more favorable attitude towards the business which can improve commitment and organization performance in the longer term. Other objectives include, providing for the personal needs of the employees, increasing the

commitment of employees to the organization and providing a tax efficient method of remuneration (Armstrong, 2006).

When people like working for an organization, they are unlikely to leave merely because they are offered more money by another organization. They like their coworkers; the job is challenging; the perks are extremely good and they are happy with their work. Although some companies use perks to recruit and retain top notch workers in a competitive industry, other companies use them to reward commitment the company. Besides the regular direct financial compensation, organizations can also use other financial and non-financial incentives to motivate and hence retain employees. The primary effect of fringe benefits type of compensation is to retain the employees in the organization on a long term basis (Filipo, 1984).

Rewards and services are strategically important to firms because they are substantial cost, can be used to attract and retain talent and can be designed to support the firm's strategy. Work life scheduling rewards are offered by employers to improve employees' morale, attract and retain talent and increase productivity. (Jackson et al, 2009). Occupational pension attracts and retain high quality people by helping to maintain competitive levels of total remuneration. Other reason for having a worthwhile pension scheme is that it demonstrates that the organization is a good employer and indicates that the organization is concerned about the long term interests of its employee's future (Armstrong, 2006). Employee rewards are significant and when managed effectively has the potential to deliver invaluable returns in the form of employee attraction, retention and productivity. Reward and services plan include, controlling reward costs, retaining employees, increasing job satisfaction, reducing human resource administration costs and helping employees make a better decision regarding reward.

Sabbaticals are one way the organization retains talented people by giving them a chance to refresh and recharge. Flexible work plan has also proven to have a positive influence on employee productivity, attendance and morale. Life insurance and retirement benefits are rewards companies offer their employees. They encourage employees to remain with the same company because they do not want to cash in their life insurance or retirement plans. This tends to make employees more loyal to the company because their future is invested with the company.

It also gives the employee a feeling of power by having some control over planning for retirement (Jeffery, 1994). The most important objective that employees hope to achieve by offering appropriate employee reward is increased productivity. This is somehow surprising because employee reward and services are not usually tied to employee performance and are not used to increase employee effort.

Rewards that encourage employees to stay healthy like employee assistance programs and work life balance may translate into a workforce that is more efficient and effective. It enables employees to enjoy a better lifestyle and maintain a reasonable work life balance. The desire to offer better employee reward is the pressure to attract and retain valued employees and thereby to compete effectively against other employers in the labour market (Jackson et al, 2009). Reward should be viewed as an investment on the part of the employer. Soft returns delivered by an effective reward program include reputation, a sense of meeting obligations and goodwill. Hard returns, which tend to have a more measurable impact on a company's bottom line include employee attraction, retention and productivity. Offering more flexible work arrangements has been helpful in retaining female employees. Many companies are beginning to offer sabbaticals benefit to retain talented employees. Employees are allowed time off to rejuvenate and the employer saves money to retain talent rather than spending funds to replace employees who burn out and quit. (Knudson, 2006).

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter describes the research methodology in terms of research design that the researcher used, the population of the study and the sample design. It also describes the data collection, data analysis techniques and procedures.

3.2 Research Design

Research design provides the glue that holds the research project together. A design is used to structure the research, to show how all of the major parts of the research project, the sample or groups, measures, treatments or programs and methods of assigning work together to try and address the central research questions. Descriptive research design was appropriate approach for this study. The researcher used this design because of the descriptive nature of the study elements or variables. This method provided quantitative data from a cross section of the chosen population.

3.3 Data Collection

The study used primary data and secondary data. A semi-structured questionnaire was used to collect data. The questionnaire consisted of two parts. Part A was used to collect demographic data while part B focused on perceived relationship between rewards and employee retention. The questionnaire was administered through drop and pick procedure. Secondary data refers to the information a researcher obtains from research articles and books and this included exit questionnaire and workplace satisfaction survey opinion. The respondents comprised heads of the ten departments within the organization namely: (HOF, HHR, HOP, HOM, CS, HOA, HMBD, HICT, CQAM and Security). These managers have adequate knowledge on the subject matter of the study since employees are managed by them.

3.4 Data Analysis

Descriptive statistics such as mean, standard deviation and frequency distribution was used to analyze the data. The results are presented in tables.

