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Original Article

Driving Employee Performance of Public Universities in Nairobi County, Kenya: The Role of Reward Management Systems

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Abstract: This study investigates the role of reward management systems in enhancing employee performance in public universities in Nairobi County, Kenya. Specifically, the study aimed to investigate the impact of reward policies, reward processes, reward structures, and reward categories on employee performance in public universities in Nairobi County, Kenya. The study was theoretically informed by equity theory, goal-setting theory, Maslow's hierarchy of needs, and Herzberg's two-factor theory. Using a descriptive research design, the study collected and analyzed data from 150 respondents drawn from the two major public universities in Nairobi County. Descriptive statistics and inferential statistics were used to analyze the data. The findings revealed that rewarding policies had a significant effect on employee performance in the selected public universities. Further, rewarding processes were found to significantly contribute to employee performance in the public universities. The findings also showed that rewarding structures, including team-based, individual-based, and position-based approaches, had a significant influence on employee performance. Similarly, rewarding categories through intrinsic, extrinsic, and total rewards had a significant influence on employee performance in public universities in Kenya. The study concluded that the ineffective adoption of reward-based management systems resulted in inadequate employee performance at the surveyed universities. It is therefore recommended that the management of public universities, including human resources managers, maintain effective reward management systems as a means of promoting and enhancing employee performance. The findings from this study are instrumental to human resource practitioners, university management, and the academic world.

Keywords: Reward Management Systems; Employee Performance; Public Universities; Kenya.

1. Introduction

Modern-day organizations are extensively focusing on enhancing the performance and productivity of their employees, as this has been proven to steadily improve their performance (Dahkoul, 2018). The ability of employees to put into practice their skills and competencies in organizational activities and mandates has been described to be the most essential resource that organizations ought to have in the current 21st century dynamic and unpredictable operating environment. Globally, employee performance has been defined as the ability of employees to effectively utilize their skills and competencies in their allocated roles and responsibilities within the organization. According to

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Ginbar (2020), a performing employee is committed to the organization's goals and objectives and delivers their assigned duties to the best of their ability.

As outlined by Anku et al. (2018), employee performance is considered crucial in establishing an organization's capacity to confer a sustainable competitive advantage globally. Yunita and Saputra (2019) consider employee productivity as the blueprint for continued efficiency and effectiveness in an organization, as they are the main implementers of set plans and strategies within the organization. Similar to other organizations, public universities are finding it necessary to have a productive workforce that can enhance the institution's ability to achieve its set mandates and goals. Riaz (2022) suggests that leading universities globally have been focusing on implementing measures that can steadily enhance personnel output, leading to better firm effectiveness and the achievement of set goals. This is also supported by Zeng and Honig (2017), who indicate that the continued emphasis on employee satisfaction measures in universities has enhanced the performance and retention of both academic and non-academic staff, which is linked to increased efficiency in service delivery within the institutions.

Public universities in Kenya play a vital role in promoting the country's economic growth by providing essential human skills that directly and indirectly contribute to economic development. The success of these universities in fulfilling their mandate, however, is largely dependent on the productivity of their employees. Enhancing the performance of employees at universities is therefore equated to the success of the universities, and this, in turn, is a direct contribution to economic growth and development. One way to enhance employee performance is by providing adequate and effective rewards. Having the right rewarding management system would therefore be fundamental in enhancing employee performance, although this has not been sufficiently proven in a local context, particularly in public universities.

According to Wassem *et al.* (2019), increased employee turnover in higher education institutions is primarily a result of poor remuneration and unfriendly working conditions, highlighting the need for appropriate rewards. This is also echoed by Sendawula *et al.* (2018), who elaborated that employee performance and retention were highly influenced by the level of employee satisfaction with their job, and this was, on the other hand, driven by effective reward management systems that ensured all employees are rewarded fairly and equitably based on their commitment and performance. This is supported by Daramola and Daramola (2019), who indicate that a reward management system is essential for establishing a framework for effective employee reward, thereby making the process more objective and enhancing employee performance.

