



## EFFECT OF REWARD SYSTEM ON EMPLOYEE RETENTION OF BOARD OF MANAGEMENT TEACHERS IN PUBLIC PRIMARY SCHOOLS IN NAKURU TOWN EAST AND WEST SUB-COUNTIES

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### ABSTRACT

More BOM teachers are leaving the profession for alternative career. This may be a sign of dissatisfaction among teachers thus the need to learn the factors affecting teachers job satisfaction. According to TSC, 2016 records at least 1000 teachers left for other fields. The study sought to establish the effect of reward system on employee's retention among teachers in Nakuru Town East and West Sub-County. Specifically the study sought to determine the influence of recognition, pay-for-performance on BOM teacher's retention in public primary schools in Nakuru Town East and West Sub-County. The research will be of great importance to education sector by identifying effective ways of improving teacher's job satisfaction through implementation of accepted standards of quality work life. The study was guided by equity theory and agency theory. The study adopted descriptive research design. The unit of analysis was public primary schools in Nakuru Town East and West Sub County while the unit of observation was BOM teachers within the schools. According to BOM in the targeted schools there are 85 BOM teachers. Since the target population was small the researcher adopted census technique to incorporate all the targeted population. Questionnaires were used as primary data collection instruments. A pilot study was conducted on 9 respondents who were drawn from Naivasha primary school in Naivasha Sub-County. Data was entered and analyzed using SPSS version 24 statistical software. The study adopted both descriptive and inferential statistics. Descriptive statistics constituted of means and standard deviations. The inferential statistics was scrutinized using the principal of multiple linear regressions. The study found out that the relationship between recognition and teachers' retention in public primary schools was moderately strong and statistically significant. The relationship between pay for performance and teachers' retention was established to be positive statistically significant. The researcher recommended that primary schools wishing to adopt a pay for performance system should have clear objectives for it. The objectives should be clearly spelt out and discussed with employees in an integrative and positive way. The researcher further recommended that BOM members should use effective communication in making BOM teachers understand the compensation system in schools. This will ensure that teachers are properly informed on the methods and reasons for compensation at any particular point in time; this will build the needed confidence and trust in the system and hence adequate support from the teachers. The researcher suggested that further studies should be conducted on factors influencing the quality of work life balance among public primary schools.

**Keywords:** Reward, Reward System, Employee Retention, Pay for performance and Recognition

## 1.0 INTRODUCTION

Rewards play a vital role in determining the significant performance in job and it is positively associated with the process of motivation. Lawler (2013) argued that there are two factors which determine how much a reward is attractive, first is the amount of reward which is given and the second is the weightage an individual gives to a certain reward. Deeprose (2004) is of the view that “Good managers recognize people by doing things that acknowledge their accomplishments and they reward people by giving them something tangible.” Fair chances of promotion according to employee’s ability and skills make employee more loyal to their work and become a source of pertinent workability for the employee.

One of the prominent features of teacher reward systems is the number of different varieties of systems. It is necessary to be aware of the particular characteristics of the schemes when examining the research and policy literature, as distinctions between specific models are often made. Some key dimensions along which teacher rewards differ include the following: Whether the system focuses on individual teacher performance or school-based performance; Whether the compensation is pecuniary or non-pecuniary, and whether sanctions exists for poor performance; The duration of the reward, and in particular, whether the reward is given once only, for a limited duration, or permanently; The reward levels, and in particular, whether there are ascending rewards for increased teacher or school performance, or whether the performance evaluation allows teachers to progress to a new salary scale; What is evaluated, and in particular, whether the evaluation is made on the basis of observation, a portfolio, acquired qualifications or student performance; Who evaluates the teacher, and in particular, whether the evaluation is completed by the principal of the school, an external review, or peer review (Davis, 2014). The scope of the reward, and in particular, whether all teachers who fulfill criteria are rewarded, or just a specific quota; and whether the teacher rewards supplement or replace the existing salary scale system (Odden, 2012).