CHAPTER FOUR: DATA ANALYSIS, PRESENTATION AND INTERPRETATION

4.1 Introduction

This chapter presents results of this study based on the formulated objectives. The purpose of the study was to determine the managers' perceptions of the influence of rewards on employee retention at South Nyanza Sugar Company Limited. This chapter analyses the data collected on the variables involved in the study (pension schemes, health care, sabbatical leave, flexible work plans, education programs and the employee retention) and interprets the results obtained from the analysis. In the first two sections, data description and analysis is presented.

4.2 Descriptive Statistics

Table 1 below uses the frequency distribution to describe the demography of the management team. From table 4.1 it is observed that out of the 10 departmental managers, 90 percent were males while only 10 percent were females. These results show that the male gender dominate the management of Sony Sugar Company. It was observed that the management is mainly dominated by married people with a percentage of 90% while the singles are 10%. Out of all the male managers (90%), all are married. This depicts the perception of the appointing authority in the responsibility levels of married individuals in management positions.

As shown in Table 4.1, there was no manager below the age of 30. 60% of the respondents were in the age group 41-50 years, and 40% were in the category of 31-40 years. There was no manager above the age of 50. This shows that the management comprised of people between the age of 31-50 and these are the age groups where management is highly pronounced (Andersen et al., 2008). As evident from the table 100% of the respondents had dependants. This can be related to age and marital status. It is observed from the table that most respondents have served in the company for more than 10 years (60%). Management is dominated with respondents with 16-20 years of experience at 30% and 6-10 years at 30%. Two Managers had an experience ranging from 21-25 years while with those from 0-5 years of experience and 10-15 years were one each. It is also be noted that 100% of the respondents had a university level of education. This indicates the importance of education in the management appointment.

Table 4.1: Distribution of respondents by demographic characteristics. Sample (n=10)

Demographic Characteristics			Percent
Gender	Male	9	90.0%
	Female	1	10.0%
Marital Status	Single	1	10.0%
	Married	9	90.0%
Age (Years)	less than 20	0	0.0%
	20-30 yrs	0	0.0%
	31-40 yrs	4	40.0%
	41-50 yrs	6	60.0%
	Above 50	0	0.0%
Do you have any dependant	Yes	10	100.0%
	No	0	0.0%
Years of service in the organization	0-5 yrs	1	10.0%
	6-10 yrs	3	30.0%
	11-15 yrs	1	10.0%
	16-20 yrs	3	30.0%
	21-25 yrs	2	20.0%
	Over 25 yrs	0	0.0%
Level of Education	Primary	0	0.0%
	Secondary	0	0.0%
	College	0	0.0%
	University	10	100.0%

4.3 Reward Factors influencing the Employee Retention

The research instrument used in this study was a structured questionnaire. Responses to each of the five items were rated using a 5-point Likert scale with anchors labeled:

1 = To a very limited extent, 2 = To a limited extent, 3 = To a moderate extent, 4 = To a great extent, 5= To a very great extent

Below are the results obtained from each objective.

4.3.1 Pension Schemes

The respondents rated, on a five-point Likert-type scale, the extent to which pension scheme at the company influenced employee retention. The findings are summarized in Table 4.2

Table 4.2: Perceived influence of pension scheme on employee retention

Attributes of Pension Scheme	Minimum	Maximum	Mean	Std. Deviation
Pension scheme determine employee remaining in the organization	1.00	4.00	2.6000	1.17379
Pension scheme increase employee loyalty to the organization	1.00	5.00	2.9000	1.28668
Pension reduce worry about one family security	2.00	4.00	3.0000	.81650
Pension scheme gives a feeling of power by having some control over planning for retirement	2.00	5.00	3.4000	1.07497
Grand Mean	1.50	4.50	2.98	1.09

As shown in Table 4.2, the managers were of the opinion that the influence of pension scheme on employee retention in the organization is moderate (mean = 2.90). Employees felt that pension scheme empowers them to have control over planning for retirement (mean = 3.4 which is above the midpoint).

4.3.2 Health Care Protection

The respondents were asked to use a five-point Likert-type scale to rate the extent to which provision of healthcare by the employer determined employee retention at Sony Sugar Company Limited. The findings are presented in Table 4.3. It is observed from Table 4.3 below; that managers have perception that healthcare program contributes to employee retention at the company to a great extent. Mainly, health insurance is perceived to contribute to enhanced retention of employees as well as protect them against uncertainty. The service will help the employees reduce their cost of hospitalization as well as allow them concentrate at work hence improving productivity.

