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Financial and Non-Financial rewards and Employee Performance in Sugar companies in Kenya: A case study of West Kenya Sugar Company Limited

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Abstract: *The general objective of the study was to determine the effects of financial and non-financial rewards on employee performance in Sugar Companies in Kenya, a case study of West Kenya Sugar Company Limited, (WEKSOL). This study was guided by three research objectives namely: to examine how training influences employee performance in WEKSCOL, to establish how salary influences employee performance in WEKSCOL and to determine how staff promotion influences employee performance in WEKSCOL. The study used descriptive research design. A sample of sixty nine respondents were selected out of the population of six hundred and eighty two employees. This represented a 10% sample of the whole population. A structured questionnaire was used to collect data from the respondents. The data was analyzed using the Statistical Package for Social Sciences (SPSS). The study findings revealed that majority of the respondents agreed that better pay motivates employees to work harder, 47.83% (majority) agreed that good pay keeps employees focused. Further, another majority agreed that staff promotions motivate employees to stay with an organization while another agreed that employee performance is high when employees are motivated. The study therefore concludes that is important however to continuously measure employee motivational levels to proactively anticipate areas of concern that might lead to a decline in the levels of motivation within the organization, which could have an adverse effect on the profitability of the organization due to reduction in overall productivity and performance. The study recommends that Management of WEKSCOL need to ensure that staff salaries are reviewed annually to ensure that staff wages are market related and WEKSCOL must be able to communicate their past, present, and future plans to employees so they are secure with the strength and stability of the organization.*

Key Words: *Financial and Non-financial rewards, Employees, Employers, Financial performance*

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I. Introduction

Employee motivation is one of the most essential parts in a company's development and success. It is vital for an employer to understand what motivates the employees and how to increase their job satisfaction in order to maximize the overall performance of the organization. Different people are motivated by different things thereby posing a challenge for managers to find out what motivates its employees. Leaders use a variety of rewards to motivate the employees in their organizations to perform effectively and efficiently. According to Ivancevinch and Matteson (1990), organizations use a variety of rewards to attract, retain and motivate people to achieve their personal and organizational goals. Rewarding employees is therefore a crucial matter for the success of any organization. Researchers and managers have believed that organizational objectives and goals are unachievable without enduring commitment of members and employees of the organization. Business globalization is increasing and information technologies are advancing, Dockel (2003.) This leads to changes in the way businesses are carried out, the way employees behave and also the way managers manage their employees. Companies thereby need to adopt these changes so as to remain successful, Vercueil (2001.) When employees have high autonomy, receive feedback about their performance and have an important identifiable piece of work to do which requires skill variety, they may experience feelings of happiness and therefore be motivated to keep performing well Hackman & Oldham, (1980.)

Armstrong (2012) states that reward management deals with the strategies, policies and processes required to ensure that the people's value and contributions they make to achieving organizational, developmental and team goal is recognized and rewarded. Luthans (2002) observes that "organizations provide rewards to their personnel in order to try to motivate their performance and encourage loyalty and retention. With reference to such authors, it is evident that indeed managers should put in place effective reward administration systems and processes in order to improve on the overall job performance of the organization as opposed to the long gone days where employee benefits were mainly regarded as a retention tool or rather as a moral obligation for employers. Dockevinch and Matteson (1990) also identified three objectives of reward programs which are; to attract qualified people to join the organization, to keep the employees coming to work and to motivate employees to attain high levels of performance. However, there are several factors that affect reward strategies and practices. These factors can either be internal or external to the organization. Armstrong (2010) identifies organization culture, the organization business or sector or work environment, people, business strategy, political and social climate as key internal variables that affect reward strategies. He also identified key external variables which include globalization, rate of pay in the market place, legislation, societal factors, the economy and trade unions.

1.1 Financial Rewards

According to Byars and Rue (2005), rewards are of two types, the extrinsic rewards and intrinsic rewards. These extrinsic and intrinsic rewards are also referred to as financial and non-financial rewards. Financial rewards are monetary incentives that an employee earns as a result of good performance. These rewards are aligned with organizational goals. Examples of these rewards include wages and salaries, bonuses, retirement benefits and medical reimbursements. Gratton (2004) views money as a form of reward which has been given too much predominance. Money has come to play an important role in our thinking about the causes of behavior. This implies that financial rewards are given an upper hand when rewarding employees in organizations.

