International Journal of Economics, Commerce and Management
United Kingdom ISSN 2348 0386 Vol. 14, Issue 4, April 2026

https://ijecm.co.uk/

REWARD MANAGEMENT PRACTICES AND DELIVERY OF HEALTHCARE SERVICES BY EMPLOYEES IN LEVEL FIVE PUBLIC HOSPITALS IN UPPER EASTERN REGION, KENYA

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Abstract

This study examined the effect of the work environment on healthcare service delivery among employees in Level Five public hospitals in the Upper Eastern Region of Kenya, with union practices as a moderating variable. The study focused on reward management practices, career management, workload management, and physical work conditions. A cross-sectional survey design guided by a positivist philosophy was adopted. The target population comprised 1,484 employees from four Level Five public hospitals, from which a sample of 315 respondents was selected using stratified proportionate random sampling. Data were collected using structured questionnaires and was analyzed with SPSS 26. Descriptive statistics indicated generally positive perceptions of reward management, including competitive compensation, fair promotions, and consistent recognition. Inferential analysis revealed a strong and statistically significant positive relationship between reward management practices and healthcare service delivery ($r = 0.802$, $p < 0.001$). Regression analysis further showed that reward management

practices significantly predicted service delivery outcomes (B = 0.919, R^2 = 0.644, t = 22.182, p < 0.001). The study concludes that improvements in work environment practices, particularly transparent and equitable reward systems, enhance employee performance and healthcare service delivery. It recommends fair and competitive remuneration, transparent career progression, strengthened mentorship and training programs, and continuous enhancement of physical working conditions and hospital infrastructure to optimize service delivery in public hospitals.

Keywords: Reward management, Union practices, Service delivery, Work environment, Employees motivation, Reward systems and public hospitals

INTRODUCTION

Healthcare is widely recognized as a foundation for social and economic development because access to quality services directly influences population well-being, productivity, and equity (World Health Organization [WHO], 2021). In Kenya, public health facilities remain the primary source of care for most citizens, particularly in rural and marginalized communities. Despite national commitments to Universal Health Coverage, many public hospitals continue to face persistent constraints, including staffing shortages, limited resources, weak governance systems, and inadequate infrastructure, all of which undermine effective service delivery (World Bank, 2013; Wekesa, & Mose, (2018). These challenges place substantial pressure on healthcare workers and reduce their capacity to provide consistent, safe, and patient-centered care. Human resources are central to the performance of healthcare systems because employees' motivation, commitment, and competence directly shape service quality and patient outcomes (Sima et al., 2020). Supportive work environments foster professionalism, engagement, and productivity, while unfavorable conditions are associated with dissatisfaction, absenteeism, turnover, and industrial unrest (Harhara et al., 2015). The work environment encompasses both physical factors such as infrastructure, equipment, safety, and ergonomics, and psychosocial factors such as leadership practices, organizational culture, communication, fairness, and human resource policies (Badrianto & Ekhsan, 2020). Empirical evidence consistently demonstrates that organizations that invest in conducive work environments achieve stronger employee performance and improved service outcomes (Mousa & Othman, 2020; Walton, 2016). Conversely, neglect of employee welfare often results in reduced morale and compromised service quality.

In Kenya, the devolution of healthcare services to county governments was intended to improve access, accountability, and responsiveness. Although devolution has created

opportunities for localized decision-making, it has also been associated with governance challenges, inconsistencies in implementation, and disparities in service delivery across counties (Government of Kenya, 2020). Delayed remuneration, unclear institutional roles, inadequate professional development opportunities, and limited infrastructure have continued to affect employee morale and effectiveness (Wekesa, & Mose, (2018). These challenges are particularly pronounced in regions with geographical and resource constraints, including Upper Eastern Kenya.

