

**INFLUENCE OF PAY DISPARITIES AMONG EMPLOYEES ON  
ORGANIZATIONAL COMMITMENT IN COUNTY GOVERNMENTS IN KENYA  
(A CASE OF COUNTY GOVERNMENT OF NAKURU)**

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**A RESEARCH PROJECT SUBMITTED TO THE DEPARTMENT OF  
ENTREPRENEURSHIP, TECHNOLOGY, LEADERSHIP AND MANAGEMENT IN  
THE SCHOOL OF ENTREPRENEURSHIP, PROCUREMENT AND MANAGEMENT  
IN PARTIAL FULFILMENT OF AWARD OF MASTERS DEGREE IN HUMAN  
RESOURCE MANAGEMENT OF JOMO KENYATTA UNIVERSITY OF  
AGRICULTURE AND TECHNOLOGY**

**OCTOBER, 2017**

## DECLARATION

This project is my original work and has not been presented for a degree in any other university.

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HD312-C007-7262/2015

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## DECLARATION BY THE SUPERVISOR

This project has been submitted for examination with our approval as the University Supervisors

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## **DEDICATION**

This piece of work is dedicated to my dear wife Mrs. Nancy Ngengi Karanja for her unrelenting support and prayer towards a successful completion of this proposal. The work is also dedicated to my entire family.

## **ACKNOWLEDGEMENTS**

I am extremely grateful to my Lord, my God and my Saviour, Jesus Christ for His unceasing love, grace, peace, providence and protection for my life. The successful completion of this project came about as a result of a massive contribution made by several people; without which the project would not have been materialized. I therefore, deem it necessary to express my profound gratitude to my dynamic and hardworking supervisor Dr. George Karanja who did not only encourage me to write on the topic but also, supervised and guided me through at no cost.

## **ABSTRACT**

This study sought to establish the influence of pay disparities among employees on organizational commitment of employees in the county government of Nakuru, Kenya. The study specifically sought to establish the influence of position based pay disparities, employee pay expectations and internal relations based on pay on the organizational commitment of employees in the county government of Nakuru. The study was based on equity theory and prospect theory. A descriptive research study design was employed for the study. The target population was composed of the county employees in the Nakuru county government headquarters who are 1430 in number. The researcher sampled 143 of them to participate in the study. A close ended questionnaire constructed on a 5-point Likert scale was used as the only primary data collection instrument. The questionnaire was piloted using fourteen respondents drawn from county government employees and later exempted from the main study. Piloting helped the researcher authenticate the questionnaire and test its reliability. Validity of the instrument was enhanced through consultation with my research supervisor. The data was collected using drop and pick method. Data collected was fed into Statistical Package for Social Sciences (SPSS) version 24 software for analysis. Data was analyzed in form of descriptive (frequencies, percentages, means and standard deviations) as well as inferential (Pearson product moment correlation, and regression analysis) statistics. Findings were presented in tables and discussions thereof. The study established that position based pay and employees pay expectations had positive significant relationships with organizational commitment in the county government of Nakuru. On the other hand employee internal relations based on pay did not have a significant relationship with organizational commitment in the county government. Regression analysis showed that position based pay and employees pay expectations significantly influenced organizational commitment. However internal relations did not significantly account for variations in the organizational commitment in the county government. The study therefore concluded that position based pay and employee pay expectations significantly influence the commitment of employees in the county government. The study recommended that the county government administration ought to ensure uniform policy measures regarding the pay structure are put in place to guide employee remunerations. Further the county requires to seek harmonization of the different pay rolls in existence to ensure equity in employees pay thus enhancing their commitment.

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## **ABBREVIATIONS AND ACRONYMS**

**CEO:** Chief Executive Officer

**ET:** Equity Theory

**FLAE:** Former Local Authority Employee

**FNGE:** Former National Government Employee

**NECE:** Newly Employed County Employee

**SPSS:** Statistical Package for Social Sciences

## DEFINITIONS OF TERMS

**Organizational Commitment:** This refers to a feeling and/or beliefs concerning the employee's relationship with an organization (A'yunnisa & Saptoto, 2015).

**Pay disparity:** This refers to the comparative differences in pay between employees in similar organizations for similar jobs (Tinuke, 2012).

**Position Based Pay:** This is the decision of pay by employers based on performance, productivity, and skill of employees (Aimi et al., 2014).

**Internal Relations:** This is building and maintaining relationships with all the public inside an organization, including production line workers, managers and supervisors, administrative staff, and facilities and maintenance support, to name but a few (McDonald, Harrison, Checkland, Campbell & Roland, 2007).

**Job Group:** A job group is a container for jobs in much the same way that a directory in a file system is a container for files. It is a classification of workers based on their salary scale, qualifications and job specifications (George & Jone, 2008).

## **CHAPTER ONE**

### **INTRODUCTION**

#### **1.1 Background to the Study**

Pay is a topic that has always been a primary concern for employees as well as employers. For employees, pay has a substantial impact on the general living conditions and status, whereas for employers, compensation represents one of the largest business costs (Williams, McDaniel & Nguyen, 2006). Bridging the expectations of employees and employers, the increasing pay disparity within organizations due to rapidly increasing executive compensation is a hot topic in current societal debates.

Increasing top management pay and distribution inequalities may also impact employees' expectations about their own pay as well as their pay satisfaction. Specifically, the Swiss HR-Barometer 2012 showed that the discrepancy between employees' expected pay and their actual pay has increased considerably during the past few years in such a way that employees' pay expectations exceed their offered pay (Grote & Staffelbach, 2012). Such discrepancies in expectations can reduce employees' organizational commitment and lead to further unfavourable outcomes.

Besides expectations, social comparison processes also impact employees' pay satisfaction. Judge, Piccolo, Podsakoff, Shaw and Rich (2010) showed that the amount of pay received only has a marginally impact on pay satisfaction, whereas relative pay (comparing the own pay to others) seems to play a much stronger impact on how satisfied individuals are with their pay (Clark, Frijters & Shields, 2008). Social comparisons on pay disparities impacts greatly on the internal relations within the organizations. Cook and Crossman (2004) argued that employer-employee relations play a strategic role in improving workers' involvement,

high performance, commitment and retention. McDonald, Harrison, Checkland, Campbell and Roland (2007) pointed out that poor relationship with a line manager can be the push factor behind an individual's decision to quit the job or leave the organization.

In the United States, for example, the CEO-to-worker pay ratio was 20:1 in 1965, peaked in 2000 with a CEO-to-worker pay ratio of 383:1, and was 273:1 in 2012 (Mishel & Sabadish, 2013). Employees need to feel the hard work they put into their job matches what they get back from it and pay is an important component of this evaluation. It is known that pay is important to employees. Wiley (2011) reported 25 percent of employees say fair compensation is the single most important thing they want from their organization. The importance of pay fairness to employees can also be observed by its relationship to a number of important work and life outcomes, including organizational commitment, turnover intentions, work stress, psychological and physical health, and life satisfaction.

In Nigeria, Ladipo and Olufayo, (2011) observed that in most food companies and organizations of Ogun State where such logical wage and salary differentials have not been established, compensation patterns are often irregular and chaotic since they have evolved from favoritism and arbitrary decisions. In such cases jobs that call for greater effort skill and responsibility may pay less than jobs requiring fewer of these attributes; and individuals in the same or similar occupations may receive widely varying compensation; morale is consequently low and performance poor since employees keenly see these inequities, and management cannot explain the inconsistencies on a logical basis

No organization in today's competitive world can perform at peak levels unless each employee is committed to the organizations' objectives and works as an effective team

member. The work place is changing dramatically and demands for highest quality of products are increasing. Appointment of good workers is critical but of greater significance is the organizations ability to create a committed workforce. According to Hancock, Allen, Bosco, McDaniel and Pierce, (2013) organizational commitment is the main predictor of turnover and performance; hence organizations that are concerned about employees and want to keep high performing employees should consider increasing organizational commitment.

Literature suggests that positive work related behaviour and attitudes largely depends on employee perceptions on the extent to which their employer values their contribution and cares about their wellbeing (Allen, Shore & Griffeth, 2003). To remain competitive in the face of these pressures organizational commitment is crucial. Without organizational commitment there can be no improvement in any business area. To succeed in the face of increasing competition organizations need improved productivity at all levels. This requires commitment on the part of all employees which can only be achieved through better management practices in the area of managing rewards and compensation, by creating a perception of fairness through competitive wages and benefits (Coetzee, 2005).

Paying employees fairly is considered to be also in a company's best interest. There is a significant body of research suggesting that organizations with a more engaged workforce outperform their peers on a number of organizational performance metrics (Salonova, Agut, & Piero 2005; Harter, Schmidt, & Hayes 2002). Organizations may also save money through reduced work stress, which leads to improved psychological and physical health, which means fewer absences and better focus (Spector, Dwyer, & Jex 1988; Spector & Jex 1991; Wright & Cropanzano 1998). Turnover intentions may also be reduced, and the hefty cost of replacing an employee may be avoided by paying employees fairly (Fitz-enz 1997).



Employees' work performance can be analyzed by gauging the level of their commitment and the level of satisfaction that they derive from doing the job. Work commitment and attitude is related to the employees' behaviour and their performance efficiency (McClurg, 1999). Organizational commitment is multi-dimensional in nature, encompassing workers' loyalty, their willingness to exert more effort on behalf of the organization, adherence to organizational values, and desire to remain in the organization (Meyer & Allen, 1997).

In developing nations of the world, money is regarded as a motivation and a catalyst to building loyal, dedicated and committed workforce (Adeniji & Osibanjo, 2012). Employees after expending their time, efforts, energy and labour in helping the organization achieve its goals, expect adequate compensation and reward in form of money and other entitlements to satisfy personal, economic, psychological, social, self-actualization, security and growth needs, (Adeniji & Osibanjo, 2012).

A growing number of employees feel they are victims of broken promises. One of the challenges facing modern organizations involves maintaining organizational commitment in the current competitive pressures. With no assurance of continued employment, employees have now raised their expectations in other areas. For instance employees expect employers to demonstrate their commitment in terms of pleasant working environment where a fair and just reward and compensation provides employees with the baseline requirements to go for higher things like job satisfaction and fulfilment hence enhancing organizational commitment (Harter, Schmidt & Hayes, 2002).

Bragg, (2002) argue that companies with committed employees will outperform companies with uncommitted workforce, and contents that demonstrating commitment to employees will

generate a reciprocal commitment by employees. Committed employees do better work than uncommitted ones and organizations with committed employees do better financially than the others.

Employers need to determine what is responsible for this disparity. Organizational effectiveness depends on more than maintaining a stable workforce; employees must perform assigned duties dependably and be willing to engage in activities beyond role requirements. It thus seems that employees' willingness to contribute to organization effectiveness will be influenced by their level of commitment (Coetzee, 2005).

Fossey and Havey (2010) study on finding and sustaining employment practically concluded that more satisfied employees will be more committed, furthermore a committed employee will discontinue actively searching for other sources of income and generously offer full competence to the organization, this however does not come alone but depends on factors that enhance commitment. This indicates that compensation management must be taken seriously to achieve a competitive advantage (Vance, 2006).

### **1.1.1 Organizational commitment**

Organizational commitment is the degree to which an employee identifies with the organization and wants to continue actively participating in it (Newstrom & Davies, 2002). Like a strong magnetic force attracting one metallic object to another, it is a measure of the employees' willingness to remain with a firm in the future. It often reflects the employees' belief in the mission and goals of the firm, willingness to expend effort in their accomplishment, and intentions to continue working there. Employee commitment is usually stronger among longer-term employees, those who have experienced personal success in the organization, and those working with a committed employee group. According to Allen and

Meyer (1990), organizational commitment refers to the psychological attachment of workers to their workplace.

Mullins (2009) view organizational commitment as encapsulating by giving all of one-self while at work. They also state that organizational commitment entails things such as using time constructively, attention to detail, making that extra effort, accepting change, co-operation with others, self-development, respecting trust, pride in abilities, seeking improvements and giving loyal support. Employees today are increasingly self-assured of their value to employers, and would consciously choose to work for those organizations that meet the above workplace expectations. Organizations that demonstrate commitment to employees will attract and retain the desired workforce and will ultimately win the battle for the workforce share (Madigan Norton & Testa, 2009).

Organizational commitment is important because high levels of commitment lead to several favourable organizational outcomes. It reflects the extent to which employee's identify with and is committed to its goals. Dordevic (2004) stated that the commitment of employees is an important issue because it may be used to predict employee's performance, absenteeism and other behaviours. According to Tolentino (2004) Sustained productivity improvement depends on the enterprise's human capital (the skills, knowledge, competencies and attitudes that reside in the individual employee of the enterprise) and its social capital (trust and confidence, communication, cooperative working dynamics and interaction, partnership, shared values, teamwork, etc. among these individuals.

Bragg (2002) classified four (4) forms of organizational commitment. First is the "want to" commitment. In this scenario, employees are dedicated to their employing organization and are willing to exceed expectations in tasks. The second form is the "have to" commitment.

This refers to a situation where employees feel trapped. The “ought to” commitment implies that employees feel obligated to remain with an organization. The fourth category is the detached or uncommitted group of employees. These types of employees are not interested in remaining with the organization and are consistently searching for new career opportunities. According to Bragg (2002), 20-30% of the modern-day workforce is in this situation.

### **1.1.2 County Government of Nakuru**

The County Government of Nakuru is one of the Counties that were established after the promulgation of the Constitution in 2010 and after 2013 election. The devolved units were to take over the mandate of running the devolved function from the National Government, some being; part of the Health sector, provision of Water services, Culture, part of roads and Agriculture. They were also to take over the running of former defunct local Authorities that is former Municipal Councils, County Councils and Town councils functions.

The County governments had also to inherit all the employees of the devolved function from the National Government, the former defunct local Authority employees and they had also to employ their own staff due to the expanded mandate, for example they had to employ more clerical officer, Sub-county administrators, Ward administrators, Directors, Chief Officer and more of the support staffs. This entire category has its own payroll, that is, the devolved function has its own payroll whose salary and benefits are the lowest, followed by new employees who can be termed as the actual employees of the County Government and the former defunct local authorities’ employees whose salaries and benefits are the highest. These pay disparities presents a challenge to the county government in its efforts to coordinate the performance of its employees towards the achievement of the county development goals and objectives.

## **1.2 Statement of the Problem**

Dissatisfaction in compensation may lead to performance degradation, increasing degree of absenteeism, and employee turnover (Mangkuprawira, 2003). The Union of Kenya Civil Servants noted with concern that there were three different payrolls (Appendix 3) for staff at the devolved units which defies logic and morality. The union observed that people who worked for the municipal councils and the devolved staff from national governments have different salaries despite having the same qualifications and performing similar functions. Notably an employee who formerly worked with the national government at job group J earns Kshs. 37,318. In comparison, an employee who formerly worked in local authority and absorbed in the county government at job group J earns 72,625 Kenya shillings double the one on National government payroll (See Appendix 3 for Comparisons). These disparities in compensation among the employees in the devolved units could greatly impact on their motivation, job satisfaction, performance and their commitment. In addition to the pay disparities, there are no clear structures defining the career progress in terms of promotion and salary increments among the staff employed by the county government. As such, different categories of employees have different work progression yet they are working together in the same locality. According to Anavari, Amin, Ungku, Seliman & Garmsari (2011), strategic compensation is an important component associated with employee behaviour and attitude towards organizational achievement by increasing organizational commitment and motivation among workers. In contrast however, Mueller, Ouimet and Simintzi (2017) observed that firms with higher pay inequality are better performers and have higher valuations. Mercer report (2003) also has indicated that with fair and equitable compensation, workers are more likely to stay with the organization. Related studies show that salary is one of the strategies in motivating the workers, in order to enhance their performance, commitment and satisfaction.