A reward management system, as defined by Ginbar (2020), is a collection of established frameworks and techniques that organizations employ to recognize and compensate their workforce for a job well done. As expounded by Eliza and Kin (2020), it serves to strengthen the effectiveness of the reward process by upholding fairness and equity in its implementation. As a system, rewards are given on various merits and grounds, which indicate who will be rewarded and why. It also sets consistency, flexibility, and appropriateness of the compensation process. Employees are driven by the value of their job; thus, the rewards they receive from their job determine their level of commitment and willingness to continue working in their respective organizations (Kuvaas et al., 2017). Rewards are defined as non-job-related additions that workers receive as a demonstration of the organization's appreciation for their contributions and continued commitment to its goals (Elsafty & Ragheb, 2020). They are appreciation additives added to the workforce, in addition to what is compensated for the job done, showing employees that their efforts towards organizational goals are noticed and recognized. Among the major components of a reward management system are rewarding policies, processes, structures, and categories.

Rewarding categories refer to the various types of rewards that an organization provides to its employees, with the main categories including intrinsic rewards, extrinsic rewards, and total rewards (Zoakah et al., 2021). Rewarding policies are the set procedures that are put in place to ensure the effective rewarding of employees by upholding equality, fairness, openness, and transparency in the rewarding process (Ngwa et al., 2019). The reward process is the established framework that outlines how employees are to be rewarded in accordance with the set policies. The complexity of the process, degree of innovation, frequency of rewards, and appraisal process are key aspects of the rewarding process that ensure its effectiveness (Oboreh & Arukaroha, 2021). Rewarding structures are the arrangements put in place to ensure the rewarding system is seamless and that the employees are rewarded based on their achievements and performance levels. Some of the structures in rewarding systems include team-based reward structures, individual-based structures, and position-based structures.

The public universities in Kenya have experienced employee go-slows and strikes for a long time due to poor remuneration and unfulfilled promises by the institutions' management. This has led to a significant period of stalled learning, while some employees are opting to leave for greener pastures. According to Faiza (2021), these circumstances have been primarily driven by inadequate reward management systems, which erode employee motivation and commitment. Matolo et al. (2019), while assessing the reward management systems in technical training institutes in Kenya, indicated that managing the employee reward process entails identifying which employees are rewarded, what they are rewarded for, and on what basis. This, in the long run, ensures appropriate reward, thus contributing to employee productivity. Public Universities need to take their role in shaping the country's educational system, but this depends on employee productivity, which, in turn, is dependent on appropriate rewards.

As a blueprint to Kenya's Vision 2030, the public universities are expected to be instrumental in conducting research and offering up-to-date, relevant, and adequate education and training to the learners. To achieve these goals, universities should have a productive and committed workforce. According to Mwangi (2021), the failure of public universities in Kenya to address the needs of their employees implies that the staff's commitment to upholding quality education is not viable. Reward management systems, being essential in promoting the rewarding process, are crucial in enabling universities to have a productive workforce.

In Kenya, employee performance has been recognized as the core driver of the continued success of both private and public organizations. Public Universities, like other institutions, require a robust, committed, and productive workforce to achieve their short-term and long-term goals. According to Elsafty and Ragheb (2020), a productive and well-performing workforce is characterized by employees' ability to meet set targets, deliver team-based goals, prolong their stay in the organization for a foreseeable future (low turnover), and experience enhanced satisfaction. In recent years, however, available evidence indicates a continued decline in the performance of public universities in the country, particularly in terms of customer satisfaction (learners), staff retention, and efficient and effective service delivery (CUE, 2018). According to the Kenya University Staff Union (KUSU) (2020), over 12 public universities have experienced a surge in employee turnover and an increase in employee strikes related to remuneration and working conditions. Recently, Moi University was closed following a strike by the university's staff, which resulted from delayed salaries and the management's failure to implement the Collective Bargaining Agreement (CBA) (Kolongei, 2021). As evidenced by the increased strikes and staff turnover, universities face financial challenges; however, the burden has been largely borne by the staff. The decline in employee performance implies that the universities' ability to offer quality education is compromised, and this undermines their mandates.