1.2 Non-financial rewards

Non-financial rewards are non-monetary rewards that are given by management to employees to satisfy employee's needs to have recognition, achievement responsibility, influence and personal growth at the workplace. They incorporate the notion of relational rewards, which are intangible rewards concerned with the work environment such as quality of work life, the work itself as well as work-life balance. Non-financial rewards makes employees feel valued as part of the organization and also assure them that they are appreciated. Greenberg (2006) states that non-financial rewards increase intrinsic motivation within employees, in other words, these types of rewards increase employees' motivation to work by raising their self-esteem. Examples of non-financial rewards include job enrichment, opportunity for growth, job security and praise as well as employee recognition programs.

1.3 Employee performance

In order for employees to put in their best in terms of performance, they need to be motivated. Dessler (2008) defines motivation as the force that energizes, directs and sustains behavior. Employee motivation is pegged on the motivation theory that is concerned with what determines goal directed behavior and how behavior is initiated by needs and expectations on achievement of goals which will satisfy the need. Employee motivation at the place of work can take place in two ways, which are intrinsic motivation and extrinsic motivation. Rose (2014) views intrinsic motivation as being derived from the content of the job. Intrinsic motivation is generated when people seek the type of work that satisfies them, but through organization values, employee empowerment, job design and employee development, the management can enhance its success. Intrinsic motivation is affected by factors such as scope and responsibilities of a job, challenging work and opportunities for advancement. Armstrong (2006) views extrinsic motivation as being derived from what is done by management to and for employees in order to motivate them. This kind of motivation can have immediate effect on the employees but does not last long as compared to intrinsic motivation. It arises when the management provides rewards to their employees such as promotion, recognition or increased pay.

1.4 West Kenya Sugar Company Limited

West Kenya Sugar Company Limited is a 100% private enterprise located in Shamberere region South Kabras, Kakamega County, Kenya. It started its operations in 1981 with an installed a plant with a capacity of 150 Tones Crushed per Day (T.C.D) following the Open Pan Sulphitation (O.P.S) technology with a government policy to create employment in the rural level. It successfully expanded its Open Pan Sulphitation to 400 tones crushed per day in 1990. In the year 1992 installed a 500 tones crushed per day. Vacuum Pan Sulphitation (V.P.S) technology therefore expanding the total capacity to 900 tones crushed per day. In 2005, the company further expanded and the installed capacity increased to 1800 tones crushed per day. The company sources its raw materials-sugarcane from 35,000 small scale farmers within the West Kenya Sugar zone.

II. Research Problem

Human Resource Management strives to achieve organizational goals and the goals of the employees through effective personnel programs, policies and procedures. The personnel practitioners are however more challenged today by a changing and more demanding labor force that has high expectations about the work place, Suff (2007). It is therefore more critical and more difficult to maintain a work environment that motivates and satisfies all human resources in the organization. Sugar companies in Kenya today experience problems such as numerous complaints of staff exploitation and neglect. Lack of compensation for work done by workers has become a norm. There is a rise in employee turnover and other employee related issues. The staff appraisal exercise has also shown that duties and responsibilities are not adequately carried out, with low scores observed in many cases. This is evident through the appraisal files that are filled annually and kept in the Human resource office. There were also missing appraisal files of some of the workers who were not appraised as demanded which shows that line managers have a weakness in the supervision of their subordinates. In relation to management, a lot of directives are given to the employees to produce tangible results and yet little attention is given to adequately motivate their efforts. This is evident through the directives of meeting deadlines to produce documents, keeping punctuality, warning letters in cases of indiscipline with few inadequate incentives to encourage good performance. This study therefore aims to find out the effects of motivation in terms of financial and non-financial rewards in the sugar industries in Kenya using West Kenya Sugar Company Limited a case study.

III. Objectives of the Study

The study sought to achieve the following specific objectives:

1. To examine how training affects employee performance in West Kenya Sugar Company Limited.
2. To establish how salary affects employee performance in West Kenya Sugar Company Limited.
3. To determine how staff promotion affects employee performance in West Kenya Sugar company Limited.

