

**THE MEDIATING EFFECT OF EMPLOYEE ENGAGEMENT
ON THE RELATIONSHIP BETWEEN EMPLOYEE REWARDS
AND JOB PERFORMANCE OF NURSES IN KENYAN
NATIONAL REFERRAL HOSPITALS**

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ABSTRACT

The Kenya health sector has experienced myriad of challenges. From the nurse's perspective reports indicate severe shortage of nurses, increase workload, rising out- migration, inadequate facilities and persistent industrial action undermining nurses' ability to provide dignified and competent healthcare. Hospitals therefore are losing highly competent nurses who are replaced mostly by new graduates, thus it is important to establish the effects of rewards and competences on service delivery of the existing nurses. The extension of role boundaries and role blurring is likely to undermine job performance in respect to competences and job demands. The national referral hospitals are relatively large facilities that often operate beyond capacity and have critical patients that overstretched both human and physical resources. This study sought to examine the mediating effect of employee engagement on the relationship between employee rewards and job performance of nurses in Kenyan national referral hospitals. This study was guided by the positivist approach since it's anchored on theory and, further because it intends to test hypothesis. This study adopted a descriptive cross-sectional survey research design. The study was carried out in all the four National Referral Hospital in Kenya namely Kenyatta National Hospital, Moi Teaching and referral Hospital Mathare Teaching and Referral Hospitals and National Spinal Injury. The target population for this study was 2,757 nurses in all the four national hospitals obtained through data query by the Human Resource department at the Ministry of Health and preliminary visit to HR departments of respective hospitals for data verification. A sample of 296 respondents was selected using Cochran formula (1963). Primary data was collected through semi structure questionnaires that were administered to the nurses. During data analysis, the study utilized both descriptive and inferential statistics. Descriptive statistics provided percentages,

mean, standard deviation and coefficient of variation of the demographic characteristics and inferential statistics illustrated the regression analysis. The study concluded that the influence of employee rewards on job performance was positive and significant. Employee rewards explained 74.1 percent change in job performance. The influence of employee rewards on employee engagement was also significant and employee rewards explained 59.4 percent change in employee engagement. The effect of employee engagement on job performance was equally significant as shown by 70.4 percent of the variance in job performance being explained by employee engagement. The study recommended that managers of organization take note that employee rewards only account for 35.3 percent level of engagement and employee engagement is responsible for 79.9% change in job performance. Therefore, managers need to ensure employee engagement enhancing activities are in place to sustain culture of excellent job performance.

Keywords: *Employee Engagement, Employee Rewards, Job Performance, Nurses & Kenyan National Referral Hospitals.*

1.1 INTRODUCTION

Employee engagement occurs when one employs and expresses themselves physically, mentally and emotionally when performing tasks and disengagement is the withdrawal of employees from doing their duties (Kahn, 1990). Engagement is being affectively present when performing a role and involves mindfulness and engrossment. Mindfulness refers to cognitive availability and the amount of time one uses pondering about a role while engrossment means being immersed in and the aggressiveness of one's focus on a role. Engagement is also a positive, fulfilling, work-related state of mind characterized by zeal, devotion and immersion (Schaufeli *et al*; 2010). Possibilities exists where employees are engaged but not contributing positively to work outcome or pretend to be working especially in the presence of their supervisors.

Engaged workers contribute to the firm success, whereas disengaged workers are disillusioned, potentially exhausted, very bitter, totally disconnected to the company goals, underutilized, are involved in contagious negativity and they sleep walking through the work day complaining as they wait to collect their pay cheque (Blessingwhite, 2014). Studies indicate that engaged workers have greater attachment to the company, lower tendency to leave, highly values the firm and identify with their jobs (Schaufeli *et al*; 2010). For a long time Utrecht Work Engagement Scale of Schaufeli and Bakker (2003) which captures zeal, devotion and immersion was the popular measure of employee engagement, however Rich *et al*, (2010) developed an improved scale that captures physical, emotional and cognitive dimension of employee engagement as conceptualized by Kahn in 1990 and this tool was adopted for this study.

Rewards comprise financial and non-financial consideration given to employees for the attainment of firms' goals. Rewards compensate workers for their services, value and commitment to organizational goals (Chen *et al*; 2015). Rewards include pay, employee benefits and welfare programs (Anitha, 2014). However people work for more than monetary benefits and total rewards approach incorporate intrinsic factors of provision of feedback, training and development, praise, recognition, status, listening and addressing staff issues of enriching jobs, moving from lower to higher level in organizational hierarchy and work-life balance to be part of total rewards mix (Sejen, 2011).

Rewards therefore encompass everything that employee's value in working for a particular employer and aims to attract, engage and retain key staff for competitive edge (Al-Jarradi, 2011). The measurement of employee rewards was based on the elements of pay, promotion, job security, autonomy, respect from colleagues, challenging work assignments, praise; token of appreciation, recognition and opportunities for training and development as used by Saks, (2006) in his study with some slight improvements. Job performance refers to task proficiency, efficient communication skills, demonstration of superior effort, good interpersonal relations, peer and team performance that contribute to attainment of firm's goals (Campbell, 1993). Job performance is one's potential to achieve work target objectives, fulfill expectation, attain job targets and attain set standards prescribed by the organization that has a direct link with the firm's success (Mensah, 2015).

