

Effect Of Non-Monetary Rewards On Employee Commitment At Kenya Tea Development Agency

Posted on October 30, 2019

Abstract

The study aimed to investigate the influence of the non-monetary reward on workers obligated by the Kenya Tea Development Agency. A descriptive survey design was applied to the research project, which consisted of all KTDA employees based at the agency headquarters. The population of interest was 294. The researcher used stratified sampling because of the ease of classifying the population into strata. The sample comprised 30% of each stratum of the target population; hence, it was sampled to 90. The study used primary data that was fetched by administering a self-made Questionnaire composed of both closed and open questions.

The information collected was analyzed using descriptive statistics. Based on the questionnaire, a social science statistical package was used to analyze the data. Results were then presented in tables and also in charts. The study showed that employees assented to being provided with medical care to a moderate extent. The study discovered that care advancement would upgrade their jobs by a great percentage. The study also found that the institution allowed and even sponsored the employees to attend training and seminars regularly. The study realized that these employees were afterward greatly praised and congratulated in public for their good work and promising results.

The study hence concludes that employee recognition, career, and opportunities development opportunities are great tools that the organization's management can apply in motivating its employees for effective and efficient performances. The study also concludes that KTDA workers appreciate and honour different rewards and motivations befallen to them by the organization's management. This promotes their level of commitment. This, therefore, ingratiates that the employees working in the workplace's non-financial rewards from the management pause, which has a great significance and influence on the employees and on the final performance of the organization. The findings of this study research can be beneficial to both managers and policymakers. This study hence recommends that organizations thriving for better performances should be interested in improving career development and opportunities for the employees as this would work perfectly. Institutions like KTDA have developed an increasingly competitive working environment, by editing their non-financial reward policy, it will lead to the appositive influence on employee commitment; this will, in turn, improve retention and overall performance.

Chapter One: Introduction

1.1 Background Study

Stakeholders who form part of an organization are regarded as the most influential and significant resources in today's modern firms. How the manager manages people in the organization is important since other areas of competitive resources in the organization are weakening as compared to what they used to be. According to Dyer (1995), it is of great importance to acknowledge that the system of competitive advantage has diverted. Developing a new system is, hence, critical and essential in developing the new framework for the issues of human resource management.

The success and failure of an organization are greatly dependent on the effectiveness and efficiency in the utilization of available resources, such as human power, input materials, and financial resources. Human resources are the most essential and crucial of the four resources. Human resources is a key pillar for the survival of any organization or firm. "It is important to remember that people do the work and creative ideas that show the organizational service." Ivanovich 2009 pg. 62). It is therefore agreeable that resources will remain unutilized until the incorporation of the human element. Human resources aims to evaluate and enhance the human element in the development and betterment of any organization or business firm.

Committed employees are obligated and pledged to not only build up but also maintain an excellent and ever-lasting relationship with the employer in any organization. They are determined and focused on the success of their place of work. Osterman (2000) said that committed employees should be sceptical of management resistant to change and actively activating or decreasing working morale, poor productivity methods and contributing to increased turnover or subsequent failures.

Effective management, on the other hand, recognizes and appreciates that a positive attitude toward the employees is vital and the primary reason for the success of any organization or a business firm in achieving its goals. when employees are given a chance to actively participate in the Management and decision-making of organizations, studies show that there are always positive outcomes that result in success and the working environment of the organization. (Lawler 2008). Management involving its employee's participation changes their perceptions and improves employee-employer relations, and this provides a better background for the employees to develop commitments and trust in management. Involvement of employees improves employee's courage and belief that they can bring an impact or be the change needed in any organization,

Organization non-monetary motivation to employees has been found to play a major role in building employee commitment and satisfaction. Non-financial rewards create the maximum and friendly working conditions for optimum results and productivity. According to Mondy (2008), employee performance can be predicted by the availability and regularity of non-beneficial rewards to the employee. The greater the motivation, the bigger the results. Mondy (2008) continues to urge that

the degree of attractiveness and level of the reward is also a factor considered in determining the final outcome of the reward. Rewards rendering leads to first-level performance, which then results in second-level results. These second-level outcomes include friendship, praise or wages. Dems (2010), quality of human resource activity is a managerial factor. A classical managerial response to this matter is employee motivation. This has been experimented with and has been proven over the ages by various entities, both small and large, and results have always been recommendable. Indeed, non-financial rewards pioneer employees-employers mutual growth and relationship.