IV. Review of Literature

1. Theoretical Review

Content Theories of Motivation are based on the needs of individuals and they try to explain why the needs of individuals keep changing as time goes and therefore focus on the specific factors that motivate them. These theories explain motivation as the product of internal drives that encourage an individual to move towards the satisfaction of individual needs. Examples of content theories of motivation include Maslow's hierarchy of needs, Alderfer's ERG theory, Herzberg's motivation- hygiene theory and McClelland's learned needs theory, Beardwell & Claydon (2007). The study focused more on Maslow's Hierarchy of Needs theory. Maslow in 1943 reasoned that human beings have an internal need pushing them on towards self-actualization and personal superiority. He came up with the view that there are five different levels of needs and once we happen to satisfy a need at one stage or level of the hierarchy it has to impact on our behavior. At such level our behavior tends to diminish, we now put forth a more powerful influence on our behavior for the next level up the hierarchy. Maslow's hierarchy of needs is a theory of personality that identifies five basic need categories which are; Physiological needs, safety needs, Social needs, Esteem needs and Self-actualization needs, Mikander (2013).The basic needs are arranged in a hierarchy where the most basic need emergency first and the most sophisticated need last. In other words the higher-order needs including belonging-esteem and self-actualization are safety and physical are satisfied. Manager should find out what motivates the employees at each of the levels and develop a reward strategy accordingly (Beardwell and Claydon, 2007). Maslow's hierarchy of needs has been criticized because there's little evidence that support the strict hierarchy and the fact that people satisfy only one motivating need at a time. The theory also fails to prove any clear relationship between needs and behavior and is therefore unable to predict when a specific need will be manifested, Beardwell & Claydon (2007).

Process Theories of Motivation tries to explain how behavior change occurs and why individuals act in different ways. It focuses on how workers needs influence their behavior. These theories originate from cognitive theories which states that behavior is the result of conscious decision making processes. Process theories of motivation include expectancy theory, reinforcement theory, equity theory and goal setting theory, from which the goal setting theory will be closer discussed, Tosi, Rizzo & Caroll (1994).

According to the goal setting theory of Locke and Latham, it is assumed that human behavior is governed by goals and ambitions which lead to the assumption that an employee with higher goals will do better than an employee with lower goals. The theory states that there's a positive relationship between goal precision, difficulty and performance. Therefore if an employee knows precisely what is expected of him, the individual will do better than one whose goals are vague. Adequate and timely feedback plays an important role in this theory because of the following effects on employees; reduced uncertainty, increased feelings of achievement, refined performance and Increase the sense of personal responsibility for work, Beardwel & Claydon (2007). The goal setting theory has been criticized because it does not take into consideration individual differences and goal complexity. Individual priorities and goals that differ in specificity and difficulty, as well as some personality differences, such as self-esteem might affect goal acceptance and willingness to achieve goals, Tosi et al (1998).

2. Empirical Review

2.1 Training and employee performance

In light with the present research during the development of organizations, employee training has been seen to play an important role in performance as well as increasing the productivity of both the employee and the organization in general. Mikander (2003) notes that employee competencies change through effective training programs. Some studies have proceeded by looking at performance in particular, Griffin (2012) while others have extended to a general outlook of organization performance, Schermerhorn (2010). In one way or another, the two are related due to the fact that employee performance influences the general organizational performance. Organizations that train their employees regularly gain competitive advantage over the others which makes them stay at the top. Training can be done in order to fill a performance gap.

According to Thomas (2011), bridging the performance gap refers to implementing a relevant training intervention for the sake of developing particular skills and abilities of the employees and enhancing employee performance. He went ahead to elaborate the concept by stating that training facilitates an organization to recognize that its workers are not performing well and thus aid their knowledge, skills and attitudes to be shaped according to the needs of the organization. It is always so that employees possess a certain amount of knowledge related to different jobs. However, organizations need to have continuous policies of training and retraining of employees and thus not wait for occurrences of skill and performance gaps. Dissatisfaction, complaints, absenteeism and turnover can be greatly reduced when employees are well trained that can experience the direct satisfaction associated with the sense of achievement and knowledge that they are developing their inherent capabilities, Schermerhon (2010). Furthermore, training helps employees develop their competencies and enable them to implement objectives in a competent manner.