It may influence the workers behaviour as well as attract, and increase the intention to stay and lead to the higher organizational commitment (Tella, Ayeni & Popoola 2007). However, whereas studies have been done in regard to pay disparities and organizational outcomes such as job satisfaction and performance, minimal research has been done in regard to pay disparities and organizational commitment and more so in the Kenyan context. The foregoing prompted the undertaking of this study to examine the influence of pay disparities on organizational commitment of employees in the county government of Nakuru Kenya.

### **1.3 Objectives of the Study**

The study was based on both the general and specific objectives as illustrated in the following section.

#### **1.3.1 General Objective of the Study**

The study will aimed at examining the influence of pay disparities among employees on organizational commitment in the County government of Nakuru, Kenya.

#### **1.3.2 Specific Objectives of the Study**

- i. To examine the influence of position based pay disparities on organizational commitment in the County government of Nakuru.
- ii. To establish the influence of employee pay expectations on their organizational commitment in the County government of Nakuru.
- iii. To determine the influence of internal relations based on pay on organizational commitment in the County government of Nakuru.

#### **1.4 Hypothesis of the Study**

**H<sub>01</sub>:** Position based pay disparities have no statistically significant influence on organizational commitment in the County Government of Nakuru.

**H<sub>02</sub>:** There is no significant influence of employee pay expectations on their organizational commitment in the County Government of Nakuru.

**H<sub>03</sub>:** Internal relations based on pay have no significant influence on organizational commitment in the County Government of Nakuru.

#### **1.5 Justification of the Study**

This study examined the influence of pay disparities among the employees in the county government of Nakuru. As such the study is of significance to the various stakeholders as far as pay related issues are concerned. Firstly the study serves to communicate to the national as well county government on the underlying effect of pay disparities on the organizational outcomes among the employees. This would enable the policy makers draft pay structures that would enhance fairness in pay structures. Secondly, the county will be in a position to reward its employees better thus enhancing their organizational commitment. Thirdly, the employees will be informed on ways of enhancing their organizational commitment through the appreciation of their wages and salaries. Finally, the study contributes to the existing body of literature on pay disparities and commitment and form a basis for reference for future researchers in this area.

#### **1.6 Scope of the Study**

The study was limited to the influence of pay disparities among employees on organizational commitment in the county government of Nakuru. Nakuru was chosen as the county of study based on the fact that there exists the three categories of employees that are the defunct

provincial employees, local authority (municipal council and county councils) employees and the newly employed county staff. Further, Nakuru County is among the biggest counties in Kenya with a large number of employees. The study targeted employees in the county headquarters. The study was carried out between the month of April and May, 2017. The researchers' study's expenditure was KShs. 100,000.

### **1.7 Limitations of the Study**

Respondents had expressed concerns on the security of the information that was being sought after. It was very hard to convince the respondents of the intention of my research in a bid to collect information from them. However, with the assistance of friends working in the county government, and with the introduction letter from the university the researcher was given the opportunity to undertake the research. The researcher also sought to assure the respondents that the information collected would not be used for any other purposes apart from for academic purpose and that the information would be treated with utmost confidentiality.



## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.1 Introduction**

This chapter comprises of discussions on literature relevant to the study topic. It first provides a discussion of various theories on pay structures and organizational commitment. Secondly empirical studies of the various study variables were reviewed and used in developing the conceptual framework for the study. The researcher provided a summary of literature and finally the research gaps that formed the basis of the study.

#### **2.2 Theoretical Review**

The study was based on equity theory and prospect theory. The theories are discussed hereafter.

##### **2.2.1 Equity Theory**

Equity theory was propagated by Stacy Adams in 1976. The theory asserts that pay systems are designed to attract, retain and motivate employees. The most important objective of any pay system is fairness or equity. Equity can be assessed on at least three dimensions; Internal Equity, External Equity and Individual Equity (Cascio, 2006). Early studies indicate that inequitable treatment directly affects and influences employee behaviour and performance.

The theory proposed that an employee continuously monitors his or her inputs and outputs on the job, and perceives an equitable situation when the ratio of his or her inputs and outputs are equal, to those of other employees. If this ratio is not equal, the employee may feel angry as a result of not being paid enough or guilty as a result of being paid too much. Perceptions of inequity are expected to cause employees to take actions to restore equity.

According to Cardy, Miller, & Ellis (2007), in an organization, employees will have a level of “perceived equity,” which is how the employee perceives what they get from the organization in comparison to what they could get in other organizations. Perceived equity is divided into three groups: value equity, brand equity, and retention equity. Perceived equity can be linked to the idea of opportunity cost; in this case it is the opportunity cost of working at one place over another. Employees weigh that decision throughout their time at a given organization, and once the opportunity cost is no longer in their favour, they’re at a high risk of leaving. Therefore, organizations will benefit from a closer analysis of perceived equity to create higher retention rates. Long term employees that have maintained high job performance and increased productivity for the organization should be valued and treated preferentially, so that they will continue to maintain their strong commitment to the organization.

Internally, equity can be expressed in terms of employees who perform similar Jobs or those who perform dissimilar jobs, those who work within the same department or those who work in different departments. Similarly externally, equity can be expressed in terms of employees who work in the same industry or in different industries, those in the same union or in the same profession, In the same geographic location, or in different geographic locations, In organizations of similar size or in organizations of differing sizes. On the other hand, Individual equity exists when an employer compensates individuals who are in similar jobs on the basis of variations in individual performance-so-called pay for performance. Excellent performers, for example, would receive more compensation than average performers (Henderson, 2003).

Cowherd and Levine (1992) used a sample of 102 business units in 41 corporations to examine whether the size of the pay differential between lower-level employees and top

management had any impact on product quality. Cowherd and Levine suggest that individuals often compare their pay to that of people higher in the organization structure. If lower-level employees feel inequitably treated, they may seek to reduce their effort to achieve equity. Quality, in their study, was defined as customer perceptions of the quality of goods and services. They hypothesized that extra role, or citizenship behaviours, such as freely offering to help others, following the spirit rather than letter of rules, and correcting errors that would ordinarily escape notice, would be less likely when pay differentials between hourly and top managerial employees were large. Their results supported this hypothesis, suggesting that organizations need to take care that they do not forget the potential adverse motivational consequences of executive pay for the motivation of other employees.

The theory brings to the fore the significance of organizational fairness in determining employees organizational outcomes. The organizational commitment of employees in the organizations is largely dependent on the perceptions of fairness in the organization. The pay structures for the various cadres of employees may serve as a motivation or a demotivation to the employees and influence their sense of fairness. Thus this theory will help the study in establishing the role played by pay disparities in determining organizational commitment in the county government of Nakuru.

### **2.2.2 Prospect Theory**

Prospect theory (Kahneman & Tversky, 1979; Tversky & Kahneman, 1992) states that individuals use a reference point to evaluate outcomes. The reference point distinguishes between a perceived loss and a perceived gain (Tversky & Kahneman, 1992). To evaluate wages, individuals compare their wage with the wages of their pay referents (Brown, 2001). In this study, the pay referents within the organization are of interest, because we examine

perceived wage disparity within a firm. An employee takes pay referents on the vertical as well as on the horizontal level into account (Deckop, 1992). Simultaneous consideration of the pay is used referents on the firm's vertical and the horizontal levels as the employees' perception of wage disparity within their firm. The individual weighting of the wages of vertical as well as of horizontal pay referents leads to an individual reference wage for every employee. This reference wage is a reference point to evaluate the own wage (Deckop, 1992).

Existing literature disagrees about how individuals interpret the outcome of their wage comparisons with their pay referents. This issue is represented by the controversy between the behavioural and the economic views about the relationship between perceived wage disparity and job satisfaction. On one hand, in the behavioural view, several studies provide empirical evidence for a negative relationship between wage disparity and job satisfaction (Pfeffer & Langton, 1993; Card, Mas, Moretti & Saez, 2011) or happiness (Luttmer, 2005).

Fehr and Schmidt's (1999) theory about fairness implies that employees paid below their reference point feel dissatisfaction, whereas employees paid above feel guilt about the perceived wage disparity (Deckop, 1992). Further, a strong positive relationship between fairness and job outcomes of commitment and satisfaction exists (Diekmann, Barsness & Sondak, 2004). Hence, equity theory and the theory of inequality aversion explain why the relationship between perceived wage disparity and organizational commitment is negative in the behavioural view.

On the other hand, in the economic view, an increasing number of studies reveal a positive relationship between perceived wage disparity and job satisfaction (Clark, Kristensen, & Westergard 2009) or job commitment (Backes-Gellner & Pull, 2013; Henderson & Fredrickson, 2001). As Lazear and Rosen (1981) explain in their tournament theory, an individual's

motivational level raises as soon as he or she encounters an adequate incentive. For individuals who experience their careers as a tournament, perceived wage disparity acts as an incentive. These individuals want to achieve the same wage level as their respective competitors. The larger the perceived wage disparity, the larger is the incentive and the commitment level. Motivation and commitment correlate highly positive (Lawler, 1969; Tella, Ayeni, & Popoola, 2007). Subsequently, higher wage disparity results in higher job satisfaction and organizational commitment according to the economic view.

### **2.3 Empirical Studies**

The problem of wages is very important as it affects the whole society. If the workers do not get fair and reasonable wages, it will not only affect their subsistence but also their purchasing power. And if large portions of population like labourers have no purchasing power, it would adversely affect all those industries which are supplying consumer goods to the working class. Moreover, injustice to working class would lead to discontentment, frustration, agitation and strikes. Thus if the labourers are deprived of their just share from the national income, it would be in the long run an economic suicide' for a country (Chaudhry, 2013).

Nawab and Bhatti, (2011) found that employee compensation positively and significantly affect organizational commitment. Research of Paik, Yongsun, Parboteeah and Sim (2007) found positive and significant relationship between compensation received by Korean workers expatriate and Mexico local workers on affective commitment, where for continuance commitment was not significant. Anvari Amin, Ungku, Seliman and Garmsari. (2011) indicate that there is a positive and significant relationship between practical compensation strategies with organizational affective commitment.

### **2.3.1 Position Based Pay Disparity and Organizational Commitment**

Pay system is often implemented in terms of time based pay, membership based pay, and seniority and tenure based pay. Adoption of this pay system, although may still be appropriate and applicable in stable and highly predictable business conditions (Henemen, Greenberger & Fox 2000; Wilton, 2010) is gradually viewed as insufficient to attract, retain and motivate competent employees to increase organizational performance (Bergmann & Scarpello, 2002; Ismail, Hock & Muhammed 2007; Ismail Anuar & Abdin 2013).

Theirry (2001) argues that pay is meaningful because it reflects one's relative position and control in important dimensions of work. In terms of relative position, merit pay increases inform employees about the quality of their past performance, provide signals for corrective action if needed, and generally inform them about their relative standing within the group. In terms of control, merit pay reflects the extent to which employees can regulate their behavior and the degree to which they influence the behaviors of others. Thus, individuals see in their pay raises a reflection of themselves in terms of their level of control and relative position in the organization, both of which are central to the formation of positive organizational based self esteem (Gardner, Van & Pierce 2004).

In a survey by Salary.com (2009) findings showed that 56% of employees voluntarily left their jobs because of inadequate compensation. If the managers and employees perceive their total compensation equitable, they will be less likely to leave for another job. Zingheim and Schuster (2008) studies found that 50% of employees were open to changing jobs and that only 55% of the workforce was engaged in their jobs. They felt that companies must have total compensation policies, not just focus on pay and benefits.

Namasivayam, Miao and Zhao (2006) noted that compensation satisfaction varies depending on employee position, manager or hourly employee. Total compensation satisfaction must be evaluated for each level of the organization. Namasivayam et al. (2007) advised that if benefits are offered to the managerial employees, they should be offered to all employees. They found that non-managerial employees were highly motivated by benefits. They even recommended that in order to increase organizational commitment and retention with part time workers, companies should provide benefits.

Employees who have a low wage level are typically also very dissatisfied with a high perceived wage disparity, while people with a high wage level do not care that much about wage disparity (Pfeffer & Langton, 1993). Arnold (2008) came to the conclusion that the relationship between satisfaction with wage disparity and general job commitment was significantly positive. A large controversy exists regarding the effect of perceived wage disparity on organizational commitment. This controversy builds upon two different points of view: the behavioural view and the economic view. The behavioural view indicates that smaller wage disparity induces cooperation between individuals (Henderson & Fredrickson, 2001), work motivation and commitment (Leete, 2000), as well as cohesiveness (Levine, 1991), and hence, results in increased productivity (Siegel & Hambrick, 2005).

### **2.3.2 Employees Pay Expectations and Organizational Commitment**

It is estimated that the cost of hiring and training a new employee can be 1.5 times a departing worker's salary, so reducing turnover by 200 employees could mean \$30 million in savings (Greenhouse, 2011). Training and hiring new employees lead to high personal cost (Zhao, Wayne, Glibkowski, & Bravo, 2007). Thus, every company should be aware about employees' commitment and intentions to quit, how commitment and intentions to quit

interact with each other, and what makes an employee to stay with an organization or leave the organization.

A study by Greenberg and Baron (2003) which focused on the significant influence of pay and other monetary-related variables on labour turnover affirmed that when workers who exerted greater efforts to performance and commitment are not adequately compensated and motivated financially, they tend to leave or quit the job. It is believed that a well-paid employee will see no reason to leave or quit his/her present job. Organizations' that seek competitive and distinctive advantage must give ample room for increased pay, bonuses and higher wages and hence ensure organizational retention (Kinicki & Kreitner, 2003).

According to Federico, Federico and Lundquist, (1976) the bigger the difference between the achieved salary and the expected salary, the higher the intentions to quit and consequently the low the organizational commitment of the employees. Previous research on the psychological contract has indicated that contract breach leads to a lower commitment or higher intentions to quit (Chiang, Cherchen, Jiang, & Klein, 2012; Robinson & Rousseau, 1994; Zhao Wayne, Glibkowski, & Bravo 2007). It is shown that pay satisfaction is negatively related with intentions to quit, and positively related with commitment (Miceli & Mulvey, 2000). However, little research connecting unfulfilled salary expectations with the outcomes of the psychological contract breach (organizational commitment, intentions to quit) has been conducted. This study will be seeking to establish the effect of salary expectations on employee organizational commitment.

According to Milkovich and Newman (2008) the expectation (reward) of employees on task performed motivates and encourages them to be committed. College or university graduates come into the workplace with expectations that they will obtain satisfied, secure, and well-



paying employment (Shelley, 1994) mainly based on what they have been taught in their formal education. However, employers seem to have a different idea where they have been found to have overly high expectations, including management experience, excellent grades, superior presentation and communication skills, positive attitude, and even expecting entry-level graduates to have done charity and volunteer work (Perrone & Vickers, 2003). Given the above, the graduates may face actual work situations that are totally different from what they had initially expected. Taken together, the conflict between the graduates' expectations and actual experiences may influence their satisfaction as well as their commitment to the organizations they serve.