Non-Financial Rewards

Bartol and Locke (2000) define a reward as something of value, either monetary, non-monetary or in a physiological form, given to the employee by the employer in an organization. The reward is a return for an act well done with the motive of inducing the action to be done time and again. The reward is represented by the individual who has done the act and is intended to express a positive reaction to the behaviour. Rewards are very strong determinants in jobs and are an expression of work done satisfaction. Rewards are significantly related to professionalism. Rewards which do not involve monetary gains are known as non-financial rewards. (Musaazi 2002) Such rewards motivate employees and include issuing of responsibilities at places of work, promotion in levels of work, praise and recognition in public places are such examples of non-beneficial rewards.

These rewards have a positive influence on the workers. Macibibi (2007) possess the same definition of financial rewards as indirect financial rewards resulting from the work done. Non-beneficial reward attracts and create new workers who are committed and highly qualified in the achievement of the organizational goals. An organization that rewards its employees has a higher chance of realizing goals and objectives than an organization that is not committed to rewarding its employees. Armstrong (2009) believes in the notion of the power behind giving out rewards to the workers. The outcome of these rewards has a greater significance and matters more compared to the rewards itself. the nation-beneficial rewards improve employees' commitment to the job, make workers more comfortable and feel positive, trustful and resourceful to the organization and to the employers. It provides extra effort and broadens the visionary success of the organization.

Armstrong 2009 further argues that a fun, joyous and employee-empowered environment in which the workers are comfortable makes the individuals fully utilize and use their abilities in doing the fruitful job. The organization should be determined to create such working conditions and should be ready to appreciate the positive results resulting from such working conditions. Maicibi (2003) identifies and categorizes three major types of non-financial rewards. These main types of rewards are the need for power, the need for achievement and the need for affiliation. an organization can give promotions to its workers in the form of power, promotions, and recognition. Maccabi recommends any organization needing to succeed should apply or of the above categories of appreciation to its employees for optimum results. Musaazi, 2002, further identifies that the lack of an effective reward strategy lowers the aspirations of the employees because it does not consider the

needs of its workers, leading to low commitment and, ultimately, poor performance.

1.1.2 Employee Commitment

Commitment is defined by Newstrom and Davies (2002) as the degree to which the employee associates him or herself with an organization. It is the extent to which the employee is willing to be identified to an organization and how long the employee is actively involved in the organization. Like magnetism, it is how much the employee is attracted to a specific organization. It reflects the worker's beliefs in the organization and the commitment to the realization of the goals and mission of the organization and with greater intentions to continue working in order to attain the mission. In an organization, there can be long-term or short-term employees. Commitment is usually greater with long-term employees. This is because they have gained much experience with the company and have gained great achievements through the company; hence, they can greatly testify to the fruits of working with the organization.

The characteristic of committed employees is that they work with diligence, conscientiously, and continuously determined by adding value and confidently publicizing organization services or products. This is as posited by Madigan, Norton, and Testa (2009). In exchange for their continued commitment and loyalty to the organization, they expect to be reciprocated with a friendly working environment that will encourage enduring and continued concrete support. This constant growth and empowerment create a balance between the personal life and working life; it equips the employee with working experience and training to fully cater for the needs of the organization's customers and with a resource necessary for maximum output of the organization's productivity. On the other hand, it continuously provides the worker with the resources necessary to satisfy self-needs and other desires outside workplace life. The ability of the organization to satisfy employee's necessities determines their employees' loyalty to the organization. Committed employees will always be determined to develop a long-lasting relationship with their employer. Employee commitment automatically increases their performance in their place of work and reduces the turnover point due to enhancing cooperation. To the advantage of the employer, committed employees create a sense of the heritage of owning a silver spoon. They feel proud of their committed employees. A good employer will always aim to improve their relations with the employees. This can be achieved by actively involving the employees in making a decision involving the management of the organization. When employees are given a voice as far as the decision-making of the organization is concerned, there is always positive feedback in the ultimate organization's productivity. (Lawler, 2008).

1.1.3 Kenya Tea Development Agency

Prior to independence, indigenous Kenyans were prohibited by law from growing tea. As the road to independence progressed, a bill was repealed to allow Kenyans to start cultivating tea as a cash crop. Following this development, the British administration created the Special Crops Development

Authority. (SCDA). This happened in the year 1960. This aims at promoting tea farming by the indigenous under the Ministry of Agriculture. After the independence in the year 1964, legal notice No. 42 of 1964 created the Kenya Tea Development Authority, and it took over the responsibilities and liabilities of SCDA.