2.2 Salaries and employee performance

According to Fox (2007), compensation which includes direct cash payment and indirect cash payments in the form of employee benefits and rewards to motivate employees to strive for higher levels of productivity is a critical component of the employment relationship. Objectives of rewarding employees include: to attract capable applicants, to retain well performing employees, ensure equity control costs, reward desired behavior among others, Robbins, (2009). A good compensation package is a good motivator hence the HR manager has to ensure that the employees are well paid. Msorika, (2013) states that motivation can be intrinsic or intrinsic. Therefore salaries can be used to extrinsically motivate employees to perform. Muller, (2011), says that an extrinsically motivated person will be committed to the extent that he can gain or receive rewards for his or her job. Good remuneration has been found over the years to be one of the policies the organization can adopt to increase their workers performance and thereby increase the organization productivity. Also with the present global economic trend, most employers of labour have realized the fact that for their organizations to compete favorably, the performance of their employees go a long way in determining the success of the organization. Performance evaluation can be used to provide an accurate measure of how well a person is performing the task assigned to him. Based on this information, decisions will be made affecting the future of the individual employee. The evaluation can also unfold weaknesses and deficiencies in a specific job skill, knowledge or area where motivation is lacking. Once identified, the deficiencies can be remedied through additional training or provision of the needed rewards.

2.3 Promotions and employee performance

Promotions are often used to achieve two goals which are putting employees in the right jobs and also generating motivation. An important reason that promotions are sources of rewards is worker reputation, or career concerns, (Numerof, 2003: Pareek, 2007: Miner, 2007; McBurney, 2009). Often, it is the workers history of positions and promotions that provides the greatest evidence on productivity and potential of the employee. Thus, promotions can play a key role in rewarding employees even when firms do not intend them to. Mwaura (2015), states that promotions can be important motivators in that they can be self-enforcing rewarding schemes.

2.4 Conceptual Framework
This study was guided by the conceptual framework below

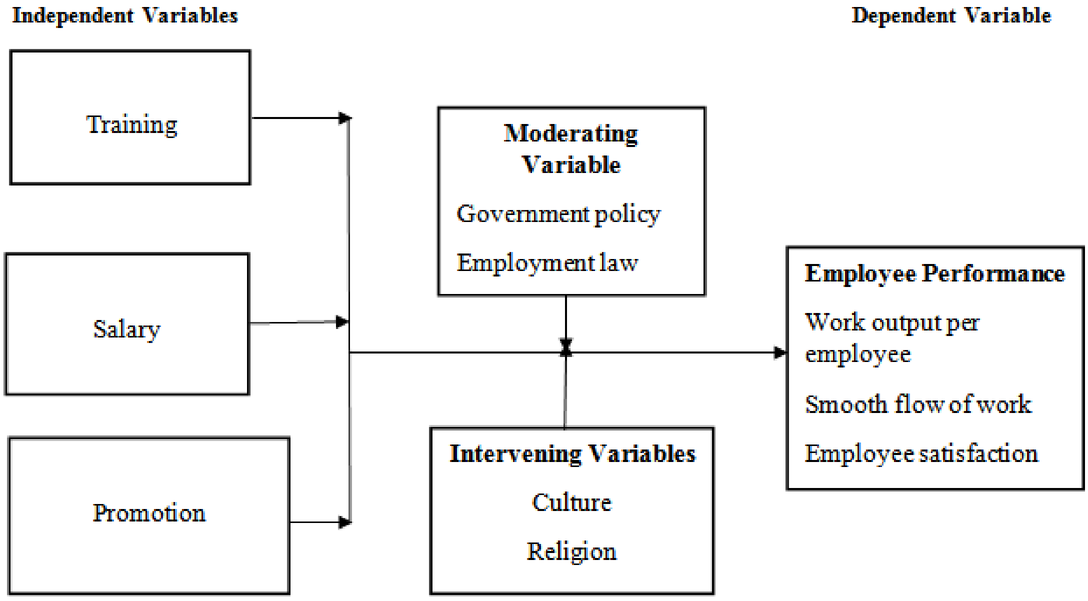

Figure 1: Conceptual framework
Source: Author, 2018

V. Methodology

This study employed a case study design which is a type of research method that is used when one wants to get information on the current status of a person or an object. It is used to describe what is in existence in respect to conditions of variables that are found in a given situation. Case studies are used in preliminary and exploratory studies to allow the study to gather information, summarize, present and to be interpreted to follow with the need of clarification, Mitchel (2012). The target population comprised of all the 682employees of WEKSCOL which is situated in Western Kenya. A sample of 69 respondents were obtained as shown in table 1.