In China, teachers’ retention has been of great concern. Park, Rozelle, Wong and Ren (2016), observe that with market transition and the opening up of labor markets, alternatives career paths are increasingly becoming open to current and potential teachers. This situation, the study notes, is further compounded by decentralization of school finance in China which disequalized the economic resources available to schools in different locales. According to Sargent and Hannum (2013), teaching jobs in China have become increasingly varied in their compensation and at the same time good teachers have gained greater flexibility to move to better jobs in other sectors. These changes have increased the career choices of individuals, but they also mean that schools serving poor rural communities face new challenges in retaining qualified teachers.

In Nigeria teachers turnover rate is suggested to be above 10% and in Ghana, teacher attrition and retention in the education sector has become a matter of great concern. The high rate of teacher attrition impacts negatively on schools improvement efforts as it disrupts the stability and continuity of teaching. Eton (2014) found out that disbursement of remunerations, allowances and staff elevation are the main variables that determine the attitudes of teachers to their job However, Amadi (2013) argues that irregular payment of the remuneration of teachers is among the most critical challenge of the occupation in Nigeria. A study by Charity and Timinefere (2011) found that monetary reward has significant positive effect on employees’ performance in Nigeria. A study by Yamoah (2013) reported a significant

relationship between teachers' rewards and job performance in Ghana. Lack of motivational factors such as salary, rent allowances and transport allowances negatively affect teachers' work performance in Ethiopia (Negussie, 2014).

Kenyan teachers have been demoralized by the Government's interventions in various challenges causing teacher de-motivation. For instance the Government, in a bid to retain the special subjects teachers; gave them three increments on their salary different from their Art based counterparts (Kasirye, 2013). In primary schools, ranking of motivators has been done around the eight factors namely remuneration, the work itself, working conditions and environment, job security, school leadership and supervision, promotion, interpersonal relations and recognition (Pratheepkanth, 2011). Teacher rewards systems in Kenya for the last couple of decades have been facing a lot of problems, starting from the poor performance by majority of the public schools in Kenya through unsatisfied teachers to constant strikes on remuneration reviews, (Chamberlin, 2015).

Employee retention can be defined as the ability of an organization to retain its employees, especially the most talented ones. Employee retention has become a significant concern issue. Some shocking statistics confronting every employer are presented in workforce demographics. More than 13% of employees in the United States quit their jobs each month. 55% of employees in the U.S contemplate on quitting their job within a given year (Wiley, 2014). More than fifty percent of all employers in the United States have reported that turnover continues to increase on an annual basis. Among the key reasons why employees quit their jobs is resistance to change. More often than not, employees tend to resist changes effected within an organization. They eventually choose to quit their jobs instead of coping with the changes.

## 1.2 STATEMENT OF THE PROBLEM

According to the report of the Nakuru Sub-County Education Office (2014) the BOM teachers' commitment in public primary school in teaching is grossly inadequate. This is reflected in form of rampant absenteeism, late coming, failure to assess pupils' work in time, part-time teaching in more than two schools to top up their salary, need, and satisfaction, others even teach on Saturdays and Sundays while some at night which result into examination malpractice by students and low performances among others, have always raised a public concern. The rate of BOM teachers in public schools transferring to other careers has been on the increase for the last three years. According to TSC, 2016 records at least 1000 teachers left for other fields. Majority of BOM teachers rarely spend more than three years in the same workstation. Majority prefer working in private primary schools other working as BOM teachers in public primary schools. Elimu Yetu Coalition, (2010) report has progressively drawn concentration over the last ten years to the delicacy of alleged teacher-job inspiration. In Kenya, the problems of teachers' job satisfaction have been tackled in various forums such as trade union meetings, and public commissions like Gachathi Report. All these forums have recommended improved working environments and increased salaries for teachers.