A study done by Koopmans *et al.* (2014) concluded that the completeness of job performance consist of contextual, adaptive, task and counterproductive performance. Task performance refers to conducts that contribute to evolutionary growth and sustenance of the organization; contextual performance supports the social and psychological context in which tasks are executed. Adaptive performance is one's ability to handle emergencies, work stresses, crisis, being creative and adapting to change. Counterproductive performance captures behaviors of absenteeism, lateness, off-task behavior, theft, arguing, deviance, destructiveness, antisocial, unruliness and substance abuse that hinders attainment of firms goals. Counterproductive performance violates organizational norms, is a form of production deviance and withdrawal from tasks which are detrimental to the interest of the firm (Mensah, 2015). This study used these four dimensions of Koopmans *et al.* (2013) to measure job performance because it is a heuristic conceptual framework that integrates all aspects of individual job performance.

Kenya is bedeviled with chronic diseases of cancer, HIV Aids, malaria and kidney failures among others that subject patients to long term medical care increasing the demand for nurses and their workload (Smith *et al.*; 2016). Studies indicate that nurses abdicated their roles to health care assistants with varied training to take up technical tasks made for doctors leading to extension of role borders and roles blurring which compromises quality of care and patients safety. As health managers try to contain increasing labour cost and mitigate nurse shortage, issues of nurse engagement, job demands and service quality continue to be overlooked.

1.2 Research Problem

Ladner (2015) posits that effective rewards ensure employees are attracted, motivated, effectively engaged and retained for attainment of firm's goals. Job demands involving high work pressure and conflicting roles also undermine job performance; however, quality rewards can help cushions the negative effects of high job demands (Bakker *et al.*; 2015).

The Kenya health sector has experienced myriad of challenges. From the nurse's perspective reports indicate severe shortage of nurses, increase workload, rising out- migration, inadequate facilities and persistent industrial action undermining nurses' ability to provide dignified and competent healthcare (Obaigwa, 2015). The social-economic vulnerability of patients in the public health facilities has made instances of poor service delivery remain unreported and thus patients continue to suffer in silence. Maru *et al.* (2013) study on selected job characteristics and nurse performance indicate that 87 percent of nurses work long hours, 89.7 percent have high intention to quit and 82 percent are not satisfied with their job delivery. A large number of nurses between 21- 40 years with more than two years' experience apply to out migrate every year in search of

better terms and conditions of work (Wakaba et al, 2014). Hospitals therefore are losing highly competent nurses who are replaced mostly by new graduates, thus it is important to establish the effects of rewards and competences on service delivery of the existing nurses

The nurse: patient ratio also stands at 103.4 against 100,000 persons compared WHO recommendations of 250 to 100,000 persons (Kenya Nursing Workforce Report, 2012). The doctor patient ratio stands at 1 doctor for every 10,000 population when WHO recommends 23 doctors for 10,000 populations (Ministry of Health HR Strategy, 2014-2019) forcing nurses to do physicians work whereas health care assistances with varied training are doing nurse work to allow them focus more on professional issues. The extension of role boundaries and role blurring is likely to undermine job performance in respect to competences and job demands. The national referral hospitals are relatively large facilities that often operate beyond capacity and have critical patients that overstretched both human and physical resources. Such settings require nurses to have in-depth competences and appropriate workload and therefore this context was suitable for establishing the interaction of the conceptualized models of this study.

1.3. Research Objectives

To examine the mediating effect of employee engagement on the relationship between employee rewards and job performance of nurses in Kenyan national referral hospitals.

1.4 Research Hypothesis

Ho. Employee engagement mediates the relationship between employee rewards and job performance of nurses in Kenyan national referral hospitals.

2.0 LITERATURE REVIEW

2.1 Theoretical Review

2.1.1 Job Demand - Resource Theory

Job demands (JD) are the physical, psychological and social factors which needs sustained energy on the workers' part and are connected with physical overload, time pressure, work-family conflict, poor interactions with clients, emotional dissonance, poorly designed jobs and high expectations, which requires employees to invest too much efforts leading to anxiety, burnout, stress and depression (Schaufeli *et al*; 2010). JD hinders job performance, causes exhaustion, stress, and reduces dedication (Nahrgang *et al*; 2012). However employees with high JDs and have high job control over those jobs are unlikely to suffer job strain.

Job Resources are features that motivate employees, mitigate JDs and stimulate learning. These features include elements of rewards like pay, career growth, job security; leader and colleague support and team work, role clarity, skill variety and task significance. JR fuel energy and act as barriers against stress by building dedication to and identification with one's job (Bakker & Leiter, 2010). Therefore this means that rewards in form of job resources can help minimize negative effect of job demands and enhance job performance. However, scholars have argued that JD promotes job mastery, personal growth, innovation and job responsibility (Saks, 2006). The theory has also failed to explain why some firms with adequate staff and resources underperform.

2.2 Empirical Literature

In establishing the antecedents and consequences of employee engagement Saks (2006), indicate that intrinsic rewards of psychological worth together with meaningfulness motivate workers to engagement and achievement of work outcomes. Anitha (2014) argues that firms’ performance can be enhanced by nurturing employee engagement which makes workers responsible, develop positive attitude and to go beyond the demands of their job descriptions to perform roles well. While examining the influence of strategic profits, engagement and service climate Casey (2014), advised firms to hire workers with good track record of job engagement, improve work climate, value employees and provide quality rewards.

A study by Sakovska (2012) revealed that employee engagement leads to innovative behavior, customer satisfaction, employee retention, workplace safety; innovativeness and learning. A study by Halm (2015) on employee engagement, a prescription for organizational transformation, suggests that managers should put in place processes that enhance employee contribution into the goals of the firm and rewards practices should incentivize goal achievement, reflect value and support strategic intent of the firm However excessive engagement may lead to burnout and low performance. Employee engagement as mediator between rewards and job performance has not been given much attention and remains unexplored in the Kenyan context, hence the study sought to bridge this gap.