Empirical studies have demonstrated a significant relationship between reward management systems and employees' performance (Matolo *et al.,* 2019; Langove & Isha, 2017; Okosi, 2020; Sule, 2018). These studies, however, have left some empirical, contextual, and conceptual gaps that this study seeks to fill. Siwale *et al.* (2020) assessed the effect of reward management on employee performance and revealed that the provision of both extrinsic and intrinsic rewards was instrumental in enhancing employee productivity and retention. Emelianova (2019) established that employee performance is determined by management's ability to remunerate and reward them based on their level of contribution to organizational goals. Pratheepkanth (2017) found that reward systems, including promotions, policies, and salaries, have a direct impact on employee productivity and retention. Arwa *et al.* (2019) analyzed the effect of reward systems on the performance of healthcare in Kenya. Their study focuses on firm performance, whereas the current study focuses on employee performance, thus highlighting a conceptual gap. These studies, however, have focused on different contexts and align with a single reward system/type of rewards; thus, they may not answer the question of how employee reward management systems enhance employee productivity. This study, therefore, aimed to fill these gaps by examining the impact of reward management systems on employee performance in public universities in Nairobi County, Kenya. The primary objective of this study was to investigate the impact of reward management systems on employee performance in public universities in Nairobi County, Kenya.

2. Literature Review

2.1. Review of Theoretical Literature

2.1.1. Equity Theory

The theory was proposed by Adams (1963) with the aim of explaining how resources should be equitably distributed among partners or peers within an organization. According to Adams, resources such as rewards, recorded profits, and shared dividends should be distributed based on the individual's contribution to the overall output. The theory has been widely applied to explain the need for organizations to be results-driven when distributing resources and rewarding their workforce. According to Adams and Freedman (1976), employees expect to receive rewards and benefits that compare with their overall contribution to the organization, just as partners expect a share of revenue based on the rate at which they contributed to the capital invested. Adams (1965) suggests that equity can be achieved when rewards are distributed based on overall contribution, thereby motivating individuals to be more productive in order to attract greater rewards. The theory aligns with rewarding policies in the reward systems management, which comprises the framework put in place to ensure the rewards are transparent, fair, and open to all employees. Upholding equity in rewarding implies that there is fairness, openness, transparency, and clarity in the process (Ross & Kapitan, 2018).

2.1.2. Goal Setting Theory

Locke's (1968) goal-setting theory outlines how organizations can optimize employee performance to achieve their strategic objectives. The theory suggests that setting achievable and measurable goals that are clear and understandable among employees is one of the most effective strategies organizations can use to enhance their workforce's performance. According to Locke (1968), employees perform better when they have set targets than when their performance is based solely on desires and individual commitments. According to Kleingeld et al. (2011), goal-setting theory enables organizations to manage their reward systems effectively, as employees are already aware of what they need to achieve to attract specific rewards from the organization. The goal-setting theory is ideal for explaining the role of the reward process in employee performance. According to Lagazio and Querci (2018), the rewarding process involves the complexity of how rewards are given, the appraisals to establish the desired rewards, and the frequency of the rewards. Similarly, goal-setting theory, as described by Locke and Latham (2020), should focus on the complexity of the work to be done, the appraisals used to assess commitment to the set goals, and the frequency of reporting progress toward the set goals.

2.1.3. Maslow’s Theory

Maslow’s Theory of Hierarchy of Needs by Abraham Maslow (1943) extensively portrays the human needs and how they lead to the satisfaction of an individual once they are met. The theory categorizes the needs into five major categories based on the level at which they are obtained and the level of satisfaction that they yield. According to Tripathi (2018), Maslow’s theory is best suited for describing employee rewards and how these rewards lead to enhanced performance. Employee performance is influenced by rewards, and it is driven by the level of motivation and satisfaction derived from these rewards (Dohlman et al., 2019). Maslow’s theory explains how the rewards for employees should shift based on the stages of life they are in. According to Iqmaulia and Usman (2019), effective reward structures take into account the expectations of employees. At entry levels, for instance, employees usually work in teams, where the rewarding structures may consider a team-based approach. This is where employees are rewarded as a team, such that the type of rewards given may vary across a given team (Anku et al., 2018). However, just as Maslow alludes, as employees continue to work in the organization or are promoted to higher positions, they may not be motivated by team-based rewards; thus, the organization ought to adjust its rewarding system based on their current expectations, as dictated by the social class gained through the promotion.