Table 1: Target Population

Category	**Population (No. of staff)**	**Sample size**
Finance and Administration	246	25
Sales people	158	16
Technical staff	278	28
Total	682	69

Source: Research data, 2018

The researcher used questionnaires as the main tool for collecting primary data. Data was then analyzed using Statistical Package for Social Sciences (SPSS). This was done to explore the relationship between dependent and independent variables. The results were then presented in form of tables and figures.

VI. Results and Findings

Table 2: Effect of staff training and employee performance

How staff trainings affect the staff performance	**SD (%)**	**D (%)**	**N (%)**	**A (%)**	**SA (%)**	**Total**
Employee training develops employee skills and thus job satisfaction	10.14	13.04	4.35	27.54	44.93	100
Employee training shows an organization values its employees	8.70	7.25	11.59	30.43	42.03	100
Employee training enriches an organization's working environment	5.80	8.70	13.04	21.74	50.72	100
Employee training motivates employees to stay within an organization	4.35	7.25	8.70	36.23	43.48	100

Source: Research data, 2018

The study found that over a quarter of the respondents (44.93%) strongly agreed that employee training develops employee's skills and thus job satisfaction, while 42.03% strongly agreed employee trainings shows an organization values its employees. Furthermore, 50.72% of the respondents strongly agreed that employee training enriches an organizations' working environment and 43.48% of the respondents strongly agreed that employee training motivates employees to stay within an organization.

These findings concur with those of Robbins, (2009) who noted that employee competencies change through effective training programs. It therefore not only improves the overall performance of the employees to effectively perform their current jobs but also enhances the knowledge, skills an attitude of the workers necessary for the future job, thus contributing to superior organizational performance. The branch of earlier research on training and employee performance has discovered interesting findings regarding this relationship. Training has been proved to generate performance improvement related benefits for the employee as well as for the organization by positively influencing employee performance through the development of employee knowledge, skills, ability, competencies and behavior (Koonz, 1990; Schermerhorn, 2010; Griffin, 2012). Moreover, other studies for example one by William Pride, (2011), elaborate on training as a means of dealing with skill deficits and performance gaps as a way of improving employee performance. According to Thomas G. Cummings, (1998), bridging the performance gap refers to implementing a relevant training intervention for the sake of developing particular skills and abilities of the employees and enhancing employee performance. He further elaborate the concept by stating that training facilitate organization to recognize that its workers are not performing well and a thus their knowledge, skills and attitudes needs to be molded according to the firm needs. It is always so that employees possess a certain amount of knowledge related to different jobs.

Table 3: Effect of salaries and employee performance

How salaries of the employees affect staff performance	**SD (%)**	**D (%)**	**N (%)**	**A (%)**	**SA (%)**	**Total**
Good pay keeps employees focused	1.45	4.35	5.80	47.83	40.60	100
Better pay motivates employees to work harder	1.45	1.45	7.25	46.38	43.49	100
Pay contributes to employees satisfaction	1.45	2.90	4.35	37.68	53.62	100
Better pay leads to employee commitment	2.90	4.35	10.14	21.74	60.87	100

Source: Research data, 2018

The study revealed that majority of the respondents (47.83%), agreed that good pay keeps employees focused, while 46.38% agreed that better pay motivates employees to work harder. Furthermore, 53.62% of the respondents strongly agreed that pay contributes to employee satisfaction while 60.87% of the respondents strongly agreed that better pay leads to employee commitment to an organization. From the findings, majority of the respondents agreed that better pay motivates employees to work harder.

This study concurs with a study by Fox, (2007) who argues that compensation which includes direct cash payment, and indirect payments in the form of employee salaries, benefits and incentives to motivate employees to strive for higher levels of productivity is a critical component of the employment relationship. He added that compensation is affected by forces as diverse as labor market factors, collective bargaining, government legislation and top management philosophy regarding pay and benefits. A good compensation package is a good motivator. Hence, the primary responsibility of the Human Resource Manager is to ensure that the company's employees are well paid. Other objectives of compensation include; to attract capable applicants; retain current employee so that they don't quit; motivate employees for better performance; reward desired behavior; ensure equity; control cost; and facilitate easy understanding by all i.e. Human Resource personnel (Robbins, 2009).