Table 4.3 : Means and Standard deviations for perceived influence of attribute of healthcare scheme on employee retention

Attributes of Health Care	Minimum	Maximum	Mean	Std. Deviation
Health insurance helps to retain employee in the organization	3.00	5.00	3.8000	.63246
Health insurance help to reduce the cost of hospitalization	1.00	5.00	3.7000	1.25167
Health insurance protect employee against any uncertainty	3.00	5.00	3.8000	.91894
Health insurance increase concentration at work hence improved productivity	1.00	5.00	3.6000	1.34990
Grand Mean	2.00	5.00	3.73	1.04

4.3.4 Sabbatical Leave

The study sought to establish the extent to which sabbatical leave determined retention of employees at Sony Sugar Company Limited. Responses are presented in Table 4.4

Table 4.4: Means and Standard deviations for the influence of Sabbatical leave on employee retention

Attributes of Sabbatical leave	Minimum	Maximum	Mean	Std. Deviation
Sabbatical leave lead to employee retention	1.00	4.00	2.6000	1.17379
Sabbatical enhance knowledge	1.00	4.00	3.0000	1.24722
Sabbatical leave reduce stress on jobs	1.00	5.00	3.5000	1.08012
Sabbatical leave reduces monotony on jobs	1.00	5.00	3.4000	1.26491
Grand Mean	1.00	4.50	3.13	1.19

Table 4.4 indicates that, sabbatical leave is perceived to enhance retention at work to a moderate extent. This is mainly due to the fact that it reduces stress on jobs. It will to an extent enhance knowledge to the employees. However, a number of managers don't think this factor will enhance employee retention.

4.3.5 Flexible Work Plan

Respondents rated the extent to which flexible work plan at the company determined employee retention. Table 4.5 has the results.

Table 4.5: Means and Standard deviations for influence of flexible work plan attributes on employee retention

Attributes of Flexible Work Plan	Minimum	Maximum	Mean	Std. Deviation
Flexible work plans helps to motivate and retain employee	3.00	5.00	4.0000	.81650
Flexible work plans improves employee morale	2.00	5.00	3.5000	1.08012
Flexible work plan leads to increase productivity	2.00	5.00	3.7000	.82327
Flexible work plans helps to improve attendance hence high performance	1.00	5.00	3.4000	1.07497
Grand Mean	2.00	5.00	3.65	0.95

From the study as depicted in Table 4.5, managers perceive that flexible work plans to a great extent enhance employees' retention. Majority of the managers perceive that employees will be greatly motivated and retained due to a flexible work environment. To a moderate extent, the managers perceive that flexible work plans help improve attendance.

4.3.6 Education Programs facilitated by Employer

The study sought responses on the extent to which education programs at the company determine employee retention. The findings are presented in Table 4.6

Table 4.6: Means and Standard deviations for the influence of attributes of education programs on employee retention

Attributes of Education Programs	Minimum	Maximum	Mean	Std. Deviation
Education programs retains employee in the organization	1.00	5.00	3.4000	1.17379
Education programs enable employee to again addition knowledge	1.00	5.00	3.9000	1.28668
Education programs gain skills	2.00	5.00	4.0000	1.05409
Educational programs will lead to enhance productivity	2.00	5.00	4.1000	1.10050
Grand Mean	1.50	5.00	3.85	1.15

Table 4.6 indicates that most managers (mean = 3.4) perceive that employees to a great extent are retained due to facilitation of education programs by the organization. Majority perceive (mean = 4.1) that to a great extent, educational programs will lead to enhanced productivity and gaining of skills.

4.3.7 Relative Contribution of Rewards to employee retention

Table 4.7: Overall Rank

REWARD FACTORS	MEAN	RANK
Education Programs	3.85	1
Health Care Insurance Provision	3.73	2
Work Flexibility	3.65	3
Sabbatical Leave	3.13	4
Pension Scheme	2.98	5

It is evident from Table 4.7 that education programs have been rated highest in terms of their influence on employee retention in the organization. The other factors like health care insurance, work flexibility, sabbatical leave and pension schemes has been given lower ratings respectively.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This study aimed at establishing managers' perceptions of the influence of rewards on employee retention at South Nyanza Sugar Company Limited. This chapter will therefore provide a summary of the findings from the study, conclusions and recommendations based on the findings of the study. It will also provide suggestions for further research on the effect of rewards on employee retention.

5.2 Summary

The objective of the study was to establish the managers' perception of the influence of rewards on employee retention at South Nyanza Sugar Company Limited. The organizations' top management has more male employees than female employees and all the heads of departments had university education/training which is a requirement on recruitment. It was clear that most of the heads of departments are married since most of them are middle aged.

