

**ROLE OF SELECTED INSTITUTIONAL FACTORS ON JOB SATISFACTION OF
EMPLOYEES IN NYERI COUNTY GOVERNMENT, KENYA**

WANGECI BRENDAH

B211-02-1499/2013

**A Thesis Submitted to the School of Business Management and Economics in Partial
Fulfilment of the Requirement for the Award of the Degree of Master of Business
Administration (Human Resource Option) of Dedan Kimathi University of Technology**

August, 2018

DECLARATION

This thesis is my original work and has not been submitted to any other university for the award of a degree or diploma.

Signature **Date**

Wangepi Brendah

B211-02-1499/2013

APPROVAL

This thesis has been submitted for examination with our approval as university supervisors.

Supervisor

Signature: **Date:**

Dr. David Kiragu

School of Business Management and Economics

DeKUT, Kenya

Supervisor

Signature: **Date:**

Dr. Anne Sang

School of Business Management and Economics

DeKUT, Kenya

DEDICATION

This work is dedicated to my family for their love and support.

ACKNOWLEDGEMENT

I am so grateful to the almighty Lord for his unfailing love, provision, protection and mercy. I thank all lecturers and staff members at Dedan Kimathi University of Technology for their support throughout the MBA program. Sincere thanks go to my supervisor Dr. Kiragu and Dr. Anne Sang for consistent guidance, review, sacrifice, timely responses and profound information about the research. Dr. Kiragu and Dr. Anne Sang input and mentorship of my literature, methodology and questionnaire made this work a success. Special thanks go to my family for financial and moral support throughout the course.

TABLE OF CONTENT

DECLARATION	ii
DEDICATION	iii
ACKNOWLEDGEMENT	iv
TABLE OF CONTENT	v
LIST OF TABLES	viii
LIST OF FIGURES	ix
ABBREVIATIONS AND ACRONYMS	x
ABSTRACT	xi
CHAPTER ONE	1
INTRODUCTION	1
1.1 Background of the Study	1
1.2 Statement of the Problem	4
1.3 Objectives of the Study	5
1.3.1 General Objective	5
1.3.2 Specific Objectives	5
1.4 Research Questions	5
1.5 Significance of the study	5
1.6 Scope of the Study	6
1.7. Delimitations of the study	6
1.8 Limitations of Study	6
1.9 Assumptions of the study	6
1.10 Definition of terms	7
CHAPTER TWO	8
LITERATURE REVIEW	8
2.1 Introduction	8
2.2 Theoretical Review	8
2.2.1 Expectancy Theory	8
2.2.2 Herzberg's Two Factor Theory	9
2.2.3 Equity theory	9
2.3 Empirical review	10

2.3.1 Organization structure and job satisfaction.....	10
2.3.2 Organizational culture and job satisfaction.....	11
2.3.3 Rewards and job satisfaction.....	13
2.4 Conceptual Framework	15
2.5 Operationalization	15
2.6 Summary and research gap	16
CHAPTER THREE.....	17
RESEARCH METHODOLOGY.....	17
3.1 Introduction	17
3.2 Research Design.....	17
3.3 Target Population.....	17
3.4 Sampling Technique.....	17
3.5 Sample Size.....	18
3.6. Data Collection.....	19
3.6.1 Data collection Instrument	19
3.6.2 Methods of Data Collection	19
3.7 Data Analysis and presentation.....	19
3.8 Ethical Considerations	20
CHAPTER FOUR.....	21
FINDINGS AND DISCUSSION.....	21
4.1 Introduction	21
4.2 Response Rate	21
4.3 Demographic information of the respondents.....	21
4.3.1 Gender of Respondents	21
4.3.2 Age of the Respondents	22
4.3.3 Work Experience of Respondents.....	23
4.4 Organization Structure and Job Satisfaction	23
4.5 Organizational Culture and Job Satisfaction.....	26
4.6 Reward System and job satisfaction	29
4.7 Role of Selected Institutional Factors and Job Satisfaction.....	31
4.8 Job Satisfaction	34

CHAPTER FIVE.....	36
SUMMARY, CONCLUSION AND RECOMMENDATIONS	36
5.1 Introduction	36
5.2 Summary	36
5.2.1 Organization Structure and Employee Job Satisfaction.....	36
5.2.2 Organizational Culture and Employee Job Satisfaction.....	36
5.2.3 Reward and Employee Job Satisfaction	37
5.3 Conclusions	37
5.3.1 Organization Structure and Employee Job Satisfaction.....	37
5.3.2 Organizational Culture and Employee Job Satisfaction.....	38
5.3.3 Reward and Employee Job Satisfaction	38
5.4 Recommendations	39
5.5 Areas of Further Studies.....	39
REFERENCES.....	41
APPENDIX I- QUESTIONNAIRE	45
APPENDIX II-INTRODUCTION LETTER.....	48

LIST OF TABLES

Table 3.1 Sample Size.....	19
Table 4.1: Response Rate of Nyeri County Government.....	21
Table 4.2: Age of the Respondents of Nyeri County Government.....	22
Table 4.3: Descriptive Statistic for Organization Structure of Nyeri County Government.....	24
Table 4.4: Model Summary of Organization Structure.....	25
Table 4.5: ANOVA for Organization Structure.....	25
Table 4.6: Regression Coefficients of Organization Structure	26
Table 4.7: Descriptive Statistic for Organizational Culture	27
Table 4.8: Model Summary of Organizational Culture	28
Table 4.9: ANOVA for Organizational Culture.....	28
Table 4.10: Regression Coefficients of organizational culture	28
Table 4.11: Descriptive Statistic for Reward System	29
Table 4.12: Model Summary of Reward System.....	30
Table 4.13: ANOVA for Reward System	30
Table 4.14: Regression Coefficients of Reward System.....	31
Table 4.15: Multiple regression for Role of Selected Institutional Factors	32
Table 4.16: ANOVA for Reward Role of Selected Institutional Factors	32
Table 4.17: Coefficients of Reward Role of Selected Institutional Factors.....	33
Table 4.18: Descriptive Statistic for Job Satisfaction	35

LIST OF FIGURES

Figure 2.1: Conceptual framework	15
Figure 2.2: Operationalization framework.....	16
Figure 4.1: Gender of Respondents of Nyeri County Government	22
Figure 4.2: Work Experience of Respondents of Nyeri County Government	23

ABBREVIATIONS AND ACRONYMS

EPZ	:	Export Processing Zones
SPSS	:	Statistical Package for Social Sciences
TI	:	Transparency International
U.S.A	:	United States of America

ABSTRACT

Devolution in Kenya took shape in 2013 after the general elections. This was in effect to the promulgated Kenyan 2010 constitution. There are 47 county governors who were elected and this changed the structure from the national government to the county government. These changed the formal scheme of relations, communications, decision making processes, procedures and systems which allow an organization to develop its functions and achieve its objectives. These could affect the employee job satisfaction. This study is set out to explore the underlying drivers of employee satisfaction in Nyeri County Government. The specific objectives of the study include: to examine the influence of organization structure on employee job satisfaction in Nyeri County government; to examine the extent to which organizational culture influences job satisfaction of employees in Nyeri County government and to explore the influence of rewards on employee job satisfaction in Nyeri County government. This research problem was best studied through the use of a descriptive design. Systematic sampling was used to select the sample. The target population for this study was 162 employees of Nyeri County government. A self-administered, questionnaire was used to collect data from the target respondents. Data that was analyzed was obtained from 133 respondents out of the targeted 162 achieving 82.1% response rate. Frequencies and percentages were generated from the data and presented using frequency distribution tables while multiple regression analysis was done to establish relationship of each parameter of the independent variables in the study. The results indicated that organizational culture and reward had positive and significant effect on employee job satisfaction in Nyeri County Government. Organization structure had positive but insignificant effect on employee job satisfaction in Nyeri County Government. The study recommends that County government should develop organizational culture programs which have to be implemented at all levels of the organizations. In addition, County government should review staff rewards by comparing how their counterpart are being rewarded in private sector in order to increase job satisfaction in County Government. Future research could focus on other types of composition variables that influence of employee job satisfaction in Nyeri County government. In addition, future researcher could find out the challenges Nyeri County government face when addressing factors affecting employee job satisfaction

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Satisfaction is considered as most important attitude in motivating people in the organizations. Hence today's organizations are taking much interest in satisfying employees through various strategies. Congenial working environment and pleasurable work situation lead to the inspiration of the people which help to the achievement of individual and organizational goals. Employee job satisfaction is supremely important in an organization because it is what productivity depends on. If the employees are satisfied they would produce superior quality performance in optimal time and lead to growing profits. Satisfied employees are also more likely to be creative and innovative and come up with breakthroughs that allow a company to grow and change positively with time and changing market conditions.

However, as Hausknecht, Rodda and Howard (2009) noted, employee satisfaction is becoming more challenging for companies including the public sector due to a number of factors such as availability of the right talent in some fields, manager-employee relations, competition, differences in the level of employer-employee expectations, the high cost associated with hiring new talents, among others. Employers' need for strategic effort directed at satisfying current employees is now urgent than ever to improve retention rates and decrease the associated costs of high turnover. Voluntary turnover is a huge problem for many organizations.

Maslow's hierarchy of needs theory states that people have a pyramid hierarchy of needs that they will satisfy from bottom to top (Feld & Woelfel, 2009). Starting from mere physiological subsistence the Maslow hierarchy of needs covers belonging this is to say need to be in a social circle to pursuing an individual's talent through self-actualization. Important to the hierarchy of needs theory is that Maslow felt that unfulfilled needs lower on the ladder would inhibit the person from climbing to the next step. The pyramid of needs is divided into two categories: deficiency needs (physiological and safety) and growth needs (belonging, self-esteem and self-actualisation). If the deficiency needs aren't satisfied, the person feel the deficit and this stifle his or her development. When Maslow's hierarchy of needs is applied to work situations, it implies that managers have the responsibility, firstly, to make sure the deficiency needs are met. This means, in broad terms, a safe environment and

proper wages. Secondly, it implies creating a proper climate in which employees can develop their fullest potential. Failure to do so would theoretically increase employee frustration and could result in poorer performance, lowers job satisfaction, and increased withdrawal from the organization.