2.1.4. Herzberg Two-Factor Theory

The Herzberg two-factor theory, proposed by Fredrick Herzberg, addresses employee reward and satisfaction in terms of two categories of factors. The first category is the satisfiers (satisfying factors), which comprise the aspects that satisfy and motivate employees. Better remuneration, recognition of well-performing employees, development opportunities for career growth, and continuous rewards are key satisfiers that Herzberg (1959) considers essential in enabling employee satisfaction and continued performance. The other category of factors is the disatisfiers. According to Herzberg (1959), these factors often undermine employee morale and contribute to their dissatisfaction. The Herzberg two-factor theory is employed in this study to enhance understanding of the need for rewarding categories and their impact on employee productivity. The theory emphasizes the importance of rewards as a key way to achieve a more satisfied and performing workforce. Through the adoption of satisfiers, as proposed by Herzberg (1968), organizations can enhance employee satisfaction, ultimately yielding improved productivity and performance.

2.2 Empirical Literature Review

2.2.1. Rewarding Policies

Rotea, Logofatu, and Ploscaru (2018) assessed the role of rewarding policies on employee performance and found that these policies had a positive and significant correlation with workforce productivity. The authors noted that through a progressive and rigorous approach to laying out policies for employee rewards, employees feel covered and capable of being rewarded, thus they become more committed to attracting the rewards. A similar study by Alimat et al. (2016) on the effect of rewarding policies on organizational performance found that employee reward policies were integral in setting a better performance foundation for employees, which in turn enhanced organizational performance. Iyida (2015) supports this by indicating that a good reward system should focus on rewarding employees and their teams based on their performance. Ogohi (2019), while assessing the relationship between employee reward policies and firm performance, revealed that employee reward policies helped streamline the rewarding process, thereby enhancing equality, fairness, and effectiveness in the reward systems. This served to promote employee commitment and satisfaction, thus enhancing their retention. Nnaji et al. (2015) also noted that an effective reward policy that upholds the key rewarding dimensions (immediate, long-term, and short-term) enhances the trust of the employees in the organization’s reward system, thus increasing employee satisfaction and retention.

2.2.2. Rewarding Processes

Baqir et al. (2020) analyzed the effect of the reward process on employee engagement and revealed that the employee reward process was an integral driver of employee job satisfaction success in the service industry. The findings revealed that through an extensive process of employee rewarding that advocated for fairness and equality, the employees felt motivated and were more satisfied with their jobs. Terera and Ngirande (2014) analyzed the relationship between the rewarding process and workforce retention, continued service to the organization, and organizational performance. The results showed that the workforce reward process had a significant relationship with organizational performance. Admassie (2019) also established that rewards may have an influence on organizational performance; however, the process of dispensing these rewards, known as the rewarding process, has more long-term effects on employee performance. A study by Adeoye and Obanewo (2019) found that employees should be aware of the rewarding process to positively influence their perception of the reward system. This would also enhance employee satisfaction, thereby improving the organization's competitiveness. Faiza (2021) analyzed the effect of reward systems on employee productivity and established that employee reward systems, through the rewarding process that entailed fringe benefits, financial rewards, and recognition schemes, were significant in enhancing employee performance. Cherotich et al. (2015) support the findings by indicating that the process of rewarding is an essential determinant of how well employees perceive rewarding, and their ability to accept the fairness of the process, thus enhancing their satisfaction.