According to Lawler (1971) people with a high level of money need strength, have a high pay expectation, and a large discrepancy between what they receive and what they expect to receive would lead to pay dissatisfaction. Thus, it seems that for employees, who value money highly, money is their major driving force of working. Individuals with higher level of employee commitment to the organization are more likely to put in efforts to add value to the organization. They would be more willing to contribute their ideas, cooperate with their superiors, follow instructions and directives from the management and engage themselves in activities that they perceive as beneficial to the organization as a whole (Chong, 2004). However, one of the basic conditions of employment is to satisfy and fulfill human needs at work organizations through monetary reward, that is, wages and salaries and also benefits (Omolayo and Owolabi, 2007).

### **2.3.3 Internal Relations Based on Pay and Organizational Commitment**

Cook and Crossman (2004) argued that employer-employee relations play a strategic role in improving workers' involvement, high performance, commitment and retention. McDonald,

Harrison, Checkland, Campbell and Roland (2007) pointed out that poor relationship with a line manager can be the push factor behind an individual's decision to quit the job or leave the organization. Till and Karren (2011) and Brown (2001) found that individual equity within a company (defined as comparing one's own wage with wages of other workers) has effects on employees pay level satisfaction. Moreover, Heneman, Greenberger and Fox (2002) argue that the sense of inequality to other employees inside the organization as well as perceived wage disparity play a main role for how satisfied a worker is with his pay increase, what we define as satisfaction with wage increase. The authors assume a negative impact of perceived wage disparity on commitment with wage increase. However, Heneman and Judge (2002) do not include any empirical research and evidence, but consists of a re-conceptualization.

Brown (2001) found that employees are less committed if they earn less than the average wage within their company. On the other hand, workers who earn more than the average wage within the firm are more committed and satisfied with their wage. This shows that wage level plays a role in terms of organizational commitment. Employees who earn less than the average are disadvantaged in an environment with high wage disparity and therefore less committed, whereas people with a relative high wage level are better off and belong to the people who receive more money.

Adams' equity theory (1965) states that inputs and outputs are inter-correlated. Because of the normative expectations of fair correlations between inputs and outputs, large wage disparity raises concerns about inequity. In addition, Fehr and Schmidt (1999) showed that individuals prefer fairness due to their inequality aversion. Therefore, perceived wage disparity has a negative impact on commitment (Brown, 2001).

The economic view predicts exactly the opposite: larger wage disparity induces higher job commitment. An increasing number of research papers show that as monitoring of employees becomes more difficult, wage disparity can be used as an incentive to gain additional effort from the employees (Backes-Gellner & Pull, 2013).

#### **2.3.4 Organizational Commitment**

Guffey and Nienhaus (2002) also established a strong link between organizational commitment such as strong belief in the organization's goals and values, willingness to exert effort on behalf of the organization, and strong desire to maintain membership in the organization and employees' support of the organization's strategic plan.

Gerber, Wittekind, Grote, and Staffelbach (2009) distinguished between four types of career orientation, namely the independent, the promotion-focused, the loyalty-focused, and the disengaged career orientation. An employee who belongs to the independent career type does not expect organizational help in his or her career expectation, but expects upward mobility. Furthermore, work is an important part in his or her life. Loyalty-focused employees are very committed to their peers. Additionally, job security is of high value to them. In contrast to the independent career orientation type, up-ward mobility is not important for loyalty-focused individuals (Gerber, Wittekind, Grote, Conway & Guest, 2009).

Promotion-focused individuals as well as loyalty-focused individuals value the length of the work relationship with their employer. But in contrast to the loyalty-focused career type, promotion-focused individuals expect the possibility to move upwards and thus, expect some help from their employers regarding their career management (Tschopp, Grote & Gerber 2013). The dis-engaged career orientation is similarly characterized as the independent career orientation. In contrast to the independent career orientation, disengaged career-orientated

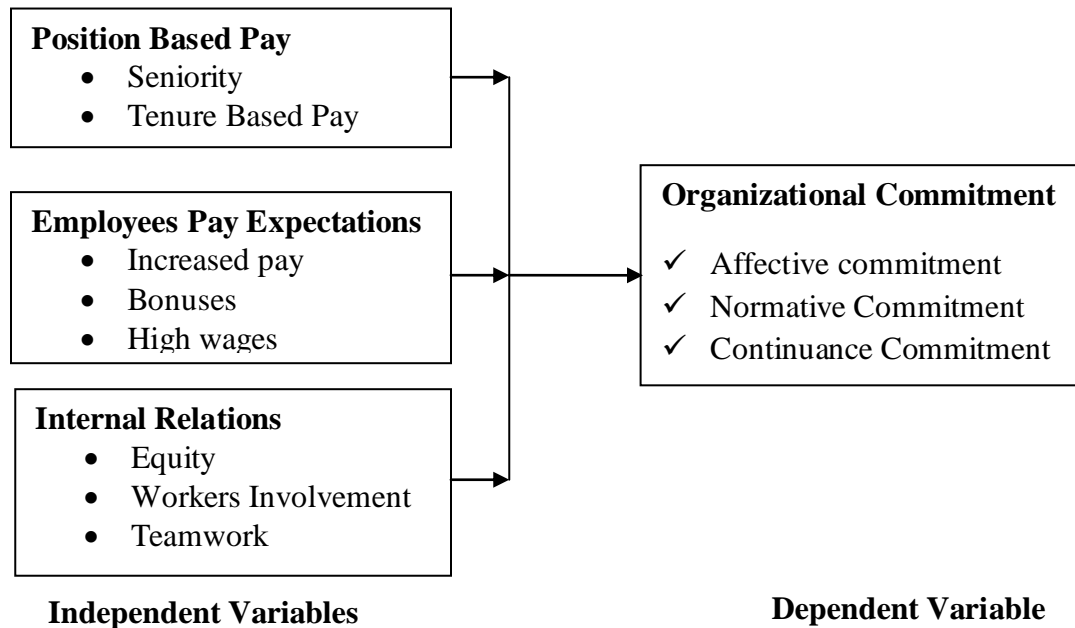
individuals do not value their work and job as important parts of their lives (Gerber et al., 2009). In contrast to employees with a promotion-focused career type, employees with an independent career type are willing to change their employer in order to move upwards (Tschopp et al., 2013). Hence, independent career types are interested in a high external visibility of their performance (CasasArce, 2010). Based on career orientation, the level of organizational commitment will vary with each given category

Popoola (2009) found that there was a significant correlation between wages and organizational commitment. This implies that the higher the wages of the employees, the more they exhibit high organizational commitment. Abel (2006) reiterated that good wages and attractive conditions of service might foster high organizational commitment in workers irrespective of the organization they work for. There are moderately strong relationships between commitment and compensation satisfaction, and between total compensation and pay for performance. Thus, it can be concluded that there is a direct relationship between satisfaction with compensation and organizational commitment: The higher the satisfaction, the higher the commitment (Parker & Wright, 2001).

## **2.4 Conceptual Framework**

The conceptual framework explains the relationship between the independent variables and the dependent variable. The former is presumed to be the cause of the changes that influence the latter (Kothari, 2005). The figure conceptualizes a framework consisting of independent and dependent variables. Factors related to pay disparities formed the independent variables while organizational commitment was the dependent variable. Thus the independent variables included position based pay, employee pay expectation, and internal relations based on pay. The figure conceptualizes that pay disparities influence organizational commitment of

employees in the county government of Nakuru. The conceptual framework for this study was as in figure 2.1.



**Figure 2. 1: Conceptual Framework**

## 2.5 Critique of Reviewed Literature

Studies have shown that if employees are satisfied with their job as well as the organizational environment including its colleagues, compensation, and leadership they will be more committed with their organization as compared to when they are not satisfied (Samad, 2007). Financial reward is one of the factors that produce job satisfaction hence enhancing organizational commitment. Among these, wages have been viewed as an important determinant factor for employee job satisfaction and have been shown to influence an employee's decision to leave the organization (Kline & Hsieh, 2007).

Existence of proper and effective reward systems in these institutions not just salary, will lead to job satisfaction, organizational commitment and employee performance. When employees are satisfied with their jobs then this builds organizational commitment. When employees

exhibit job satisfaction, they will improve their performance. When employees are committed to the organization they will strive to perform the tasks and duties attached to their positions thus effective employee performance.

Increasingly, organizations are realizing that in order to build on employee's job satisfaction, they have to establish an equitable balance between the employee's contribution to the organization and the organization's contribution to the employee. Establishing this balance is one of the main reasons to reward employees. This means that employees cannot be satisfied with their jobs unless they are motivated by effective reward systems (Pratheepkanth, 2011). Literature has shown that employees are satisfied when they feel that the rewards they receive from their jobs correspond to their skills and effort. It is not solely about the amount of money they receive. They are satisfied when they feel that they have been fairly treated and when the rewards they receive are equal to the ones their colleagues who have the same skills, expertise and effort, receive. As Equity Theory suggests, perceived equity seems to lead to greater job satisfaction and organizational commitment (Huczynski & Buchanan, 2001).

## **2.6 Summary of Literature**

Satisfaction with reward system is one of the drivers of organizational commitment. For an employee to be satisfied with his/her pay, a few basic elements need to be present. People have to believe that the pay they earn is fair in relation to the work they do. They also must feel that their compensation, including salary, incentives and benefits, compares favourably with the realities of the market, especially in comparison to people doing the same work in similar circumstances (Parker & Wright, 2001).

Lawler (2003) argued that the relationship between reward systems and organizational commitment depends on two factors; first is the amount of reward which is given and the

second is the weight age an individual gives to a certain reward. Fair chances of promotion according to employee's ability and skills make employee more committed to their work and become a source of pertinent workability for the employee. Incentives, rewards and recognition are the key parameters of today's commitment programs according to most of the organizations as these bind the success factor with the employees' performance. Although a relationship exists between reward systems and organizational commitment, it has to be considered as one of the pieces in a complex puzzle towards employee performance. Nevertheless, without a comprehensive and responsive reward strategy, companies will fail to maximize the potential of their employees (Parker & Wright, 2001).

## **2.7 Research Gaps**

Wages and salaries are a yardstick in identifying the level of employees' commitment and they are needed as a means of fulfilling and meeting the needs of employees (Omolayo & Owolabi, 2007). The fulfillment of employee's personal needs brings about greater commitment, but this fulfillment of needs cannot be accomplished without giving the employees monetary reward which would be used to meet and fulfill these needs. The level of employees' commitment increases if it is backed up with monetary reward, and this in turn brings greater performance and productivity to the organization. Inadequate monetary reward system is seen as a major setback of employees' commitment and this can bring about increase in absenteeism, lateness, low performance, feeling of grievances, and employees turnover (Chang, 2006). Most of the studies on pay disparities have been done globally. Limited research has been done in the Kenyan context creating a research vacuum. The study sought to shed light on the issue by examining the influence of pay disparities on employee organizational commitment in the county government of Nakuru.

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.1 Introduction**

This chapter essentially dealt with the process of conducting the research. As such, it enumerated the research design to be employed in the study, the target population of the study and the sampling design. Then it presented the data collection instruments, pilot testing, data collection procedures and finally the data analysis procedure. The study sought to establish the influence of pay disparities among employees on organizational commitment in the County government of Nakuru.

#### **3.2 Research Design**

The study employed descriptive survey research design. The design enabled the researcher to describe the characteristics of the variables under study in relation to the practices in the County government operations. Ghauri and Gronhaug (2005) asserts that in descriptive design the problem is structured and well understood, a fact that Mugenda and Mugenda (2003) agrees that descriptive design is most preferred because it gives a report on things as they actually are. Descriptive studies are also conducted to demonstrate associations or relationships between things in the world around you. In addition, a descriptive survey enables the researcher obtain quantitative data which he can analyze using descriptive and inferential statistics (Saunders & Clark 2002).

#### **3.3 Target Population**

The study was conducted in the County government of Nakuru County. The target population for the study was the employees under the different payrolls in the County government headquarters. There are 1430 employees working in the headquarters of the County



government of Nakuru. The researcher drew a sample from this population to form the respondents in the study.

### 3.4 Sampling Frame

A sampling frame is the source material or device from which the sample of the study is drawn (Mugenda & Mugenda, 2003). The sampling frame for the proposed study is the list of employees in the headquarters of the County government of Nakuru as shown in Table 3.1.

**Table 3. 1: Sampling Frame**

Employee Category	Number	% of Population
Local Authority Employees	500	35%
Defunct employees	780	55%
New Employees	150	10%
Total	1430	100%

Source: County Government, Human Resource Department:2017

### 3.4 Sample Size and Sampling Procedure

The purpose of sampling is to secure a representative group (Mugenda, 2008). Burns and Grove (2003), refer to sampling as a process of selecting a group of people, events or behaviour with which to conduct a study. The sample for this study was designed to produce a representation of employees in the County government of Nakuru. According to Mugenda & Mugenda (2009) a sample size of between 10 and 30 % is a good representation of the target population. Following this recommendation, the study sampled 10% of the population to form the study respondents. Therefore the sample size for the study was 143 respondents. To arrive at this sample the researcher employed stratified proportionate sampling method. The population was stratified into the three portions of the employees' categories. Then proportions of the samples were taken from each stratum in accordance to the ratio of the

stratums to the total population. In doing this the researcher applied simple random sampling to select the respondents from the three categories of the employees. This ensured that every employee was given equal chances to participate in the study. The sample was therefore selected as shown in the table below

**Table 3. 2: Sample Determination**

Employee category	Population	Sample	% of total Sample
Local Authority Employees	500	50	35 %
Defunct Employees	780	78	54.5 %
New Employees	150	15	10.5 %
Total	1430	143	100 %

### **3.5 Data Collection Instrument**

The researcher employed the use of a structured questionnaire to collect data from the respondents. Structured questionnaires are data collection forms that comprises of a list of close-ended questions (Mugenda & Mugenda, 2003). The instrument was preferred since it facilitated the statistical analysis of data, which is in line with the objective of the study. By limiting the participants' responses to predetermined answers, structured questionnaires enable the researchers to make statistical comparisons of responses and make inferences (Cooper & Schindler, 2003). The questionnaire consisted of statements constructed in form of a 5 point Likert scale (1-Strongly Disagree, 2-Disagree, 3-Neutral, 4-Agree and 5-Strongly Agree). The questionnaires facilitated the collection of data within a short period of time.

### **3.6 Pilot Study**

Before proceeding with data collection the researcher conducted a pilot study to authenticate the study instruments. In conducting the pilot study, the researcher was seeking to establish

whether the respondents have understood the questions and thus offer the information required. Mugenda and Mugenda (2003) argue that conducting a pilot study is important before the main study. The pilot testing was done using 10% (14 respondents) (Hertzog, 2008) of the sample population who was later be excluded during data collection stage. This enabled the researcher to conduct reliability tests and familiarize himself with the research environment. This also was important in checking the suitability and the clarity of questions on the instruments designed, relevance of the information being sought, the language used and the content validity of the research instrument.

### **3.6.1 Validity of the Instrument**

According to Mugenda and Mugenda (2003), Validity is the accuracy and meaningfulness of inferences, which are based on the research results. Data collection instrument is considered valid if the content selected and included is relevant to the need or gap established. The research instruments were tested for validity to ascertain whether they measure the variables under study. According to Borg and Gall (1999), validity of an instrument is improved through expert judgment. As such, the content validity was ascertained by engaging the research supervisor to check and assess the frequency of errors and the accuracy of data expected. Further the researcher considered literature reviewed in coming up with the questionnaire in addition to consulting with various professionals in the campus in seeking guidance in the development of the questionnaire. The process of validation enabled the researcher to test the suitability of the questions, the adequacy of the instructions provided, the appropriateness of the format and sequence of questions. Some corrections were made to the questionnaires and the final version was printed out.