Globally, various studies have been done about employee job satisfaction. A study by Rehman and Abbas (2014) showed that in U.S., 65% of individuals that were surveyed were either somewhat or totally unsatisfied with their jobs. In a Mercer study of 30,000 workers worldwide, between 28% and 56% of workers around the globe wanted to leave their jobs (Blackman & Hurst, 2013). Main reasons for job dissatisfaction were underpayment, poor management, lack of job advancement opportunities and poor working conditions.

The case is not any different in Africa. Ongori and Agolla (2009) reported that research undertaken across 29 countries including South Africa with equal representation across both sexes revealed that globally; only 43 per cent of women and 42 per cent of men are satisfied with their current jobs. Respondents listed key reasons for dissatisfaction as: being underpaid, lack of opportunity for growth, no opportunity for career advancement and feeling trapped.

In Kenya a study by Odemba (2014) reported that 46 per cent of professionals were dissatisfied with their jobs. Nearly 45 per cent and 47 per cent of workers in public and private sectors, respectively, considered pay as one of the important factors causing job dissatisfaction. The employees also noted that non-monetary factors like working conditions, job security and career growth opportunities also affected their job satisfaction.

The recently promulgated Kenyan constitution has opened up new opportunities and challenges (World Bank, 2014). It has indeed opened a new window of change of moving from the central governance to the devolved government. Elections in March 2013 marked the official launch of decentralization, as 47 new county governors and county assemblies were elected and began the challenging work of setting up new institutions, as well as a new national senate representing each county. Functions and funds have been transferred to the new counties, and new county institutions are gradually taking shape. The centre of this implementation cycle is the restructuring of the public administration and service delivery mechanisms at the local level. These

mechanisms have been in existence for decades and they have deep roots. For this reason, restructuring has not been easy, especially because it involves people. This is an organizational change and it has led to numerous changes in the way things are done. This is because the national government has given the county government more functions as compared to the former local government. The structure reflects the formal scheme of relations, communications, decision making processes, procedures and systems which allow an organization to develop its functions and achieve its objectives. Every county government further decentralizes its services and coordinates its functions in order to efficiently serve the interests of the people of Kenya at the local level. The devolved functions are agriculture, county health, control of air, noise, pollution and public nuisance, county transport, trade and development laws, village polytechnics, government directives on natural resources and environment conservation and county public works. Devolutions with all its benefits has also faced major challenges in different counties in the country.

Commission for the implementation of the constitution (2015) reported disparities in remuneration of different categories of staff in counties and there were also complaints that staff employed directly by county governments, those seconded from the national governments and those absorbed from the defunct local authorities were earning different salaries even when they performed similar duties. Secondly, there have been complaints that persons working for the national government for jobs similar to those of counties are earning salaries that are significantly different. Whereas there was no obligation in law for officers at both levels of government to earn similar salaries, significant unjustifiable discrepancies for similar jobs would be unjust for the public service and can lead to job dissatisfaction among employees in the county governments.

There has been chaos in almost all counties since devolution. Mutai (2014) noted once the county government of Isiolo took over, that there is now more confusion than light, disorder at county offices, deceit on past relations, lack of information and growing elusion. Things were not going in the right direction from onset, early intervention was sabotaged and justice crawled in the woods. Isiolo County government is characterised by management by chaos, pressure on establishment and strain to the limit of governance and social structures. Everything seems to work

through a chaotic process and behind schedule. People's expectation and dreams were shattered. In Nairobi County, a survey conducted by Transparency International (TI) Kenya in revealed that 41 percent of those interviewed felt that the performance of County governments was poor.

The same chaos has been witnessed in Nyeri County. According to Njung'eh (2014) Nyeri county workers have taken to the streets more than once protesting against unfair treatment from the Nyeri county government. Workers downed tools demanding salary arrears amounting to Kshs. 50 million. Other complaints included poor working conditions, lack of uniforms and protective gears as well as being employed on casual basis for more than 15 years. However, the officials claimed that the complaints lodged by the workers were among the challenges inherited by county governments from the defunct municipal councils. Strikes have been observed in Mombasa County on several occasions by nurses because of not being paid. Workers in most counties in Kenya are dissatisfied at work as noted by Transparency International (TI) Kenya and this is the rationale for the study.

1.2 Statement of the Problem

Devolution in Kenya is the pillar of the Constitution and its main purpose was to bring government closer to the people. This was to be achieved with county governments at the centre of dispensing economic resources and political power to Kenyans at the grassroots. The promulgation of the Constitution of Kenya 2010 marked a major milestone in the way the country is governed. It stipulated the dispersal of political power and economic resources from the centre in Nairobi to the grassroots in a process known as devolution. At the centre of this implementation cycle was the impending restructuring of the public administration and service delivery mechanisms at the local level. These mechanisms have been in existence for decades and they have deep roots. For this reason, restructuring has not been easy, especially because it involves people. The Nyeri County has being on the limelight on several occasions as the county government workers go on strikes demanding for their rights. The mostly cited reasons for the strikes are delay to pay salaries and poor working conditions. These are indicators of job dissatisfaction. Devolution being a new thing in the country, there is limited research on its effects on the employees in different sectors. Job satisfaction could be influenced by among others, such factors as

organizational culture, organizational structure, leadership style and behaviour, leadership power and influence, team process, team characteristics, personality and cultural values and ability among other organizational and personal factors. This study is set out to explore the underlying drivers of employee satisfaction in Nyeri County Government.

1.3 Objectives of the Study

1.3.1 General Objective

The general objective of the study is to investigate role of selected institutional factors on job satisfaction of employees in Nyeri County government.

1.3.2 Specific Objectives

- i) To examine the influence of organization structure on employee job satisfaction in Nyeri County government.
- ii) To examine the extent to which organizational culture influences job satisfaction of employees in Nyeri County government.
- iii) To explore the influence of rewards on employee job satisfaction in Nyeri County government.

1.4 Research Questions

- i. What is the influence of organization structure in employee job satisfaction in Nyeri County government?
- ii. To what extent does organizational culture influence employee job satisfaction in Nyeri County government?
- iii. What is the influence of rewards on employee job satisfaction in Nyeri County government?

1.5 Significance of the study

Employee job satisfaction is crucial for a firm's success. It is hoped that County Government of Nyeri would use the results of this study to develop policies and strategies could guide them on formulation of policies dealing with employees satisfaction to reduce on the unrests as well as improve their performance. Business owners and managers in different organizations may also find the findings of this study beneficial as they might know the areas in which they are failing their employees and from the recommendations of the study they might learn the right

actions to take for improved employee job satisfaction. Scholars and academicians especially the ones in business related field might find the results of this study important. Researchers interested in this kind of research in future may benefit from the findings of this study

1.6 Scope of the Study

The study mainly focused on the role of selected institutional factors on job satisfaction of employees in Nyeri County government. The study targeted employees from Nyeri County government. The study focused on the research objectives put forth and only target the respondents with the required information which could be picked for the study.

1.7. Delimitations of the study

Although devolution in Kenya affects all the county governments in the country, this study was done in the county government of Nyeri because of time and cost. The study targeted employees from the county government of Nyeri but only the ones who used to work for the national government. This is because such employees can compare their work experience and job satisfaction before and after devolution and how it affects their performance.

1.8 Limitations of Study

The main limitation of the research was the resource constraints meaning that relatively few respondents were interviewed. Unwillingness to reveal information by respondents might be experienced. However, this could be overcome by presenting an introductory letter with specific information on the purpose of the research before administering the questionnaire, and the confidentiality of information to be collected which was solely used for academic purposes.

1.9 Assumptions of the study

The researcher assumed that the primary data obtained from the respondents was true and relevant to the prevailing phenomenon as per the questionnaire. It is also assumed that the respondents were willing to take part in the study.

1.10 Definition of terms

- County government:** Geographical units envisioned by the 2010 Constitution of Kenya as the units of devolved government (National Council for Law Reporting in Kenya, (2010).
- Devolution:** The statutory granting of powers from the national government of a sovereign state to government at a sub national level, such as a county(National Council for Law Reporting in Kenya, (2010).
- Employee job satisfaction:** Contentment (or lack of it) arising out of interplay of employee's positive and negative feelings toward his or her work (Veitch, Stokkermans&Newsham, 2011).
- Leadership style:** The manner and approach of providing direction, implementing plans and motivating people (Rehman& Abbas, 2014).
- Organization structure:** The typically hierarchical arrangement of lines of authority, communications, rights and duties of an organization (Sweeney&McFarlin, 2005).
- Rewards:** The engagement in regular and appropriate financial compensation in the form of salary and allowances (Myrna, 2008).
- Work environment:** The surrounding conditions in which an employee operates i.e. the physical conditions, such as office temperature, or equipment, such as personal computers, work processes or procedures (McConville& Holden, 1999).

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter covers the relevant literature relating to factors affecting employee job satisfaction. It specifically focuses on theoretical review, past studies on the subject with an aim of highlighting the relationship of those researches and this research and a review of some of the literature on the variables of the research. These variables include: organization structure, organizational culture, and rewards and their influence on employee job satisfaction. These variables form the basis of the research. The chapter also provides the research gap and the conceptual framework that shows the relationship that exists between the variables of the study.

2.2 Theoretical Review

Management theories exist based on job satisfaction. The scholars and researchers main aim was to provide a framework for understanding, not just the factors influencing satisfaction, but also why it results in such effects (Baron & Greenberg 2003).

2.2.1 Expectancy Theory

According to Koontz (2010) Vroom (1974) expectancy theory is based on the assertion that tendency to act in a certain way depends on the expectation that the act will be followed by a given outcome and on the attractiveness of that outcome to the individual. There are three variables here: Attractiveness; importance that individual employee attaches to the potential outcome or reward that goes with the achievement of that job. Performance reward linkage is the degree to which the individual believes that performing at that level will lead to attainment of a particular desired outcome. Effort performance linkage is the perceive probability by the individual that exerting a given amount of effort will lead to a reward. The expectancy theory recognizes that there is no universal principle that explains what can motivate everyone (Borkowski, 2009).