The study found that there is employee reward policy at Sony Sugar and that employees do not leave the organization because of dissatisfaction with employee reward. It was also clear that pension scheme gives a feeling of power by having some control over planning for retirement, reduces worry about one's family security and determines employees remaining in the organization. The study also established that life insurance reduces worry about one's family security and also increases employee loyalty to the organization. The study found that sabbatical leave reduces monotony on jobs, reduces stress on jobs and leads to employee retention. It was revealed that health insurance help to reduce the cost of hospitalization protects employee against any uncertainty, improve health income helps to retain employee in the organization and increase concentration at work hence improved productivity.

The study deduced that workers compensation programs protect the employees, dependents, job related illness and injuries and payment of medical expenses. On transport, the study deduced that transport motivates employees hence reduce lateness to work and helps reduce transport

cost. The study found that flexible work plan helps to motivate and retain employees, improves morale, leads to increased productivity and helps to improve attendance hence high performance. The study also found that educational fees enable employees to gain additional knowledge, enable employees gain skills, leads to enhanced productivity and retains employee in the organization.

The study further established that inadequate rewards are the main reasons that make employees leave the organization. Other reasons that make employees leave the organization include inequity in reward administration and non-involvement in reward decision. It was deduced that employee rewards improve employee morale and loyalty to the organization, motivate employees to strive for higher level of productivity, increased competitiveness with other employers and leads to efficient and effective workforce.

5.3 Conclusions

The study found out that the managers of South Nyanza Sugar Company Limited perceive that the reward factors namely pension scheme, sabbatical leave, health cover, education programs and work flexibility have a significant effect on the employee retention. From the findings the study concludes that there is employee reward in Sony Sugar and that employees do not leave the organization because of dissatisfaction with employee reward. These rewards go a long way in reducing employee worry about one's family security, increase employee loyalty to the organization, reduces stress on jobs, improves employees' morale and provides overall wellness of employees at work place all of which culminate in improving retention.

5.4 Recommendations

5.4.1 Recommendations for Policy

The study therefore recommends the development of Human Resource Reward policy framework for Sony Sugar Company Limited tht is competitive and comparable with other organizations. This will ensure lower employee turnover and higher productivity of the employees due to stability at work. It will assist management devise appropriate human resource mechanisms to grow their operations as well as the sales of the firm. The management of firm should also consider engaging the employees to understand their needs and preference in regard

to rewards. The study further recommends that in order to enhance employee retention, management should offer increased medical package, increase salary, provision of growth and development opportunities for staff and a good reward scheme, staff participation in decision making and transparency in matters relating to staff rewards. Other rewards that the organization should provide to increase employee retention include car loan and mortgage facilities.

5.4.2 Suggestions for Further Studies

A further research on the managers' perception of rewards on the employee retention may be considered taking into consideration the following: a similar study but interviewing employees, a similar study that uses other measures of rewards or a similar study covering a different industry.

REFERENCES

- Armstrong, M. & Brown, D. (2001). *New Dimension in Pay Management*, Chartered Institute of Personnel and Development.
- Armstrong, M. (2006), A handbook of *Human Resource Management Practice*, (10th Edition) London. Kogan page.
- Avlonitis, G.J, and Panogopolous,. N.G (2007), Exploring the influence of sales management practices on the industrial salesperson: a multi-source hierarchical linear modelling approach, *Journal for Business Research*, 60, 765-75
- Becker, B. and Huselid, M.(1999) An interview with Mike L, Tony R and Dan U: three experts respond to HRMJ's special issue in five leading firms, *Human Resource Management*, 38, (4), 353-65
- Carraher. S. (2006), *Attitude towards benefits among SME owners in East Europe: A Global business and Finance Review*, 11 (1), 4-4
- Cho, S., Woods, R. Jang, S. and Erdem, M. (2006). Measuring the impact of human resource management practices on hospitality firms performances, *International Journal of Hospitality Management*, 25, (2), 262-77
- Coff, R.W. (1996). Human Assets and Management Dilemmas coping with Hazards on the Road to Resource-based Theory. *Academy of Management Journal* 22, 374-402.
- Delery, J.E and Doty, D. (1996). Modes of theorizing in strategic human resource management tests of universalistic, contingency and configuration performance predictions. *Academy of Management Journal*, 39, (4) .802-35.