2.3. The Conceptual Framework

The conceptual model presented in figure 1 depicts the relationship employee rewards, employee engagement and job performance as the dependent variable. The model proposes that employee reward has a direct influence on job performance.

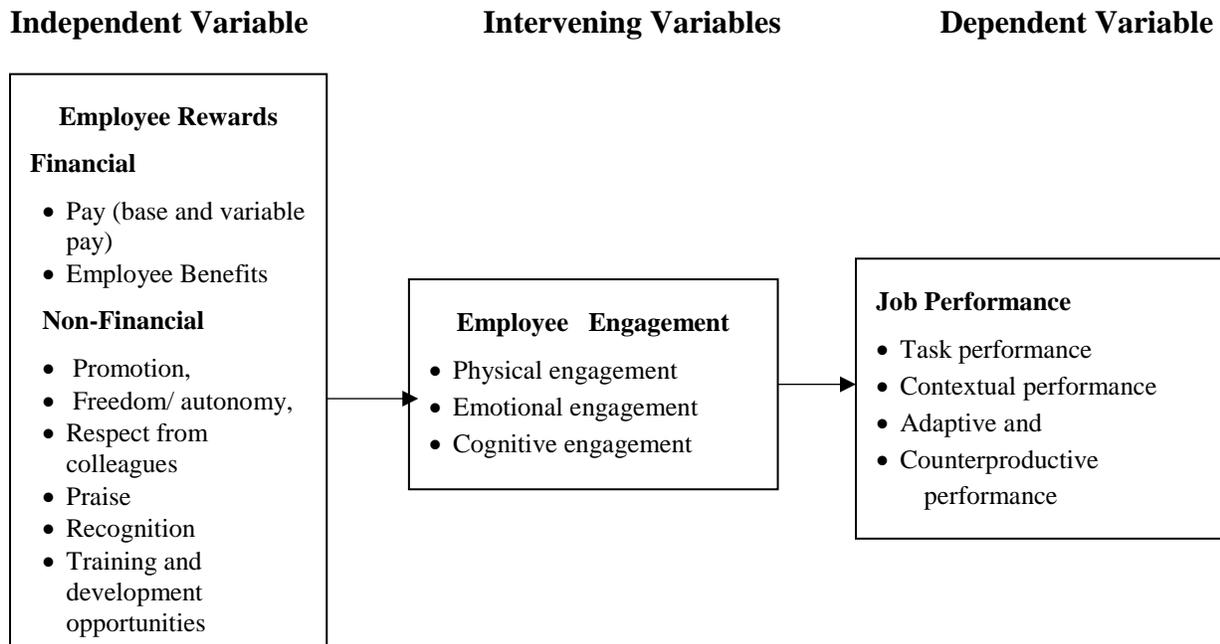


Figure 1: Conceptual Model

3.0 RESEARCH METHODOLOGY

This study was guided by the positivist approach since it's anchored on theory and, further because it intends to test hypothesis. Positivism philosophy is objective, deductive with an aim of falsifying the research hypothesis and theory testing; it assumes that the researcher is independent from what is being studied and that those observable and measureable phenomena can validly be regarded as knowledge; positivism is concerned with truths, objective reality, impartiality, conformity, consistency, dependability and production of credible data. This study adopted a descriptive cross-sectional survey research design. The study was carried out in all the four National Referral Hospital in Kenya namely Kenyatta National Hospital, Moi Teaching and referral Hospital Mathare Teaching and Referral Hospitals and National Spinal Injury. The target population for this study was 2,757 nurses in all the four national hospitals obtained through data query by the Human Resource department at the Ministry of Health and preliminary visit to HR departments of respective hospitals for data verification. A sample of 296 respondents was selected using Cochran formula (1963). Primary data was collected through semi structure questionnaires that were administered to the nurses. During data analysis, the study utilized both descriptive and inferential statistics. Descriptive statistics provided percentages, mean, standard deviation and coefficient of variation of the demographic characteristics and inferential statistics illustrated the regression analysis.

4.0 DATA ANALYSIS, RESULTS AND INTERPRETATIONS

4.1 Descriptive Statistics

4.1.1 Measures of Employee Rewards

The sub-constructs that measured employee rewards had extrinsic rewards and intrinsic rewards categorization mainly adopted from Sak (2006), with some slight improvements. Twelve (12) items were used to measure employee rewards. Respondents were asked to respond to specific statements posed by indicating the extent to which employee rewards influenced job performance. Responses were given on a five-point Likert scale ranging where 1: Very low extent, 2: low extent, 3: Moderate extent, 4: Large extent, 5: Very large extent. The scores for 'very low extent' and 'low extent' was lumped together, the scores for moderate extent were explained individually while the scores for 'large extent' and 'very large extent' are summed together. The mean score for low extent was equivalent to a mean score of 0 to 2.4. The score for 'moderate extent' is equivalent to a mean score of 2.5 to 3.4. The score of 'large extent' and 'very large extent' were considered to represent a statement affirmed to as equal to a mean score of 3.5 to 5.0. The extrinsic financial rewards subscale was made up of 4 items and the intrinsic subscale composed of 8 items. Respondent's opinion about these sub-constructs was requested and the ratings are presented in Table 1.