This theory can be used to explain about job satisfaction in Nyeri county government. After devolution, the employees who started working for the county government from the national government had expectations. If these expectations were met, their job satisfaction was likely to increase. Failure to meet such expectations would lead to job dissatisfaction.

2.2.2 Herzberg's Two Factor Theory

The research conducted by Herzberg determined what people actually want from their jobs (Hyun, 2009). The respondents had to describe work situations in which they felt good (satisfied) or bad (dissatisfied) in their specific jobs. The feedback received was afterwards categorized into satisfaction or dissatisfaction. The characteristics related to job satisfaction included advancement, reward and recognition, the work itself, achievement, growth and responsibilities. Herzberg referred to these characteristics as “motivator”. The characteristics that lead to dissatisfaction are: working conditions, supervision, interpersonal relationships, company policies, administration, rules and regulations were referred to as “hygiene” factors.

Herzberg theory also states that if too much value is placed on a particular factor stronger feelings of dissatisfaction will occur (Khalifa& Truong, 2010). Herzberg's two-factor theory is an important basis of reference for managers who want to gain an understanding of job satisfaction and related job performance issues. He argues that Herzberg's two-factor theory is a useful reminder that there are two important aspects of all jobs: what people do in terms of job tasks (job content), including the work setting in which they perform it (job context). As such, managers should attempt to always eliminate poor hygiene sources of job dissatisfaction in the workplace and ensure there are more satisfiers in job content to maximize opportunities for job satisfaction.

This theory is relevant and significant to this study in that it recognizes that employees have two categories of needs that operate in them and that both should be addressed by the county governments.

2.2.3 Equity theory

Equity theory shows how a person views fairness in regard to social relationships such as with an employer (Walster, Walster&Berscheid, 1978). A person identifies the amount of input (things gained) from a relationship compared to the output (things given) to produce an input/output ratio. They then compare this ratio to the ratio of other people in deciding whether or not they have an equitable relationship. Equity theory suggests that if an individual thinks there is an inequality between two social groups or individuals, the person is likely to be distressed because the ratio between

the input and the output are not equal. For example, consider two employees who work the same job and receive the same pay and benefits. If one individual gets a pay raise for doing the same work as the other, then the less benefited individual will become distressed in his workplace. If, on the other hand, both individuals get pay raises and new responsibilities, then the feeling of equity will be maintained.

Other psychologists have extended the equity theory, suggesting three behavioural response patterns to situations of perceived equity or inequity. These three types are benevolent, equity sensitive, and entitled. The level by each type affects motivation, job satisfaction, and job performance. Benevolent – people are satisfied when they are under-rewarded compared with co-workers; equity sensitive- believe everyone should be fairly rewarded and entitled people believe that everything they receive is their just due. Workers who feel that equity is being observed at their work places are more likely to have job satisfaction (Spector, 2008).

Equity theory applies to this study. Devolution led to restructuring of the systems of the national government that the employees were used to. As such, people performing the same functions could be paid unequal salaries under the new county government affecting the equity function. As such, their job satisfaction can be affected.

2.3 Empirical review

There are many factors which affect job satisfaction but this study will focus on organization structure, organization culture, working environment and rewards.

2.3.1 Organization structure and job satisfaction

Organizational structure is defined as the ways in which work is divided into different responsibilities and tasks towards achieving an agreement. Grey and Garsten (2001) also define it as the formal allocation of work roles and the administrative mechanisms to control and integrate work activities including those which cross formal organizational boundaries. The arrangement portrays the formal scheme of relationships, communications, decision making procedures and systems which allow an organization to develop its functions and achieve its objectives. Organizational structure is normally described as the way responsibility and power are distributed and work procedures are carried out amongst organizational members.

Employees do best when they know who to report to. Organizational structure creates and highlights hierarchies (Rehman& Abbas, 2014). Organizations that are very hierarchical are usually referred to as having vertical organizational structures. Most of the time, these organizations want their employees having more limited scopes and performing their jobs in particular precise ways with little variation. Therefore, they have many layers of management to oversee that things are done correctly and uniformly. The county government is a good example. Duties and responsibilities must be handled carefully and with due diligence, there is risk involved, and rules, regulations and policies dictating specific procedures. On the other hand small businesses and professional organizations tend to use horizontal structures. It involves fewer layers of management and more focus on peers and equality. The idea is that each person takes on more responsibility and has more freedom to perform her work as she deems fit.

Ayoo (2011) did a study on the effects of corporate restructuring on employee job satisfaction in Kenya commercial bank Nairobi region. The findings implied that there is a significant relationship between restructuring and increased work load, the assumption may be made that restructuring reduces the work force and it is highly probable that the remaining employees had to make up for work that had been done by retrenched employees. Flatter organizational structure resulted into improved communication hence speeds up and increases the effectiveness of the communication channels between management and their subordinates. This study has shown that if work satisfaction and trust in the organization continued to be depressed well beyond the end of the restructuring, the productivity of the organization could be in serious danger.

Devolution led to restructuring from the national government to the county government. While the empirical studies reviewed linked organizational structure and the employee job satisfaction, they were done in the private sector. This study focused on the public sector (county government).

2.3.2 Organizational culture and job satisfaction

Organizational culture is a system of shared assumptions, values, and beliefs, which governs how people behave in organizations. These shared values have a strong influence on the people in the organization and dictate how they dress, act, and

perform their jobs. Ravasi and Schultz (2006) wrote that organizational culture is a set of shared assumptions that guide what happens in organizations by defining appropriate behaviour for various situations. It is also the pattern of such collective behaviours and assumptions that are taught to new organizational members as a way of perceiving and, even, thinking and feeling. Thus, organizational culture affects the way people and groups interact with each other, with clients, and with stakeholders. In addition, organizational culture may affect how much employees identify with an organization.

Omega (2012) studied the perceived relationship between organizational culture and employees' job satisfaction at Kenya Commercial Bank. The results of the study showed that organizational culture dimensions of organizational supportiveness, emphasis on rewards, performance orientation and innovation orientation have a direct relationship with the job satisfaction of employees at Kenya Commercial Bank. The study however found no relationship to exist between stability and communication and employees' job satisfaction. Some of the recommendations of the study included that the organization should encourage senior managers to support their junior employees in order to achieve job satisfaction. The organization should focus on rewarding members of staff based on their contribution to the bank and merit. The bank should support and invest in innovation. Finally the bank should focus on conducting objective performance evaluation so as to achieve employee satisfaction.

Another study on the influence of organizational culture on performance of hospitals in Nairobi, Kenya was done by (Kiiru, 2014). The specific objectives of the study included finding out how organizational values, employee attitudes towards work and cultural traits influence the performance of hospitals in Nairobi. The findings revealed that majority of the respondents agreed that organizational values, employees' attitudes towards work and the cultural traits influence various aspects of their performance such as employee satisfaction, the quality of their services, their revenue growth and overall performance in a positive way. The recommendations made were that organizational culture development programs should be implemented at all levels of the organizations in order to help employees develop a better understanding of the importance of organizational culture and to foster a cohesive organizational culture.

Auma (2014) studied the effect of elements of organizational culture on employee performance in Moran East African Publishers. This research showed that if employees were committed and had the same norms and values in the organization, this could increase their job satisfaction hence performance towards achieving the overall organizational goals. Managers and leaders were recommended to develop a strong culture in their organizations in order to improve the overall performance of the employees and the organizations. The notion that organizations may have specific cultures was found sprinkled in a vast array of publications on strategy and business policy, on organizational behaviour and theory.

Although the above studies on organizational culture showed a relationship between culture and job satisfaction, they were done in the health, banking and publishing sectors which might have different cultures from the county government. This study focused on the culture of the county government of Nyeri and its influence on the employee job satisfaction.

2.3.3 Rewards and job satisfaction

Reward is something that an organization gives to the employees in response of their contribution and performance (Kelly & Cole, 2011). A reward can be extrinsic or intrinsic, it can be a cash reward such as bonuses or it can be recognition such as naming a worker an employee of the year. The extrinsic rewards are the most tangible, such as salaries, bonuses, promotions etc., yet these incentives alone are not enough. Employees judge the quality of their job in the intrinsic satisfaction (the personal reward they get from their work). In a corporate work environment, rewards can take different forms. It includes cash bonuses, recognition and appreciation awards, extra allowances and free trips. It is important to note that the rewards have a lasting impression on the employee and it will continue to substantiate the employees' perception that they are valued.

Younes (2012) studied job satisfaction and work performance in the American University in Cairo. This study examined which factors affect employees' job satisfaction and tested the relationship between overall job satisfaction and work performance. The results showed a strong and positive correlation between the overall job satisfaction and the variables of contingent rewards, promotion, supervision, and communication. They also revealed a moderate and positive correlation with co-

workers, pay nature of work, fringe benefits but showed a weak correlation with the variable of operating conditions. In addition, the results indicated no correlation existed between the overall job satisfaction and the demographic variables except showing a moderate positive correlation with employment levels and age and on the contrary showed a weak correlation with the years of experience variable.

Another study was done by Ntarangwi (2009) on the relative importance of factors influencing job satisfaction among safaricom's retail centre agents in Nairobi. The findings of the study showed that salary is an extremely important factor in influencing the job satisfaction of the retail centre agents with 81.9 per cent of the respondents rating it as such. 32.6 per cent of the respondents rated the nature of supervision as not important in influencing the job satisfaction of the retail centre agents. The relative importance of the factors that influence job satisfaction among Safaricom retail agents as rated by the respondents were: salary, responsibility for the job, recognition for a job well done, opportunity for achievement, the job itself, opportunity for advancement, interpersonal relations, working condition, company policies and administration, and nature of supervision. The recommendation from the study was that HR administrators' need to benchmark the salaries for the retail agents to the prevailing market rates in order to maintain or increase the level of job satisfaction for the retail agents since this factor has been identified as being extremely important to the agents.