Table 4 Effect of Staff EPromotion on Employee Performance

How promotions affect staff retention in the sugar industry in Kenya	SD (%)	D (%)	N (%)	A (%)	SA (%)	Total
Staff promotions motivates employees to stay with an organization	1.45	2.90	2.90	39.13	53.62	100
Staff promotions is a key contributor to employee job satisfaction	2.90	2.90	1.45	34.78	57.97	100
Staff promotions help the staff to better understand an organization	17.39	14.49	21.74	28.99	17.39	100
Majority of employees in the sugar industry look forward to promotions	1.45	1.45	2.90	23.19	71.01	100

Source: Research data, 2018

The study findings revealed that 53.62% of the respondents strongly agreed that staff promotions motivates employees to stay with an organization while 57.97% strongly agreed that staff promotions is a key contributor to employee job satisfaction. Furthermore, 28.99% of the respondents agreed that staff promotions help the staff to better understand an organization while 71.01% strongly agreed that majority of employees in the sugar industry look forward to promotions. From the table it can be concluded that majority of the respondents agreed that they look forward to promotions.

The findings of this study concur with those of Baruch (2004) who argues that an organization's devotion to career oriented practices like internal promotions, better training and development opportunities and job security lead to lower turnover. Psychological commitment is greater motivation to workers who have a feeling of being treated as valuable resources instead of being tools to generate profit. Giving employees better career opportunities shows them that they are being valued and thus leads to commitment. It involves making them feel a part of the organization rather than just a cog in the machine. This makes sure that they see themselves at a worthy place in the organization and thus believe that a part of their identity is reflected through this role. Such strong linkages are required to retain employees or the hot market has a lot to offer to experienced employees.

In another study conducted by Bemthal & Wellins (2001), it was revealed that management level jobs have higher employee motivation and retention rates when compared to non-management positions as involvement in the organization's decision making processes is higher in management positions. This helps employees to relate to the organization. Further it was revealed that factors that improve retention rates of female employees are slightly different from those that improve retention rates of male employees. When male employees seem to value the clarity of mission communicated by senior management, female employees value factors such as quality of relationship with supervisors, level of trust, cooperation among co-workers, clear understanding of work objectives, and desirability of geographic location. Considering all these factors, employee retention rates were found to be the lowest in the information technology industry (William Pride, 2011). The study revealed that technical staff usually fall under the category of non-management employees whose retention rates are more dependent on short term compensations like company responsiveness to individual needs and quality of compensation package. Giving them autonomy and freedom would not serve as highly motivating factors. Thus factors that affect each class of workers should be studied and be used accordingly to retain employees

Table 5: Employee Performance

Employee performance	SD (%)	D (%)	N (%)	A (%)	SA (%)	Total
Improved employee performance helps an organization serve its customers better	1.45	5.80	13.04	26.09	3.62	100
Better employee performance serves an organization the cost of recruiting new employees	1.45	1.45	7.25	31.88	57.97	100
Improving employee performance makes an organization efficient	2.90	4.35	4.35	56.52	31.88	100
Employee performance is high when employees are motivated	1.45	1.45	4.35	36.23	57.97	100

Source: Research data (2018)

The study findings revealed that 53.62% of the respondents strongly agreed that improved employee performance helps an organization serve its customers better while 57.97% strongly agreed that better employee performance saves an organization the cost of recruiting new employees. Furthermore, 56.52% of the respondents agreed that improving employee performance makes an organization efficient while 57.97% strongly agreed that employee performance is high when employees are motivated.

These findings are in agreement with those of Boyens (2007) who argues that it is important for the leader to know what motivates each individual. If unsure, find out by asking the employees. The leader should get to know the employees as people before getting to know them as employees. This knowledge will help the leader to recognize and reward them individually. Capotondi (2002) states that the organizations responsibility is to recruit, organize, reward, communicate and windup in a way that is functional. It is crucial with adaptation for the company to be profitable. A leader needs to know his/her employees and understand that not everyone is like-minded.