Table 1: Means and Standard Deviations for Measures of Employee Rewards

Statement	Mean	Std Dev	CV (Percent)
Extrinsic Financial Rewards			
A good pay	3.65	0.99	27
Annual pay increases	4.15	1.16	28
Allowances (risk, transport et cetera)	3.58	1.14	32
Additional pay for good work	4.07	1.24	30
Overall mean	3.86	1.13	29
Intrinsic/ Non-Financial Rewards			
Employment on permanent and pensionable terms	4.37	1.38	32
Increase in pay associated with promotional opportunities based on merit	3.54	1.19	34
More freedom and autonomy in performing ones work.	3.87	1.13	29
Praise for good work.	3.54	1.11	31
Availability of training and development opportunities.	3.75	1.21	32
Job that is interesting and challenging work assignments.	3.94	1.17	29
Some form of public recognition (examples is employee of the month).	4.39	1.32	30
Respect and appreciation by the employer.	3.78	1.29	34
Overall mean	4.02	1.23	31
Grand mean	3.95	1.19	30

Source: Survey Data 2019

Reward is the value given to employees in exchange for their competences and services given to the organization; rewards can be intrinsic or extrinsic and is also aimed at enhancing employee commitment to attainment of organization set goals (Chen & Chan, 2008). As presented in Table 4.18 above, analysis of extrinsic subscale indicate that to a large extent a good pay influenced job performance (mean = 3.65, standard deviation = 0.99); annual pay increases influenced job performance to a large extent (mean = 4.15, standard deviation = 1.16), job allowance influenced job performance to a large extent (mean = 3.58, standard deviation = 1.14) while additional pay for good work influenced job performance to a large extent (mean = 4.07, standard deviation = 1.24). This implies that annual pay increases and additional pay for good work have greater impact on job performance and this finding is in line with Ladner (2015) studies that demonstrated that attractive pay to a great extent influence job performance.

Intrinsic rewards refer to a situation where an individual is driven to perform an activity for inherent enjoyment and not to get tangible benefit (Rice et al, 2017). Under the intrinsic rewards subscale of employee rewards the scores showed that to a large extent employment on permanent and pensionable terms influenced job performance (mean = 4.37, standard deviation = 1.38); increase in pay associated with promotional opportunities based on merit influenced job performance (mean = 3.54, standard deviation = 1.19); more freedom and autonomy in performing ones work (mean = 3.87, standard deviation = 1.13); praise for good work (mean = 3.54, standard deviation = 1.11); availability of training and development opportunities (mean = 3.75, standard deviation = 1.21). Further, job that is interesting and challenging work assignments influenced job performance to a large extent (mean = 3.94, standard deviation = 1.17), some form of public recognition was found to influence job performance (mean = 4.39, standard deviation = 1.32). The respondents also indicated that respect and appreciation by the employer influenced job performance to a large extent (mean = 3.78, standard deviation = 1.29).

The indicators of employee rewards and job performance had an overall mean score of 3.95 and an overall Coefficient of Variation (CV) = 30 percent. For purposes of this study, the coefficients of variation ratings were determined as 0 to 25 percent very good, 26 to 50 percent good, 51 to 75 percent fair and 76 to 100 percent poor. From the CV results of 30 percent the variation is therefore low hence good.

The finding shows that intrinsic rewards have a higher mean of 4.02 compared to extrinsic rewards with a mean of 3.86. Employee recognition gave the highest mean of 4.39. This therefore implies that organizations can still achieve their objectives by focusing on intrinsic rewards in these hard economic times. This study confirms findings of Ten Hoeve *et al*, (2017) that indicates high number of nurses are inclined to intrinsic motivation and hospital managers therefore should consider focusing attention and implementing practices that promote employee intrinsic motivation. Though many studies contrast extrinsic and intrinsic rewards, they are not mutually exclusive and managers cannot focus more attention on one and totally ignore the other. A balance must be achieved when rewarding workers with money and non-money means in any organization since total rewards strategy regulate the behavior, workers action as well as being a influential factor contributing to organizational performance and development. Employee rewards control level of motivation necessary for the fulfillment of individual and organizational targets. Furthermore rewards influence employee effort and commitment to their duties in every organization.

4.1.2 Measures of Employee Engagement

Employee engagement was operationalized using Rich *et al*, (2010), scale that gave the sub-constructs of physical engagement, emotional engagement and cognitive engagement. Sixteen (16) items were used to measure employee engagement. Respondents were asked to give their views on important statements posed by selecting the degree to which employee engagement mediate the relationship between employees rewards and job performance of nurses in Kenyan national referral hospitals. Responses were given on a five-point Likert scale ranging where 1: never, 2: disagree, 3: neutral, 4: agree, 5: always. The scores for 'never' and 'disagree' are lumped together, the scores for neutral is explained alone while the scores for 'agree' and 'always' are summed together. The mean score for disagreeing is equivalent to a mean score of 0 to 2.4. The score of 'neutral' is equivalent to a mean score of 2.5 to 3.4. The score of 'agree' and 'always' were affirmed to represent statements equivalent to a mean score of 3.5 to 5.0. The physical engagement subscale composed of 6 items; emotional engagement had 5 items while cognitive engagement subscale is composed of 5 items. Respondent's views about these sub-constructs were requested and the ratings are shown in Table 2.