Musyoki (2012) on a study found a positive relationship between rewards and job satisfaction at the national cereals and produce board. The study found out that the rewards which were used by the organization was the basic pay, either allowance or housing, medical cover, leave allowance, sick leave, promotion, training, life insurance, retirement benefits other than the legally required like NSSF, any personal services and performance based pay. There was a strong positive correlation between employee job satisfaction and rewards. At the same time the results indicates a strong correlation between rewards and job satisfaction in regard to the general working condition; pay and promotional potential; job design and job feedback. The findings indicate that the level of employee job satisfaction in the organization is dependent on the rewards.

The three studies on rewards showed that these factors affect employee job satisfaction. However, two were done in the private sector while one was done in a parastatal. This study focused on the county government of Nyeri which might have different ways of rewarding and recognizing its employees.

2.4 Conceptual Framework

Mugenda and Mugenda (2003) define conceptual framework as a concise description of the phenomenon under study accompanied by a graphical or visual depiction of the major variables of the study. A conceptual framework is also a diagrammatical representation that shows the relationship between dependent variable and independent variables (Shields & Rangarjan, 2013). In the study, the conceptual framework looked at factors influencing employee job satisfaction. The conceptual framework for this study is presented in Figure 2.1

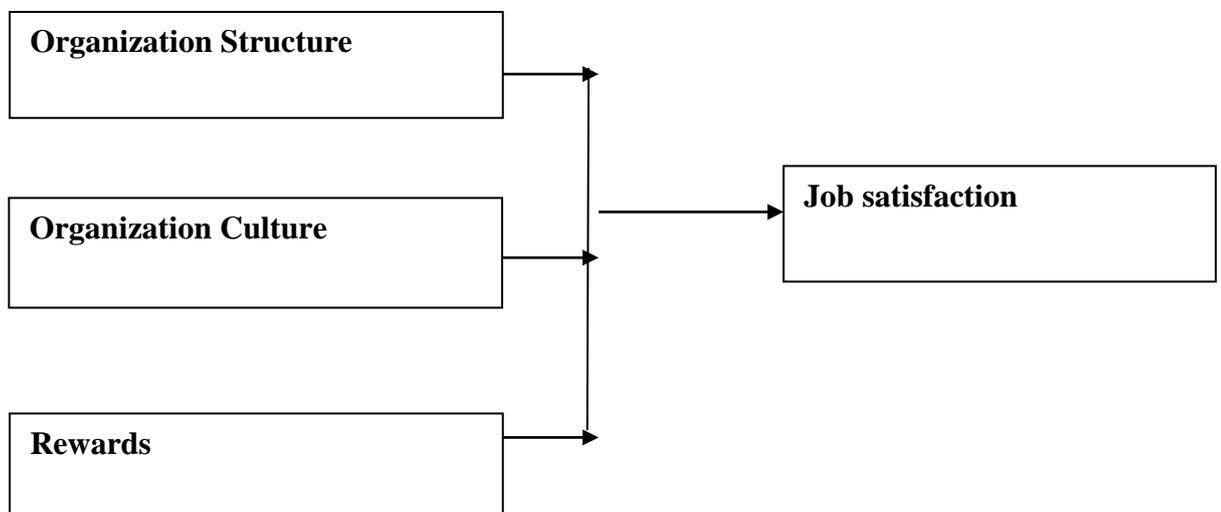


Figure 2.1: Conceptual framework

2.5 Operationalization

Operationalization refers to the strict process of defining variables into measurable factors (Gray, 2004). The process allows the study variables to be measured, empirically and quantitatively. It sets the exact definitions of each variable, increasing the quality of the results, and improving the robustness of the design. In this case, the independent variables include: organization structure, organization culture and rewards.

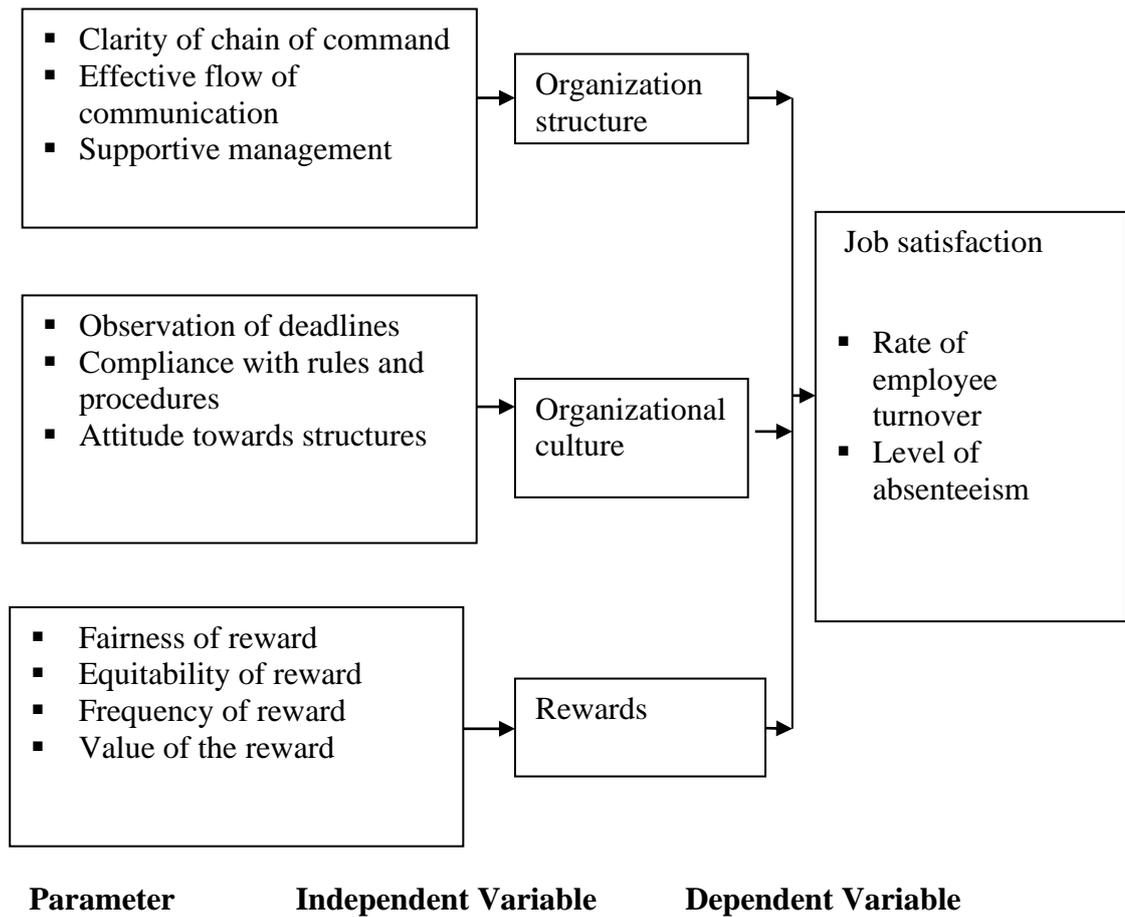


Figure 2.2: Operationalization framework

2.6 Summary and research gap

The reviewed literature has shown that employee job satisfaction is affected by the organization structure, culture, working environment and rewards. However, most of the empirical studies were done in the private sector and various industries. Their findings cannot therefore be generalized to the devolved government. This leaves a research gap which this study intends to fill.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter presents the methodology of the study. It outlines how the study was carried out. The chapter presents the research design, the target population, sample design and sample size, instrumentation, data collection methods, data analysis and ethical considerations.

3.2 Research Design

Descriptive survey was the best strategy to fulfil the objectives of this study. According to Welman, Kruger and Mitchell (2006) the research design describes the plan in which information is collected from the research participants. This research problem was best studied through the use of a descriptive design.

Descriptive research portrays an accurate profile of persons, events, or situations. Surveys allow collection of large amount of data from a sizeable population in a highly economical way. It allows one to collect quantitative data which can be analysed quantitatively using descriptive and inferential statistics (Saunders, Lewis & Thornhill 2015).

3.3 Target Population

Mugenda and Mugenda (2003) defined the target population as that population to which a researcher wishes to generalize result of a study. The study population consisted of the 204 managers and 1,897 employees from Nyeri County government; as of end of 2015, making a total of 2,101 People. Nyeri County is one of the counties that have attracted bad publicity from serial strikes from their staff.

3.4 Sampling Technique

Collis and Hussey (2013) explain that a sample is made up of some members of a targeted population, an extract from a targeted population, which is still representative of the targeted population. Orodho (2004) affirms that a sample is a selection of items taken from a population and is chosen so that it is fairly representative of the population as a whole; it is a representative subset of the population. The researcher used systematic sampling method to select the sample.

This method involves selecting from an ordered sampling frame (Black, 2004). In this approach, progression through the list is treated circularly, with a return to the top once the end of the list is passed. The process starts by selection of an element from the list at random and then every k^{th} element in the frame is selected using the following formula:

$$k = \frac{N}{n} \quad \text{where}$$

$k = \text{the sampling interval}$

$n = \text{the sample size}$

$N = \text{the population size}$

3.5 Sample Size

Sample size depends on factors such as the number of variables in the study. The number of employees is 1,897 and 204 managers making a total of 2,101 as at April 2015. Yamane (1967) provided a simplified formula for proportions to calculate sample size. The study used Yamane Tora's (1967) formula for sample determination.

$$n = N / (1 + Ne^2) \quad \text{where}$$

$n = \text{the sample size}$

$N = \text{target population} = 2,101$

$e = \text{precision} = 10\%$

Applying the above formula, the sample for questionnaire administration was calculated as follows:

a) Managers' sample

$$\begin{aligned} n &= \frac{204}{1 + 204(0.1^2)} \\ &= \frac{204}{1 + 2.04} \\ &= 67.10 \end{aligned}$$

b) Employees' sample

$$\begin{aligned} n &= \frac{1897}{1 + 1897(0.1^2)} \\ &= \frac{1897}{1 + 18.97} \\ &= 94.99 \end{aligned}$$

Table 3.2 Sample Size

Details	Target population	Sample size	Percentage (%)
Managers	204	67	41
Staffs	1,897	95	59
Total	2,101	162	100

The sample size had 67 managers and 95 staffs. The Human resource manager acted as the informer of the list of managers and other non-manager staffs.

3.6. Data Collection

This section discusses the data collection instrument and data collection methods.