According to Mary (2010)–, motivational factors such as allowances, salary and recognition etc impact positively on their satisfaction which results into their effective performance as well. A study by Salman, Mohammed, Ogunlade, and Ayinla (2012) has found that majority of teachers and students have agreed that payment of poor remuneration, in terms of salary and allowances for teachers, affects their performance which as a result contributed greatly to students' mass failure in Ondo State, Nigeria. Akiri and Ugborugbo (2009) opined that the quality of education depends on teachers as reflected in the performance of their duty. A

study conducted by Narsee (2012) in South Africa found that monetary reward is the most important reward category. None of the studies addressed issues of reward systems among teachers retention, therefore the study sought to establish the effect of reward system on employees retention among BOM teacher's in Nakuru Town East and West Sub-County.

### **1.3 OBJECTIVES OF THE STUDY**

This study has both general and specific objectives

#### **1.3.1 GENERAL OBJECTIVE**

The general objective of the study was to establish the influence of reward system on employee's retention among teachers in Nakuru Town East and West Sub-County.

#### **1.3.2 SPECIFIC OBJECTIVES**

To establish the influence of recognition on BOM teacher's retention in public primary schools in Nakuru Town East and West Sub-County.

To determine the influence of pay for performance on BOM teacher's retention in public primary schools in Nakuru Town East and West Sub-County.

### **1.4 RESEARCH HYPOTHESIS**

H01: Recognition has no significant influence on BOM teacher's retention in public primary schools in Nakuru Town East and West Sub-County.

H02: Pay for performance has no significant influence on BOM teacher's retention in public primary schools in Nakuru Town East and West Sub-County.

## **2.0 LITERATURE REVIEW**

### **2.1 THEORETICAL REVIEW**

The study was based on the Herzberg's al two factor theory and Goal-setting theory.

#### **2.1.1 Herzberg's al two factor theory**

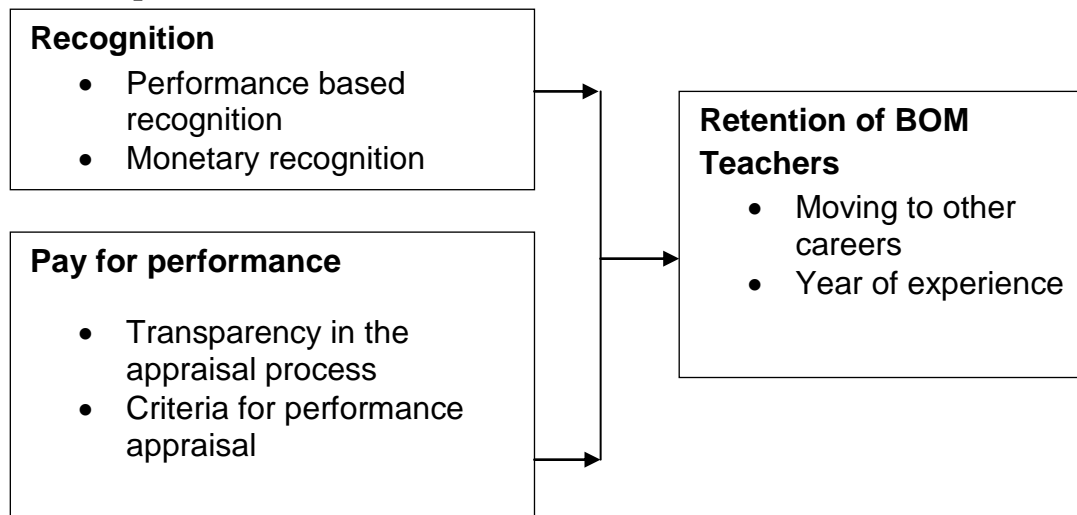
The theory was developed by Herzberg, Mausner and Snyderman's in 1959. The theory is heavily based on need fulfillment because of their interest in how best to satisfy workers. Highly motivated and need-satisfied teachers can create a conducive social, psychological and physical climate in the classroom. Exemplary teachers appear able to integrate professional knowledge (subject matter and pedagogy), interpersonal knowledge (human relationships) and intrapersonal knowledge (ethics and reflective capacity) when they are satisfied with the job Further, a teacher's commitment to teaching and his work place has been found to be enhanced by psychic rewards (acknowledgement of teaching competence), meaningful and varied work, task autonomy and participatory decision-making, positive feedback, collaboration, administrative support, reasonable work load, adequate resources and pay and learning opportunities providing challenging task and accomplishment (Johnson, 1990)