Table 2: Means and Standard Deviations for Measures of Employee Engagement

Statement	Mean	Std Dev	CV (Percent)
Physical Engagement			
I work with intensity on my job	3.80	1.13	30
I exert my full effort to my job	4.13	1.07	26
I devote a lot of energy to my job	4.19	1.04	25
I try my hardest to perform well on my job	4.30	1.05	24
I strive as hard as I can to complete my job	4.31	0.96	22
I exert a lot of energy on my job	4.17	0.99	24
Overall mean	4.15	1.04	25
Emotional Engagement			
I am enthusiastic in my job	4.10	0.96	23
I am interested in my job	4.24	0.96	23
I am proud of my job	4.22	1.11	26
I feel positive about my job	4.14	1.15	28
I am excited about my job	4.01	1.09	27
Overall mean	4.14	1.05	25
Cognitive Engagement			
At work, my mind is focused on my job	4.17	1.00	24
At work, I focus a great deal of attention on my job	4.08	1.06	26
At work, I am absorbed by my job	3.96	1.04	26
At work, I concentrate on my job	4.18	0.97	23
At work, I devote a lot of attention to my job	4.05	1.05	26
Overall Mean	4.09	1.02	25
Grand Mean	4.13	1.04	25

Source: Survey Data 2019

Saks (2006) consider engagement to involve the elements of physical behavior, emotion and cognitive aspects of individual towards their jobs. As presented in Table 2 above, under physical engagement subscale the respondents agreed that working with intensity on one’s job influenced job performance (mean = 3.80, standard deviation = 1.13); exerting full effort to one’s job influenced job performance (mean = 4.13, standard deviation = 1.07), devoting a lot of energy to one’s job influenced job performance (mean = 4.19, standard deviation = 1.04), try one’s hardest to perform well on a job influenced job performance (mean = 4.30, standard deviation = 1.05), striving as hard to complete one’s job influences job performance (mean = 4.31, standard deviation = 0.99) while exerting a lot of energy on one’s job influences job performance (mean = 4.17, standard deviation = 0.99).

Respondents rating of emotional engagement subscale show that being enthusiastic in one’s job influences job performance (mean = 4.10, standard deviation = 0.96), being interested in one’s job influences job performance (mean = 4.24, standard deviation = 0.96); being proud of one’s job influences job performance (mean = 4.22, standard deviation = 1.11); feeling positive about one’s job influenced job performance (mean = 4.14, standard deviation = 1.15); being excited about one’s job influenced job performance (mean = 4.01, standard deviation = 1.09).

Rating of cognitive engagement subscale of employee engagement the respondents agreed that focusing on one's job influences job performance (mean = 4.17, standard deviation = 1.00); focusing a great deal of attention on one's job influences job performance (mean = 4.08, standard deviation = 1.06), getting absorbed in one's job influences job performance (mean = 3.96, standard deviation = 1.04), concentrating on one's job influences job performance (mean = 4.18, standard deviation = 1.97) while devoting a lot of attention to one's job influences job performance (mean = 4.17, standard deviation = 0.99). Engagement is an affirmative belief individuals hold in regard to performance of duties and the commitment to carry out tasks in a way that exceeds what the employee is expected to accomplish and behaving as if he is the business owner, such attitudes lead to increase profits and business growth. (Sowath, 2014). Engagement is affective commitment an individual has towards strategic goals and values of an organization, engaged employees are excited to work hard for organizational success, and at the same time maintaining work life integration that benefit individual well-being.

Indicators of engagement and job performance had an overall mean score of 4.13 and an overall Coefficient of Variation (CV) = 25 percent. For purposes of this study, the coefficients of variation ratings were determined as 0 to 25 percent very good, 26 to 50 percent good, 51 to 75 percent fair and 76 to 100 percent poor. From the CV results of 25 percent the variation is therefore low hence regarded as very good. The finding implies that nurses have a high level of engagement towards their jobs; nurses are physically and enthusiastically attached to their jobs compared to cognitive engagement. Research findings support earlier empirical studies by Singh (2012) which established that comparatively nurses are more engaged than physicians in public health facilities.

4.1.3 Measures of Job Performance

Job performance refers to resourcefulness of an individual to contribute behaviours and take actions to achieve work goals, meet expectations and attain work set targets (Viswesvaran & Ones, 2002). Koopmans *et al.* (2011) scale was used to derive and measure the domains of job performance. The sub-constructs that measured job performance were namely contextual performance, adaptive performance, task performance and counterproductive performance. Twenty five (25) components were used to measure job performance. The mean score for 'strongly disagree' and 'disagree' is similar to a mean score of 0 to 2.4. The mean score of 'neutral' is equivalent to a mean score of 2.5 to 3.4. The scores of 'agree' and 'strongly agree' is equivalent to a mean score of 3.5 to 5.0. The task performance subscale consisted of 7 items, contextual performance subscale had 7 items, Adaptive performance subscale consisted of 6 items and counterproductive performance subscale had 5 items. Respondent's understandings of these sub-constructs were obtained and the ratings are presented in Table 3.