3.6.1 Data collection Instrument

The study used questionnaires to obtain primary data. Orodho (2004) describes questionnaires as measuring instruments that ask individuals to answer a set of questions or to respond to a set of statement. Questionnaires consist of a series of specific, usually short questions that are either asked verbally by an interviewer, or are self-administered by the respondents. Kothari (2004) defines a questionnaire as a document that consists of a number of questions printed or typed in a definite order on a form or set of forms. The questionnaire had open and close ended questions based on the variables of the study.

3.6.2 Methods of Data Collection

The questionnaires was self-administered by the researcher through drop and pick method. Before the actual data collection the researcher was given an introductory letter from the School of Business, Management and economics of Dedan Kimathi University of Technology. The initial visit to the county government of Nyeri was made for the researcher's introduction and familiarization as well as seeking consent to carry out the study.

3.7 Data Analysis and presentation

Data analysis is the process of systematically applying statistical and/or logical techniques to describe and illustrate, condense and evaluate data. Data analysis involves categorizing, ordering, manipulating and summarizing data to obtain answers to research questions. The purpose of data analysis is to obtain meaning from

collected data. Data analysis was conducted using descriptive statistics such as frequencies for the quantitative data and content analysis for the qualitative data (Zikmund, 2003; Asadoorian and Kantarelis,2005).

In addition, inferential statistics were used to reach conclusions that extend beyond the immediate data alone. Inferential statistics were also be used to make judgments of the probability that an observed difference between groups is a dependable one or one that might have happened by chance in this study. Thus, inferential statistics in this study was used to make inferences from the data to more general conditions. SPSS computer software was used to assist in data analysis. The results were presented in charts and Tables.

3.8 Ethical Considerations

Authority to collect data was sought from the university. The respondents were informed about the study and its purpose and could not be forced to participate. In addition, they were informed of the procedure that was to be followed during the research as well as any potential risks. The anonymity and the confidentiality of the respondents was observed.

CHAPTER FOUR

FINDINGS AND DISCUSSION

4.1 Introduction

The broad objective of the study was to investigate role of selected institutional factors on job satisfaction of employees in Nyeri County government. Questionnaires were used to collect data from the respondents of Nyeri County government employees. Data was coded, analyzed and the results obtained using descriptive and inferential statistics guided by the research objectives and research questions. The findings were presented in form of frequency tables and their implications explained. Multiple regression analysis was used to determine the extent of the relationship between the dependent and independent variables.

4.2 Response Rate

Data that was analyzed was obtained from one hundred and thirty three (133) respondents out of the targeted one hundred and sixty two (162) employees of Nyeri County government. Thus the response rate achieved was 82.1%, this response rate was considered to be good (Mangione, 1995).

Table 4.1: Response Rate of Nyeri County Government

Staff category	Targeted (n)	Returned (n)	Percent (%)
Management	67	48	71.6
Non managerial staff	95	85	89.5
Total	162	133	82.1

4.3 Demographic information of the respondents

The background information of respondents was deemed necessary because the ability of the respondents to give satisfactory information on the study variables greatly depended on their job designation, age and the number of years worked in the institution.

4.3.1 Gender of Respondents

The study sought to establish the gender composition in the personnel working with Nyeri County Government.

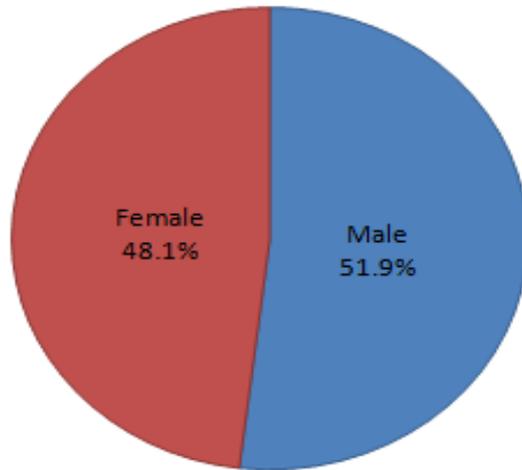


Figure 4.1: Gender of Respondents of Nyeri County Government

Slightly above half of the respondents were male while female accounted for 48.1%. This is an indication that there is no significance gap between the numbers of male and female employees in Nyeri County government. This could be attributed to the nature of work that cut across either gender as long as they possess appropriate qualification.

4.3.2 Age of the Respondents

The age of the respondent has been assessed in many studies by determining the age brackets of various levels of employees in the organization. This study thus sought to establish the age category of the employees in Nyeri County Government.

Table 4.2: Age of the Respondents of Nyeri County Government

Age category	Frequency (n)	Percent (%)
25 years and below	25	18.8
26 to 35 years	30	22.6
36 to 45 years	40	30.1
46 to 55 years	23	17.3
56 years and above	15	11.3
Total	133	100.0

As shown by Table 4.3, the study revealed that 18.8% of the respondent were 25 years and below, 22.6% of the respondents were between 26-35 years, 30.1% were aged between 36-45 years, 17.3% were aged between 46-55 while 11.3% were above 55

years. This is an indication that majority of the respondents were aged between 25-45 years.

4.3.3 Work Experience of Respondents

Work experience with Nyeri County government was sought to establish whether the respondent were fairly familiar with the factors that impact on job satisfaction of employees in Nyeri County government.

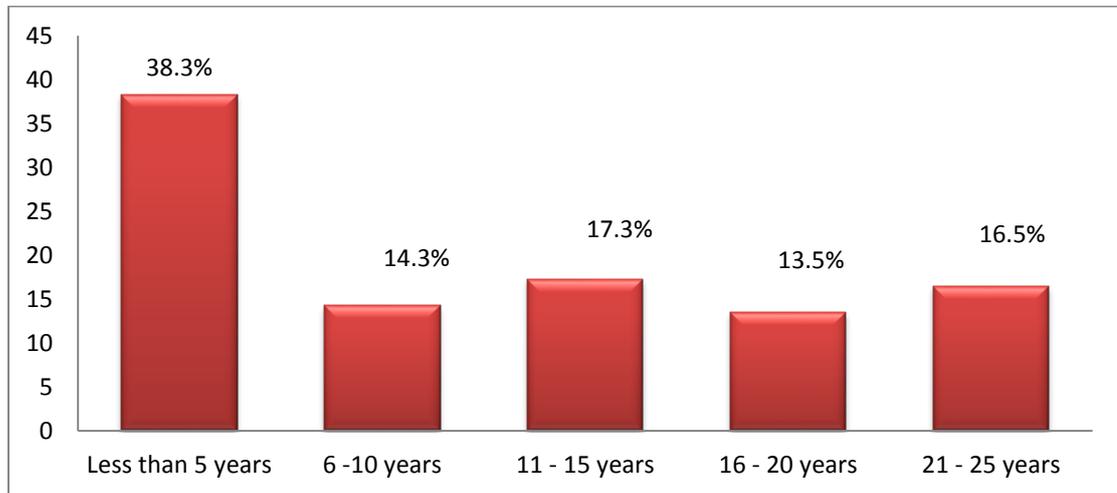


Figure 4.2: Work Experience of Respondents of Nyeri County Government

From the Figure 4.2, slightly above a third of the respondent have worked with Nyeri County government for less than five years about 10% of the respondents have worked for period between 6- 10 years, 11-15 years, 16-20 years or for a period between 21- 25 years. Thus majority of the persons who responded had worked with Nyeri County government for less than five years. This is an indication that after devolved government which has been there for the last five years quite a number of positions were created which necessitated the County government to employee new staff in addition to staff who transited from the former municipal council.

4.4 Organization Structure and Job Satisfaction

Objective one of the study sought to examine the influence of organization structure on employee job satisfaction in Nyeri County government. Descriptive statistic and bivariate linear regression analysis were done to determine the effect of each factor of organization structure on job satisfaction. Table 4.6 to 4.9 shows the effect of each factor of organization structure on job satisfaction in Nyeri County government.

Table 4.3: Descriptive Statistic for Organization Structure of Nyeri County Government

	N	Mean	Std. Error	Std. Deviation
The chain of command is more clear than before	133	4.015	0.08267	0.95334
The county government structure works better than the way it was before devolution	133	3.97	0.06574	0.75819
Devolution improved the lines of communication within the organization	133	3.91	0.06619	0.76335
The management under the county government is very supportive	133	3.045	0.08793	1.01403
With the new structure, employees perform better	133	2.587	0.09251	1.06691
Since devolution, my work load increased	133	2.399	0.04884	0.56327
Valid N (listwise)	133			

As shown in Table 4.3, the chain of command being clearer after devolution than before was highly rated followed by county government structure works better than the way it was before. The study further revealed that devolution improved the lines of communication within the organization while the management under the county government was found to be very supportive with an above average mean score. In addition, the respondents could not clearly indicate whether under the new structure, employees perform better or the work load increased with devolution with an average mean score. The finding of this study revealed that even after having structures that works better, improved communication, clear chain of command the employee performance was still average with new structure. The results of this study asserts earlier study by Commission for the Implementation of the Constitution (2015), which reported disparities in remuneration of different categories of staff in counties and there were also complaints that staff employed directly by county governments, those seconded from the national governments and those absorbed from the defunct

local authorities were earning different salaries even when they performed similar duties. Secondly, there have been complaints that persons working for the national government for jobs similar to those of counties are earning salaries that are significantly different. Therefore such disparities could have an impact on performance. In addition, performance could have impediment due to chaos that that has been witnessed in almost all counties since devolution. Mutai (2014) noted once the county government of Isiolo took over, that there is now more confusion than light, disorder at county offices, deceit on past relations, lack of information and growing elusion. Things were not going in the right direction from onset, early intervention was sabotaged and justice crawled in the woods. Isiolo County government is characterised by management by chaos, pressure on establishment and strain to the limit of governance and social structures. In Nairobi County, a survey conducted by Transparency International (TI) Kenya (2005), in revealed that 41 percent of those interviewed felt that the performance of County governments was poor.