The Upper Eastern Region, comprising Tharaka Nithi, Meru, Isiolo, and Marsabit counties, relies heavily on level five public hospitals as referral centers. These facilities serve large and diverse populations yet continue to experience shortages of skilled personnel, heavy workloads, and limited equipment. Such conditions constrain healthcare workers' ability to meet patient needs and contribute to public dissatisfaction with service delivery (Nyamosi, 2017). Recurrent industrial actions by healthcare workers across the country further illustrate the depth of concern regarding working conditions, welfare, and institutional support Human Rights Watch, 2021. These developments underscore the importance of examining how work environment factors shape employee performance and healthcare service delivery within public hospitals. A supportive work environment is reflected in fair reward systems, manageable workloads, safe and well-equipped facilities, effective communication, and opportunities for professional growth. Excessive workload resulting from staff shortages limits the time and attention that providers can devote to patients and increases the risk of burnout and errors WHO, (2010). Similarly, inadequate infrastructure and lack of essential equipment weaken both employee confidence and patient trust (Adjei & Mensah, 2016). Job satisfaction, which emerges when employees perceive fairness, recognition, and alignment between expectations and experiences, has been strongly linked to higher performance and retention (Raziq & Maulabakhsh, 2015; Al-Ababneh, 2017). Improving work environment practices is therefore not only an employee welfare issue but also a strategic approach to strengthening healthcare outcomes.

Trade unions also play an important role in shaping the work environment by advocating for fair treatment, better pay, and improved working conditions. Unions seek to balance power between employers and employees and ensure that workers' voices are represented in organizational decision-making (Nawakitphaitoon & Zhang, 2021). However, frequent disputes and strikes often reflect deeper systemic weaknesses within healthcare management and policy implementation (Gomez et al., 2019). Addressing these challenges requires comprehensive organizational and policy-level interventions that prioritize employee well-being alongside service delivery goals.

Overall, strengthening healthcare service delivery in public hospitals depends significantly on improving the work environment for employees. Deliberate attention to reward management, workload balance, physical working conditions, leadership practices, and employee engagement is essential for enhancing motivation, performance, and quality of care (Badrianto & Ekhsan, 2020; Sima et al., 2020). For underserved regions such as Upper Eastern Kenya, improving these factors is critical to achieving equitable, efficient, and sustainable healthcare services.

Statement of the Problem

Effective healthcare service delivery in public hospitals is strongly influenced by how healthcare employees are motivated and rewarded. Reward management, which includes salaries, allowances, incentives, and recognition mechanisms, plays a critical role in shaping employee morale, commitment, and performance. Studies have shown that poorly designed or inadequate reward systems contribute to low motivation and reduced productivity among healthcare workers, ultimately undermining service efficiency and quality of patient care (Hayes et al., 2012). Empirical evidence indicates that insufficient financial rewards, delayed remuneration, and the absence of performance-based incentives lead to job dissatisfaction and demotivation among healthcare professionals (Gao et al., 2015). Kling and Liebig (2016) further observe that ineffective reward structures weaken employee engagement and retention in healthcare institutions, thereby negatively affecting service delivery outcomes. In Kenya's public health sector, reward-related challenges such as low pay, inequitable compensation, and delayed allowances have been cited as key contributors to employee dissatisfaction and declining service performance (Wafula et al., 2017).

Reward management challenges have also been closely linked to recurring industrial actions in Kenya's public healthcare system. According to Wafula et al. (2017), unmet reward expectations and perceived unfair compensation practices have fueled industrial disputes, leading to frequent service disruptions and compromised patient care in public hospitals. These challenges are particularly pronounced in Level Five public hospitals, where rigid compensation frameworks and budgetary constraints limit the flexibility of reward systems. Despite the central role of reward management in healthcare service delivery, existing empirical evidence remains limited and fragmented. Oleribe et al. (2019) emphasize the importance of effective human resource practices in healthcare but rely largely on a literature review approach, lacking empirical validation. Similarly, Njeri and Kepha (2021) examined reward-related aspects within a single private healthcare institution, limiting the applicability of their findings to public hospitals. Studies conducted in other contexts, such as Uganda, further present contextual limitations

when applied to the Kenyan public healthcare system (Opio et al., 2022). Consequently, there is insufficient localized empirical evidence on how reward management influences healthcare service delivery by employees in Level Five public hospitals in Kenya's Upper Eastern Region. This study therefore sought to empirically examine the effect of reward management on healthcare service delivery to inform evidence-based policy and managerial interventions.

Objectives of the Study

1. To establish the effect of reward management practices on employees delivering healthcare services in level five public hospitals in Upper Eastern Region, Kenya.
2. To establish the moderating effect of union practices on the relationship between working environment and employee delivery of healthcare services in level five public hospitals in Upper Eastern Region, Kenya.