Table 3: Means and Standard Deviations for Measures of Job Performance

Statement	Means	Std Devs	CV (Percent)
Task Performance (In-role Performance Items)			
I manage to plan my work so that I adequately complete assigned duties on time.	3.84	1.14	30
I engage in activities that directly affect my performance evaluation.	3.66	1.17	32
I focus at doing the main and essential duties in my work	3.80	1.13	30
I always fulfill responsibilities specified in job description.	3.94	1.05	27
I meet and sometimes exceed performance requirements of my job.	3.96	1.05	27
I don't neglect aspects of the job I am obliged to perform.	3.96	1.07	27
I perform tasks that are expected of me well with minimal time and effort.	3.85	1.13	29
Overall mean	3.86	1.11	29
Contextual Performance			
I always go beyond what is assigned to me when I have extra time	4.00	1.04	26
I frequently encounter and solve new challenges in my job.	3.95	1.01	26
I normally take on extra responsibilities.	3.97	1.06	27
I sometimes come up with creative solutions to new problems	3.92	0.97	25
I frequently take on challenging work tasks when available.	4.03	1.00	25
I am always customer oriented	4.10	0.99	24
I actively participated in work meetings.	3.92	1.02	26
Overall mean	3.98	1.01	26
Adaptive Performance			
I ensure that my job knowledge is always up-to-date.	3.98	0.96	24
I ensure my job skills are always up to-date.	3.91	0.96	25
I always demonstrated flexibility in doing my job.	3.93	1.00	25
I am always able to cope well with difficult situations and setbacks at work.	3.85	1.04	27
I recover very fast, after difficult situations or setbacks at work.	3.81	1.01	26
I always come up with creative solutions to new problems	3.84	1.03	27
Overall mean	3.89	1.00	26
Counterproductive Performance			
I don't complained about unimportant matters at work	3.73	1.19	32
I don't exaggerate problems at work place	3.89	1.10	28
I don't normally focused on the negative aspects of a work situation, instead I focus on the positive aspects	3.95	1.13	29
I don't speak with colleagues about the negative aspects of my work	3.71	1.18	32
I don't speak with people from outside the organization about the negative aspects of my work.	3.98	1.15	29
Overall mean	3.86	1.15	30
Grand mean	3.90	1.06	27

Source: Survey Data 2019

Mensah, (2015) defined job performance as the contribution of workers to the realization of strategic objectives of the firm. As presented in Table 3 above, according to task performance subscale the respondents indicated that; I manage and plan my work so that I can adequately complete assigned duties on time (mean = 3.84, standard deviation = 1.14); I engage in activities that directly affect my performance evaluation (mean = 3.66, standard deviation = 1.17), I focus

at doing the main and essential duties in my work (mean = 3.80, standard deviation = 1.13), I always fulfill responsibilities specified in job description (mean = 3.94, standard deviation = 1.05), I meet and sometimes exceed performance requirements of my job (mean = 3.96, standard deviation = 1.05) while I perform tasks that are expected of me well with minimal time and effort (mean = 3.85, standard deviation = 1.07).

Respondents feedback on contextual performance subscale indicate that, I always go beyond what is assigned to me when I have extra time (mean = 4.00, standard deviation = 1.04), I frequently encounter and solve new challenges in my job (mean = 3.95, standard deviation = 1.01); I normally take on extra responsibilities (mean = 3.97, standard deviation = 1.06); I sometimes come up with creative solutions to new problems (mean = 3.92, standard deviation = 0.97), I frequently take on challenging work tasks when available (mean = 4.03, standard deviation = 1.00), I am always customer oriented (mean = 4.10, standard deviation = 1.09) while I actively participated in work meetings (mean = 3.92, standard deviation = 1.02).

The scores for adaptive performance subscale of job performance indicate the following, I ensure that my job knowledge is always up-to-date (mean = 3.98, standard deviation = 0.96); I ensure my job skills are always up to-date (mean = 3.91, standard deviation = 0.96), I always demonstrated flexibility in doing my job (mean = 3.93, standard deviation = 1.00), I am always able to cope well with difficult situations and setbacks at work (mean = 3.85, standard deviation = 1.04), I recover very fast, after difficult situations or setbacks at work (mean = 3.81, standard deviation = 1.01), while I always come up with creative solutions to new problems (mean = 3.84, standard deviation = 1.00).

The respondents scores on counterproductive performance subscale of job performance indicate that; Not complaining about unimportant matters at work (mean = 3.73, standard deviation = 1.19); not exaggerating problems at work place (mean = 3.89, standard deviation = 1.10), not normally focusing on the negative aspects of a work situation, instead I focus on the positive aspects (mean = 3.95, standard deviation = 1.13), not speaking with colleagues about the negative aspects of my work (mean = 3.71, standard deviation = 1.18) while not speaking with people from outside the organization about the negative aspects of my work (mean = 3.98, standard deviation = 1.15).

The indicators of job performance had an overall mean score of 3.90 and an overall Coefficient of Variation (CV) = 27 percent. For purposes of this study, the coefficients of variation ratings were determined as 0 to 25 percent very good, 26 to 50 percent good, 51 to 75 percent fair and 76 to 100 percent poor. From the CV results of 27 percent the variation is therefore low hence regarded as very good. The studies indicate that job performance is good as the mean ranged from 3.86 to 3.90 showing above average performance. This revelation is consistent with Kokwaro *et al.* (2019) and Mokhtar and Mohamed (2016) who found out that job performance was average or slightly above average and inconsistent with (WHO, 2006), which claimed that job performance of healthcare workers in 3rd world countries including Kenya is below par. The study established that national referral hospitals are relatively adequately staffed unlike other tiers of hospitals in Kenya.

4.2 Hypothesis Testing: Mediating Effect of Employee Engagement in the Relationship between Employee Rewards and Job Performance

The injective of the research aimed at determining the mediating effect of employee engagement in the relationship between employee rewards and job performance of nurses in Kenyan national referral hospitals. To establish mediation effect, the following hypothesis was formulated for testing.

H0: Employee engagement mediates the relationship between employee rewards and job performance of nurses in Kenyan national referral hospitals.

Path analysis of Baron and Kenny (1986) was used to test the hypothesis. Full mediation only occurs when the following four conditions are fulfilled:

The dependent variable is significantly affected by independent variable when mediating variable is absent.

The independent variable has a significant effect on the mediator variable.

The mediator variable is significantly related to the dependent variable.

When the effect of the mediating variable on the dependent variable is controlled, the effect of the independent variable on the dependent variable should not be significant. However, partial mediation is confirmed when the effect of the independent variable is not significant but the value of the beta coefficient or R^2 is above zero. The results of the mediating effect of employee engagement in the relationship between employee rewards and job performance of nurses are presented in Table 4.