#### **2.1.2 Goal-setting theory**

Goal-setting theory was developed by Locke & Latham, (1990). Goal-setting theory proposes that personal goals are the primary determinant of, and immediate precursor to, effort. This implies that personal goals are the stimulant of the in-centive-induced effort increases. In particular, earlier research indicates that specific and challenging personal goals lead to greater effort than goals that are vague or easy, or no goals at all. Challenging goals lead to greater effort than easy goals simply because people must exert more effort to attain the goal. The manner in which monetary incentives affect effort in a goal-setting conceptualization is not completely clear, but several processes have been proposed (Bonner & Sprinkle 2002). In

particular, Locke, Shaw, Saari, and Latham (1981) proposed three possible ways in which incentives can affect effort via goal setting. First, monetary incentives may cause people to set goals when they otherwise would not. Such an effect of monetary incentives is not captured by expectancy theory or most economic models of behavior since an individual's "goals" are presumed to be well-specified in advance.

## 2.2 Conceptual Framework



**Figure 1: Conceptual Framework**

## 2.3 Empirical Literature

### 2.3.1 Influence of recognition on employee retention

Recognition is defined as acknowledgement, approval and genuine appreciation. This recognition can be set up on a formal basis (e.g., employee of the month or million dollars in sales round table) or informally used by a supervisor/team leader in managing individual employee or team behavior. In a school setting a teacher may be rewarded for good performance of their students in the district (Pearse and Perry, 2013). Nonfinancial recognition and does not necessarily contain information about performance, although some formal recognition programs may involve prizes, dinners or plaques that cost money and both formal and informal recognition may sometimes include information about performance (Peterson, 2015).

Employees take recognition as their feelings of value and appreciation and as a result it boosts up morale of employee which ultimately increases productivity of organizations. Csikszentmihalyi (2010) posits a view that the state of satisfaction and happiness is achieved by the employees only when they maximally put their abilities in performing the activities and functions at work. In this way motivated employees are retained with the organizations thus reducing extra costs of hiring.

### 2.3.2 Influence of pay for performance on employee retention

Pay for performance plans reward employees for being good at their jobs. Pay-for-performance systems are frequently used by companies in an effort to improve employee performance by linking compensation (Bevilacqua & Singh 2013.). According to Rynes (2015) Pay-for-performance presumed link to both past and future performance (as well as to employee attraction and retention) explains its popularity in practice and its centrality in theoretical approaches to reward systems." As a result of the belief that PFP plans offer significant opportunities for improved employee performance, incentives have become a

larger portion of total executive pay and have become part of the compensation design for a wider range of employee levels and categories. (Bevilacqua & Singh 2014).

In order for Pay-for-performance to work efficiently two processes, compensation management and performance management should function well separately but also operate together as an integrated system. Compensation management requires accurate assessments from the performance management system in order to realize its full potential. And in order to reach the full benefits of performance management it needs a well-administered compensation system. (Summers, 2015)

Pay-for-performance is only one dimension of employee compensation. Other dimensions of reward management include competitiveness of salaries with the marketplace, benefit packages and cost-of-living considerations, among others. According to Milkovich and Wigdor (2014) the effects of merit or variable pay plans will depend in good measure on this larger compensation context.

Perry, Mesch, and Paarlberg (2016) undertook a review of pay-for-performance research which was part of a study on motivation in the public sector. The study concluded that individual financial incentives are ineffective in traditional public sector settings and joined prior reviews of pay-for-performance systems in concluding that the effectiveness of financial incentives is dependent on organisational conditions.

#### **2.4 Summary of Reviewed Literature**

Extensive research has been done on the concept of academic performance and factors affecting academic performance in general but little has been done on the effect of teacher reward systems on employee retention of schools and specifically the primary schools. The researchers just focused their attention on the concept of employee retention but did not specifically break the academic field in to the various stages and thus necessitating a research on the effect of reward systems on retention of primary schools. Primary schools are the basic transition academic institutions that determine the scholar's future academic success and thus their importance should not be understated.