This move fostered the growing of tea by small-scale farmers. Due to privatization incorporated on the date of 15th June 2000, Kenya Tea Development Authority was converted to Kenya Tea Development Agency Limited. This made KTDA one of the major private tea management agencies (KTDA 2013).

KTDA functions in Kenya by providing management services to the small-scale sectors in the tea subsector. The company is managed by a board of directors who represent the twelve regions of Kenya that are tea-growing. Each of the regions has its own tea collection centres and factories. Each of the factories has six elected directors elected by the tea farmers. The six directors converge at the zonal level and produce a board member to represent them at KTDA. KTDA plays the role of buying tea leaves from Kenyan small-scale farmers, processing the tea at the factories and ensuring the product is marketed properly and shared among the farmers. Under the KTDA's management, there are 65 factories, all managed by a similar model.

Some of the nonfinancial rewards that staff agencies enjoy include paid vacations, sincere praise and recognition, an increase in the scope of tasks and assignments, the provision of newspapers at some levels of management, parking spaces, club membership, and staff parties. These financial rewards are given to recognize staff for work well done, motivate them, and take care of them outside the office.

1.2 Research Problem

Both public and private sectors approve of the critical role played by employees towards the achievement of the organization's goals. However, such goals can only be achieved by the committed workforce, which is satisfied by the organisation's management. Samad (2007) posits that a workforce that is satisfied with their working place is more committed to the organization as compared to a workforce which is not satisfied. Parameters in measuring employee satisfaction include employees' relations with working team members and the employer, compensation, and leadership. The significance of commitment cannot be suppressed because commitment is the key factor which determines the employee's turnover, performance, and overall productivity. Committed employees usually make great contributions to enhancing the organization and achieving its goals. Deprose (2004) also acknowledges that an effective non-financial reward system helps improve employee commitment and productivity in the organization.

The tea industry has remained the largest earner of foreign exchange and employer in the country, with about one million people working directly or indirectly with the industry. The Kenya Tea Development Agency is tasked with the mandate of buying tea leaves, processing and marketing and

thus, in order to ensure that the sector continues to play a key role in the country's economy, the management of the agency has to ensure that its employees are well remunerated both financially and non-financially. The use of non-monetary rewards by the agency motivates the employee, and it changes how the employee views the organization. The rewards portray the image of the organization's management as caring and supportive of their well-being. This improves commitment and ultimately leads to higher productivity.

Kenya's growth of tea is ideal and highly favoured by the temperate, cool climate that makes it appropriate for the production of a wide range of tea. The industry has faced various human resource challenges, including the provision of machines to outdo human labour, strikes to push for higher salaries and improved working conditions. This has necessitated the development of several Collective Bargaining Agreements (CBA.) KTDA maintains high standards and professionalism and mandates that employees meet the rules and regulations in their working conditions. The employees, on return, expect to be provided with conducive working conditions, fair salary pay, fair treatment, and secured work careers, as well as involvement in management and decision-making in the organization. The expectations on both sides usually fail to meet consensus. The expectations and the working conditions also vary between different factories. In an attempt to bring the conflicting expectations into harmony, a reward is necessary. The research study draws its driving force from this turbulent of occurrences and seeks to find a solution to bring a satisfied and highly motivated workforce that possesses what it takes to be on the frontline of the country's development and economy

Studies from local researchers have also investigated the influence of non-monetary rewards on the employee's commitment. Suh's research includes Wambugu (2010). Wambugu undertook research on the relationship between the workers' commitment and the results on the job performance at Kenya Institute of Survey and Mapping. From his study, he found that the majority of rewarded employees greatly valued their workplaces and were committed to the value-adding to the organization's job and career. There is a high degree of correlation between the organization's performance and the employee's commitment.

A high correlation between the employees, his /her commitment to the job shows a positive correlation in productivity in place of work and overall relations with the supervisor. The research was done by Kamau (2012) at Kenya Plant Health Inspectorate Service Cooperation and studied the factors that affected the employees of the organization. The research reported that the factors included; education, job category and the duration of service. Ondimu (2013) posits that Oxfam International Kenya usually implements its career development programs perfectly and is focused on developing the employee's career and employees' commitment to the organization. The result showed that the majority of the workers interviewed in the organization were willing to work and stay at Oxfam for a long. This was after research carried out on employee commitment at Oxfam International. Kowido (2013) also carried out a cross-sectional research study on factors believed to contribute to employee commitment to a small furniture company located in Nairobi County along Mombasa Road. After the research, he found out that the real factors contributing to employees'

commitment to their jobs were training and development services they received, promotion factors, employee benefits, job security and the working conditions at the place of work.