2.2.3. Rewarding Structures

Tayar and Bilqs (2019) studied the effect of employee reward structures on organizational performance and revealed that having a clear structure for rewarding was essential for promoting organizational performance. The authors indicated that employee reward was a complex process that required a detailed structure and framework to demonstrate how the reward was determined and how it could be enhanced in the future. Gohari and Kamkar (2016) analyzed how workforce reward structures contribute to the productivity of workers in multinational enterprises and found that these structures substantially contribute to productivity and continued employee job performance. Establishing a structure to reward the workforce is more significant in an autonomous setup where the institution is seeking to streamline its productivity (Sides & Cuevas, 2020). Rotich (2020) conducted a study on the role of employee reward structures in workforce retention, finding that employee rewards have a significant influence on employee retention. The authors argued that retaining top talent enhances the performance and success of the healthcare sector in Kenya. According to Kathina and Bula (2021), one of the main aspects that determined the effectiveness of reward structures in enhancing employee retention was how well the reward structures utilized by the organizations aligned with the strategic goals and the needs and expectations of employees.

2.2.4. Rewarding Categories

Khan et al. (2017) examined the effect of employee reward categories on organizational success and established that employee rewards were integral in influencing institutional performance. According to Khan *et al.* (2017), performance was enhanced using appropriate reward categories that best suited individual employees. This compares with Langove and Isha (2017), who established that employees require rewards that align with their expectations. Using rewards that are most satisfying to employees requires effective analysis of their preferences to understand what motivates them, thus rewarding them effectively to achieve optimal performance. According to Baqir et al. (2020), when the appropriate categories of rewards are implemented, the workforce becomes more productive and committed to the goals set by their respective organizations. The categories imply that everyone is covered, and they feel that whatever sacrifices they are making for the institutions are meaningful and appreciated accordingly. According to Elsafty and Ragheb (2020), with the appropriate reward categories, it is much easier to determine who received what they deserved and who did not. Moreover, the workforce is more engaged when they have the rewards they expect and those that suit their needs.

3. Materials and Methods

3.1. Research Design

The study utilized a descriptive research design. The design was deemed appropriate in this study due to its ability to answer the questions of what, when, where, and why, making it ideal for assessing the role played by reward management systems on employee performance in public universities in Kenya.

3.2. Target Population and Sampling

The target population for this study comprised two public universities in Nairobi County. The study targeted the administrative staff from these universities. The study employed simple random sampling, where senior management, middle-level management, and other administrative staff from the administrative departments at the two universities were randomly selected. At least 5 senior-level managers, 5 middle-level managers from each of the 5 departments in the two universities, and 25 other administrative staff from each university were selected as the sample size, totaling 150 respondents.

3.3. Data Collection Research Instruments

The study adopted a questionnaire to collect primary data from the respondents. The questionnaire was structured using a Likert scale of questions and was administered using both physical and online means. The questionnaire was pilot tested using 10% of the sample to ascertain its validity and reliability.

3.4. Data Analysis

The collected data were analyzed using descriptive and inferential statistics via SPSS. Key descriptive statistics included mean scores and standard deviation. Inferential statistics, utilizing a regression model, were employed to examine the relationship between the variables.

4. Results and Discussion

4.1. Response Rate

The study had a sample of 150 respondents, where an equivalent number of questionnaires were issued. Out of these, 129 questionnaires were duly filled and returned for analysis. This represented a response rate of 86.0%. According to Kothari (2016), a response of 60% or above is considered a good representation of the sample size; thus, it is adequate for analysis. The response rate of 86% obtained in this study, therefore, implied that it was above the threshold, thus considered adequate for analysis.

4.2 Reward Management System

The findings, as shown in Table 1, revealed that rewarding policies had not been effectively adopted as a key system for managing the rewarding process among public universities.