#### **2.5 Research Gaps**

Rukhmani, Ramesh and Jayakrishnan (2010) conducted a study in Pakistan on the effect of intrinsic rewards on employee's performance; they established that an employee's ability is significantly related to their performance. The study was conducted in a different country therefore the findings cannot be used to explain the Kenyan context.

Omoayo Adewale et al (2014) analyze the impact of compensation system on the job performance of employees and work on only preferred private institutes in Ogun State, South-West Nigeria by using questionnaire. He fined that institutes which have more appropriate compensation packages embed an affirmative effect one employee's performance. The dependent variable was employee performance this study covered on employee retention.

Muhammad riaz (2014) studied the impact of compensation of employee performance on organization commitment on the performance of employee. However the study only focused on one aspect of reward. Tausif (2012) conducted a study on the influence of non-financial rewards on employee in educational sector of Pakistan. Structured questionnaire were employed to collect the data from the selected respondents. The study also concentrated on non-financial rewards only and left out financial rewards. Njambi (2014) in a study seeking to identify the factors that influence employee motivation in Amref Health Africa in Kenya

found that when an employee has confidence in their ability to deliver at work, their performance is assured. However, the study was conducted in a non-governmental organization therefore the findings cannot be used to describe the situation in public institution such as public primary schools

### 3.0 RESEARCH METHODOLOGY

This study adopted the descriptive research design. According to Mugenda and Mugenda (2003), descriptive design is a process of collecting data in order to answer the questions of the current status of the subject under study. This research design employed this study because the researcher sought to establish the influence of reward system on employees' retention.

#### 3.1 Target Population

The target population was examined in the view of the unit of observation and unit of analysis. The unit of analysis was public primary schools in Nakuru Town East and West Sub County while the unit of observation was BOM teachers within the schools. According to BOM in the targeted schools there are 85 BOM teachers. Since the target population was small the researcher adopted census technique to incorporate all the targeted population. Census technique is the procedure of systematically acquiring and recording information about all members of a given population.

#### 3.2 Data Collection Instruments and Procedure

Questionnaire was used as primary data collection instruments. Questionnaire is described as a series of questions applicable to the given study. Structured questionnaires were employed as the means of information collection. Face validity was undertaken by the pilot study while content validity was ensued by the supervisor opinions. Measure of internal consistency technique method was used to access reliability of the instrument. A reliability coefficient (Cronbach's Coefficient Alpha) was computed to indicate reliability of the instrument. A pilot study was conducted on 9 respondents who were drawn from Naivasha primary school in Naivasha Sub-County which is a different place than the target population area.

**Table 1: Reliability Statistics**

Variable	Number of Items	Cronbach's Alpha
Recognition	9	0.764
Pay for performance	9	0.803

#### 3.3 Data Analysis and Presentation

Data was entered and analyzed using SPSS version 24 statistical software. The use of the SPSS software is considered appropriate due to the use of the structured questionnaire hence presenting an easy way to analyze the data. The extracted data was quantitative in nature which was presented in tables to simplify the analysis process. The study used both descriptive and inferential statistics. Descriptive statistics constituted of means and standard deviations. The inferential statistics was scrutinized using the principal of multiple linear regression. Pearson correlation was used to determine the relationship between various independent variables on the dependent variable.

## 4.0 FINDINGS AND DISCUSSIONS

### 4.1 Response Rate

Out of 85 questionnaires that were issued to the study respondents, all of them were filled and returned. Of the returned questionnaires, 34 were incorrectly filled and thus were not used in the final analysis. Therefore, 51 were correctly filled and hence used for analysis representing a response rate of 92.8%.

### 4.2 Demographic Information

The researcher sought to find out the distribution of the respondents according to their academic qualification, gender bracket and their work experience.