Other studies carried out on the influence of non-financial rewards to the employee's commitment includes; Andrew (2004) who studied the significance on perceived leadership perceptions on commitment, satisfaction, and motivation, the research established out that employees' commitment is determined by public recognition, praise, and rewards. Chiang and Birtch, 2009, posit that non-financial rewards contribute to the perception of the workplace as being supportive and caring to the employee. Such rewards that contribute to such include the provision of increased holidays, increased family benefits, and a secure working environment. Gouldner (1960) studied the norm of reciprocity, which reported that the ability of an organization to fully satisfy the needs of its employees is by rewarding them for their efforts.

In reciprocate of these rewards provided to them, the employees reciprocate by an increased commitment towards their work and to the organization. The social-emotional bonds with the company and the fellow colleague relations were also harnessed. Rizwan and Ali, 2010, view that a favourable working place that motivates employees to work to their optimum productivity is contributed to by effective rewards and recognition to the employees. Most of the studies taken mostly major on employee commitment and the impact of the issuing of rewards and recognition. The studies should go a step further in identifying the type of reward given in order to determine the influence and the extend of the commitment as influenced by the reward, failure of most of the previous studies to capture this, this section of this study aims to address the issue. It, therefore, aims to answer the following question: what influence do non-financial rewards have on employee commitment at Kenya Tea Development Agency?

1.3 Research Objective

To determine the influence of non-financial rewards on employee commitment at Kenya Tea Development Agency (KTDA).

1.4 Value Of The Study

The findings of this study will benefit the management of the Kenya Tea Development Agency. The study will help the management get an insight into how their institution can effectively manage their non-financial rewards to satisfy the needs and perceptions of the employees. The study will also offer a clear understanding of the significance of developing an effective reward system that provides the desired results and a competitive mechanism in the present-day competitive business environment. To human resource managers, this study will also try to prove the effectiveness of non-financial rewards on employee motivation and commitment. The study will help to discover a new cheap way of keeping the workers motivated. The study shows how the non-financial rewards create a sincere token of appreciation to the employee.

On the other hand, the monetary reward should be used as a reward linked directly to wages and pay to compensation for work done regardless and not as a token of motivation for good work done. This study will also focus on helping the workers discover the motivation factors that will help them become more committed and loyal to their organization. The employees will find the factor that will drive them to stay long in the organization of choice. The longer the employee stays in a specific organization, the more committed and more valuable the employee becomes in terms of seniority in the level of work, working skills, knowledge and experience.

The findings of this research study can also be adopted by the government and other nongovernmental organizations to design feature reward strategies to develop contemptuous employees. based on experience, the study will conceptually verify the influence of non-financial rewards on employee commitment. This study will also aid employers in drawing up proper performance reward systems or mechanisms to increase employee productivity.

The study also treats a single subject which can be replicated in other sectors of the country's economy. The study can also be incorporated into other studies to serve as a reference for the study of non-monetary effects. In countries like Kenya, the study contributes to the literature about non-financial rewards. The study findings are hoped to be of importance to academicians who will find a new source of reference. A research gap in the study can stimulate further research. To the policymakers, the study can help them make informed policies and reward systems on how rewards should be awarded

Chapter Two: Literature Review

2.1 Introduction

The chapter analyses the literature review related to the study. The chapter includes a review of the various studies conducted by researchers on the theory development, the non-monetary rewards and the impact of non-financial rewards on employee commitment.

2.2 Theoretical Foundation

According to Kilbourn (2006), the theoretical approach of research reflects the researcher's theoretical orientation. The theoretical approach is important in understanding in understanding the research, qualitative study of the data and effective interpretation of the findings. many theories are reported to be underpinning the study, irrespective of bi=eing explicit or implicit. they include the expectancy theory as well as the equity theory.