Table 1. Results of Rewarding Management Systems at the Universities

Constructs	Mean	Std. Dev.
Rewarding Policies	2.72	1.53
Rewarding Process	2.68	1.48
Rewarding Structures	2.83	1.56
Rewarding Categories	2.86	1.52

Table 1 presents the descriptive statistics for four key constructs that measure the effectiveness of reward management systems across the surveyed universities. Overall, the mean scores range narrowly between 2.68 and 2.86, indicating generally moderate perceptions of the existing reward mechanisms, with substantial variation among respondents as reflected by the standard deviations. Rewarding Policies recorded a mean of 2.72 (SD = 1.53), suggesting that respondents perceive university reward policies as moderately clear and moderately supportive. The relatively high standard deviation indicates diverse views, implying inconsistency in policy communication or implementation across faculties or departments. The Rewarding Process shows the lowest mean value at 2.68 (SD = 1.48). This suggests that the procedures for granting rewards, such as appraisal methods, criteria for reward distribution, and transparency of evaluation, are perceived as less effective compared to the other constructs. The moderate variation in responses may reflect differing experiences based on administrative practices among units.

Rewarding Structures has a slightly higher mean of 2.83 (SD = 1.56). This indicates that the organizational arrangements that support reward distribution, such as authority lines and decision-making responsibilities, are viewed somewhat more positively. Nonetheless, the high standard deviation signals that structural clarity and consistency remain issues for some respondents. Rewarding Categories, with the highest mean of 2.86 (SD = 1.52), suggest respondents view the types of rewards—whether financial, non-financial, performance-based, or recognition-based as relatively more satisfactory. However, the considerable variability in responses again underscores uneven perceptions regarding the relevance, fairness, or adequacy of these reward types. In general, all four constructs reflect moderate and somewhat inconsistent perceptions of the universities’ rewarding management systems. The wide standard deviations across constructs point to significant heterogeneity in respondents' experiences, suggesting a need for improved standardization, clearer communication, and more transparent implementation of reward policies, processes, and structures.

This concurs with Rizky and Ardian (2019), who noted that due to inadequate reward policies, the rewards offered to employees in most public institutions in developing countries have failed to achieve their intended purpose: promoting employee productivity. Furthermore, Rotea et al. (2018) noted that employee rewards are most effectively achieved when clear policies are in place to set the pace and framework for rewarding employees. The findings suggest that the rewarding process employed in the surveyed universities was ineffective in enhancing employee satisfaction and performance. This concurs with the findings of Dhanya and Prashath (2019), who established that the rewarding process was instrumental in driving employee performance by setting the pathway for rewarding and ensuring employee participation in decision-making regarding rewarding systems.

According to Alrawahi et al. (2020), although employee rewards are essential for enhancing employee performance, their ability to achieve this instrumental goal relies on the established process of rewarding. The findings indicate that the rewarding structures were not aligned with employees' achievements and positions, which, according to Tayar and Bilqs (2019), could impact the effectiveness of rewards in enhancing employee performance. The findings suggest that the reward structures were not aligned with employees' expectations, indicating that the reward systems may not be achieving their intended purpose. The findings concur with those by Ștefan et al. (2021), who indicated that the effectiveness of employee rewarding was dependent on the structures utilized in rewarding. The findings indicate that rewarding categories have not been effectively implemented in most institutions, thereby exposing the organizations to the risk of underperformance among employees. According to Oboreh and Arukaroha (2021), failing to establish effective reward categories undermines the reward system, thereby depriving organizations of the benefits that an effective employee reward system provides. Furthermore, Kollmann et al. (2020) argue that rewarding categories should be diverse to accommodate the varied needs of employees, as different employees are satisfied by different types of rewards.

4.3. Employee Performance

The study aimed to investigate employee performance in public universities in Kenya. The employee performance study assessed through customer satisfaction, meeting set targets, individual job achievements, and teamwork performance.