Table 4.4: Model Summary for Organization Structure of Nyeri County

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.055 ^a	.003	-.005	1.20643

a. Predictors: (Constant), Organization structure

From the regression results in Table 4.4, the R value was 0.055 indicating that there is a weak relationship between organization structures on job satisfaction in Nyeri County government. The R squared (R^2) value of 0.003 shows that 0.3 percent of the penetration of job satisfaction in Nyeri County government is explained by organization structures. The remaining 99.7 percent is explained by other factors

Table 4.5: ANOVA for Organization Structure of Nyeri County

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	.581	1	.581	.399	.528 ^b
	Residual	190.667	131	1.455		
	Total	191.248	132			

a. Dependent Variable: Job satisfaction

b. Predictors: (Constant), Organization structure

The model was insignificant with the F ratio = 0.399 at p value 0.528 > 0.05. This is an indication that organization structures when considered singly has an insignificant effect on job satisfaction in Nyeri County government.

Table 4.6: Regression Coefficients of Organization Structure of Nyeri County

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	3.200	.481		6.655	.000
1 Organization structure	.079	.125	.055	.632	.528

a. Dependent Variable: Job satisfaction

Organization structure had positive but insignificant effect on job satisfaction in Nyeri County government with $\beta = 0.079$ at p value 0.528 which is greater than 0.05. According to Rehman & Abbas (2014), organizations that are very hierarchical are usually referred to as having vertical organizational structures. Most of the time, these organizations want their employees having more limited scopes and performing their jobs in particular precise ways with little variation. Therefore, they have many layers of management to oversee that things are done correctly and uniformly.

4.5 Organizational Culture and Job Satisfaction

Objective two of the study sought to examine the extent to which organizational culture influences job satisfaction of employees in Nyeri County government. Descriptive statistic and bivariate linear regression analysis were done to determine the effect of each factor of organization culture on job satisfaction. Table 4.7 to 4.10 shows the effect of each factor of organization culture on job satisfaction in Nyeri County government.

Table 4.7: Descriptive Statistic for Organizational Culture of Nyeri County

	N	Mean	Std. Error	Std. Deviation
The organizational norms and values changed with devolution	133	4.429	0.05776	0.66613
After devolution, the working procedures become better	133	3.692	0.06766	0.78025
The employees always comply with the rules and procedures in the county government	133	3.218	0.10256	1.18282
The county government has an all embracing culture than the old national government	133	2.902	0.08258	0.95239
I like the new culture in the county government	133	2.376	0.07364	0.84926
Valid N (listwise)	133			

From Table 4.7, the study revealed that organizational norms and values changed with devolution were highly rated followed by the working procedures which became better after devolution. In addition, employees were found to comply with the rules and procedures in the county government with an above average mean score. The findings further indicated that it was not clear to tell whether the county government has an all embracing culture than the old national government with average mean score. The finding of the study indicated that even though the procedures became better after devolution, organizational norms and values changed with devolution, employees complied with the rules and procedures in the county government the county government do not have an all embracing culture and employees do not really like the new culture.

Table 4.8: Model Summary of Organizational Culture of Nyeri County

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.242 ^a	.058	.051	1.17242

a. Predictors: (Constant), Organizational culture

From the regression results in Table 4.8, the R value was 0.242 indicating that there is a weak relationship between organizational culture on job satisfaction in Nyeri County government. The R squared (R^2) value of 0.058 shows that 5.8 percent of the penetration of job satisfaction in Nyeri County government is explained by organizational culture. The remaining 94.2 percent is explained by other factors

Table 4.9: ANOVA for Organizational Culture of Nyeri County

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	11.179	1	11.179	8.133	.005 ^b
	Residual	180.069	131	1.375		
	Total	191.248	132			

a. Dependent Variable: Job satisfaction

b. Predictors: (Constant), Organizational culture

The model was significant with the F ratio = 8.133 at p value $0.005 < 0.05$. This is an indication that organization culture when considered singly has a significant effect on job satisfaction in Nyeri County government.

Table 4.10: Regression Coefficients of organizational culture of Nyeri County

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.926	.224		13.045	.000
	Organizational culture	.209	.073	.242	2.852	.005

a. Dependent Variable: Job satisfaction

Organization culture had positive and significant effect on job satisfaction in Nyeri County government with $\beta = 0.209$ at p value 0.005 which is less than 0.05. Ravasi and Schultz (2006) wrote that organizational culture is a set of shared assumptions that guide what happens in organizations by defining appropriate behaviour for

various situations. They noted that it is the pattern of such collective behaviours and assumptions that are taught to new organizational members as a way of perceiving and, even, thinking and feeling. Thus, organizational culture affects the way people and groups interact with each other, with clients, and with stakeholders. In addition, organizational culture may affect how much employees identify with an organization. Auma (2014) studied the effect of elements of organizational culture on employee performance in Moran East African Publishers. This research showed that if employees were committed and had the same norms and values in the organization, this could increase their job satisfaction hence performance towards achieving the overall organizational goals

4.6 Reward System and job satisfaction

Objective three of the study sought to explore the influence of rewards on employee job satisfaction in Nyeri County government. Descriptive statistic and bivariate linear regression analysis were done to determine the effect of each factor of reward on job satisfaction. Table 4.11 to 4.14 shows the effect of each factor of reward on job satisfaction in Nyeri County government.

Table 4.11: Descriptive Statistic for Reward System of Nyeri County

Reward Practice	N	Mean	Std. Error	Std. Deviation
Reward in this organization is less compared with others in same qualification working in private sectors	133	4.105	0.06156	0.70992
Apart from salary, other rewards like house allowance are availed	133	4.068	0.11555	1.33255
Employees are rewarded without delay	133	3.526	0.08443	0.97374
Rewards are given for the job is adequate	133	2.632	0.10752	1.23995
Frequency of reward reviews is satisfactory	133	2.579	0.06768	0.78054
Valid N (listwise)	133			

As shown in Table 4.11, reward in the organization being less compared with others in same qualification working in private sectors was rated highly followed by presence of availability of other rewards like house allowance. Employees' were being rewarded without delay also was rated above average. However the respondents could not clearly tell whether rewards given for the job is adequate and frequency of reward reviews is satisfactory as they had an average rating. The indication was that employees in county government were not satisfied with reward given for the job terming it inadequate. Consequently they felt that their reward is low compared to other employees working in private sector with similar qualifications.

Table 4.12: Model Summary of Reward System of Nyeri County

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.336 ^a	.113	.106	1.13805

a. Predictors: (Constant), Rewards

From the regression results Table 4.15, the R value was 0.336 indicating that there is a weak relationship between rewards on job satisfaction in Nyeri County government. The R squared (R^2) value of 0.113 shows that 11.3 percent of the penetration of job satisfaction in Nyeri County government is explained by reward. The remaining 88.7 percent is explained by other factors

Table 4.13: ANOVA for Reward System of Nyeri County

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	21.582	1	21.582	16.663	.000 ^b
	Residual	169.666	131	1.295		
	Total	191.248	132			

a. Dependent Variable: Job satisfaction

b. Predictors: (Constant), Rewards

The model was significant with the F ratio = 16.663 at p value $0.000 < 0.05$. This is an indication that reward when considered singly has a significant effect on job satisfaction in Nyeri County government.

Table 4.14: Regression Coefficients of Reward System

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.415	.283		8.542	.000
	Rewards	.314	.077	.336	4.082	.000

a. Dependent Variable: Job satisfaction

Reward had positive and significant effect on job satisfaction in Nyeri County government with $\beta = 0.314$ at p value 0.000 which is less than 0.5. According to Kelly & Cole (2011), reward is something that an organization gives to the employees in response of their contribution and performance. The finding of this study that reward had significant effect on job satisfaction asserts earlier finding by Younes (2012), who found a strong and positive correlation between the overall job satisfaction and the variables of contingent rewards, promotion, supervision, and communication. This study further supports Njung'eh (2014) who noted that Nyeri county workers have taken to the streets more than once protesting against unfair treatment from the Nyeri county government. According to Njung'eh, workers downed tools demanding salary arrears amounting to Kshs. 50 million. Other complaints included poor working conditions, lack of uniforms and protective gears as well as being employed on casual basis for more than 15 years. Another study conducted by Ntarangwi (2009), showed that salary is an extremely important factor in influencing the job satisfaction of the retail centre agents

4.7 Role of Selected Institutional Factors and Job Satisfaction

The researcher carried out multiple regression analysis between the independent and dependent variables of the study. In order to conduct multiple regression analysis the set of items that measured each independent variable were aggregated by computing the average. Multiple regression analysis was then used to test whether there existed interdependency between independent variables (organization structure, organizational culture and rewards) and dependent variable (job satisfaction). The findings of the multiple regression analysis for each of the three independent variables are discussed in Table 4.15 to Table 4.18.

Table 4.35: Multiple Regression for Role of Selected Institutional Factors of Nyeri County

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.443 ^a	.196	.178	1.09157

a. Predictors: (Constant), Rewards, Organization structure, Organizational culture

From the regression results above, the R value was 0.443 indicating that there is a positive relationship between organizational structure, organizational culture and rewards on job satisfaction in Nyeri County government. The R squared (R^2) value of 0.196 shows that 19.6 percent of job satisfaction in Nyeri County government is explained by Selected Institutional Factors of Nyeri County. The remaining 80.4 percent is explained by other factors

Table 4.16: ANOVA for Reward Role of Selected Institutional Factors of Nyeri County

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	37.541	3	12.514	10.502	.000 ^b
	Residual	153.707	129	1.192		
	Total	191.248	132			

a. Dependent Variable: Job satisfaction

b. Predictors: (Constant), Rewards, Organization structure, Organizational culture

The model was significant with the F ratio = 10.502 at p value $0.000 < 0.05$. This is an indication that organizational structure, organizational culture and rewards when combined had significant effect on job satisfaction in Nyeri County government.