### 3.6.2 Reliability of the Instrument

Kohl (2005) defined reliability as the ability of a test to consistently yield same results when repeated measurements are taken of the same individual under the same conditions. Trial testing of the measuring instruments should be undertaken using a few subjects whose characteristics are similar to those in the sample to ascertain the feasibility of the study (Nkpa, 1997). The reliability of the research questionnaire for this study was determined through Cronbach alpha coefficient. The questionnaire was piloted by taking 10% (Hertzog, 2008) of the sample population who were later excluded in the actual data collection process. Cronbach's alpha reliability coefficient normally ranges between 0 and 1. However, there is actually no lower limit to the coefficient. The closer Cronbach's alpha coefficient is to 1.0 the greater the internal consistency of the items in the scale. Values above .7 were assumed to indicate that the instrument is reliable. The findings from reliability analysis were as shown in the table below.

**Table 3. 3: Reliability Analysis**

<b>Description</b>	<b>No of Items</b>	<b>Cronbach Alpha Coefficient</b>
Position Based Pay	7	.712
Employee Pay Expectations	7	.848
Internal Relations	7	.730
Organizational Commitment	7	.725

The findings demonstrated that all the variables had Cronbach alpha values greater than 0.7 which is the recommended threshold for reliability of an instrument. Therefore the study concluded that the research instruments were reliable for the data collection.

### **3.7 Data Collection Procedure**

The researcher sought authorization for data collection from Jomo Kenyatta University of Agriculture and Technology Academics Department who issued him a letter for data collection. The researcher then conducted a reconnaissance where he familiarized himself with the area of study. During the reconnaissance the researcher sought permission from the County officials to be allowed to collect data from the County employees. After this the researcher informed the officials of the actual day for data collection. Thereafter the researcher proceeded for data collection. The researcher used the drop and pick method for collection of data using the questionnaire.

### **3.8 Data Analysis and Presentation**

According to Polit and Hungler (1997), data analysis means to organize, provide structure and elicit meaning. The primary data collected in this study was coded and tested for completeness and then analyzed using descriptive statistics and inferential statistics and presented using tables. Descriptive statistical techniques (frequencies, percentages, means and standard deviation) were employed to analyze field data from questionnaires to assist the interpretation and analysis of data using Statistical Package for Social Sciences (IBM SPSS Version 24). Inferential statistics, in form of Pearson correlation coefficient were used to check the relationship between the variables. The researcher then performed multiple regression analysis to fit the following regression model.

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \epsilon$$

Where,

Y – Organizational Commitment

X<sub>1</sub> – Position Based Pay

$X_2$  – Employee Pay Expectations

$X_3$  – Internal Relations

$\beta_0$  – Model Constant

$\beta_1, \beta_2$  and  $\beta_3$  – Model Coefficients

$\epsilon$  – Error Term.

## **CHAPTER FOUR**

### **FINDINGS AND ANALYSIS**

#### **4.1 Introduction**

This chapter presents the research findings on the influence of pay disparities among employees on organizational commitment in the County government of Nakuru Kenya. The findings were in tandem with the research objectives and the study variables. Findings are presented in both descriptive and inferential statistics. The researcher first delved into the background information followed by descriptive analysis and finally by inferential analysis. The data was presented in tables accompanied by relevant discussions.

#### **4.2 Response Rate**

A total of 144 questionnaires were distributed to the respondents for the purposes of data collection. Ten questionnaires were not returned despite follow up efforts by the researcher through phone calls, short messages and personal visits. Of the 134 questionnaires that were returned, five of them were found to be faulty either due to the fact that they were incompletely filled or had multiple marks. As such 129 questionnaires were correctly filled and were deemed appropriate for data analysis after the sorting process. This represented a response rate of 89.6% which was characterized as very good (Babbie, 1990).

#### **4.3 Background Information**

The researcher computed background information of the respondents in relation to their gender, age bracket, job position, level of education, job group and gross salary bracket. The findings indicated that 58.1% of the respondents were male while 41.9% were female. These indicated that both the genders were fairly presented in the study.

Further findings showed that the majority of the respondents making up to 73.7% were aged between 36 to 55 years with the bulk of them being between 46 to 55 years. Only 11.6% of the respondents were within the youthful age of between 25years to 35 years. As such, the county government appears to possess long serving experienced workers. Also it was observed that 29.5% of the respondents were support staffs, 24% were supervisors while 20.9% were management staff. Only 7% of the respondents were in senior management while the other cadres of staff were 18.6%. As such, the study had a fair representation of all the staff in the county government. The findings indicated that 40.3% of the respondents had college education, 27.9% had only up to secondary education while 18.6% had university education. All of the 129 respondents, 11.6% had primary education and 1.6% had done a vocational training course.

#### **4.3.1 Respondents Employee Category**

Analysis was done to establish the employment category of the respondents working in the county government of Nakuru. The findings from the analysis were as presented in Table 4.1

**Table 4. 1: Employment Status Category**

	Frequency	Percent
FLAE	44	34.1
FNGE	73	56.6
NECE	12	9.3
Total	129	100.0

The findings indicated that most of the employees in the county government were former national government employees (FNGE) comprising of 56.6% of all the employees. The former local authority employees (FLAE) comprised 34.1% of the total respondents while the newly employed county employees comprised of 9.3% of the total respondents. Therefore the



findings demonstrated that most of the employees in Nakuru county government were inherited from former local and national government employees.

### 4.3.2 Job Group

The job group of the employees in the county was examined and the findings presented as in Table 4.2

**Table 4. 2: Job Group**

	Frequency	Percent
B	6	4.7
C	10	7.8
D	19	14.7
E	13	10.1
R	3	2.3
Q	1	.8
H	14	10.9
N	7	5.4
J	11	8.5
K	12	9.3
G	8	6.2
L	14	10.9
M	4	3.1
P	3	2.3
F	4	3.1
Total	129	100.0

From the table, the researcher observed that all the job groups were represented in the study.

### 4.3.3 Respondents Gross Salaries

Respondents were requested to select their salary brackets and the findings were as shown in Table 4.3

**Table 4. 3: Gross Salary Bracket**

	Frequency	Percent
Below 15000	12	9.3
15000-25000	19	14.7
25001-35000	40	31.0
35001-45000	10	7.8
45001-55000	3	2.3
55001-65000	18	14.0
65001-75000	7	5.4
75001-100000	13	10.1
Above 100000	7	5.4
Total	129	100.0

From the table, it was observed that the majority of the respondents comprising 55% were earning less than KShs. 35000 per month. 14.1% of the respondents were earning between KShs. 35000 and KShs. 65000 while 15.5% were earning between 65000 and 100000 Kenya shillings. Only 5.4% were earning more than 100000 shillings in gross income.

#### **4.4 Descriptive Statistics**

Descriptive statistics were established to describe respondents' perception in regard to the various variables under the study. The findings were as discussed hereafter.

##### **4.4.1 Position Based Pay**

The study set out to determine the perception of the respondents regarding issues in relation to position based pay. The percentages, means and standard deviation were computed and the findings presented in Table 4.4

**Table 4. 4: Perceptions on Position Based Pay**

	SA (%)	A (%)	U (%)	D (%)	SD (%)	Mean	Std. Dev
The pay structure in the government is based on seniority	2.3	5.4	2.3	48.8	41.1	1.79	.907
High pay for senior employees motivates junior employees to work hard and ascend to senior positions	5.4	26.4	3.9	39.5	24.8	2.48	1.269
Employees pay in the county varies depending on one's position and hours of work	.8	3.9	3.1	61.2	31.0	1.82	.734
Am satisfied with the pay I receive at my position	3.1	26.4	1.6	31.8	37.2	2.26	1.290
Employees in different payrolls doing similar tasks earn differently from each other	68.2	28.7	.8	.8	1.6	4.61	.699
Cooperation with colleagues at work is difficult due to the pay disparities	27.1	63.6	3.1	2.3	3.9	4.08	.863
The county government lacks a uniform compensation policy for employees across the board having some earning more than the others	53.5	44.2	0	.8	1.6	4.47	.697
Valid N (listwise)	129						

From the table above, a majority of the respondents disagreed that the pay structure in the county government is based on seniority with a mean response of 1.79 (Disagree) and a standard deviation of .907. 48.8% of the respondents disagreed with the assertion while 41.1% strongly disagreed. The respondents also disagreed that high pay for senior employees motivates junior employees to work hard and ascend to senior position (M=2.48, SD=1.269). 39.5% of the respondents were in disagreement the assertion and 24.8% of them strongly agreed. However a significant number comprising of 26.4 % agreed that high pay for seniors is a motivation for junior employees to work hard to ascend to senior positions. On the other hand, 61.2% of the respondents disagreed that employees pay in the county varies depending

on one's position and hours of work whereas 31% of the respondents strongly disagreed. On average, respondents disagreed that the hours of work and position determines their pay ( $M=1.82$ ,  $SD=.734$ ). Respondents also disagreed that they are satisfied with their work with 37.2% of them strongly disagreeing and 31.8% being in disagreement. However, 26.4% of the respondents agreed that they are satisfied with their pay. 68.2% of the respondents strongly agreed that employees in different payrolls doing similar tasks earn differently from each while 28.7% of the respondents agreed with the assertion. On average ( $M=4.61$ ,  $SD=.699$ ) respondents strongly agreed that employees pay differed in different structures. Further 63.6% of the respondents agreed while 27.1% strongly agreed that cooperation with colleagues at work is difficult due to the pay disparities. A mean of 4.08 (Agree) was registered showing the respondents registered lack of cooperation as a result of pay disparity. In addition 53.5% strongly agreed and 44.2% agreed that the county government lacks a uniform compensation policy for employees across the board having some earning more than the others. This was also confirmed with a mean of 4.47 and a standard deviation of .697 indicating that the respondents were in agreement that there was no uniform compensation policy for employees across the board.

#### **4.4.2 Pay Expectations**

The study also established the views of the respondents regarding their pay expectations by computing the percentages means and standard deviations of their responses. The findings from the analysis were as presented in Table 4.5.

**Table 4. 5: Perception on Pay Expectations**

	SA (%)	A (%)	U (%)	D (%)	SD (%)	mean	Std. Dev
I expected to be earning more than I do when I applied for this job	17.1	68.2	7.0	6.2	1.6	3.93	.792
My pay expectations have fully been met	3.1	10.1	5.4	37.2	44.2	1.91	1.086
My salary expectations have not been met	34.1	44.2	4.7	14.7	2.3	3.93	1.091
I would pick any other job opportunity that promises to full fill my pay expectations	17.8	23.3	9.3	41.1	8.5	3.01	1.308
I am fully satisfied with my salary	1.6	7.8	7.8	38.8	44.2	1.84	.975
My salary satisfaction is my main motivation to work in the county government	13.2	44.2	1.6	24.0	17.1	3.12	1.375
Am required to have more experience to achieve my salary expectations	1.6	4.7	.8	58.1	34.9	1.80	.804
Valid N (list wise)	129						

A majority of the respondents comprising of 68.2% agreed and 17.1% strongly agreed that they expected to be earning more than they do when they applied for their current job registering a mean of 3.93 and a standard deviation of .792. Further, 44.2% and 34.1% of the respondents agreed and strongly agreed respectively that their pay expectations had not been met. 14.7% of the respondents disagreed. Conversely, 44.2% of the respondents and 37.2% strongly disagreed and disagreed respectively that their pay expectation had fully been met. The aspect had a mean of 1.91 indicating that the respondents' expectations of their pay had not been met. On the other hand, 44.2% and 38.8% of the respondents strongly disagreed and disagreed respectively that they are fully satisfied with their salary recording a mean of 1.84 (Disagree). 58.1% and 34.9% of the respondents disagreed and strongly disagreed respectively that they are required to have more experience to achieve their salary expectations with a mean of 1.80 and a standard deviation of .804. On the other hand, respondents on average were undecided (M=3.12, SD=1.375) on whether their salary satisfaction was their main motivation to work in the county government. 44.2% of the

respondents agreed that they are motivated by their salary expectations while 24.0% were undecided and 17.1% disagreed. Additionally, 41.1% of the respondents disagreed that they would pick any other job opportunity that promises to fulfill their pay expectations. However, 38.8% of them were undecided on whether they would pick another opportunity and the average response for this aspect was 3.01 (undecided).

#### **4.4.3 Internal Relations**

They further sought to establish the perceptions of the respondents regarding internal relations among employees within the county government of Nakuru. The means, standard deviations and percentages were computed for the responses. The findings from the analysis are as highlighted in Table 4.6

**Table 4. 6: Internal Relations**

	SA (%)	A (%)	U (%)	D (%)	SD (%)	Mean	Std. Dev
There is fairness in employees pay structure in the county government enhancing greater cooperation among the employees	5.4	11.6	1.6	29.5	51.9	1.89	1.220
Pay disparities has led to straining of internal relations	27.9	65.1	.8	3.9	2.3	4.13	.797
Differences in pay makes me as an employee feel that my work is not appreciated	48.8	32.6	.8	16.3	1.6	4.11	1.134
I feel that I earn less than my colleagues having similar qualifications with mine	38.8	26.4	3.1	28.7	3.1	3.69	1.328
I have a better pay than my previous jobs pay thus satisfied with my work	6.2	7.0	36.4	20.2	30.2	2.39	1.168
Employees in the county government feel dissatisfied with their pay if they earn less than the average pay within the county	51.9	42.6	3.1	.8	1.6	4.43	.737
The high wage disparities within the county employees makes them withhold extra effort in the performance of their duties	48.1	39.5	.8	7.0	4.7	4.19	1.076
Earning more than the others working in the county government acts as a motivation for me	5.4	14.7	7.0	37.2	35.7	2.17	1.219
Pay disparities has created different factions of cooperation within the county employees	35.7	56.6	.8	3.9	3.1	4.18	.879
Valid N (listwise)	129						

On average (M=1.89, SD= 1.22) respondents disagreed that there was fairness in employees pay structure enhancing greater cooperation among the employees. 51.9% and 29.5% strongly disagreed and disagreed respectively with the foregoing assertion. On the other hand 65.1% and 27.9% agreed and strongly agreed respectively that pay disparities has led to straining of internal relations with the aspect registering a mean of 4.13 (Agree) and a standard deviation of .797. The findings also revealed that differences in pay makes the employees feel that their

work is not appreciated having 48.8% strongly in agreement and 32.6% of the respondents being in agreement with the statement. A mean of 4.11 (Agree) was registered indicating that employees felt unappreciated as a result of differences in their pay. 38.8% of the respondents strongly agreed and 26.4% agreed that they felt they earned less than their colleagues having similar qualifications with a mean of 3.69 (Agree) and a standard deviation of 1.328. The findings indicated that 36.4% of the respondents were undecided on whether they had a better pay than their previous jobs thus satisfied with their work while 30.2% and 20.2% strongly disagreed and disagreed respectively with the assertion. On average (M=2.39, SD=1.168) respondents disagreed that they have a higher pay than their previous employment thus satisfied with their work. 51.9% of the respondents and 42,6% strongly agreed and agreed respectively with an average of 4.43 (Agree) that employees in the county government feel dissatisfied with their pay if they earn less than the average pay within the county. On the other hand, 56.6% and 35.7% of the respondents agreed and strongly agreed respectively that pay disparities have created different factions of cooperation within the county employees. The aspect registered a mean of 4.18 (Agree) and a standard deviation of 0.879. However respondents disagreed (M=2.17, SD=1.219) that earning more than the others working in the county government acts as a motivation for them. The findings demonstrated that 37.2% and 35.7% of the respondents disagreed and strongly disagreed respectively with the statement. Most of the responses had standard deviation values greater than 1 indicating that respondents' views were very diverse from each other.