Research Hypotheses

H_{01}: Reward management practices have no significant effect on employee delivery of healthcare services in level five public hospitals in Upper Eastern Region, Kenya

H_{05}: Union practices have no significant moderating effect on the relationship between working conditions and employee delivery of healthcare services in level five public hospitals in Upper Eastern Region, Kenya.

LITERATURE REVIEW

Abraham Maslow Theory

Abraham Maslow's Hierarchy of Needs Theory is a foundational motivational framework that explains human behavior through a structured progression of needs. Initially articulated by Maslow in 1943, the theory posits that human needs are arranged in a hierarchical order, starting from basic survival necessities and advancing toward more complex psychological and self-fulfillment needs (Maslow, 1943). This hierarchical arrangement suggests that individuals are motivated to satisfy lower-order needs before attending to higher-order needs, and that unmet needs at any level can influence behavior and performance. Maslow's model identifies five major categories of needs. Physiological needs constitute the most basic level and include essential requirements such as food, water, clothing, and shelter. Until these needs are reasonably satisfied, individuals remain primarily motivated by their fulfillment Robbins & Judge, (2019). Safety needs follow, encompassing the desire for security and protection including job stability, financial security, and a safe working environment. The third tier, social needs, captures the intrinsic human desire for belonging, friendship, and social acceptance

(Okechukwu et al., 2021). The fourth level, esteem needs, reflects both internal elements such as self-respect and confidence, and external elements such as recognition, status, and respect from others. Maslow considered the highest level, self-actualization, to represent the pursuit of personal growth, fulfillment, and the realization of one's potential; unlike other needs, self-actualization continues to evolve as individuals grow psychologically and encounter new opportunities (Okechukwu et al., 2021).

Maslow's theory provides a useful lens for understanding employee motivation within organizational settings, including healthcare environments. In the context of this study, the theory is particularly relevant to the reward management dimension of the work environment. Reward systems that adequately address employees' physiological and safety needs such as competitive salaries, job security, and benefits are more likely to create a stable foundation upon which higher-order motivations can flourish (Robbins & Judge, 2019). When employees perceive that their basic needs are met, they demonstrate increased engagement, improved morale, and better overall performance, which are critical for quality healthcare service delivery. Furthermore, recognition and opportunities for professional growth align with the esteem and self-actualization levels, thus fostering higher motivation, job satisfaction, and retention factors associated with improved service outcomes (Luthans & Youssef-Mor, 2017).

However, the application of Maslow's theory within the healthcare context, particularly among employees in the Upper Eastern Region of Kenya, must consider contextual and cultural influences. The strict hierarchical progression proposed by Maslow may not fully capture the motivational dynamics within this setting, where professionals sometimes prioritize higher-order needs such as professional development and self-actualization even when lower-order needs are only partially satisfied, due to a strong intrinsic commitment to patient care and community service. This complexity suggests that employees' motivations are influenced not only by need fulfillment but also by values, professional identity, and contextual socio-economic factors specific to Kenya's healthcare systems. "While Maslow's Hierarchy of Needs provides a foundational understanding of human motivation through the sequential fulfillment of physiological, safety, social, esteem, and self-actualization needs (Maslow, 1943), Herzberg's Two-Factor Theory complements this perspective by distinguishing between hygiene factors, which prevent dissatisfaction, and motivators, which actively enhance satisfaction and performance (Herzberg et al., 1959). In the context of healthcare, hygiene factors such as salary and job security align with Maslow's lower-order needs, whereas motivators like recognition and professional growth correspond to higher-order needs, highlighting the importance of an integrated approach to employee motivation and service delivery."

Empirical Literature Review

Reward management refers to the policies, strategies, and practices employed by organizations to compensate employees fairly for their contributions, encompassing both financial and non-financial rewards (Armstrong & Taylor, 2014; Rai et al., 2018). Financial rewards typically include basic salaries, wages, bonuses, incentives, allowances, and pension schemes, while non-financial rewards involve recognition, career development opportunities, promotions, flexible working arrangements, and improved work environments. A well-structured reward system aligns organizational goals with employee performance, motivates staff, fosters a culture of appreciation, and enhances overall service delivery (Eze & Obiwulu, 2021). In the healthcare sector, effective reward management is particularly critical, as adequate compensation and recognition not only influence employee satisfaction and retention but also directly impact patient care outcomes (Osuigwe, 2022; Ndungu & Kiru, 2022).