2.2.1 Expectancy Theory

According to Mendoca, 2002, the theory suggests that workers are more encouraged to perform best when there is a strong proportional link of connection between the quality of work done and the reward they get as a result of their good performance. Like magnetism, expectancy theory shows the strength of attractiveness to performers' expectations after performing an act. Robbins (2003.) It is what someone expects back in return after work is done. The attractiveness of what someone will get in return for doing something will determine the motivation for how that person will perform the act. The reward also matters if it corresponds with the performer's needs, goals, and ambitions.

Robbin, 2003 continues to explain that there exist three relationships between performance and reward. the relationship between effort and performance, performance and reward, rewards and personal goals, which direct one's behaviour. Bohlander and Shell (2004) suggest that the theory predicts that an individual's level of motivation is dependent on reward attractiveness and the chance of getting this reward after the job is done. If the employee has high hopes and believes in getting attractive rewards from the place of work, they will tend to put more effort into impressing the organization and, in turn, get a more attractive reward. the theory also outlines three dimensions approach; expectancy, valence, and instrumentality.

Expectancy theory simply explains the relationships that exist between reward motivation and performance which is a directly proportional relationship. Savaneviciene and Stankeviciute, 2010, strongly postulate that performance at the individual level is highly dependent on high motivation, having great skills and ability to perform the task and lastly, the role of owning commitment and understanding the task. the human resource manager should take the essential task of encouraging and developing high skills and abilities of the employees through training and seminars. the resource manager can do this through careful training methods and high investments in motivation.

An example is involving the employee in performance-pay-related activities, developing appropriate role structure and perception, for example, job designing and good communication feedback. Voron (1964) also agrees that performance is dependent on the level of ability of the worker and also on the level of motivation of the worker. the effects of motivation on the level of performance are rather interactive and not additive.

In an organization, the struggle for superiority between the employees is usually combated through their performances. If an employee perceives that effort in hand will lead to better performance, they will try their best to put the effort into practice. The efforts are acknowledged by the management .it, leading to the concept that high effort leads to high performance, which will be noted and rewarded by the management.

Trumentality explains the suitability of performance and suitable rewards. According to Ramlall (2004), individual estimates are to be positively valued after the outcome is considered valuable. Robins (2003) concluded that the expectancy theory explains perfectly why employees who are

unmotivated end up performing poorly since they feel that their good performance cannot be acknowledged by the organization's management. due to various reasons. an organization whose performance appraisal is based on evaluating employees' non-performance related factors such as tenure, the employee may lose the urge to perform well since they feel that no matter how well they perform, they will never be appreciated. In other cases where there is no close relation between the employee and the supervisor, the employee may tend not to work optimally since he/she feels no matter how good she works, she will not be recognized. Other employees are just pessimistic, and they will always view that even a great performance can never be acknowledged and awarded in the organization's context.

2.2.2 Equity Theory

Equity theory majorly focuses on the aspect of rendering justice and equitable treatment in an organization. It deals with whether the employees feel they are treated equally or not. How they feel regarding the treatment they receive at their place of work impacts the level of their productivity. .ramlall (2004) postulates that the employer relationships with the employee determine both the benefits and rewards the employee gets and also the evaluates whether the input given to the organization is equivalent to the output received, individual inputs includes education, effort, skills, and experience. The inputs are equipped by the employee and compared to the output given, such as salary allowances, praise, and recognition, among other benefits received. if the employee notices there is an imbalance between the input and factories and the output received, and also compares this with her own experience and that of others, tension arises.

Arnold *et al.* (2010) noted that individuals who feel they have not been rewarded appropriately will posit stronger negative feelings compared to the ones who are over-rewarded. There exists inequality between the employees, individuals are likely to shift their outputs and resources to correspond to the input received. Employees will tend to lower their efforts to equal rewards received.

2.3 Non-Financial Rewards

According to La Belle (2005), different people have various perceptions and beliefs. Some of the factors will have a large driving force of satisfaction. such factors boost and motivate the employee to apply more effort and work better due to the driving factor that comes with motivation. Some non-monetary rewards are discussed below.