#### **4.4.4 Organizational Commitment**

The study went further to establish the views of the respondents in regard to organizational commitment of employees in Nakuru county government. The percentages, means and



standard deviations of the responses were established to aid in making inferences. The findings from the analysis were as presented in Table 4.7

**Table 4. 7: Organizational Commitment**

	SA (%)	A (%)	U (%)	D (%)	SD (%)	Mean	Std. Dev
I strongly ascribe to the county government goals and values	12.4	48.1	2.3	21.7	15.5	3.20	1.337
I feel motivated to exert more effort for the betterment of county government services	5.4	37.2	4.7	31.8	20.9	2.74	1.306
I feel that I should leave the county government job	6.2	18.6	16.3	49.6	9.3	2.63	1.083
The county government is the best place i have ever worked	.8	6.2	28.7	20.9	43.4	2.00	1.023
Given an opportunity I would take another job away from the county government	7.8	46.5	7.0	37.2	1.6	3.22	1.082
I feel that members of the county government are like a family to me	.8	27.9	3.1	30.2	38.0	2.23	1.247
Am always searching for a better job opportunity than this one	5.4	20.9	27.1	34.1	12.4	2.73	1.095
Valid N (listwise)							

From the findings it was observed that 48.1% of the respondents strongly ascribe to the county government goals and values. The average for this aspect was 3.20 indicating that respondents were unsure that employees ascribed to the county government goals and values. The respondents were also undecided (M=2.74, SD=1.306) on whether they feel motivated to exert more effort for the betterment of the county government services. 37.2% of the respondents agreed with the statement while 31.8% of them disagreed. 49.6% of the respondents disagreed that they felt that they should leave the county government job. However, findings indicated that on average, (M=2.63, SD=1.083) respondents were not decided on whether they felt they should leave the county jobs. Respondents however disagreed (M=2.00, SD=1.023) that the county government is the best place they have ever

worked in. Given that 43.4% of the respondents strongly disagreed and 20.9% disagreed that the county government is the best place they have ever worked in, it is not clear why then they would not consider leaving the county government job. The findings further indicated that the respondents were undecided ( $M=3.22$ ,  $SD=1.082$ ) on whether given an opportunity they would take another job away from the county government even though 46.5% of the respondents would be willing. 38% and 30.2% of the respondents strongly disagreed and disagreed respectively that they felt that members of the county government are like a family to them with a mean of 2.23 and a standard deviation of 1.09. Respondents were further not clear ( $M=2.73$ ,  $SD=1.095$ ) on whether they were constantly searching for better job opportunities than the county government jobs.

#### **4.5 Correlation Analysis**

The study sought to establish the relationships that existed between the independent variables and the dependent variable in the study. Pearson product moment correlation coefficient was used to indicate the relationships. The responses were first computed into a composite score of their means. This was possible because the responses were in a Likert scale making possible to compose them together into a composite score. The scores for the independent variables were then correlated with composite scores of the dependent variable. The findings for the analysis were as presented hereafter.

##### **4.5.1 Relationship between Position Based Pay and Organizational commitment**

All the responses regarding position based pay and organizational commitment were in a Likert scale. As such all responses relating to position based pay were computed into a composite score of their mean as well as those on organizational commitment. The computed composite means of position based pay were correlated with those of organizational

commitment using Pearson product moment correlation coefficient. The findings from the analysis were as shown in table 4.8

**Table 4. 8: Correlation between Position Based Pay and Organizational commitment**

		Position Based Pay	Organizational Commitment
Position Based Pay	Pearson Correlation	1	.410**
	Sig. (2-tailed)		.000
	N	129	129
Organizational Commitment	Pearson Correlation	.410**	1
	Sig. (2-tailed)	.000	
	N	129	129

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

The findings indicated the existence of a relatively weak positive significant ( $r=.410$ ,  $p=.001$ ) relationship between position based pay and organizational commitment in the county government of Nakuru. This means position based pay has a significant role in determining the commitment of employees in the county government of Nakuru. As such enhancement of position based pay enhances the organizational commitment of employees.

#### 4.5.2 Relationship between Pay Expectations and Organizational commitment

The composite score for pay expectations were computed and correlated with employee organizational commitment. The findings from the analysis were as shown in Table 4.9

**Table 4. 9: Correlation between Pay Expectations and Organizational commitment**

		Pay Expectations	Organizational Commitment
Pay Expectations	Pearson Correlation	1	.497**
	Sig. (2-tailed)		.000
	N	129	129
Organizational Commitment	Pearson Correlation	.497**	1
	Sig. (2-tailed)	.000	
	N	129	129

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

An average positive significant ( $r=.497$ ,  $p=.001$ ) relationship was established between pay expectations and employee organizational commitment. The study therefore observed that employee pay expectations were important in determining their organizational commitment. As such, the level of accomplishment in terms of employees pay expectations influences the level of commitment the employee would have towards the institution.

#### 4.5.3 Relationship between Internal Relations and Organizational commitment

The study further computed the composite mean scores of internal relationships and correlated them with employee organizational commitment. This was to establish the existence of any significant relationship between the two variables. The findings from the analysis were as presented in table 4.10

**Table 4. 10: Correlation between Internal Relations and Organizational commitment**

		Internal Relationships	Organizational Commitment
Internal Relationships	Pearson Correlation	1	-.091
	Sig. (2-tailed)		.303
	N	129	129
Organizational Commitment	Pearson Correlation	-.091	1
	Sig. (2-tailed)	.303	
	N	129	129

From the table, it can be observed that there exists a very weak negative but insignificant ( $r=-.091$ ,  $p=.303$ ) relationship between internal relations and employee organizational commitment. As such, internal relations are not that important in determining the organizational commitment of employees in the County government of Nakuru. As such, internal relations do not improve organizational commitment of employees.

## 4.6 Hypothesis Testing

Finally the study set to test the hypothesis of the study in examining the influence of pay disparities on organizational commitment of employees in the county government. The study used the analysis of variance (ANOVA) at a level of significance of  $p < .05$ . If the level of significance is greater than the p-value, the null hypothesis is accepted and when level of significance is less than the p-value the null hypothesis is rejected. The findings from the analysis were as discussed hereafter.

### 4.6.1 Influence of Position Based on Organizational commitment

The first objective of the study was to establish the influence of position based pay disparities on employee organizational commitment. To achieve this objective, the following hypothesis was formulated.

- i. Position based pay disparities have no statistically significant influence on organizational commitment in the County Government of Nakuru.

The hypothesis suggests that disparities in position based pay have no significant influence on employee organizational commitment. To ascertain whether the hypothesis is true, the hypothesis was tested using ANOVA and the findings presented hereafter.

**Table 4. 11: Model Summary on position based pay and organizational commitment**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.410 <sup>a</sup>	.168	.161	.47171

a. Predictors: (Constant), Position Based Pay

From the model summary, the R-squared value was 0.168. This meant that position based pay could significantly account up to 16.8% of the total variance in employee organizational commitment. As such, a change in position based pay would lead to up to 16.8% variation in

organizational commitment in the organization. The analysis of variance gave results shown in Table 4.12.

**Table 4. 12: ANOVA<sup>a</sup>**

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	5.701	1	5.701	25.623	.000 <sup>b</sup>
Residual	28.259	127	.223		
Total	33.960	128			

a. Dependent Variable: Organizational Commitment

b. Predictors: (Constant), Position Based Pay

The table indicated an F-value ( $F_{(1,127)}=25.623, p=.000$ ) which was significant at  $p<.05$  level of significance. This meant that position based pay significantly influenced employee organizational commitment. Therefore, the null hypothesis that position based pay disparities has no significant influence on employee’s organizational commitment in the county government of Nakuru was consequently rejected. The researcher concluded that disparities in position based pay have a significant influence on organizational commitment of employees in the county government of Nakuru, Kenya.

#### **4.6.2 Influence of Employees Pay Expectations on Organizational Commitment**

The second hypothesis sought to establish the influence of employee pay expectations on their organizational commitment in the county government of Nakuru. To accomplish this, the following hypothesis was formulated.

- i. There is no significant influence of employee pay expectations on their organizational commitment in the County Government of Nakuru.

The hypothesis assumed that employees pay expectation do not have any significant relationship with their organizational commitment. To ascertain the hypothesis ANOVA was done and the findings presented as shown below.

**Table 4.13: Model Summary on Employee Pay Expectations and Organizational Commitment**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.497 <sup>a</sup>	.247	.241	.44863

a. Predictors: (Constant), Pay Expectations

The model summary gave an R-squared value of .247 indicating that employee pay expectations accounted for 24.7% of the total variance in employees' organizational commitment. The remaining percentage could be accounted for by factors not included in this model. This shows that a variation in employees pay expectations would impact on their organizational commitment. The coefficients gave the following results.

**Table 4. 14: ANOVA<sup>a</sup>**

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	8.399	1	8.399	41.730	.000 <sup>b</sup>
Residual	25.561	127	.201		
Total	33.960	128			

a. Dependent Variable: Organizational Commitment

b. Predictors: (Constant), Pay Expectations

From the table, an F-value ( $F_{(1, 127)} = 41.730, p=.000$ ) was obtained which was found to be significant at  $p<.05$  level of significance. This demonstrates that employee pay expectations have a significant influence on their organizational commitment. As such, the null hypothesis that there is no significant influence of employee pay expectations on their organizational commitment in the county government of Nakuru was consequently rejected. The researcher

concluded that employee pay expectations had a significant influence on their organizational commitment in the county government.

#### 4.6.3 Influence of Internal Relations on Organizational commitment

The third objective of the study was to examine the influence of internal relations on employee organizational commitment in the county government of Nakuru. This was done through the following hypothesis.

- i. Internal relations based on pay have no significant influence on employee organizational commitment in the County Government of Nakuru.

The hypothesis insinuated that internal relations based on pay disparities have no significant influence on employee organizational commitment. To ascertain the truth of this hypothesis, analysis of variance yielded the following results.

**Table 4. 15: Model Summary on Internal Relations and Organizational Commitment**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.091 <sup>a</sup>	.008	.001	.51495

a. Predictors: (Constant), Internal Relationships

The R-squared value obtained from the model summary was .008. This shows that internal relations could only account for only 0.8% of the total variance in employee organizational commitment. This means that internal relations have a very insignificant role in as far as employee organizational commitment is concerned. Analysis of variance gave the following results shown in Table 4.20

**Table 4. 16: ANOVA<sup>a</sup>**

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	.284	1	.284	1.070	.303 <sup>b</sup>
Residual	33.677	127	.265		
Total	33.960	128			

a. Dependent Variable: Organizational Commitment



b. Predictors: (Constant), Internal Relationships

The table gave an F-value of 1.070 for internal relations with a level of significance greater than .05. This indicated that internal relations have no significant influence on employee organizational commitment. As such, the null hypothesis that internal relations based on pay have no significant influence on employee organizational commitment in the County government of Nakuru failed to be rejected. The researcher therefore concluded that internal relations have no significant influence on the organizational commitment of employees in the county government of Nakuru.

#### 4.6.4 Multiple Regression Analysis

Finally the study sought to establish the influence of independent variables taken together on the dependent variable. Analysis of multiple regressions analysis was carried out to establish whether independent variables taken together had a significant influence on organizational commitment of employees in the county government of Nakuru. Analysis of variance was used to examine the significance of the relationship at a level of significance of  $p < .05$ . The findings from the analysis were as discussed here below.

**Table 4. 17: Model Summary on pay disparities and organizational commitment**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.575 <sup>a</sup>	.330	.314	.42661

a. Predictors: (Constant), Internal Relationships, Position Based Pay, Pay Expectations

From the model summary, the R-squared value of .330 was obtained indicating that independent variables taken together accounted for up to 33.0% of the total variance on the employee organizational commitment. As such a variation in pay disparities influences the organizational commitment of employees in the county government of Nakuru. The remaining

percentage in the variation in organizational commitment could be explained by factors not included in this model. The analysis of variance gave the following results.

**Table 4. 18: ANOVA<sup>a</sup> for Pay Disparities and Organizational commitment**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	11.211	3	3.737	20.533	.000 <sup>b</sup>
	Residual	22.750	125	.182		
	Total	33.960	128			

a. Dependent Variable: Organizational Commitment

b. Predictors: (Constant), Internal Relationships, Position Based Pay, Pay Expectations

The analysis of variance yielded an F-value ( $F_{(3, 125)} = 20.533, p = .000$ ) which was significant at  $p < .05$ . This affirmed that the independent variables taken together had a significant influence on the organizational commitment of employees in the County government of Nakuru. The model coefficients were as shown in Table 4.22

**Table 4. 19: Coefficients<sup>a</sup> on Pay Disparities and Organizational Commitment**

Model	Unstandardized		Standardized	t	Sig.
	Coefficients		Coefficients		
	B	Std. Error	Beta		
1	(Constant)	.685	.547	1.253	.212
	Position Based Pay	.303	.088	.269	.001
	Pay Expectations	.605	.111	.423	.000
	Internal Relationships	-.181	.125	-.107	.150

a. Dependent Variable: Organizational Commitment

From the table, the t-values for the constant value and internal relations were greater than the level of significance. This indicated that internal relations have no significant influence on organizational commitment of employees. However the t-values for position based pay and pay expectations were found to be significant at  $p < .05$ . As such, position based pay and pay expectations significantly influence the organizational commitment of employees in the county government of Nakuru. From the model coefficients table the following regression

model was fitted to show the interrelationships between organizational commitment and aspects of pay disparities.

$$Y = 0.685 + 0.303X_1 + 0.605X_2 - 0.181X_3$$

Where:

Y – Organizational Commitment

X<sub>1</sub> – Position based Pay

X<sub>2</sub> – Employee Pay Expectations

X<sub>3</sub> – Internal Relations

The model shows the relationship between organizational commitment of employees and variables on pay disparities. The models indicated that the value of autonomous Y (value of the dependent variable with exception of the independent variables) is 0.685. On the other hand, with all other factors held constant variation in position based pay by one unit leads to variation in organizational commitment by a factor of .303. Further, one unit variation in employee pay expectations would lead to a change of a multiple of .605 in organizational commitment. Conversely, a unit change in internal relations varies organizational commitment by a negative factor of .181.

## **CHAPTER FIVE**

### **SUMMARY, CONCLUSIONS AND RECOMENDATIONS**

#### **5.1 Introduction**

This chapter presents a summary of the research findings from the data analysis. The chapter further presents the conclusions and the recommendations of the study. The findings were in both descriptive and inferential statistics. Findings were presented in tandem with the research variables and the research objectives. The chapter ends with suggestions for further research based on the findings for this study.

#### **5.2 Summary of Findings**

Summary of the research findings were presented in tandem with the objectives of the study and the variables of the study. The summary focussed on both descriptive and inferential findings as described hereafter.

##### **5.2.1 Position Based Pay and Organizational Commitment**

The findings indicated that on average, respondents disagreed that the pay structure in the government is based on seniority and that the high pay for senior employees motivates junior employees to work hard and ascend to senior position. Further, they disagreed that employees pay in the county varies depending on one's position and hours of work and that they are satisfied with their work. A majority of the respondents agreed that employees in different payrolls doing similar tasks earn differently from each other. In addition they agreed that cooperation with colleagues at work is difficult due to the pay disparities and the county government lacks a uniform compensation policy for employees across the board having some earning more than the others.