Several studies have demonstrated the relationship between reward practices and employee performance. For instance, James et al. (2015) in a study at the University of Calabar Teaching Hospital, Nigeria, reported that monetary rewards positively influenced healthcare workers' performance, whereas non-monetary rewards had limited effect. Although insightful, the study was restricted to a single institution and employed Chi-square analysis, which limits the assessment of the strength and significance of relationships between variables. Similarly, Kampororo (2021) found that well-structured reward systems, including recognition and performance-based incentives, improved employee performance and service delivery in the Rwanda Housing Authority. Galanou et al. (2020) also emphasized that rewards significantly enhance employee motivation and job performance across organizational contexts.

Contextually relevant studies in sub-Saharan Africa have further highlighted the importance of reward management in healthcare. Opio et al. (2022) examined 132 health workers in Kwania District, Uganda, and found that health service delivery positively correlated with reward systems, with intrinsic rewards showing weaker links compared to extrinsic rewards. Locally, studies in Kenya demonstrate similar patterns. Chumba, Ka, Muindi, and Njihia (2018) reported that both intrinsic and extrinsic rewards positively influenced nurse performance, with extrinsic rewards having a stronger effect. Sewe, Bula, and Oringo (2018) established that compensation management practices were significantly associated with quality healthcare delivery at Jaramogi Oginga Odinga Teaching and Referral Hospital. Tumkou and Ngeno (2023) corroborated these findings at Kenyatta National Hospital, demonstrating that comprehensive reward systems, including salaries, allowances, and career advancement opportunities, positively influenced employee performance and service quality.

The theoretical basis for reward management is supported by expectancy theory, which posits that employees are motivated when they perceive a clear link between their efforts, performance, and outcomes (Jawaad, Amir, Bashir, & Hasan, 2019). Empirical evidence suggests that both financial and non-financial rewards increase employee commitment, productivity, and organizational performance (Chen et al., 2018; Koko, 2022). In the Kenyan public health sector, however, challenges such as delayed salaries, irregular promotions, and inadequate allowances continue to demotivate staff and contribute to strikes, absenteeism, and reduced service quality (Muthuri et al., 2020). Therefore, implementing structured, transparent, and performance-aligned reward systems is essential for enhancing healthcare employee motivation and improving patient outcomes. Reward management strategies generally encompass direct financial compensation, indirect financial benefits, incentive plans, and employee recognition (Agustiningsih et al., 2016; Gungor, 2015; Mogwambo, 2019). By ensuring fair, consistent, and goal-aligned rewards, healthcare organizations can attract and retain qualified personnel, improve morale, and foster a culture of continuous improvement (Ndungu & Kiru, 2022; Rai et al., 2018). Consequently, a robust reward system is a critical determinant of both employee performance and overall healthcare service delivery.