#### 4.2.1 Academic Qualifications

**Table 2: Distribution of Respondents by Academic Qualifications**

	Frequency	Percent
College	34	67
First Degree	12	23
Post-Graduate Degree	5	10
<b>Total</b>	<b>51</b>	<b>100</b>

It was established that 67% of the respondents had college education as their highest academic qualifications, 23% had first degree while, 10% had post-graduate degree. This implies that majority of the respondents had college education as their highest academic qualifications.

#### 4.2.2 Gender of the respondents

**Table 3: Gender distribution of the respondents**

	Frequency	Percent
Female	35	69
Male	16	31
<b>Total</b>	<b>51</b>	<b>100</b>

It was established that 69% of the respondents were female while 31% were male. This implies that majority of BOM teachers in public primary schools in Nakuru East and West Sub-Counties are female

#### 4.2.3 Period of Work in the organization

**Table 4: Period of Work in the organization**

	Frequency	Percentage
Less than 1 years	8	16
1 to 5 years	30	59
6 to 10 years	13	25
More than 10 years	0	0
<b>Total</b>	<b>51</b>	<b>100</b>



A total of 8 respondents representing 16% of the sampled population stated that they had worked in the institution for less than 1 years, 59% of the sampled population stated that they had worked in the institution for 1-5 years, 25% of the sampled population stated that they had worked in the institution for 6-10 years while none of the sampled population stated that they had worked in the institution for more than 10 years. This implies that majority of the respondents had worked in their current institutions long enough to provide the information required.

### 4.3 Descriptive Findings and Discussions

#### 4.3.1 Influence of recognition on teacher's retention in public primary schools

In addition the researcher sought to determine the influence of recognition on teacher's retention in public primary schools in Nakuru Town East and West Sub-Counties. The findings resulting from the analysis are presented in Table 5

**Table 5: Descriptive Statistics for recognition on teacher's retention in public primary schools**

	N	Min	Max	Mean	Std.
The school has an annual ceremony to recognize the best performing teachers in each subject.	51	1	5	4.5098	.61229
The longest serving teachers are also recognized	51	1	5	4.3922	.69508
The school conduct a monetary based recognition	51	1	5	4.1961	.82510
The recognition process is just verbal	51	1	5	4.0196	1.14000
The recognition process is free and fair	51	1	5	4.3725	.79902

The study as shown in Table 4.5 revealed that majority of schools has an annual ceremony to recognize the best performing teachers in each subject. (mean  $\approx$  5.00; std dev  $<$  1.000). The respondents also agreed that the longest serving teachers are also recognized (mean  $\approx$  4.00; std dev  $<$  1.00). Moreover majority of the respondents agreed (mean  $\approx$  4.00; std dev  $<$  1.000) that the schools conduct a monetary based recognition.

Employees take recognition as their feelings of value and appreciation and as a result it boosts up morale of employee which ultimately increases productivity of organizations. The respondents also agreed that (mean  $\approx$  4.00; std dev  $>$  1.000) the recognition process is mostly verbal. Moreover majority of the respondents agreed (mean  $\approx$  4.00; std dev  $<$  1.000) that the recognition process is free and fair. The standard deviation ranged between 0.61229 and 1.14000 indicating that the dispersion of the respondents from the mean was minimal. This implies that the variance of the highest respondents and the lowest respondents was small. Flynn (2008) argue that recognition programs keep high spirits among employees, boosts up their morale and create a linkage between performance and motivation of the employees.

#### 4.3.2 Pay for performance on teachers' retention in public primary schools

The researcher sought to determine the influence of pay for performance on teachers' retention in public primary schools in Nakuru Town East and West Sub-Counties. Table 6 shows the respondent's views

**Table 6: Descriptive Statistics for pay for performance on teachers` retention**

	N	Min	Max	Mean	Std.
Pay for performance motivates employees to work harder and achieve more thus enhancing retention	51	1	5	4.3333	.90921
The institution conducts performance appraisal to determine the reward of BOM teachers	51	1	5	3.8235	.65440
Some teachers feel that the criteria for performance appraisal is biased which negatively affect teacher`s retention	51	1	5	3.9608	1.05756
In most cases pay for performance have a negative impact on employee motivation	51	1	5	3.8824	1.30609
Lack of transparency in pay for performance system negatively affect employee retention	51	1	5	4.0588	.98817
Pay for performance have a negative effect on teamwork	51	1	5	3.8627	1.24931