Table 4: Regression Results for the Mediation of Employee Engagement in the Relationship between Employee Rewards and Job Performance

Model Summary							
Model		R	R Square	Adjusted R Square	Std. Error of the Estimate		
1	Employee rewards	.861	.741	.740	.38028		
2	Employee rewards	.594	.353	.350	.61830		
3	Employee engagement	.706	.499	.497	.52876		
4	Employee rewards Employee engagement	.894	.799	.798	.33517		
ANOVA							
Model			Sum of Squares	Df	Mean Square	F	Sig.
1	Employee rewards	Regression	100.822	1	100.822	697.182	.000
		Residual	35.286	244	.145		
		Total	136.108	245			
2	Employee rewards	Regression	50.911	1	50.911	133.169	.000
		Residual	93.281	244	.382		
		Total	144.192	245			
3	Employee engagement	Regression	67.889	1	67.889	242.817	.000
		Residual	68.219	244	.280		
		Total	136.108	245			
4	Employee rewards Employee engagement	Regression	108.809	2	54.404	484.277	.000
		Residual	27.299	243	.112		
		Total	136.108	245			
Coefficients							
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.	
		B	Std. Error	Beta			
1	(Constant)	.661	.125		5.293	.000	
	Employee rewards	.861	.033	.861	26.404	.000	
2	(Constant)	1.828	.203		9.000	.000	
	Employee rewards	.612	.053	.594	11.540	.000	
3	(Constant)	1.065	.185		5.761	.000	
	Employee engagement	.686	.044	.706	15.583	.000	
4	(Constant)	.126	.127		.994	.321	
	Employee rewards	.682	.036	.682	19.085	.000	
	Employee engagement	.293	.035	.301	8.432	.000	
Model 1 Predictors (Constant) Employee rewards: Criterion variable Job performance							
Model 2 Predictors: (Constant) Employee rewards: Criterion variable Employee engagement							
Model 3 Predictors: (Constant) Employee engagement: Criterion variable Job performance							
Model 4 Predictors: (Constant) Employee rewards and Employee engagement: Criterion variable Job performance							

Source: Survey Data 2019

Step 1: $Job\ performance = \alpha + \beta_1 Employee\ rewards + \varepsilon$

In the first step job performance was regressed on employee rewards. The results in Table 4 demonstrate that the influence of employee rewards on job performance of nurses in Kenyan national referral hospitals is significant ($R^2=0.741$, $F=697.182$, $\beta=.861$, $t=26.404$, $p<0.05$),

implying that 74.1 percent of the change in job performance of nurses is linked to one unit change in employee rewards. The first condition of mediation which predicted that dependent variable is significantly affected by independent variable when mediation variable is absent is thus confirmed.

Step 2: $Employee\ engagement = \alpha + \beta_2 Employee\ rewards + \varepsilon$

The second step involved regression of employee engagement on employee rewards. The results given in Table 4 shows that the influence of employee rewards on employee engagement was significant ($R^2=.353$, $F=133.169$, $\beta=.612$, $t=11.540$, $p<0.05$), thus fulfilling condition two which asserts that the independent variable should be significantly related to the mediating variable, for the process to continue to step three.

Step 3: $Job\ performance = \alpha + \beta_3 Employee\ engagement + \varepsilon$

The third step was intended to test the influence of employee engagement on job performance as shown in Table 4. The influence of employee engagement on job performance is significant ($R^2=.799$, $F= 242.817$, $\beta=.686$, $t=15.583$, $p<0.05$), thus fulfilling demands of third condition that the mediator variable be significantly related to the dependent variable, for process of testing for mediation to continue to the final step.

Step 4: $Job\ performance = \alpha + \beta_2 Employee\ rewards + \beta_3 Employee\ engagement + \varepsilon$

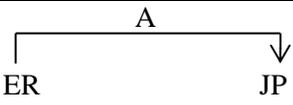
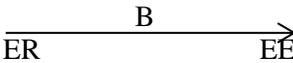
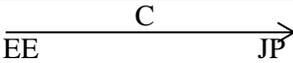
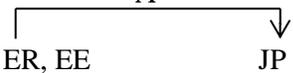
The fourth step was to test if the intervening variable and employee rewards is significantly related to the dependent variable of job performance. Here the interaction of employee engagement and employee rewards was tested if it predicts job performance as in Table 4. Multiple linear regression analysis was performed in step four with job performance as dependent variable, employee rewards and engagement as predictor variables. Results shows that the influence of employee rewards as the independent variable on job performance which is the dependent variable is significant in the presence of the mediating variable, employee engagement ($R^2=.799$, $F= 484.27$, $\beta=.682$, $t= 19.085$, $p<0.05$), and thus not satisfying the fourth condition which states that the effect of the independent variable on the dependent variable should not be significant when mediation variable is involved. This implies that the mediating variable is only responsible for some, and not entire change in dependent variable, suggesting partial mediation. Partial mediation shows that a significant positive relationship exists between the mediator and the dependent variable, and also a direct relationship between the independent and dependent variables exist.

The regression results however did not satisfy all the four requirements that must be made for full mediation to be confirmed and thus it can be concluded that the influence of employee rewards on job performance of nurses in Kenyan national referral hospitals is partially mediated by employee engagement. Employee engagement contributes to some and not all of the relationship between the employee rewards and job performance. Partial mediation also means that a significant relationship between employee engagement and job performance of nurses exist as well as direct relationship between employee rewards and job performance.