2.3.1 Opportunity For Career Advancement

Minimum opportunities or lack at all causes a high turnover rate in any business firm or organization. The job description should be carefully stated and explained to the job seeker before employing the person. If the job is a dead-end proposition, it should be stated prior to the employment to avoid

misleading people. the nature of the job should be described precisely without creating false hopes regarding growth, advancements, and promotions in the level of duty. every person is ambitious for a good job and big positions, it follows that they will require being recognised and praised for how much they have gained. Even the short-term employees need to be appreciated and be told they going to proceed far. (Shamsuzzoha, 2007) most of the employees express dissatisfaction when they launch the opportunity for advancement to greater seniority. It simmers the employee's self-esteem, especially when she/he has been promised much. this contributes to poor performance by the employee and can even cause him/her to quit the job. if there is no hope for future progress in the job or any chance of getting promotions in the place of work, the job seeker should be explained prior to the employment. promotions are a chance for upward degree mobility in the place of work. They have always limited chances for promotion, and they reduce the turnover of the workers. A worker will stay on hopefully eyeing for the promotion according to Csscio (2002) job turnover is reduced with job satisfaction. Promotion to the employee is a big motivator since the employee becomes satisfied with the job position she/he possesses.

Commitment at this place of work is greatly reduced by the conception of the underhanded promotion activities method.(Mosadeghrad et al., 2008) employees' promotion determines the employee's attitude and how much they are satisfied. Employees show great levels of contemplation id they if they are given a chance for personal growth in the place of work. (Ali -Ahmadi 2002) the promotion allows the chances and opportunities for self-growth, increased social recognition, and increased responsibilities.

Growth and development are immutable parts of every employee's career. If an individual cannot foresee their future promotions and career development in their current workplace, there is a high possibility that they will forsake the organization as soon as they get an opportunity. This is as posited by Bratton and Gold,(2003). The criteria used by an employee to determine his or her growth and development in the current workplace include self-profile, personal growth and dreams, and training and development. Job-level promotions and development are important to both employees and employers. Career development possesses a common interest both to the employee and the employer since it gives directive information both to the employer and employees. For one to achieve and maintain competitive advantage, organizations require talented and productive employees, and these employees need career development to enhance and cultivate their competencies (Prince, 2005).

2.3.2 Development Opportunities

Training employees provides opportunities for employees to broaden their knowledge and skills for more cooperative teamwork and achieving individual development goals (Jun et al., 2006). As soon as the worker receives self-development training, the level of job satisfaction increases compared to prior to receiving the training. As postulated by Kerka (1998), career development is a systematic approach used to achieve workers' goals, while firms require agency labour development initiatives.

As the author posits, the reason for career growth is to improve each employee" 's current workplace productivity, enable the employer to take merits of future job opportunities and fulfil agencies" goals for an active and effective workforce.

Cole (2005), suggest that the importance of employee growth and development in the place of work include: boasting the worker's morale since training will better the employees' confidence and motivation; reducing the cost of production by use of efficient and economical materials and equipment hence reducing on wastage. In addition, Cole (2005) Noticed that training of employees causes low turnover which results as a result of improved security in the organization. Training aids in boosting management reforms by increasing the understanding and involvement of employees in the decision-making process.

2.3.3 Recognition

Recognition is the act of admitting and appreciating the level of an individual's performance or success in the achievement of an objective. Recognition can be either confidential or public, casual or formal. (Pitts, 2005) In a company with a reward and regular payments, employees need recognition to feel appreciated. People feel good sharing their achievements with others and expect them to be recognized and celebrated in return. Employees feel motivated when the need for recognition is initiated, done, and satisfied. The motivation works perfectly. If employers depend solely on rewards alone to recognize achievements, there is a high possibility that the employees' objective will shift to secure only the payments and nothing more. This, in return, deprives the culture of the organization. Pitts, 2005, says that recognition is used appropriately; it is a cost-effective way of promoting achievements. It also enables employees to feel involved in the company culture

Recognition is not an alternative to basic pay; it is only an addition, not a replacement for the pay. However, if used together, solid pay, recognition, and celebration become an effective way to make the power of rewards work effectively. If used appropriately, these factors mandate the organization's power to demonstrate the position employees play in achieving the success of the organization. "When traditional pay solutions fail to acknowledge issues such as business opportunities, organization design, and competency, recognition can be a great tool to address them" (Zingheim and Schuster, 2000).

Ajila (1997) advocated that an intrinsically motivated employee becomes committed to his work to the point at which the job innately contains tasks that are unavoidable and rewards the employee. Consequentially, the extrinsically motivated employee becomes committed to the extent that he or she can achieve external rewards on behalf of his or her job. Ajila (1997) further adds that for a worker to be motivated in the workplace, there must be a need, which the individual would have to perceive a possibility of satisfying through some reward. Employees capable centres recognition for work done are also capable of having a better perception of their work, their workstation and the employer they work for.