The findings revealed that majority of the respondents admitted (mean  $\approx 4.00$ ; std dev  $< 1.000$ ) that pay for performance motivates employees to work harder and achieve more thus enhancing retention. It was further agreed (mean  $\approx 4.00$ ; std dev  $< 1.000$ ) that the institution conducts performance appraisal to determine the reward of BOM teachers. In addition, the respondents agreed (mean  $\approx 4.00$ ; std dev  $> 1.000$ ) that some teachers feel that the criteria for performance appraisal is biased which negatively affect teacher`s retention.

It was also agreed (mean  $\approx 4.00$ ; std dev  $> 1.000$ ) that in most cases pay for performance have a negative impact on employee motivation. It was further agreed (mean  $\approx 4.00$ ; std dev  $< 1.000$ ) that pay for performance is based on the economic status of the country. In addition, respondents agreed (mean  $\approx 4.00$ ; std dev  $> 1.000$ ) that lack of transparency in pay for performance system negatively affect employee retention. It was further agreed (mean  $\approx 4.00$ ; std dev  $< 1.000$ ) that pay for performance have a negative effect on teamwork. The standard deviation ranged between 1.30609 to 0.65440 indicating that the dispersion of the respondents from the mean was moderate.

This implies that the variance of the highest respondents and the lowest respondents was moderate. The study agrees with a study by Bevilacqua & Singh (2014) who argues that pay for performance plans offer significant opportunities for improved employee performance, incentives have become a larger portion of total executive pay and have become part of the compensation design for a wider range of employee levels and categories.

#### **4.3.3 Teachers` retention in public primary schools**

The views on teachers` retention in public primary schools in Nakuru Town East and West Sub-Counties. The respondents` opinions are indicated in Table 7

**Table 7: Descriptive Statistics on teachers` retention in public primary schools**

	N	Min	Max	Mean	Std.
The rate of teachers turnover is very high public primary school compared to private primary school	51	1	5	4.7451	.44014
The number of teachers seeking transfer is minimal	51	1	5	3.1765	1.35212
Teachers are satisfied with their current working conditions	51	1	5	4.3333	.68313
Teachers prefer working in public primary schools rather than private primary school	51	1	5	4.5098	.57871

From the findings the respondents admitted that the rate of teachers turnover is very high public primary school compared to private primary school (mean = 4.7451; std dev = 0.4401). The respondents further agreed that the number of teachers seeking transfer is minimal (mean = 3.157; std dev = 1.362). In addition, the respondents agreed that teachers are satisfied with their current working conditions. (mean  $\approx$  4.00; std dev < 1.000). The respondents finally agreed that teachers prefer working in public primary schools rather than private primary school. (mean  $\approx$  5.00; std dev < 1.000). The standard deviation ranged between 0.44014 and 1.35212 indicating that the dispersion of the respondents from the mean was minimal. This implies that the variance of the highest respondents and the lowest respondents was small. Davis, (2014) argued that the reward levels, and in particular, whether there are ascending rewards for increased teacher or school performance, or whether the performance evaluation allows teachers to progress to a new salary scale.

#### 4.4 Correlation Analysis

The researcher undertook a Pearson correlation analysis to establish the underlying relationships between the independent variables and the dependent variable.

##### 4.4.1 Recognition and teacher's retention in public primary schools

The study sought to establish the correlation between training and organization performance. The findings of the study are as shown in Table 8.

**Table 8: Recognition and teacher's retention in public primary schools**

		Teacher's retention in public primary schools
<b>Recognition</b>	Pearson Correlation	.563 <sup>**</sup>
	Sig. (2-tailed)	.000
	N	51

\*\* . Correlation is significant at the 0.01 level (2-tailed).