- De Matteo, J.S, Eby, L.T, Sundstom, E (1998), Team-based rewards current empirical evidence and directions for future research, *Research on Organizational behavior*, 20, 289-309
- Dillich, S. (2000), August 4 Corporate Universities. *Computing Canada*, 26, (16), 25
- Fernades, F.N. (1998), Total Reward – An Actuarial Perspective Actual Research Paper 116.
- Hackman, J.R., Oldham, G.R. (1980), *Work Design*, Addison. Wesley Publishing, Reading, MA.HRM Journal, 7
- Hale,J. (1998) *Strategic rewards keeping your best talent from walking out the door.* *Compensation and Benefits Management*, 14, (3), 39-50.
- Harnes,J. (2000), *Finding and keeping great employees: Training*, 36(4),118-123.
- Heathfield S. M. (2000), *What Do Employee Assistance programs (EAP) do in the workplace;* The American Society for Quality's Journal for Quality and Participation.
- Hinkin Timothy & Tony Simons (2001), Cornell University: *The Effects of Employee turnover on Hotel Profits*, A test across multiple hotels
- Huselid, M.A. (1995), The impact of human resource management practices on turnover, productivity and corporate financial performance. *Academy of Management Journal*, 38. (3).635-72.
- Jenkins, G.D, Gupta, N, Mitra, A, and Shaw, J. (1998). Are financial incentives related to performance? A meta-analytic review of empirical research. *Journal of Applied Psychology*, 83,777-87.

- Jiang, Z; Xiao,Q,Qi,H and Xiao, L.(2009), Total Reward Strategy: A Human Resources Management Strategy Going with the trends of times. *International Journal of Business and Management*.
- Kallenberg, A. and Moody; J. (1994), Human resource management and organizational performance.*American Behavioral Scientist*, 37, (3), 948-62.
- Kotler, P. and Lane, K. (2009), *Marketing Management*, 13th Edition, Pearson International Edition
- Leopold R, S. (2010), *A perspective: Employee Benefits as a Strategic Business Investment*; Benefits Quarterly; Director of MetLife U.S Business
- Logan, J.K (2000), Talent management: driver for organizational success, *SHRM Research Quarterly*, 59, (6), 1-11.
- MacDuffe, J. (1995), Human resource bundles and manufacturing performance organizational logic and flexible production systems in the world auto industry *.Industrial and Labour Relations Review*, 48, (2), 197-221.
- Markova, G, Ford, C (2011), Is money the panacea? Rewards for knowledge workers, *International Journal of Productivity and Performance Management* 60, (8), 813-823.
- Maslow, A.; (1943), A theory of human motivation. *Psychological Review* 50 (4), 394-395
- Milman, A. (2003), Hourly employee Retention in small and medium attractions: the control Florida example, *International Journal of Hospitality Management*, 11(1), 23-41.
- Mulwa Patricia W. (2010), *Factors that influence staff turnover in World Vision International Somalia*; Unpublished MBA project, University of Nairobi

Mungai, E.W (2010), Innovation Strategies adopted by Equity Bank; Unpublished MBA project, University of Nairobi

Njoroge S. W (2008), *A Survey of factors that influence employee Retention in manufacturing firm in Nairobi*; Unpublished MBA project, University of Nairobi

Osterman, P. (1994), How common is workplace transformations and who adopts it? *Industrial and Labour Relations Review*, 47, (1) 173-88.

Otieno Jared (2010), *Cause of Staff Turnover in Private Secondary Schools in Kisumu City*; Unpublished MBA project, University of Nairobi

Pegg t. (2009), *Creating engagement through employee benefits*: Strategic HR Review 18 (2), 5-12

Pfeffer, J. (1994), *Competitive Advantage through People: Unleashing the power of Work Force*, Harvard Business School Press, Boston MA.

Philips, J.J, & Edward, L. (2008), *Managing Talent Retention: An ROI Approach*. Retrieved on August 10, 2014 from Wiley.com.

Rapport, A. Bancroft, E and Okum, L. (2003), The aging workforce raises new talent management issues for employees, *Journal of Organizational Excellence*, 23, 55-66

Sinha, C. and Sinha R. (2012), Factors affecting Employee Retention: A Comparative Analysis of two organization's from heavy Engineering Industry,

Sony Sugar Company Limited (2014). Retrieved on September 2, 2014 from <http://www.sonysugar.co.ke>

Vroom, V.H, (1964), *Work and Motivation*, Wiley, New York, NY

APPENDICES

Appendix I: Questionnaire Employee Retention Questionnaire

This questionnaire is a research instrument whose main objective is to establish the perceived influence of rewards and employee retention.