Shore and Shore (2005). This suggests that there is a necessity for the employer to make a greater effort to prove to the management that his/her interest is of concern to the company. The management and its contribution to the employee towards the organization are highly appreciated.

2.4 Employee Commitment

According to Mullins (2009), an employee's commitment is surrendering all of one's self to the place of work. It is obligating oneself fully to the job one does. Employee commitment entails doing things such as better time utilization and management, being attentive to instructions, putting extra effort, being vulnerable to change, improving cooperation with colleagues, self-development, respect, trust, pride in abilities, looking for development and giving loyal support. In modern days, employees are increasingly becoming self-assured of their value to employers. This makes them consciously choose to work with organizations that meet the above workplace expectations.

Employee commitment is essential since high levels of commitment result in several favourable organizational results. It mirrors the extent to which the employee associates him or herself with the organization and shows whether he or she is committed to the organization's goals. Tolentino (2004) suggests that sustaining productivity improvement will depend on the organization's workforce capital. This includes the knowledge, skills, attitudes, and competencies the individual employees of the enterprise possess. Human workforce capital can be social, which involves confidence and trust, communication, cooperative working dynamics and interaction, partnership, shared qualities, and cooperative teamwork among the employees.

2.5 Non-Financial Rewards And Employee Commitment

There is a growing gap between nonfinancial rewards and the employees' commitment to the organizations; the growing commitment gap is the widening split between the employer's expectations and what employees are ready to do. The major reason attributing to this widening gap is the failure of management in one way or another since well-managed employees are motivated to achieve excellence in a well-managed organization. According to Pickard, 2003, there is increasing organization competitiveness demands that management has to offer the best quality products or services at the best price possible. This forces the organization to develop and improve all of its employee's talents and commitment to the organization. Making the best out of employees and trying to improve job satisfaction calls for the spirit of teamwork and cooperation. It also allows employees to have a greater say in decision-making regarding work and organization management. As a requirement to improve business productivity, managers will need to give up some part of control in sacrifice to greater employee empowerment. Real commitment requires not just recognition or understanding of the organization but also calls for an emotional and behavioural response from the working staff members.

Malhotra *et al.* (2007) predicted that inherent non-financial rewards are more great predictors of a

working commitment as compared to finance-related rewards. Coetsee (2004) underlines the importance of linking rewards to better performances. Coetsee (2004) teaches that awarding compensation to qualified employees will encourage them to work harder and thereafter affect their behaviours positively by motivating them. small-scale, social rewards aid employees in building trust and interest in discovering organizational goals. Workers who believe that their supervisor is supportive are more and more committed to their employer. According to Zingheim and Schuster (2000), supervisors who are dedicated to their subordinates and actively engage in a culture that supports organizational objectives such subordinates experience emotional gratification, and the probability is high that the subordinates will reciprocate by building trust and commitment to their masters

Chiang and Birtch (2009) suggest that rewards which are not monetary related, such as increased personal and family benefits, the provision of increased vacations, and training benefits, contribute greatly towards the employee perception regarding the nature of the workplace; the employee views the workplace as supportive and caring. By providing employees with as many benefits and perceptions, they are able to function more efficiently. Luthan et al. (2006) further stressed this idea and supported the idea with the fact that when employees are able to see that their organization truly values and rewards their efforts, then the employees would also want to cling to and welcome such values. this helps the employees exhibit desirable behaviours based on such perceptions and the promise of rewards. Chhabra (2010) posits that the perceptions that employees have in relation to their reward climate have an impact on their attitudes regarding their employees. Furthermore, the dedication of

Supervisors regarding their organization are also predicted by how the supervisors appreciate his/her workers. In reciprocation of the rewards granted, the employees should exchange appreciation by increased commitment both towards their organization and work. Besides, they should also increase their teamwork cooperation with their colleagues and improve the organization's social -bond

According to Jensen et al. (2007), when the payment between two companies is the same, it is the nonmonetary rewards which set boundaries as to why an employee would prefer one company to the other. This explains why some companies can really stand out from the crowd by the use of attractive rewards and motivations. Luthan et al., (2006) established that there exists a positive correlation between non-monetary rewards and employee's organizational commitment. Luthan et al. (2006) add that when workers are provided non-monetary rewards like housing, flex time, free communication and transport services, holidays, learning and development opportunities, recognition of achievements, tasks for or other assignments and sincere praise for their organizational commitment increased and the opposite being also true. Wright (2002) posits in research about the relationship between non-financial incentives and goal level discovered that non-monetary rewards positively relate to the level of commitment of employees. He further observed that Employees who were motivated, praised, recognized, and promoted on the job were more committed to the job than their counterparts who were not committed to the job.