The relationship between recognition and teacher's retention in public primary schools was established to be positive, and statistically significant ( $r = 0.563$ ;  $p < 0.05$ ). This implies that the more public primary schools recognize the efforts by teachers it increases the chances of teachers' retention.

##### 4.4.2 Pay for performance on teachers` retention in public primary schools

The study sought to establish the correlation between pay for performance and teachers` retention in public primary schools in Nakuru Town East and West Sub-Counties. The findings of the study are as shown in Table 9.

**Table 9: Pay for performance and teachers` retention in public primary schools**

		Teachers` Retention
Pay for performance	Pearson Correlation	.605**
	Sig. (2-tailed)	.000
	N	51

\*\* . Correlation is significant at the 0.01 level (2-tailed).

As indicated in Table 4.9, the study indicates that there was a moderate positive and statistically significant correlation between pay for performance and teachers` retention in public primary schools. ( $r = 0.605$ ;  $p < 0.05$ ). This implies that pay for performance increases the chances of teachers` retention. The study agree with Zare, (2012) who argue that salary payment is significant to employee retention rate.

#### 4.5 Regression Analysis

**Table 10: Regression Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		Beta	Std. Error			
	(Constant)	2.026	.420		4.824	.000
1	Pay for performance	.241	.147	.421	1.640	.008
	Recognition	.219	.144	.286	1.517	.036

a. Dependent Variable: Teachers` retention in public primary schools

$$Y = 2.026 + 0.241X_1 + 0.219X_2$$

From the findings, there is a positive significant relationship between pay for performance and teachers` retention as shown by a regression coefficient of 0.241. The p-value (0.008) was less than the significance level (0.05). According to the results, the hypothesis that: Pay for performance has no significant influence on teacher`s retention in public primary schools in Nakuru Town East and West Sub-Counties was rejected. This implies that pay for performance has a significant influence on teacher`s retention in public primary schools in Nakuru Town East and West Sub-County.

The results also indicate that there is a positive significant relationship between recognition and teacher`s retention in public primary schools as shown by a regression coefficient of 0.219. The p-value (0.036) was less than the significance level (0.05). According to the results, the hypothesis that: Recognition has no significant influence on teacher`s retention in public primary schools in Nakuru Town East and West Sub-Counties was rejected

## 5.0 CONCLUSION AND RECOMMENDATIONS

### 5.1 CONCLUSIONS

From the findings the study concluded that public primary schools in Nakuru Town East and West Sub-County have an annual ceremony to recognize the best performing teachers in each subject. The school also conducts a monetary based recognition. Most of the recognition process is just verbal. Majority of BOM teachers consider the recognition process as free and fair. The study inferred that retention has a significant relationship on teachers` retention. Flynn (2008) argue that recognition programs keep high spirits among employees, boosts up their morale and create a linkage between performance and motivation of the employees.

It was also noted that lack of transparency in pay for performance system negatively affect employee retention. The researcher further concluded that pay for performances have a negative effect on teamwork. Incentives have become a larger portion of total executive pay and have become part of the compensation design for a wider range of employee levels and categories. The study inferred that pay for performance has a significant relationship on teachers' retention. The study agrees with a study by Bevilacqua & Singh (2014) who argues that pay for performance plans offer significant opportunities for improved employee performance.

## 5.2 RECOMMENDATIONS

The researcher recommended that primary schools wishing to adopt a pay for performance system should have clear objectives for it. The objectives should be clearly spelt out and discussed with employees in an integrative and positive way. Paying for performance should, as much as possible, be based on incentive schemes, rather than merit rating. Incentive systems which are based on relatively objective indices of performance leave little room for disagreements. They are, therefore, more likely to achieve their objectives.

The researcher further recommended that BOM members should use effective communication in making BOM teachers understand the compensation system in schools. This will ensure that teachers are properly informed on the methods and reasons for compensation at any particular point in time; this will build the needed confidence and trust in the system and hence adequate support from the teachers.

## 5.3 Suggestions for Further Research

The researcher suggested that further studies should be conducted on factors influencing the quality of work life balance among public primary schools.

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