Table 4.17: Coefficients of Reward Role of Selected Institutional Factors

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	1.474	.541		2.726	.007
Organization structure	.038	.116	.027	.327	.744
Organizational culture	.247	.071	.284	3.492	.001
Rewards	.351	.075	.375	4.704	.000

a. Dependent Variable: Job satisfaction

Organizational culture and reward had positive and significant effect on job satisfaction in Nyeri County government with $\beta = 0.247$ at p value 0.001 and $\beta = 0.351$ at p value 0.000 which is less than 0.05, Organization structure had a positive but insignificant effect on job satisfaction in Nyeri County government with $\beta = 0.038$ at p value 0.744 which is greater than 0.05. The regression equation for this study can be stated as: $Y = 1.474 + 0.038X_1 + 0.247X_2 + 0.351X_3 + e$. This implies that holding all factors constant, job satisfaction in Nyeri County government would be 1.474.

The finding of the study that organizational culture had positive and significant effect on job satisfaction in Nyeri County government concurs with Omega (2012) who found out that organizational culture have a direct relationship with the job satisfaction of employees. According to Kiiru (2014), organizational values, employees' attitudes towards work and the cultural traits influence various aspects of their performance such as employee satisfaction, the quality of their services, their revenue growth and overall performance in a positive way.

In addition, the finding of the study that reward had positive and significant effect on job satisfaction in Nyeri County government assert earlier findings by Musyoki (2012) who found a positive relationship between rewards and job satisfaction. Another study done by Ntarangwi (2009), showed that salary is an extremely important factor in influencing the job satisfaction.

Organization structure had a positive but insignificant effect on job satisfaction in Nyeri County government contradicts Rehman & Abbas (2014), who noted that employees do best when they know who to report to. They stated that organizations that are very hierarchical are usually referred to as having vertical organizational structures. However according to this study such structure may not have a major effect on job satisfaction in Nyeri County government.

Further descriptive statistics revealed that devolution brought about clear chain of command, better work structures, and effective working procedures although it is associated with numerous changes of structures, culture, norms and values which the employees had to embrace to be satisfied in the work place. In additions, inferential

statistic revealed that reward system and organization culture had significant effect on job satisfaction which is an indication that county government should put more emphasis on coming up with a reward system which should be applied fairly across the board.

4.8 Job Satisfaction

Employee job satisfaction is important in an organization since employees who are satisfied are likely to produce superior quality performance in optimal time and lead to growing profits. This study therefore sought to establish the level of employee satisfaction in Nyeri County government.

Table 4.18: Descriptive Statistic for Job Satisfaction

	N	Minimum	Maximum	Mean	Std. Deviation
My job satisfaction level has been rising in the last three years	133	1.00	5.00	2.4060	1.57171
Many are the times i feel satisfied by my work	133	1.00	5.00	2.3910	1.61824
The number of staff unrest/strikes have been increasing in the last three years	133	1.00	5.00	2.3684	1.55930
The number of my colleagues who have resigned have been increasing in the last three years	133	1.00	5.00	2.2481	1.54432
Valid N (listwise)	133				

As indicated in Table 4.18, the study reveals that staff tends to be neutral about their level of job satisfaction with each parameter registering as mean score of between 2.2481 to 2.4060. The finding of this study supports Veitch, Stokkermans&Newsham (2011), who defined job satisfaction as contentment or lack of it arising out of interplay of employee's positive and negative feelings toward his or her work. Hausknecht, Rodda and Howard (2009) noted that employee satisfaction is becoming

more challenging for companies including the public sector due to a number of factors such as availability of the right talent in some fields, manager- employee relations, competition, differences in the level of employer-employee expectations, the high cost associated with hiring new talents, among others. This assertion therefore indicates that there are numerous factors that employees consider when rating satisfaction level within the organization.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter presents the summary of the research work undertaken, discusses the research findings, the conclusions that were drawn, recommendations made, knowledge gained and the suggested areas of further research based on the analyzed data related to the general and specific objectives of the study.

5.2 Summary

The general objective of the study was to investigate role of selected institutional factors on job satisfaction of employees in Nyeri County government. The study specifically determined the effect of organization structure, organization culture and reward on employee job satisfaction in Nyeri County government.

5.2.1 Organization Structure and Job Satisfaction

The first objective of the study was to examine the influence of organization structure on employee job satisfaction in Nyeri County government. In order to ascertain the relationship between organization structure and employee job satisfaction, the researcher carried out both descriptive and bivariate regression analyses. The regression results indicated a positive but insignificant relationship between organization structure and employee job satisfaction. At 5% level of significance the p-value was 0.744. The findings of the study further indicated that that devolution brought about better structures, improved communication, clear chain of command although employee performance was still low with new structure.

5.2.2 Organizational Culture and Job Satisfaction

The second objective of the study was to examine the extent to which organizational culture influences job satisfaction of employees in Nyeri County government. In order to ascertain the relationship between organization culture and employee job satisfaction, the researcher carried out bivariate and multiple regression analyses. The regression results indicated a positive and significant relationship between organization culture and employee job satisfaction. At 5% level of significance the p-value was 0.001. The findings of the study further indicated that that even though the procedures became better after devolution, organizational norms and values changed

with devolution though the change did not result to embracing culture and employees do not rely like the new culture.

5.2.3 Reward and Job Satisfaction

The third objective of the study was to explore the influence of rewards on employee job satisfaction in Nyeri County government. In order to ascertain the relationship between organization reward and employee job satisfaction, the researcher carried out bivariate and multiple regression analyses. The regression results indicated a positive and significant relationship between organization reward and employee job satisfaction. At 5% level of significance the p-value was 0.000. The findings of the study further indicated that employees in county government were not satisfied with reward given for the job terming it inadequate. Consequently they felt that their reward is low compared to other employees working in private sector with similar qualifications.

5.3 Conclusions

The studies revealed that majority of the employees working with Nyeri County government were clerical staff which is a reflection of various nature of business where clerical staffs form the majority. In addition, majority of the persons who responded had worked with Nyeri County government for less than five years which is an indication of the period the devolved government has been in place.

5.3.1 Organization Structure and Job Satisfaction

The study revealed that organization structure had positive but insignificant effect job satisfaction in Nyeri County government when considered singly and when combined with other factors under consideration. This study therefore concludes that organization structure is not a major factor that influence job satisfaction in Nyeri County government. Even though structures did not have significant effect, the study further indicated that devolution brought about better structures, improved communication; clear chain of command which had positive effect on job satisfaction.

5.3.2 Organizational Culture and Job Satisfaction

The study established that organizational culture had positive and significant effect job satisfaction in Nyeri County government when considered singly and when combined with other factors under consideration. This study therefore conclude that County governments should develop organizational culture programs which has to be implemented at all levels of the organizations in order to improve job satisfaction. The culture that is embraced by all the staff would enhance job satisfaction and it would ensure that equity is being observed at their work places which support equity theory. This theory shows how person views fairness in regard to social relationships such as with an employer and the perception is more likely to have job satisfaction affect.

5.3.3 Reward and Job Satisfaction

Further, the study established that rewards had positive and significant effect job satisfaction in Nyeri County government when considered singly and when combined with other factors under consideration. This study therefore concludes that County government should focus on reviewing the rewarding members of staff in order to enhance job satisfaction.

5.3.4 Job Satisfaction

The study revealed that staff level of job satisfaction with each parameter registering is below average as mean score ranged between 2.2481 to 2.4060. This is an indication that employee satisfaction is becoming more challenging for companies including the public sector due to a number of factors that need to be enhanced such as organization structure, rewards, remuneration, work environment, job characteristic among others.

Job satisfaction is important in an organization since employees who are satisfied are likely to produce superior quality performance in optimal time and lead to growing profits.

The finding of this study supports Veitch, Stokkermans&Newsham (2011), who defined job satisfaction as contentment or lack of it arising out of interplay of employee's positive and negative feelings toward his or her work. Hausknecht, Rodda and Howard (2009) noted that employee satisfaction is becoming more challenging

for companies including the public sector due to a number of factors such as availability of the right talent in some fields, manager- employee relations, competition, differences in the level of employer-employee expectations, the high cost associated with hiring new talents, among others. This assertion therefore indicates that there are numerous factors that employees consider when rating satisfaction level within the organisation.

This may be emphasised by expectancy theory which is based on the assertion of the employees tending to act in a certain way depending on expectation. If these expectations were met, their job satisfaction was likely to increase. Failure to meet such expectations would lead to job dissatisfaction.

5.4 Recommendations

The study findings clearly show that the rewards had positive and significant relationship on job satisfaction in Nyeri County government. Following these findings, this study recommends that Nyeri County governments should come up with a reward system policy that cut across all members of staff after comparing how their counterpart are being rewarded in private sector.

The finding revealed that organizational culture had positive and significant relationship on job satisfaction in County government. Following this finding, this study recommends that County government should develop organizational culture programs which has to be implemented at all levels of the organizations geared towards enhancing job satisfaction.

In addition, the finding of the study revealed that devolution brought about better structures, improved communication; clear chain of command despite few challenges associated with devolution such as low performance, drastic change in culture which was could not embrace all member. Based on these finding, the study recommend that County government should set targets in order to address the issues of lower performance.

5.5 Areas of Further Studies

The present study was carried in Nyeri County government. It is suggested that a study focusing on role of selected institutional factors on job satisfaction of

employees in national government should be put into consideration. This study considered three variables, namely organization structure, organizational culture and reward. Future researchers should also focus on other types of composition variables such as working conditions, leadership style and motivation among other to establish their relationship with employee job satisfaction in County government.

Finally, future researcher should find out the challenges County government face when addressing factors affecting employee job satisfaction after devolution.