Employees become fully satisfied when the management provides them with necessary opportunities to satisfy their physiological and psychological needs. The workforce cooperates voluntarily with their supervisor, and this will result in them optimally working towards the organization's goals and dreams. Workers will tend to be more efficient by upgrading their skills and knowledge. As a result, they will have the capability to contribute maximum to the progress of the organization. This not only results in increased productivity but also aims at increasing the rate of labour turn .it also reduces absenteeism among the workers to the barest minimum. This is as posited by Chhabra, 2010. It is obvious to a great extent that when the workforce is motivated, its ability to increase productivity will be high.

Chapter Three: Research Methodology

3.1 Introduction

The chapter is going to describe the proposed research design, the specimen population, sampling methods, methods of data collection and the techniques for data analysis.

3.2 Research Design

A descriptive survey design was used for the research. Descriptive survey research focused on finding out the who, what, where, when and how much. In addition, the research design is structured, has an investigative questionnaire and forms a section of formal studies. This design was appropriate because the main interest was to explore the viable relationship and describe how the factors support matters under investigation. This is as postulated by Cooper and Schindler (2000),

The descriptive survey design method provides quantitative data from the cross-section of the chosen population. This design provided further insight into the research problem by describing the variables of interest. This kind of study was used to determine the influence of non-financial rewards on employee commitment at Kenya Tea Development Agency.

3.3 Target Population

The target population was composed of all the employees of Kenya Tea Development Agency who were based at the agency headquarters. The sample of interest is shown below in Table 3.1;

Table 3.1: Population Size

Category	Population	Percentage
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Top management cadre	15	5.1%
Middle-level cadre	81	27.6%
Lower level cadre	198	67.3%
TOTAL	294	100%

Source: Human Resource Department records, Kenya Tea Development Agency, 2014

3.4 Sampling Design

The researcher used stratified sampling because of the ease of classifying the population into strata"s. The sample comprised 30% of each stratum of the target population. 30% is considered representative of the population. Respondents were selected randomly based on the category.

Respondents were selected randomly based on their current department. The approach was perfect since it ensured a representative sample. In order to find the best possible sample, stratified sampling was the best method to use as it provided reach and in-depth information. The sample size was appropriate for the study as it ensured that all the cadres in the organization were represented, thus reducing sampling bias and achieving a high level of representation, as shown in Table 3.2 below.

Table 3.2: Sample Size

Category	Population	Respondents
Top management cadre	15	6

Middle-level cadre	81	24
Lower level cadre	198	60
TOTAL	294	90
Source: (Researcher, 2014)		

3.5 Data Collection

The data used was first-hand data that is collected using self-administered questionnaires. The questionnaire is composed of both closed-ended and open-ended questions. A questionnaire was chosen as the data collection instrument of choice since it is easy to formulate and administer. according to (Robson, 2002), it creates a relatively simplified and easy approach to the study of attitudes, values, beliefs, and motives. Questionnaires were also modified to collect generalized data from almost any sample population, resulting in high amounts of data standardization. The questionnaire was partitioned into three sections: Section A will cover demographic data, Section B will cover non-financial rewards, and Section C will cover employee commitment.

Questionnaires were favoured because they guaranteed a greater response rate when they were issued to respondents to complete and fill in structured questions without being reluctant. The questionnaires were distributed through emails or the „drop and pick“ method. There was also a follow-up to ensure that questionnaires were collected on time and that assistance was offered to the respondents having difficulty in completing the questionnaires.

3.6 Data Analysis

Descriptive statistics were used to analyze the data; descriptive statistics involves the use of measuring central tendency and variations. After the data was collected, the questionnaires were manipulated for consistency, accuracy, and completeness. However, prior to the final analysis, data was cleaned up to remove any discrepancies and from there on, grouped on the basis of similarity and thereafter tabulated. The responses were coded into numerical form to facilitate statistical analysis. statistical package for social sciences was used in the analysis of the data. The analysis was based on the questionnaires. Specifically, mean scores, standard deviations, percentages and

frequency distribution were used to summarize the responses and to show the magnitude of similarities and differences. Results were presented in tables and figures.