Table 2: Results of Employee Performance

Construct	Mean	Std. Dev.
Enhanced Quality of Services	2.45	1.25
Reduced Customer Complaints	2.55	1.41
Lesser time in service delivery	2.47	1.51
Ability to Meet Targets	2.60	1.54
Teamwork	2.64	1.58

The findings as shown in Table 2 revealed that majority of the respondents disagreed on the statement that the services rendered by the employees in their respective institutions were up to the standards (Mean = 2.45; Standard Deviation = 1.25); and that there were fewer complaints from the customers about the services rendered in the institution (Mean = 2.55; Standard Deviation = 1.41). The findings further revealed that less time was spent serving individual customers than before (Mean = 2.47, Standard Deviation = 1.51), and that most employees frequently met their set targets within the institutions (Mean = 2.60, Standard Deviation = 1.54). The findings suggest that the employees did not effectively meet the expected targets, providing a clear justification for the increased underperformance. The findings suggest that employee performance in most institutions was below par, indicating that employees did not effectively meet the set goals, which could significantly impact the overall performance of their respective institutions.

4.4 Correlation Analysis

Correlation analysis was conducted to determine the extent to which the independent variables (Rewarding Policies, Rewarding Process, Rewarding Structures, and Rewarding Categories) correlated with the dependent variable (employee performance).

Table 3: Result of Correlation Analysis

Variables	N	Pearson Correlation	Sig. (2-tailed)
Rewarding Policies	129	.720	.000
Rewarding Process	129	.762	.000
Rewarding Structures	129	.747	.000

Rewarding Categories	129	.777	.000

Table 3 revealed a Pearson correlation coefficient (r) of 0.720 between rewarding policies and employee performance. Given that this exceeds 50%, it suggests a strong correlation between rewarding policies and employee performance. The Pearson correlation coefficient for rewarding processes is 0.762. This implies a strong correlation (76.2%) between rewarding processes and employee performance in public universities in Kenya. The correlation is also significant at a 95% confidence level ($P<0.05$). The findings further revealed that rewarding structures had a strong and significant correlation with employee performance ($r = 0.747$; $P < 0.01$). There was also a strong and significant correlation between rewarding categories and employee performance ($r = 0.777$; $P < 0.01$). The findings suggest that rewarding systems management through effective policies, processes, structures, and categories significantly contributes to employee performance in public universities in Kenya. These findings compare with those by Elsafty and Ragheb (2020), who highlighted that effective reward management, including clear policies, transparent processes, and appropriate categorization of rewards, enhances employee motivation and productivity. Similarly, research by Faiza (2021) indicates that well-designed reward systems serve as powerful tools for aligning employee behavior with organizational goals, thereby boosting performance. The findings reinforce the theoretical and empirical consensus that reward management through structured policies, fair processes, clear organizational frameworks, and categorized incentives plays a pivotal role in enhancing employee performance, particularly in the context of public universities.

4.5 Regression Analysis

Table 4: Results of Regression Analysis

	Unstandardized Coefficients		Standardized Coefficients	t	Sig
	B	Std. Error	Beta		
(Constant)	0.001	0.125		0.008	0.994
Rewarding Policies	0.224	0.057	0.226	3.92	0
Rewarding Process	0.268	0.06	0.272	4.442	0
Rewarding Categories	0.297	0.054	0.33	5.449	0
Rewarding Structures	0.196	0.055	0.218	3.54	0.001
R	.888a				
R Square	0.789		df	128	
Adjusted R Square	0.782		Mean Square	11.77	
Std. Error of the Estimate	0.31845		F	116.061	
Sum of Squares	59.656		Sig.	.000b	

Table 4 shows that the R^2 for the model was 0.789. This indicates that rewarding systems management through policies, processes, structures, and categories influenced up to 78.9% of the variation in employee performance in public universities in Kenya. The ANOVA results indicate that the regression model adopted was statistically significant, as supported by the F-statistic of 116.061 and a p-value of $0.000<0.05$. Regression coefficients revealed that there is a positive and significant relationship between rewarding management systems (rewarding policies, rewarding processes, rewarding structures, and rewarding categories) and employee performance in public universities in Kenya, as supported by unstandardized Beta coefficients (β) of 0.224, 0.268, 0.297, and 0.196, respectively. This was also supported by the t-values, where t-calculated values of 3.920, 4.442, 5.449, and 3.540 were greater than the t-critical value of 1.96 at a 95% confidence level, indicating that Rewarding Structures, Rewarding Policies, Rewarding Categories, and Rewarding Processes have a significant effect on employee performance in public universities in Kenya. The findings suggest that employee performance in public universities in Kenya is positively and significantly influenced by the policies, processes, structures, and categories used in reward systems. This concurs with the findings by Emelianova (2019), who identified that rewarding policies, structures, and processes were instrumental in influencing employee productivity. Furthermore, Thant and Chang (2021) noted that employee performance is influenced by how well organizations provide employees with the right categories of rewards, the process used in rewarding, and the policies in place to ensure fair and transparent rewards.