Inferential statistics showed the existence of an averagely weak positive significant ( $r=.410$ ,  $p=.001$ ) relationship between positions based pay and organizational commitment. Thus it was observed that position based pay is important in determining employees organizational commitment. Hypothesis testing indicated that position based pay have a significant influence on organizational commitment of employees in the county government of Nakuru. With an R-squared value of 0.168 the variable (position based pay) was shown to have a significant prediction capacity on organizational commitment for the county government employees.

### **5.2.2 Employee Pay Expectations and Organizational Commitment**

In regard to employees pay expectations, descriptive statistics showed that the respondents on average agreed that they expected to be earning more than they do when they applied for their current jobs and that their salary expectations have not been met. However, the respondents were undecided on whether they would pick any other job opportunities that promises to full fill their pay expectations, and on whether their salary satisfaction is their main motivation to work in the county government of Nakuru. Conversely, respondents disagreed that their pay expectations had fully been met, that they are fully satisfied with their salary and that they were required to have more experience to achieve their salary expectations.

On the other hand, inferential statistics indicated that pay expectations had an average positive significant ( $r=.497$ ,  $p=.001$ ) relationship with employee organizational commitment. As such, the organizational commitment of the employees in the county government of Nakuru is greatly dependent on employee pay expectations. Regression analysis indicated that employees pay expectations have a significant influence on the organizational commitment of employees in the county government of Nakuru. The findings demonstrated that employee

pay expectations could account for up to 24.7% of the total variance in employees' organizational commitment.

### **5.2.3 Internal Relations and Organizational Commitment**

Descriptive statistics further showed that in regard to employee internal relations, respondents disagreed that there was fairness in employees pay structure enhancing greater cooperation among the employees. On the other hand, they agreed that pay disparities had led to the straining of internal relations and that pay disparities makes employees feel that their work is not appreciated. In addition, the respondents agreed that they felt that they earned less than their colleagues having similar qualifications with them. However, respondents disagreed that they had a higher pay than their previous jobs while agreeing that employees in the county government felt dissatisfied with their pay if they earn less than the average pay within the county. Respondents further agreed that pay disparities have created different factions of cooperation within the county employees. However, they disagreed that earning more than the others working in the county government acted as a motivation for them.

Inferential statistics indicated that internal relations had a very weak negative insignificant ( $r=-.091$ ,  $p=.303$ ) relationship with the organizational commitment of employees in the county government of Nakuru. Further regression analysis indicated that internal relations had no significant influence on organizational commitment in the county government. Internal relations could only account for only 0.8% of the total variance in employee organizational commitment. Therefore, the study observed that internal relations had no significant effect on the organizational commitment of employees in the county government.

### **5.2.4 Organizational Commitment**

In regard to organizational commitment, respondents were undecided on whether they strongly ascribed to the county government goals and values, whether they felt motivated to exert more effort for the betterment of county government services and that they felt that they should leave the county government job. They further were undecided on whether given an opportunity, they would take another job away from the county government and on whether they are always searching for another better job opportunity. Respondents however disagreed that the county government is the best place they had ever worked in and that they felt that members of the county government are like a family to them. Multiple regression analysis indicated that all the independent variables (position based pay, employee pay expectation and internal relations) significantly accounted for the organizational commitment of employees in the county government of Nakuru.

### **5.3 Conclusions of the Study**

Based on the summary of findings, the study made various conclusions based on the study objectives and the variables under study. To begin with, the study concluded that positioned based pay has a significant influence on organizational commitment of employees in the county government of Nakuru. Findings indicated that position based pay and organizational commitment of employees have a significant relationship with each other. As such, a uniform policy on the salary structure based on seniority would enhance the organizational commitment of employees. Respondents noted that the county government lacks a uniform policy on pay. As such to improve on organizational commitment, the county needs to enhance the position based pay and avoid pronounced disparities.

On the other hand, the study concluded that employee pay expectations significantly influences the organizational commitment of employees in the county government of Nakuru.

Findings demonstrated the existence of a positive significant relationship between employee pay expectations and organizational commitment. Therefore, working to meet employee pay expectations leads to enhanced organizational commitment. Regression analysis also confirmed that employee pay expectations are important predictors of their organizational commitment. Hence, in efforts to improve organizational commitment, employees pay expectations cannot be overlooked.

Further, the study concluded that internal relations based on disparities on pay have no significant influence on the organizational commitment of the employees in the county government of Nakuru. Correlation analysis could not yield any significant relationship between the two variables. Regression analysis further indicated that internal relations had no bearing on organizational commitment. Thus, organizational commitment of employees is not dependent on internal relations within the county government of Nakuru.

Multiple regression analysis indicated that the independent variables taken together had a significant influence on organizational commitment of employees in the county government of Nakuru. As such, the study concluded that position based pay, employee pay expectations and internal relations taken together have a significant influence on organizational commitment of employees in Nakuru county government. As such, to enhance organizational commitment in the county government, the county needs to improve on the three independent variables.

#### **5.4 Recommendations of the Study**

Based on the study findings, the researcher made various recommendations for the county government stakeholders. First and foremost, the county government administration should ensure that uniform policy measures in regard to the pay structure are put in place to guide



employees' remunerations. The county requires to seek for the harmonization of the different pay rolls in existence to ensure equity in employees pay. This will go a long way in enhancing internal relations and consequently improve on the organizational commitment of employees in the county government. In addition, the county government should improve position based pay as the findings have shown its significance in predicting organizational commitment of the employees. Pay structure in the county should be developed on the bases of seniority in order to reward responsibilities that come with seniority. On the other hand, the county requires to seek a balance between employee pay expectations and their actual pay to ensure that employee do not feel that their efforts are appreciated. Striking a balance between the two would go a long way in enhancing employee organizational commitment. Finally, the study recommends that labour unions should come up with a way of having a harmonized body that fights for the rights of all the employees on a uniform bases. This will erase the disparities arising as a result of workers being in different advocacy bodies prompting some workers to have better terms of work than the others.

#### **5.4.1 Suggestions for Further Studies**

The findings indicated that pay disparities have a significant influence on employee organizational commitment. However the study was limited to Nakuru county government hence the findings may not apply for the whole country. Therefore the researcher recommended the replication of this study in other counties to authenticate the findings and enable their generalization. In addition, the researcher recommended that future studies should seek to establish the influence of pay disparities on each component of organizational commitment separately. Further, future research should seek to examine the influence of pay disparities on organizational performance.

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## APPENDICES

### Appendix 1: Introduction Letter

NGENGI ELLY KARANJA

PO BOX \_,

NAKURU-20100

Dear Respondent,

#### **RE: RESEARCH QUESTIONNAIRE**

I am a Masters' degree student at Jomo Kenyatta University of Agriculture conducting a research entitled "Influence of pay disparities among employees on organizational commitment in the county government of Nakuru Kenya." This research forms part of the requirement for my masters' qualification. I would appreciate if you would kindly take a little of your time to complete a questionnaire that I will provide. Any information provided from you is purely for academic purposes and all responses will be treated with utmost confidentiality. Your cooperation is most valued and appreciated.

I take this opportunity to thank you in advance for your quick return of your completed questionnaire.

Yours Faithfully,

NGENGI ELLY KARANJA

## Appendix 2: Research Questionnaire

This questionnaire refers to a research on influence of pay disparity on organizational commitment among employees in the County government of Nakuru. The questionnaire forms an integral part of the study and the respondents are kindly requested to complete and give any additional information they feel is necessary for the study. The researcher will uphold utmost integrity and ethics by ensuring that the data collected will be used absolutely for academic purpose and will be treated with strict confidentiality.

### 1. State your Gender

Male  Female

### 2. What is your age bracket

Below 25 Yrs  25-35 Yrs  36-45 Yrs  46-55Yrs   
Above 56 Yrs

### 3. Select the category that best describes your employment status

Defunct Local authority Employees (Former Local authority employees)   
Devolved function employees (former national government employee)   
Newly employed county employee

### 4. Job Position

Support Staff  Supervisor  Management   
Senior Management  Others Cadres

### 5. Level of education

Primary Level  Vocational Training  Secondary School   
College  University

**6. Kindly State your job Group**

**7. Select the salary bracket your gross pay falls in.**

Below KShs. 15,000  15001-25000  25001- 35000

35001 – 45000  45001 – 55000  55001 – 65000

65001 – 75000  75001 - 100000  Above 100000

8. In the following section, indicate your level of agreement with the statements therein using the following scale.

1-Strongly Disagree (SD), 2-Disagree (D), 3-Undecided (U), 4-Agree (A) and 5-Strongly Agree (SA).

**Section A: Position Based Pay Disparities**

Statement	SA	A	U	D	SD
The pay structure in the county government is based on seniority					
High pay for senior employees motivates junior employees to work hard to ascend to senior positions					
Employees pay in the county varies depending on one’s position and hours of work					
Am satisfied with the pay I receive at my position					
Employees in different payrolls doing similar tasks earn differently from each other					
Cooperation’s with colleagues at work is difficult due to the pay disparities					
The county government lacks a uniform compensation policy for employees across the board having some earning more than the others					

**Section B: Employees Pay Expectations**

statement	SA	A	U	D	SD
I expected to be earning more than I do when I applied for this job					
My pay expectations have fully been met					
My salary expectations have not been met					
I would pick any other job opportunity that promises to fulfil my pay expectations.					
I am fully satisfied with my salary					
My salary satisfaction is my main motivation to work in the					

county government					
Am required to have more experience to achieve my salary expectations					

**Section C: Internal Relations Based on Pay**

<b>Statement</b>	<b>SA</b>	<b>A</b>	<b>U</b>	<b>D</b>	<b>SD</b>
There is fairness in employees pay structure in county government enhancing greater cooperation among the employees					
Pay disparity has led to the straining of internal relations					
Differences in pay makes me as an employee feel that my work is not appreciated					
I feel that I earn less than my colleagues having similar qualifications with mine					
I have a better pay than my previous job's pay thus satisfied with my work					
Employees in the county government feel dissatisfied with their pay if they earn less than the average pay within the county.					
The high wage disparities within the county employees makes them withhold extra effort in the performance of their duties					
Earning more than the others working in the county governments acts as a motivation for me					
Pay disparities has created different factions of cooperation within the county employees.					

**Section D: Organizational Commitment**

<b>Statement</b>	<b>SA</b>	<b>A</b>	<b>U</b>	<b>D</b>	<b>SD</b>
I strongly ascribe to the county government goals and values					
I feel motivated to exert more effort for the betterment of county governments services					
I feel that I should leave the county government job					
The county government is the best place I have ever worked					
Given an opportunity I would take another job away from the county government					
I feel that members of the county government are like a family to me					
Am always searching for a better job opportunity than this one					

**THANK YOU FOR YOUR PARTICIPATION**



Appendix 3: Payroll Extract

SNO	PAYROLLNUM	PAYGF	JOBGR	BIRTHDATI	DATEHIREI	DATEOFPO	ENGA	DESIG	COD	VHEA	GROSSPAY
1	1989102203	BA	R	19640614	19890901	20160401	3	C01AR	11	150,089.00	
2	19790000609	AC	A	19610101	19790128	20121001	3	1843A	11	44,480.00	
3	19790003459	AC	A	19581231	19790508	20121001	3	1843A	11	49,010.00	
4	19790004474	AC	B	19560701	19790626	20111024	3	1748B	11	45,940.00	
5	19790004509	AC	D	19581231	19790627	19790627	3	1528D	11	56,800.00	
6	19800003516	AC	F	19560701	19770706	20121001	3	1303F	11	64,565.00	
7	19810000232	AC	B	19591231	19810102	20130313	3	1741B	11	45,210.00	
8	19810000581	AC	G	19601231	19810114	20121001	3	1254G	11	103,480.00	
9	19810005746	AC	C	19661231	19810801	20101001	3	1623C	11	54,750.00	
10	19820000137	AC	B	19600509	19820107	19820107	3	1741B	11	44,670.00	
11	19820002248	AC	B	19581231	19821101	19821101	3	1745B	11	49,790.00	
12	19820002257	AC	A	19601231	19821101	20121001	3	1843A	11	49,010.00	
13	19820002284	AC	A	19621231	19821101	20101110	3	1843A	11	49,210.00	
14	19830000550	AC	A	19560701	19830215	20121001	3	1843A	11	49,010.00	
15	19830002081	AC	B	19640101	19830811	19830811	3	1741B	11	51,350.00	
16	19840000151	AC	C	19590822	19840110	20130313	3	1635C	11	49,010.00	
17	19840000946	AC	A	19591231	19840723	20121001	3	1843A	11	49,010.00	
18	19850000636	AC	A	19660220	19850319	20111001	3	1852A	11	44,480.00	
19	19850001428	AC	C	19600701	19850603	19850603	3	1619C	11	51,350.00	
20	19850001455	AC	B	19651231	19850603	20121001	3	1741B	11	52,350.00	
21	19850001482	AC	A	19571231	19850527	20121001	3	1843A	11	49,010.00	
22	19850003280	AC	A	19620730	19851009	19851009	3	1812A	11	47,010.00	
23	19860000068	AC	C	19591213	19860101	19860101	3	1622C	11	55,600.00	
24	19860000200	AC	A	19661231	19860102	20121001	3	1843A	11	49,010.00	
25	19860000479	AC	B	19581231	19860108	20101101	3	1725B	11	51,350.00	
26	19860000586	AC	F	19601231	19860109	19940722	3	1330F	11	64,565.00	
27	19860000782	AC	B	19580520	19860112	20130313	3	1741B	11	45,210.00	
28	19860000951	AC	A	19570701	19860129	20121019	3	1843A	11	49,210.00	
29	19860003489	AC	E	19560701	19860807	20121001	3	1429E	11	57,450.00	
30	19860003505	AC	D	19610520	19860809	20130524	3	1517D	11	57,450.00	
31	19860003612	AC	C	19580701	19860819	20121001	3	1630C	11	49,790.00	
32	19860003685	AC	B	19651231	19860901	20121001	3	1741B	11	49,990.00	
33	19860003934	AC	B	19650112	19860917	19860917	3	1741B	11	43,750.00	
34	19860004253	AC	F	19640811	19861007	20050916	3	1328F	11	60,150.00	
35	19860005250	AC	C	19620830	19861126	20130313	3	1657C	11	49,790.00	
36	19870000730	AC	C	19630423	19870108	20130313	3	1656C	11	53,050.00	
37	19870001853	AC	C	19650218	19870305	20111001	3	1623C	11	52,400.00	
38	19870003348	AC	A	19571231	19890620	20121031	3	1843A	11	50,010.00	
39	19870003357	AC	B	19581231	19870622	20121001	3	1741B	11	49,990.00	
40	19870003473	AC	A	19620701	19870715	20121001	3	1843A	11	49,210.00	
41	19870004032	AC	A	19641231	19870629	20121001	3	1838A	11	49,010.00	
42	19870004238	AC	A	19590701	19870629	19870629	3	1843A	11	49,210.00	
43	19870004425	AC	A	19571231	19870701	20121001	3	1843A	11	49,210.00	
44	19870004587	AC	A	19641231	19870701	20121001	3	1843A	11	49,010.00	
45	19870007202	AC	A	19621231	19870818	20121001	3	1843A	11	49,210.00	
46	19870007382	AC	D	19611231	19870825	19870825	3	1516D	11	58,300.00	
47	19870007819	AC	A	19651231	19870906	20121001	3	1843A	11	49,210.00	
48	19870008825	AC	B	19651231	19870915	20101210	3	1741B	11	49,790.00	
49	19870009644	AC	A	19610701	19871013	20111001	3	1843A	11	49,010.00	
50	19880002835	AC	D	19620404	19880407	20130313	3	1541D	11	57,450.00	
51	19890000049	AC	C	19590701	19890101	20111001	3	1657C	11	45,940.00	
52	19890001055	AC	C	19631206	19890112	20130701	3	1619C	11	50,570.00	
53	19890002178	AC	B	19621204	19890201	19890201	3	1741B	11	43,750.00	
54	19890008205	AC	B	19681206	19890621	19890621	3	1748B	11	45,940.00	
55	19890008910	AC	A	19690101	19890601	20100911	3	1843A	11	43,750.00	
56	19890009257	AC	E	19581231	19890619	20121001	3	1429E	11	62,550.00	
57	19890009319	AC	A	19570701	19890601	20121001	3	1843A	11	49,010.00	
58	19890009355	AC	B	19601231	19890621	20101020	3	1741B	11	49,790.00	
59	19890009364	AC	A	19581231	19890621	20121001	3	1843A	11	49,210.00	
60	19890009373	AC	A	19610721	19890613	20121001	3	1843A	11	49,010.00	
61	19890009435	AC	A	19601231	19890622	20130704	3	1838A	11	49,210.00	
62	19890009471	AC	D	19681231	19890614	20070101	3	1528D	11	53,200.00	
63	19890009533	AC	A	19601231	19890623	20121001	3	1843A	11	49,010.00	
64	19890009631	AC	A	19701231	19890613	20110819	3	1812A	11	48,230.00	
65	19890009640	AC	A	19620701	19890625	19890625	3	1852A	11	43,750.00	
66	19890009711	AC	A	19641231	19890622	20121001	3	1843A	11	49,210.00	
67	19890009784	AC	A	19640701	19890628	19890628	3	1843A	11	49,010.00	
68	19890010474	AC	A	19590701	19890720	20121001	3	1843A	11	49,010.00	