REFERENCES

- Asadoorian, A. & Kantarelis, D. (2005). *Essentials of Inferential Statistics*. U.S.: University Press of America
- Auma, E. (2014). *Effect of elements of organizational culture on employee performance: a case of Moran E.A publishers*. Thesis, University of Nairobi
- Ayoo, B. (2011). *Effects of corporate restructuring on employee job satisfaction in Kenya commercial bank Nairobi region*. Thesis, University of Nairobi
- Baron, R. & Greenberg, J. (2003). *Behavior in Organizations: Understanding and Managing the Human Side of Work*. New York: Prentice Hall
- Black, K. (2004). *Business Statistics for Contemporary Decision Making* (4th edition). New Delhi: Wiley
- Blackman, A. & Hurst, P. (2013). An Exploration of the Relationship Between Learning Organizations and the Retention of Knowledge Workers. *The Learning Organization*, Volume 14(3): 204-221
- Borkowski, N. (2009). *Organizational Behavior in Health Care*. Boston: Jones & Bartlett Learning
- Boyens, M. (2007). Organizational socialization, career aspirations and turnover intentions among design engineers. *Leadership and Organization Development Journal*, 26 (6): 424- 441
- Christen, M., Iyer, G. and Soberman, D. (2006). Job Satisfaction, Job Performance, and Effort: A Re-examination Using Agency Theory. *Journal of Marketing*, 70(1): 137-150.
- Collis, J. & Hussey, R. (2013). *Business Research: A Practical Guide for Undergraduate and Postgraduate Students*. Australia: Palgrave Macmillan.
- Commission for the Implementation of the Constitution (2015). *Assessment of implementation of the transferred functions to the county governments*. Nairobi: CIC.
- Feldt, C. & Woelfel, C. (2009). Five-factor personality domains, self-efficacy, career-outcome expectations, and career indecision. *Psychology and Behavioral Sciences* 43(2): 429-437
- Fisher, A., Laing, J. & Stoeckel, J. (1983). *Handbook for Family Planning Operations Research Design* (2nd edition). Washington D.C. Population Council.
- Grey, C. & Garsten, C. (2001). *Trust, Control and Post-Bureaucracy*. London: Sage Publishing.

- Hausknecht, P., Rodda, M. & Howard, J. (2009). *Targeted Employee Retention: Performance-Based and Job- Related differences in reporting reasons for staying*. Cornell University: Center for Advanced Human Resource Studies.
- Hyun, S. (2009). Re-examination of Herzberg's Two-Factor Theory of Motivation. *Journal of Management* 5(3): 48-55.
- Issak, A. (2014). *Influence of head teachers' leadership styles on teachers' levels of job satisfaction in secondary schools, Mandera County, Kenya*. Thesis, University of Nairobi.
- Kelly, P. & Cole, G. (2011). *Management Theory and Practice* (7th Edition). UK: Cengage Learning.
- Kenya Law Reform Commission (2014). *Constitution of Kenya: Devolved government*. Nairobi: GOK.
- Khalifa, M. & Truong, Q. (2010). The Relationship between Employee Perceptions of Equity and Job Satisfaction in the Egyptian Private Universities. *Eurasian Journal of Business and Economics* 3 (5): 135–150.
- Kiiru, S. (2014). *The influence of organizational culture on performance of hospitals in Nairobi, Kenya*. Thesis, Kenyatta University.
- Koontz, H. (2010). *Essentials of Management*. Thousand Oaks: Tata McGraw-Hill Education.
- Kothari, C. (2004). *Research methodology, methods and techniques*. New Delhi: New Age International (P) LTD Publishers.
- Mangione, T.W. (1995). *Mail Surveys: Improving the Quality*, Thousand Oaks, Calif: Sage
- McConville, T., & Holden, L. (1999). The filling in the sandwich: HRM and middle a. managers in the health sector. *Personnel Review*, 28(5/6): 406-424.
- Mugenda, O. & Mugenda, A. (2003). *Research methods; Quantitative and Quantitative Approaches*. Nairobi: Acts.
- Musyoki, M (2012). *The relationship between rewards and job satisfaction at the national cereals and produce board*. Thesis, University of Nairobi.
- Mutai, A. (2014). *Devolution on Trial in Kenya: Case Study on Isiolo County*. Somalia: Tres Thomas.
- Myrna, G. (2008). *Recruitment and Selection, Hiring the right person*. USA: SHRM,
- National Council for Law Reporting (Kenya), (2010). *The Constitution of Kenya*. Nairobi: Government Printers.

- Ntarangwi, F. (2009). *Relative importance of factors influencing job satisfaction among Safaricom's retail Centre agents in Nairobi*. Thesis, University of Nairobi.
- Odhiambo, J. (2009). *Factors influencing job satisfaction of nurses in Kenya: case of new Nyanza general hospital, Kisumu city*. Thesis, University of Nairobi.
- Omega, P. (2012). *The perceived relationship between organizational culture and employees' job satisfaction at Kenya Commercial Bank*. Thesis, University of Nairobi.
- Ongori, H. & Agolla J. (2009). Paradigm shift in managing career plateau in organization: The best strategy to minimize employee intention to quit. *African Journal of Business Management*, 3(6): 268-271.
- Orodho, A.J. (2004). *Techniques of Writing Research Proposal and Report in Education and Social Science*. Nairobi: Mosala Publishers.
- Ravasi, D. & Schultz, M. (2006). Responding to organizational identity threats: Exploring the role of organizational culture. *Academy of Management Journal* 49 (3): 433–458.
- Rehman, K. & Abbas, M. (2014). HR Practices and Leadership Styles as Predictors of Employee Attitude and Behaviour. *Journal of Social Sciences*, 14(2): 472-474.
- Saunders, M., Lewis, P. & Thornhill, A. (2015). *Research Methods for Business Students (7th Edition)*. New York: Pearson Education Limited.
- Shields, P. & Rangarjan, N. (2013). *A Playbook for Research Methods: Integrating Conceptual Frameworks and Project Management*. Oklahoma: New Forums Press.
- Spector, P.E. (2008). *Industrial and Organizational Behavior (5th edition)*. New Jersey: Wiley
- Sweney, P. & McFarlin, D.B. (2005). *Organizational Behavior, Solutions for Management*. New York: McGraw-Hill/Irwin.
- Transparency International Kenya (2013). *County governments performance satisfactory - survey*. Nairobi: Transparency International.
- Veitch, J., Stokkermans, M. & Newsham, G. (2011). *Environmental satisfaction: more than a hygiene factor NRC Institute for Research in Construction*. Canada: National Research Council Canada.
- Walster, E., Walster G.W. & Berscheid, E. (1978). *Equity: Theory and Research*. Chicago: Allyn and Bacon, Inc.

- Wanyama, S. (2007). *Effects of organizational climate on job satisfaction among middle level employees of the higher education Loans board in Kenya*. Thesis, University of Nairobi.
- Welman, C., Kruger, F. & Mitchell, B. (2006). *Research Methodology* (3rd edition). Johannesburg; Southern Africa.
- World Bank. (2014). *Devolution Without Disruption— Pathways to a Successful New Kenya*. Nairobi: World Bank.
- Younes, M. (2012). Job satisfaction and work performance: a case study of the American University in Cairo (AUC). *Journal of Research* 5(3): 70-73.
- Zikmund, W. (2003). *Business Research Methods* (7th Edition). New Jersey: Thomson/South-Western.

APPENDIX I- QUESTIONNAIRE

The questionnaire aims to collect data on the role of selected institutional factors on job satisfaction of employees in Nyeri county government. Please tick where applicable

Section A: Demographic Data

1. What is your gender?

- a) Male ()
- b) Female ()

2. In which age bracket are you?

- a) 25 years and below ()
- b) 26-35 years ()
- c) 36-45 years ()
- d) 46-55 years ()
- e) 56 years and above ()

3. What is your designation?

- a) Manager ()
- b) Staff ()

4. For how long have you worked in your current organization?

- a) Less than 5 years ()
- b) 6-10 years ()
- c) 11-15 years ()
- d) 16-20 years ()
- e) 21-25 years ()
- f) More than 25 years ()

Section B: Effect of the Organisational Structure

5. Kindly indicate your level of agreement/disagreement with the following statements where SA = Strongly Agree, A= Agree, N= Neutral, D= Disagree and SD= Strongly Disagree

Details	SA	A	N	D	SD
The organization structure is better from the way it was before devolution					
The county government structure works better than the national government structure					
The chain of command is more clear than before					
Since devolution, my work load increased					
Devolution caused retrenchment of some employees in this organization					
Devolution improved the lines of communication within the organization					
The management under the county government is very supportive					
With the new structure, employees perform better					

Section C: Effect of Organizational Culture

6. Kindly indicate your level of agreement/disagreement with the following statements where SA = Strongly Agree, A= Agree, N= Neutral, D= Disagree and SD= Strongly Disagree

Details	SA	A	N	D	SD
The county government has an all embracing culture than the old national government					
After devolution, the working procedures become better					
The management of the county government is more supportive than during the national government					
The employees always comply with the rules and procedures in the county government					
The organizational norms and values changed with devolution					
I like the new culture in the county government					
The organizational culture affects employees' job satisfaction					

Section D: Effects of Reward Systems

7. Kindly indicate your level of agreement/disagreement with the following statements where SA = Strongly Agree, A= Agree, N= Neutral, D= Disagree and SD= Strongly Disagree

Details	SA	A	N	D	SD
I always get rewarded when a do a good job					
My reward always comes without delay					
Apart from salary, I get other rewards like house allowance					
I am satisfied with the reward I am receive in relation to the work I do					
I am satisfied with the frequency of reward reviews					
People with the same academic qualifications that I have and working in the private sector are paid better than me					
I am satisfied with how often my efforts are recognized					
I get frequent opportunities for advancement in my career					

Section F: Job Satisfaction

8. Kindly indicate your level of agreement/disagreement with the following statements where SA = Strongly Agree, A= Agree, N= Neutral, D= Disagree and SD= Strongly Disagree

Details	SA	A	N	D	SD
My job satisfaction level has been rising in the last three years					
Many are the times i feel satisfied by my work					
The number of my colleagues who have resigned have been increasing in the last three years					
The number of staff unrest/strikes have been increasing in the last three years					

Thank you for your participation

APPENDIX II-INTRODUCTION LETTER

Brendah Wangeci

Dear sir/Madam

RE: REQUEST TO COLLECT DATA ON THE ROLE OF SELECTED
INSTITUTIONAL FACTORS ON JOB SATISFACTION OF EMPLOYEES IN
NYERI COUNTY GOVERNMENT, KENYA

My name is BrendahWangeci of registration number B211-02-1499/2013. I am a finalist in Dedan Kimathi University of Technology studying Master of Business Administration (Human Resource Option). Data collection is part of the degree completion requirement. I therefore request you to kindly participate in the study and provide the required information. I will really appreciate your participation. Confidentiality will be highly observed.

Yours faithfully,

Brendah Wangeci