SECTION A: Demographic characteristics of the respondents

1. Indicate your age in years

Less than 20 [] 20-30 [] 31-40 [] 41-50 [] Above 50 []

2. State your gender

Male [] Female []

3. Indicate your marital status

a) Single []

b) Married []

4. Do you have any dependant

a) Yes []

b) No []

If yes how many _____

5. Years of service in this organization

0-5 [] 6-10 [] 11-15 [] 16-20 [] 21-25 [] Over 25 []

6. Level of education

a) Primary []

b) Secondary []

c) College []

d) University []

SECTION B

The section is arranged according to respective objective of the study. Indicate to what extent does each of the statements presented below adequately describe the situation at Sony? Tick in a box of your choice against each statement.

Key: To a very limited extent - 1 To a limited extent - 2 To a moderate extent – 3

To a great extent – 4

To a very great extent - 5

1. Please indicate the following type of rewards that affect employee retention in the organization

Statement	Level of agreement				
	5	4	3	2	1
1).Pension Scheme					
a). Pension Scheme determines employees remaining in the organization					
b). Pension Scheme increase employee loyalty to the organization					
c). Pension Scheme reduces worry about one’s family security					
d). Pension Scheme gives a feeling of power by having some control over planning for retirement					
2). Life Insurance					
a). Life Insurance enables employees to stay long in the organization					
b). Life Insurance increase employee loyalty to the organization					
c). Life Insurance reduces worry about one’s family and security					
3). Sabbatical Leave					
a). Sabbatical leave leads to employee retention					
b). Sabbatical leave enhances knowledge					
c). Sabbatical leave reduces stress on jobs					
d). Sabbatical leave reduces monotony on jobs					
4). Health Care					
a). Health insurance helps to retain employees in the organization					
b). Health insurance help to reduce the cost of hospitalization					
c). Health insurance protects employees against any uncertainty					
d). Health insurance increase concentration at work hence improved productivity					
e). Health insurance improve health outcome and lower mortality					
5).Workers Compensation programs – protect the employees/ dependents & survivors against income loss resulting from:					
a). Total disability or death					

b). Payment of medical expenses					
c). Rehabilitation expenses					
d). Job related illness and injuries					
6). Flexible Work Plan					
a). Flexible work plans helps to motivate and retain employees					
b). Flexible work plans improves employee morale					
c). Flexible work plans leads to increased productivity					
d). Flexible work plans helps to improve attendance hence high performance					
7). Educational programs					
a). Educational programs retains employees in the organization					
b). Educational programs enable employees to gain additional knowledge					
c). Educational programs gain skills					
d). Educational programs will lead to enhanced productivity					
8). Employee Assistance programs : provide overall wellness of employees at work place and entail :-					
a). Employee assistance programs enable employee to stay long in the organization					
b). Employee assistance programs provide help to employees					
c). Employee assistance programs provide counselling services					
d). Employee assistance leads to needs assessment for the employees					
9). Transportation					
a). Transport enables employee to stay long in the organization					
b). Transport motivates employees hence reduce lateness to work					
c). Transport help reduce transport cost					
d). Transport leads to tax saving opportunity for the employee					
10). Reasons that make employee leave the organization includes;					
a). Inadequate rewards					
b). Lack of awareness of employee rewards					
c). Inequity in reward administration					
d). Non-involvement in reward decision					

END

THANK YOU

Appendix II: Exit Interview Survey

1. REASONS FOR LEAVING
- Lack of job satisfaction
- No opportunities for career progression
- Lack of Recognition for achievement
- Better pay package
- Better training and Exposure
- Terms and condition not favorable.
2. RECOMMENDATIONS ON AREAS OF IMPROVEMENT
- Transform existing organization culture
- Support a healthy and productive culture
- Come up with a win-win solution
- Reward outstanding performance
- Match HR expectations to business needs and meet every ones career expectations where possible.
- Work on team building and training.
- Review salaries
- Implement an Enterprise Resource Planning system

Appendix III: 2013 Work Place Satisfaction Survey

RATED AREAS	RATING
Work Environment	61%
Discipline	96%
Health and safety	89%
Remuneration	59%
HR Function	68%
EMPLOYEE SATISFACTION SCORE *	74.6%

* Employee satisfaction in 2013 at 74.6% up from 71.7% in the previous year.