69	19890010581	AC	D	19691231	19890721	20070101	3	1538D	11	56,600.00
70	19890010750	AC	C	19691231	19890725	19890725	3	1657C	11	47,450.00
71	19890010858	AC	B	19621231	19890728	20121001	3	1741B	11	49,790.00
72	19890011284	AC	J	19671231	19890802	20090101	3	1001J	11	72,625.00
73	19890014383	AC	B	19591030	19871101	20130313	3	1741B	11	45,210.00
74	19890014525	AC	H	19631231	19891214	19891214	3	1144H	11	76,730.00
75	19900001050	AC	A	19620925	19900106	20111001	3	1852A	11	44,480.00
76	19900002315	AC	A	19690701	19900207	20100210	3	1843A	11	48,230.00
77	19900005512	AC	A	19581231	19900502	20121001	3	1843A	11	49,010.00
78	19900005601	AC	C	19641231	19900507	20121001	3	1630C	11	51,350.00
79	19900010219	AC	F	19700701	19900914	20111001	3	1303F	11	58,450.00
80	19900011556	AC	L	19560815	19901115	19970101	3	0846L	11	93,330.00
81	19910000501	AC	A	19680313	19910802	20130703	3	1843A	11	43,750.00
82	19910002292	AC	B	19670506	19910301	19910301	3	1741B	11	43,750.00
83	19910004376	AC	A	19560701	19910501	19961101	3	1812A	11	44,480.00
84	19910006692	AC	B	19590701	19910715	20111001	3	1748B	11	45,940.00
85	19920000737	AC	B	19670701	19920103	20111024	3	1741B	11	45,940.00
86	19920007030	AC	A	19570101	19920611	19920611	3	1843A	11	44,480.00
87	19920007165	AC	B	19730701	19920615	19920907	3	1741B	11	43,750.00
88	19920012577	AC	B	19721231	19921026	20121031	3	1741B	11	49,990.00
89	19920012773	AC	E	19611231	19921101	20121001	3	1429E	11	58,300.00
90	19920012782	AC	A	19560701	19921101	20121001	3	1843A	11	49,210.00
91	19920013305	AC	A	19591101	19921026	20121001	3	1843A	11	49,210.00
92	19920013396	AC	C	19600401	19921124	20121001	3	1630C	11	49,990.00
93	19920013403	AC	A	19671231	19921124	20121001	3	1843A	11	49,010.00
94	19920013752	AC	A	19741231	19921217	20121001	3	1843A	11	49,010.00
95	19920013761	AC	B	19571231	19921218	20121001	3	1714B	11	49,790.00
96	19920013798	AC	B	19701231	19921222	20121001	3	1726B	11	49,790.00
97	19920013903	AC	A	19621231	19921228	20101001	3	1838A	11	49,210.00
98	19920013930	AC	D	19661231	19921228	20090101	3	1528D	11	51,570.00
99	19930000043	AC	E	19611231	19930101	20121001	3	1429E	11	62,550.00
100	19930000632	AC	A	19580701	19930105	20121001	3	1843A	11	49,210.00
101	19930000990	AC	B	19690101	19930108	19930108	3	1721B	11	43,750.00
102	19930001380	AC	A	19591231	19930113	20121001	3	1843A	11	49,210.00
103	19930001513	AC	E	19581231	19930115	19930115	3	1429E	11	58,300.00
104	19930001522	AC	E	19621231	19921026	20090101	3	1429E	11	53,200.00
105	19930001595	AC	A	19601231	19930118	20121001	3	1843A	11	49,010.00
106	19930001620	AC	A	19691231	19930118	20121001	3	1843A	11	49,210.00
107	19930001700	AC	A	19581231	19930119	20121001	3	1843A	11	49,010.00
108	19930001915	AC	A	19690628	19921026	20121001	3	1843A	11	49,010.00
109	19930002510	AC	G	19721204	19930202	20090701	3	1236G	11	59,300.00
110	19930003062	AC	B	19580101	19930219	20111001	3	1741B	11	45,940.00
111	19930004774	AC	A	19700701	19930405	20111025	3	1843A	11	44,480.00
112	19930005351	AC	B	19580906	19930609	19930609	3	1745B	11	45,210.00
113	19930005691	AC	B	19650311	19930701	19930701	3	1741B	11	43,750.00
114	19930007275	AC	A	19721231	19930914	20121001	3	1875A	11	50,010.00
115	19930007319	AC	A	19641231	19930916	20121001	3	1843A	11	49,010.00
116	19930007819	AC	D	19780202	19931113	20090929	3	1533D	11	51,570.00
117	19940000037	AC	B	19620701	19940101	20111001	3	1741B	11	45,940.00
118	19940000706	AC	B	19600201	19940107	20130313	3	1741B	11	48,230.00
119	19940000715	AC	B	19691231	19940623	20130213	3	1741B	11	44,480.00
120	19940000886	AC	B	19640107	19940111	20130313	3	1741B	11	44,480.00
121	19940002148	AC	C	19751001	19940303	20130702	3	1623C	11	51,350.00
122	19940009049	AC	A	19660506	19941006	20110309	3	1812A	11	43,750.00
123	19950000138	AC	C	19720215	19950103	20130313	3	1630C	11	44,480.00
124	19950002785	AC	A	19601231	19950724	20121001	3	1843A	11	44,680.00
125	19950003826	AC	A	19591231	19951101	20110210	3	1843A	11	49,010.00
126	19960000293	AC	B	19580115	19960107	20130313	3	1741B	11	44,480.00
127	19960000328	AC	B	19620304	19960107	19960107	3	1741B	11	44,480.00
128	19960000346	AC	B	19690208	19960107	20130313	3	1741B	11	44,480.00
129	19960000364	AC	B	19711231	19960107	20130313	3	1741B	11	44,480.00
130	19960004004	AC	N	19611231	19960701	20111123	3	0616N	11	112,680.00
131	19960006606	AC	B	19720101	19960725	19960725	3	1741B	11	43,750.00
132	19970000456	AC	C	19760107	19970109	20130313	3	1653C	11	44,480.00
133	19970009986	AC	C	19641231	19971024	20121001	3	1630C	11	44,480.00
134	19970010087	AC	C	19761231	19971024	20121001	3	1630C	11	44,480.00
135	19970010096	AC	C	19761231	19971024	20121001	3	1630C	11	44,680.00
136	19970010809	AC	A	19601231	19971118	20121001	3	1843A	11	44,480.00
137	19980000619	AC	A	19611231	19980107	20121001	3	1843A	11	44,480.00
138	19980000977	AC	A	19771231	19980113	20121001	3	1843A	11	44,480.00
139	19980000995	AC	A	19601231	19980114	19980114	3	1843A	11	44,680.00



140	19980001152	AC	C	19671231	19980116	20121001	3	1601C	11	44,480.00
141	19980001269	AC	E	19691231	19980119	20121001	3	1429E	11	49,570.00
142	19980001287	AC	A	19731231	19980119	20121001	3	1843A	11	44,480.00
143	19980001367	AC	C	19771231	19980119	20121001	3	1630C	11	44,480.00
144	19980001518	AC	B	19800615	19980120	20121001	3	1741B	11	44,480.00
145	19980001527	AC	A	19560701	19980121	20121001	3	1843A	11	44,680.00
146	19980001545	AC	C	19621231	19980121	20121001	3	1630C	11	44,480.00
147	19980001563	AC	C	19741231	19980121	20121001	3	1630C	11	44,480.00
148	19980001625	AC	A	19721231	19980122	20121001	3	1843A	11	44,480.00
149	19980001652	AC	B	19751231	19980122	19980122	3	1741B	11	44,680.00
150	19980001661	AC	A	19651231	19980122	20121001	3	1848A	11	44,680.00
151	19980001732	AC	D	19650701	19980126	20121001	3	1517D	11	54,250.00
152	19980001741	AC	A	19601231	19971024	20121001	3	1843A	11	44,480.00
153	19980001769	AC	D	19681231	19980126	20121001	3	1528D	11	46,940.00
154	19980002088	AC	A	19701231	19971024	20121001	3	1843A	11	44,480.00
155	19980002097	AC	A	19770701	19980129	20121001	3	1843A	11	44,480.00
156	19980002113	AC	D	19731231	19980201	20121001	3	1517D	11	47,210.00
157	19980002122	AC	A	19581231	19971024	20110505	3	1843A	11	44,680.00
158	19980002195	AC	A	19601231	19980202	20121001	3	1843A	11	44,680.00
159	19980002202	AC	A	19601231	19980202	20121001	3	1843A	11	44,680.00
160	19980002355	AC	A	19741231	19980202	20110614	3	1843A	11	44,680.00
161	19980002453	AC	A	19771231	19980202	20121001	3	1843A	11	44,480.00
162	19980002471	AC	A	19621231	19980203	20121001	3	1843A	11	44,480.00
163	19980002542	AC	A	19711231	19980203	20121001	3	1843A	11	44,680.00
164	19980002613	AC	C	19661231	19980204	20121001	3	1630C	11	44,680.00
165	19980002748	AC	A	19581231	19980206	20121001	3	1843A	11	44,480.00
166	19980002917	AC	C	19691231	19971024	19971024	3	1630C	11	44,480.00
167	19980002926	AC	C	19681231	19980209	20121001	3	1630C	11	44,680.00
168	19980002962	AC	A	19771231	19971024	20121001	3	1843A	11	44,480.00
169	19980002980	AC	A	19571231	19980210	20121001	3	1843A	11	44,680.00
170	19980003021	AC	A	19761231	19980210	20121001	3	1843A	11	44,480.00
171	19980003165	AC	A	19661231	19980216	20121001	3	1843A	11	44,680.00
172	19980003192	AC	A	19701231	19980216	20111001	3	1843A	11	44,480.00
173	19980003334	AC	A	19641231	19980217	20121001	3	1843A	11	44,480.00
174	19980003398	AC	C	19751231	19980218	20121001	3	1630C	11	44,480.00
175	19980003478	AC	B	19721231	19971024	20121001	3	1741B	11	44,680.00
176	19980003629	AC	A	19731231	19971024	20110505	3	1843A	11	44,680.00
177	19980004760	AC	C	19731231	19980518	20121001	3	1653C	11	46,210.00
178	19980004886	AC	B	19770802	19980525	20130313	3	1735B	11	44,480.00
179	19980005221	AC	C	19751231	19980618	20121001	3	1630C	11	44,480.00
180	19980005409	AC	B	19620307	19980701	20130905	3	1721B	11	49,010.00
181	19980005454	AC	B	19641222	19980701	20130313	3	1741B	11	44,480.00
182	19980006406	AC	E	19761231	19980803	20070910	3	1413E	11	57,450.00
183	19980008688	AC	B	19570105	19981001	19981001	3	1734B	11	44,750.00
184	19990000050	AC	B	19740101	19990101	20111001	3	1741B	11	44,750.00
185	19990000292	AC	B	19650701	19990104	19990104	3	1734B	11	44,750.00
186	19990008627	AC	B	19771231	19990315	20121001	3	1748B	11	44,680.00
187	19990009651	AC	B	19770101	19990401	19990401	3	1741B	11	44,750.00
188	19990014205	AC	B	19630101	19990611	19990611	3	1741B	11	44,750.00
189	20000006664	AC	A	19621231	20000602	20100110	3	1843A	11	44,680.00
190	20000006691	AC	A	19731204	20000602	20121001	3	1843A	11	44,480.00
191	20000008248	AC	B	19680428	20000725	20130313	3	1741B	11	44,480.00
192	20000008355	AC	J	19780428	20000728	20101222	3	1044J	11	70,595.00
193	20000008579	AC	F	19770505	20000808	20130313	3	1303F	11	64,565.00
194	20010003399	AC	B	19720812	20011122	20130313	3	1741B	11	44,480.00
195	20070002112	AC	P	19751231	20070703	20070703	3	0552P	11	117,680.00
196	20120007301	AC	A	19560701	19980121	20121001	3	1843A	11	49,010.00
197	20130023148	AY	8	19670601	20130528	20130528	5	A04A8	11	328,125.00
198	20130041539	BA	S	19700701	20131120	20131120	5	C01A5	11	212,249.00
199	20140000602	AC	D	19850802	20140120	20140120	3	1528D	11	46,210.00
200	20140000791	BA	D	19851108	20140204	20140204	5	U05AD	11	17,745.00
201	20140033905	BA	R	19710804	20140628	20140628	3	C01AR	11	170,543.00
202	20150045024	BA	H	19900711	20150901	20150901	2	T03DH	11	27,157.00
203	1976023076	AA	L	19560701	19760701	20120815	3	J05BL	120	62,880.00
204	1978032194	AA	E	19590601	19780401	20130320	2	T04AE	120	18,840.00
205	1978050817	AA	L	19570101	19810701	20080228	3	I05AL	120	69,214.00
206	1978050875	AA	L	19571010	19780701	20130918	3	I05AL	120	62,880.00
207	1978051130	AA	L	19570101	19780701	20130417	3	J01BL	120	69,214.00
208	1978073857	AA	E	19580701	19780801	20130718	2	T04AE	120	19,870.00
209	1978120824	AA	G	19570518	19781205	19961001	3	T03DG	120	27,904.00
210	1979013169	AA	G	19570701	19790101	20021224	3	3ABGG	120	29,138.00