The study concludes that employee rewards predict both job performance and employee engagement, and employee engagement equally predicts job performance. The relationship between employee rewards and job performance of nurses is partially mediated by employee

engagement. Thus, the hypothesis that employee engagement mediates the relationship between employee rewards and job performance of nurses in Kenyan national referral hospitals was partially supported.

Table 5: Summary of Findings of the Test of Mediation of Employee Engagement in the Relationship between Employee Rewards and Job Performance

Steps	Regression model	Visual Depiction	Summary of the findings
Step 1: Effect of employee rewards on job performance	Simple regression analysis with ER predicting JP to test path a alone		Confirmed
Step 2: Effect of employee rewards on employee engagement	Simple regression analysis with ER predicting EE to test path b		Confirmed
Step 3: Effect of employee engagement on job performance	Simple regression analysis with EE predicting JP to test path c		Confirmed
Step 4: Effect of employee rewards and employee engagement on job performance	Multiple regression with ER and EE predicting JP to test path b and c		Confirmed partial mediation

Source: Survey Data 2019

Key: Key: ER=Employee Rewards, EE=Employee Engagement and JP=Job Performance

The results in Table 5 provide visual representation of the four steps used in testing mediation as recommended by Baron and Kenny (1986). Step one regressed job performance of nurses against employee rewards, and the results indicate that employee rewards are significantly related to job performance and thus the first step was confirmed. Step two regressed employee engagement against employee rewards and established that employee rewards is significantly related to employee engagement, fulfilling the second conditions of mediation steps. Third step regressed job performance against employee engagement and the findings indicate that employee engagement is significantly related to job performance, thus the third step is also confirmed. In step four, findings shows that employee engagement partially mediates the relationship between employee rewards and job performance. The current study therefore concludes that employee rewards have direct effect upon job performance of nurses and also an indirect effect on job performance of nurses through employee engagement.

4.3 Discussion of the Research Findings

The objective of this study was to determine the mediating effect of employee engagement in the relationship between employee rewards and job performance of nurses in Kenyan national referral hospitals. Focusing on this objective, hypothesis (H) was derived which predicted that the relationship between employee rewards and job performance of nurses is mediated by employee engagement.

Path analysis for testing mediation suggested by Baron and Kenny (1986) was used in this analysis. The influence of employee rewards on job performance is positive and significant. Employee rewards explain 74.1 percent of change in job performance. The influence of employee rewards on employee engagement is also significant and employee rewards explain 59.4 percent change in employee engagement. The effect of the employee rewards (independent variable) on job performance (dependent Variable) is significant in the presence of employee engagement. Hence the hypothesis (H₀) which states that the relationship between employee rewards and job performance of nurses is mediated by employee engagement indicated partial mediation. Partial mediation means that employee rewards have direct effect upon job performance and also indirect effect on job performance through the mediating variable of employee engagement. The results are in agreement with Saks (2006) findings that intrinsic rewards of psychological worth and meaningfulness drive workers to engage and achieve work targets. Similarly, as Anitha (2014) puts it firm's performance can be enhanced by nurturing employee engagement practices. These practices make workers responsible, develop positive work attitudes, execute more tasks than duty demands and deliver quality services. This study confirm Casey, (2014) findings on the effects of strategic profits, engagement and service climate which asserts that firms' should hire workers with good track record of job engagement, improve work climate, value employees and provide quality rewards.

Furthermore, the study supports Sakovska, (2012) conclusions that employee engagement leads to innovative behavior, customer satisfaction, employee retention, workplace safety; innovativeness and learning. Similarly, study is consistent with Halm, (2015) suggestions that managers formulate employee rewards practices and procedures that enhances employee goal achievement and attainment of strategic intent of the firm.

5.1 CONCLUSIONS

The study concluded that the influence of employee rewards on job performance was positive and significant. Employee rewards explained 74.1 percent change in job performance. The influence of employee rewards on employee engagement was also significant and employee rewards explained 59.4 percent change in employee engagement. The effect of employee engagement on job performance was equally significant as shown by 70.4 percent of the variance in job performance being explained by employee engagement. Employee rewards and employee engagement together account for 89.4 percent of the change in job performance. The impact of employee rewards (independent variable) on job performance was significant in the presence of employee engagement. The hypothesis (H₀) which predicted that the relationship between employee rewards and job performance is mediated by employee engagement support existence of partial mediation. This means that the engagement as a mediator variable is responsible for some, but not all of the relationship between the employee rewards as independent variable and job performance as a dependent variable. Partial mediation demonstrated that significant relationship exists between the mediator and the dependent variable, and also some direct relationship between the employee rewards and job performance.

6.1 RECOMMENDATIONS

The objective of the study was to examine the mediating role of employee engagement in the relationship between employee rewards and job performance of nurses in Kenyan national referral hospitals. Regression analysis results support partial mediation. Change in employee rewards causes 74.1 percent of the change in job performance, Employee rewards causes 35.3 percent

change in employee engagement, employee engagement predicts 79.9 percent variation in job performance and the interaction of employee rewards and engagement still account for 79.9% change in job performance. The study therefore suggest that:

Managers of organization take note that employee rewards only account for 35.3 percent level of engagement and employee engagement is responsible for 79.9% change in job performance. Therefore, managers need to ensure employee engagement enhancing activities are in place to sustain culture of excellent job performance.

Managers are advised to know that employee physical presence is not enough to guarantee performance. Employee emotional engagement and cognitive engagement should be monitored and evaluated.

Identify, train and support employee engagement ambassadors to assist evolve a culture of employee engagement.

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