Table 6: Regression Model

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	1.000[a]	1.000	1.000	.000	1.000	.	3	3	.

a. Predictors: (Constant), Promotions, Salaries, Training
b. Dependent Variable: Financial Performance

Table 7: ANOVA table

ANOVA[a]						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	1.714	3	.571	.	.[b]
	Residual	.000	3	.000		
	Total	1.714	6			
a. Dependent Variable: Financial Performance						
b. Predictors: (Constant), Promotions, Salaries, Training						

Table 8: Coefficients

Coefficients[a]								
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	.000	.000		.	.	.000	.000
	Training	.000	.000	.000	.	.	.000	.000
	Salaries	.000	.000	.000	.	.	.000	.000
	Promotions	1.000	.000	1.000	.	.	1.000	1.000
a. Dependent Variable: performance								
b. Predictors: (Constant): Promotions, Salaries, Training								

There is significant relationship between salaries as an employee motivation factor and employee performance. This relationship can be explained by the fact that most people seek jobs for financial gain and therefore better pay motivates them to keep working. The aim of compensation is to attract competent employees, to retain them and to motivate them to achieve the aims of the organization. Some decades ago the employee benefits were hardly considered to be part of the employee's compensation. Benefits were privileges and not rights. Today it is the size and extent of the package that is one of the contributory factors in deciding whether to join or exit the organization. These findings concur with studies conducted by Tetty (2005) which indicated that dissatisfaction with salaries is a key factor undermining the commitment of academics to their institutions and careers, and consequently their decision or intent to leave. Therefore, this suggests that employers need to realize that if incentives and working conditions are not improved and exit may become one of the options for them. The employees will look for another job that is going to better their salaries. Urichuk (1999) argues that employee turnover is due to a lack of proper employee remuneration and reward, and points out that better remuneration helps in retaining the sincere employee and saves time and money to recruit new people and it also encourages other workers to do a good job. Hard to believe, yet motivation is achieved through better remuneration.

From regression analysis there is significant relationship between employee promotion as a motivating factor and employee performance. Employee promotions and job advancement is one of the most common reasons an employee gives for leaving an organization, according to McCabe, Feiock, Clingermayer and Stream (2008). Employees may change jobs for reasons of professional and personal advancement, or to join an employer who provides more attractive pay packages as well as career growth. These findings are in agreement with those of Duffy and Stark (2000) who reveal that frustration and a desire to quit have relevance to low positive affectivity, and are related strongly and negatively to job satisfaction. Commitment towards the organization is degraded if there is a perception of underhanded methods in promotion activities. Bayt.com shows that 51% of the people who completed their on-line survey expressed dissatisfaction with their professional and personal growth in Saudi organizations. A similar study conducted in another Arab culture concludes that employees demonstrate greater levels of satisfaction and commitment if they are given ample opportunity for personal as well as professional growth in their organization (Taylor, 2002).

VII. Conclusion

From the findings of the study, the researcher found out that financial and non-financial rewards greatly affect employee's performance. The researcher therefore concluded that when employers pay attention to employees' financial and non-financial short comings, it will enhance the overall staff performance in the organization. Keeping employees motivated is a challenging prospect, hence the many theories of motivation that have been developed over many years. Motivation is a complex dynamic, due to the fact that people behave differently when faced with the same challenges under similar circumstances. It is important however to continuously measure employee motivational levels to proactively anticipate areas of concern that might lead to a decline in the levels of motivation within the organization, which could have an adverse effect on the profitability of the organization due to reduction in overall productivity and performance.

VIII. Recommendations

Management need to ensure that staff salaries and wages are reviewed annually to ensure that they are market related. It is important to remember that the cost of replacing a trained individual is far greater than the cost of retaining an existing one; therefore, ensuring that employees are paid fairly is vital for staff retention. The researcher is of the opinion that constant communication between management and employees is essential to prevent dissatisfaction caused by inaccurate assumptions. Employees should be encouraged to have discussions with management if they have any remuneration related concerns. The organization should consider appropriate programs for employee development which is important to unlock employee potential. The findings of the study suggests that employees want the organization (WEKSCOL) to support and encourage more employees to study to further their careers and enhance their skills and abilities. To enhance on-the-job training, the organization also needs to consider the appointment of a dedicated fulltime training officer. It's been recommended that the employer should review and improve job guidelines and descriptions with employees.

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