211	1979013410	AA	F	19580701	19790101	20030911	3	I05FF	120	21,780.00
212	1979013779	AA	H	19570701	19790101	20120418	3	I05BH	120	32,496.00
213	1979013923	AA	H	19590701	19790101	20050512	3	I05FH	120	32,496.00
214	1979013965	AA	E	19560701	19790115	19931201	3	I05FE	120	19,870.00
215	1979014369	AA	F	19590608	19790604	20070926	3	I05FF	120	22,810.00
216	1979038787	AA	G	19600701	19790101	20130821	3	T04AG	120	26,237.00
217	1979054733	AA	F	19600701	19790303	20130918	3	T04AF	120	22,810.00
218	1979117303	AA	F	19580301	19790730	20110720	1	T04AF	120	22,810.00
219	1979131991	AA	D	19560701	19790601	20081127	1	T04BD	120	17,745.00
220	1979137002	AA	E	19571111	19790611	20091022	3	U01AE	120	19,870.00
221	1979138448	AA	D	19591001	19790628	20030101	1	T04BD	120	17,745.00
222	1979148524	AA	L	19560701	19790701	20080228	3	I05AL	120	62,880.00
223	1979151218	AA	L	19560701	19840701	20080118	3	I05AL	120	62,880.00
224	1979205740	AA	F	19600701	19791018	20110420	3	T04AF	120	21,780.00
225	1979217323	AA	E	19560701	19791101	20121121	3	T04AE	120	19,870.00
226	1980013952	AA	J	19571018	19800102	20101027	3	D01AJ	120	39,418.00
227	1980029597	AA	E	19590701	19800310	19931201	3	I05FE	120	19,870.00
228	1980085462	AA	E	19590701	19800801	19910701	3	I05DE	120	19,870.00
229	1980085488	AA	H	19610701	19800801	20050512	3	I05FH	120	31,262.00
230	1980093075	AA	H	19580701	19800901	20080414	3	I05FH	120	32,496.00
231	1980109339	AA	F	19570701	19801001	20120516	3	U03AF	120	22,810.00
232	1981099743	AA	J	19580701	19810817	20110518	3	U03DJ	120	39,418.00
233	1981093793	AA	J	19600703	19810801	20110501	3	U03CJ	120	39,418.00
234	1981147136	AA	G	19560701	19811201	20021224	3	3ABGG	120	29,138.00
235	1982037740	AA	J	19590701	19820601	20110615	3	U03AJ	120	37,318.00
236	1982037952	AA	G	19600701	19820601	19960731	3	T03DG	120	29,138.00
237	1982043262	AA	L	19580701	19820701	20080228	3	J05BL	120	69,214.00
238	1982076100	AA	G	19580701	19850530	20041128	3	U01AG	120	29,138.00
239	1982079378	AA	E	19570901	19820901	19880701	3	U03AE	120	19,870.00
240	1982079386	AA	H	19610701	19790801	20080414	3	I05FH	120	32,496.00
241	1982080078	AA	E	19560701	19820701	20130320	2	T04AE	120	18,840.00
242	1982080272	AA	E	19590701	19820901	19931201	3	I05FE	120	18,840.00
243	1982080303	AA	M	19541101	19820701	20120926	6	I05AM	120	75,924.00
244	1982080345	AA	E	19590701	19820901	20080627	3	U03AE	120	19,870.00
245	1982080361	AA	G	19570701	19800901	20110816	3	I05FG	120	26,889.00
246	1982080395	AA	F	19600701	19800901	20031009	3	I05FF	120	21,780.00
247	1982080743	AA	D	19580701	19820901	20051004	2	U01AD	120	17,745.00
248	1983001433	AA	J	19600701	19830101	20110615	3	U03CJ	120	37,318.00
249	1983035848	AA	E	19640701	19830421	20110720	1	T04AE	120	19,870.00
250	1983073927	AA	F	19640309	19830920	20101005	3	T04AF	120	22,810.00
251	1983088980	AA	N	19570701	19831104	20050801	3	I03BN	120	93,124.00
252	1984030265	AA	F	19610601	19840430	20110308	1	T04AF	120	22,810.00
253	1984030891	AA	G	19630701	19840402	20120418	3	T04AG	120	28,123.00
254	1984034887	AA	E	19580701	19840507	20040130	3	T04BE	120	18,840.00
255	1984050419	AA	L	19590117	19840701	20090325	3	I05AL	120	69,214.00
256	1984088836	AA	D	19600701	19840701	20100701	1	T04BD	120	17,745.00
257	1984102583	AA	K	19570701	19800922	20080311	3	J02BK	120	56,190.00
258	1984127965	AA	F	19620701	19841001	20130515	3	T04AF	120	21,780.00
259	1985004916	AA	F	19610301	19851008	20101110	3	T04AF	120	22,810.00
260	1985020572	AA	E	19630701	19850416	20120418	2	T04BE	120	19,870.00
261	1985022794	AA	C	19620701	19900901	20040201	1	T04BC	120	15,630.00
262	1985026659	AA	F	19600701	19850520	20120919	3	T04AF	120	22,810.00
263	1985038088	AA	L	19570701	19780410	20130619	3	I05AL	120	62,880.00
264	1985048897	AA	H	19560701	19850708	20070701	3	T02CH	120	31,262.00
265	1986005355	AA	H	19581117	19860130	20101125	3	I05FH	120	31,946.00
266	1986059257	AA	H	19671012	19860707	19980729	3	T03DH	120	31,323.00
267	1986059778	AA	L	19620705	19860701	20080228	3	I05AL	120	69,214.00
268	1986060567	AA	L	19620525	19860701	20121219	3	J05BL	120	69,214.00
269	1986060583	AA	L	19620503	19860701	20090325	3	I05AL	120	62,880.00
270	1986080876	AA	H	19621201	19860919	20110816	3	I05FH	120	32,496.00
271	1986086343	AA	E	19630701	19860801	20121017	2	T04BE	120	19,870.00
272	1987005154	AA	E	19600701	19870105	20110420	3	T04AE	120	18,840.00
273	1987037850	AA	F	19640701	19870504	20120418	3	T04AF	120	21,780.00
274	1987038246	AA	H	19650701	19870504	20130320	3	U01AH	120	31,323.00
275	1987047457	AA	F	19650701	19870609	20120919	3	T04AF	120	21,780.00
276	1987078220	AA	L	19580601	19870801	20090325	3	L07AL	120	69,214.00
277	1987078327	AA	L	19641105	19870801	20090325	3	L07AL	120	69,214.00
278	1987078563	AA	G	19601230	19870801	19870801	3	U03AG	120	29,138.00
279	1987078717	AA	L	19630902	19870801	20090325	3	I05AL	120	62,880.00
280	1987079145	AA	L	19640910	19870801	20080228	3	I05AL	120	69,214.00
281	1987118884	AA	F	19660408	19871204	20120321	3	U01AF	120	22,810.00



282	1987118949	AA	E	19620925	19871203	20130320	2	T04AE	120	19,870.00
283	1988026852	AA	L	19611220	19890401	20130515	3	J01BL	120	69,214.00
284	1988045199	AA	D	19630601	19880503	20120321	1	T04BD	120	17,745.00
285	1988045212	AA	F	19590701	19880503	20120321	3	T04AF	120	21,780.00
286	1988045220	AA	E	19600701	19880503	20120620	3	T04AE	120	18,840.00
287	1988049494	AA	E	19651125	19880606	20121121	3	T04AE	120	19,870.00
288	1988090461	AA	L	19621101	19880801	20090714	3	I05BL	120	69,214.00
289	1988095631	AA	D	19651212	19880815	20111019	1	T04BD	120	17,745.00
290	1988108646	AA	E	19610210	19881006	20120919	1	T04BE	120	18,840.00
291	1988116233	AA	J	19600701	19881101	20110720	3	U03AJ	120	37,318.00
292	1989007314	AA	L	19630811	19881201	20110615	3	J02BL	120	69,214.00
293	1989049976	AA	J	19640701	19890401	20110720	3	U03CJ	120	39,418.00
294	1989113296	AA	F	19630701	19891017	20130918	3	T04AF	120	22,000.00
295	1989114917	AA	H	19680615	19891016	20090617	3	T03DH	120	32,496.00
296	1989114925	AA	H	19690701	19891016	20100714	3	T03DH	120	32,496.00
297	1989128738	AA	J	19650701	19891101	20111214	3	U03AJ	120	39,418.00
298	1989129289	AA	D	19631115	19891019	20070129	1	T04BD	120	17,745.00
299	1990027385	AA	L	19680701	19900701	20090325	3	J05BL	120	62,880.00
300	1990027539	AA	L	19670701	19900301	20090325	3	J05BL	120	69,214.00
301	1990027547	AA	L	19650701	19900301	20090325	3	J05BL	120	62,880.00
302	1990052063	AA	E	19580101	19900501	20110816	2	T04BE	120	23,870.00
303	1990066834	AA	E	19671017	19900701	20061115	3	U03AE	120	18,840.00
304	1990066868	AA	E	19650701	19900701	20060517	3	U03AE	120	19,870.00
305	1990070087	AA	F	19641022	19900701	20100729	3	T04AF	120	22,810.00
306	1990079497	AA	F	19590828	19900701	20100701	3	M09AF	120	22,810.00
307	1990110162	AA	D	19651017	19900716	20070702	1	T04BD	120	17,745.00
308	1990110243	AA	D	19690701	19900716	20070102	1	T04BD	120	17,745.00
309	1990110277	AA	D	19590701	19900716	20070702	1	T04BD	120	17,745.00
310	1990110293	AA	D	19570707	19900716	20110518	1	T04BD	120	17,745.00
311	1990113788	AA	D	19690701	19900131	20061031	1	T04BD	120	17,745.00
312	1990144129	AA	E	19670112	19901011	20100927	1	T04BE	120	19,870.00
313	1990146260	AA	J	19680124	19901008	20110921	3	T02CJ	120	39,418.00
314	1990146618	AA	G	19700701	19901001	20130320	3	U01AG	120	27,157.00
315	1990146943	AA	D	19680828	19901001	20081106	1	T04BD	120	17,120.00
316	1991001251	AA	L	19651015	19910128	20090325	3	I05AL	120	62,880.00
317	1991001413	AA	K	19631010	19910130	20080519	3	I05AK	120	56,190.00
318	1991008902	AA	D	19690701	19910102	20040201	1	T04BD	120	16,745.00
319	1991020051	AA	D	19690301	19910205	19910701	1	T04BD	120	16,745.00
320	1991077252	AA	J	19650112	19910812	20110615	3	U03CJ	120	39,418.00
321	1991097799	AA	H	19710701	19911022	20100701	3	M09AH	120	32,496.00
322	1992000371	AA	L	19660721	19920102	20130320	3	J05BL	120	69,214.00
323	1992000410	AA	K	19690910	19920122	20080519	3	I05AK	120	56,190.00
324	1992017001	AA	L	19650701	19920505	20120516	3	J05BL	120	69,214.00
325	1995031070	AA	L	19680701	19950815	20130821	3	I05BL	120	62,880.00
326	1995069073	AA	J	19670829	19950701	20111214	3	U03CJ	120	37,318.00
327	1996049262	AA	H	19680701	19960205	20090820	3	T03DH	120	31,262.00
328	1996051984	AA	K	19690701	19960620	20080519	3	I05AK	120	52,424.00
329	1996055310	AA	J	19660701	19960529	20110615	3	U03CJ	120	39,418.00
330	1996055336	AA	J	19640701	19960529	20120418	3	U03AJ	120	37,318.00
331	1996056586	AA	K	19680701	19960610	20130130	3	I03CK	120	56,190.00
332	1996091853	AA	J	19610701	19951116	20111116	3	U03AJ	120	39,418.00
333	1997008772	AA	J	19670615	19970117	20111214	3	U03CJ	120	37,318.00
334	1997022598	AA	F	19660903	19970212	20060503	3	U01AF	120	21,780.00
335	1997023332	AA	G	19730701	19970120	20021220	3	T03DG	120	29,138.00
336	1997065318	AA	H	19710701	19971113	20050512	3	I05FH	120	31,262.00
337	2002000682	AA	E	19800420	20020204	20130718	2	T04AE	120	19,870.00
338	2002000705	AA	D	19780701	20020211	20110816	1	T04BD	120	17,745.00
339	2002042480	AA	C	19720619	20020927	20090812	1	T04BC	120	16,505.00
340	2012003839	AA	K	19840712	20120305	20151102	3	I12AK	120	45,620.00

Source: Nakuru County Natural Resources, Environment, Water and Energy Department Payroll List

Table Key:

**AA:** National Government Employees   **AC:** Former Local Authority Employee   **BA:** New County Employees



Appendix 4: University Authorization



**JOMO KENYATTA UNIVERSITY  
OF  
AGRICULTURE AND TECHNOLOGY**  
P.O. Box 1063 - 20100 NAKURU, KENYA.

TEL: (051) 2216660 FAX: 2215664 CELL: 0714 716957

Email: [nakurucbd@jkuat.ac.ke](mailto:nakurucbd@jkuat.ac.ke) Website: [www.jkuat.ac.ke](http://www.jkuat.ac.ke)

REF: HD312-C007-7262/2015

DATE: 09<sup>TH</sup> MAY, 2017

**TO WHOM IT MAY CONCERN**

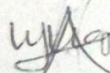
Dear Sir/Madam,

**RE: NGENGI ELLY KARANJA HD312-C007-7262/2015**

This is to confirm that Mr. Karanja is a bona fide student of this University undertaking a Master of Science in Human Resource Management at the Nakuru CBD Campus. He has finished his course work and currently collecting data for his research Project on **INFUENCE OF PAY DISPARITIES AMONG EMPLOYEES ON ORGANIZATION COMMITMENT IN THE COUNTY GOVERNMENT OF NAKURU, KENYA.**

Any assistance accorded to him will be highly appreciated.

Yours Sincerely,

 09 MAY 2017

**RUTH LIMARENG.**  
**ADMINISTRATOR, NAKURU CBD CAMPUS.**  
RL/NKR



JKUAT is ISO 9001:2008 AND 14001:2004 CERTIFIED  
Setting Trends in Higher Education, Research and Innovation

**Appendix 5: Permit Letter for Data Collection**

**COUNTY GOVERNMENT OF NAKURU**

TEL.NKU. (051) 2214142  
E-mail:nakurucounty.governor@gmail.ke



Office of the Governor  
P.O. Box 2870-20100  
NAKURU

NCG /HRM/corres./VOL.I/ 50

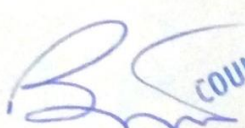
11th May, 2017

NGENGI ELLY KARANJA –  
HD312-C007-7262/2015  
JOMO KENYATTA UNIVERSITY OF  
AGRICULTURE AND TECHNOLOGY  
P O BOX 1063-20100  
NAKURU

**AUTHORITY TO COLLECT DATA FOR RESEARCH**

Reference is made to letter from Jomo Kenyatta University of Agriculture and Technology Ref. No. HD312-C007-7262/2015 dated 9th May, 2017 on the above subject matter.

This is to inform you that you have been granted permission to collect data for your research project **on Influence of pay disparities among employees on organization commitment in the County Government of Nakuru, Kenya.** You will be allowed to interview Nakuru County Employees.

  
COUNTY HUMAN RESOURCES  
MANAGER  
NAKURU COUNTY

**BII MOSES**  
**FOR: COUNTY SECRETARY & HEAD OF PUBLIC SERVICE**  
**NAKURU COUNTY**