5. Conclusions

The study concluded that reward management systems are integral in enhancing employee performance in public universities in Kenya. The combined effect of key reward management systems (rewarding policies, rewarding processes, rewarding structures, and rewarding categories) was found to play an essential role in determining employee performance. The study concluded that rewarding policies had a significant effect on employee performance in public universities in Kenya. From the findings, it was observed that the universities had not effectively integrated rewarding policies, as equality and fairness, transparency and openness, and clarity and communication of the policies to employees were not adequately upheld. The study therefore concluded that the continued poor performance of employees in the surveyed universities was significantly linked to the low adoption of effective and employee-aligned reward policies. The study further concluded that rewarding processes played a crucial and significant role in enhancing employee performance in public universities in Kenya. The study findings indicated that the rewarding processes, including process complexity, degree of innovation, frequency of rewards, and appraisal process, were not effectively implemented in the surveyed universities. The conclusion was therefore drawn that public universities were lacking in terms of employee performance, primarily due to the ineffective adoption of innovative, understandable, and appreciated reward processes across the workforce.

On rewarding structures, the study concluded that rewarding structures played a significant role in determining employee performance in public universities in Kenya. It was established that the surveyed universities did not effectively utilize team-based, individual-based, and position-based reward structures. It is therefore concluded that the underperformance of employees in most universities can be strongly attributed to an inadequate understanding of and adherence to reward structures. The study concluded that rewarding categories had a significant effect on employee performance in public universities in Kenya. The study findings indicated that the adoption of key rewarding categories (intrinsic rewards, extrinsic rewards, and total rewards) was not effectively implemented in most universities. This could expose universities to an unsupportive and non-committed workforce, thereby negatively affecting their performance. The conclusion was therefore drawn that the notable underperformance of employees in the universities had a strong correlation with the ineffective embrace of reward categories. The following recommendations are based on the study's findings and conclusions. The management of public universities in Kenya has the responsibility of ensuring that employees are satisfied and motivated, enabling them to perform their duties and responsibilities satisfactorily. To achieve this, management should be at the forefront of ensuring that employees are adequately rewarded by integrating essential reward policies. Ensuring equality, fairness, transparency, and openness in the rewarding policies would be instrumental in leading a more committed workforce. Human resource managers should also ensure that the policies used in employee rewards are clear and communicated effectively to employees. This will ensure that employees understand the policies used to reward them, allowing them to work towards meeting these goals.

It is also recommended that human resource managers in public universities establish a clear and coherent reward process to recognize and reward their staff. The set process should be flexible, understandable, and regularly reviewed to ensure it meets the specific needs of employees. Setting innovative, rewarding processes would bring more employee on board, thus strengthening their satisfaction and eventually enhancing their performance. The management of public universities in Kenya can enhance employee performance by adopting more diverse and inclusive reward structures. Rewarding structures outline the framework used for rewarding; thus, it is essential for meeting the diverse needs and expectations of employees. It is recommended that human resource managers in public universities set diverse rewarding structures that focus on teams, individuals, and positions held. This would accommodate more employee needs, thus effectively contributing to employee performance. The study further recommends that public universities in Kenya should embrace diverse, rewarding categories. Rewarding categories establish clear types of rewards that employees receive, serving to meet the diverse needs of the workforce. Embracing intrinsic rewards, extrinsic rewards, and total rewards could be a significant move in ensuring and enhancing employee performance among the universities.

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