Conceptual Framework

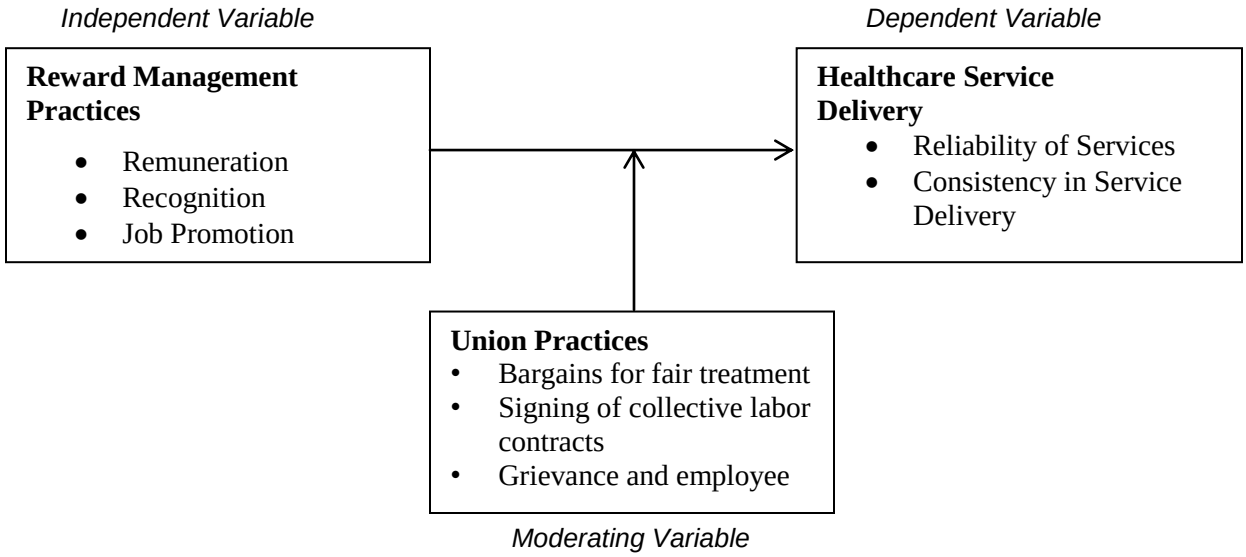

Figure 1: Conceptual Framework

A conceptual framework provides a structured representation of the key variables in a study and the hypothesized relationships between them. It serves as a guide for understanding how the independent variable influences the dependent variable and the role

of any moderating or intervening factors Adom & Hussein, (2018). In this study, the conceptual framework illustrates the relationship between reward management, union practices, and healthcare service delivery by employees in Level Five public hospitals in Kenya's Upper Eastern Region. Reward management is the independent variable and refers to the strategic design, implementation, and administration of monetary and non-monetary incentives aimed at motivating employees, improving job satisfaction, and aligning individual performance with organizational goals (Armstrong & Taylor, 2014; Rai, Ghosh, & Bhattacherjee, 2018). In the healthcare context, reward management encompasses basic salaries, performance-based incentives, allowances, professional development opportunities, recognition, and career advancement prospects. Well-structured reward systems are critical in motivating healthcare workers, reducing turnover, and fostering commitment, which ultimately enhances the quality, efficiency, and responsiveness of healthcare services (Tumkou & Ngeno, 2023; Ndungu & Kiru, 2022).The dependent variable, healthcare service delivery, represents the efficiency, effectiveness, and quality of healthcare provided to patients. It includes timely service, patient satisfaction, error reduction, and overall improvement in health outcomes. Evidence suggests that motivated and adequately rewarded healthcare employees are more likely to exhibit higher levels of performance and professionalism, directly contributing to better healthcare service delivery (Sewe, Bula, & Oringo, 2018; Opio et al., 2022). Union practices serve as the moderating variable in this framework. Unions play a key role in advocating for fair compensation, safe working conditions, and employee rights, and they can strengthen the positive impact of reward management on healthcare service delivery. Strong union practices ensure that rewards are distributed equitably, grievances are addressed promptly, and policies are effectively implemented, which can enhance employee motivation and commitment (Muthuri et al., 2020; Chumba, Ka, Muindi, & Njihia, 2018). In contexts where union representation is weak, the effectiveness of reward management systems may be diminished, as employees may perceive unfairness or inconsistencies in the application of incentives.

The conceptual framework posits that reward management positively influences healthcare service delivery, and that union practices amplify this relationship. The framework is contextually relevant to the Upper Eastern Region of Kenya, where public hospitals face challenges related to staff motivation, remuneration, and working conditions. By operationalizing reward management, union practices, and healthcare service delivery, the study seeks to establish empirical evidence on how strategic employee rewards and effective union interventions contribute to improved health service outcomes. Operationally,

reward management will be measured through employees' perceptions of the adequacy, fairness, and transparency of salary, benefits, incentives, recognition, and career development opportunities. Union practices will be measured through indicators such as grievance handling, collective bargaining effectiveness, and advocacy for employee welfare. Healthcare service delivery will be assessed via service quality, efficiency, and patient satisfaction. This framework aligns with the study's objectives, providing a structured lens to examine how strategic reward management, moderated by union practices, can enhance healthcare service delivery in Level Five public hospitals in Kenya's Upper Eastern Region. By clearly illustrating the hypothesized relationships, the framework guides the study's design, data collection, and analysis while providing a theoretical basis for understanding employee motivation and organizational performance in the healthcare sector.

RESEARCH METHODOLOGY

This study was grounded in the positivist research philosophy, which assumes that reality is objective and can be observed, measured, and analyzed using quantitative methods. Positivism emphasizes hypothesis testing and statistical analysis to establish relationships between variables, making it particularly appropriate for examining the influence of work environment factors on healthcare service delivery using measurable indicators (Mohajan, 2018; Snyder, 2019). This philosophy further supports the generalization of findings across similar settings, which is essential for informing policy and management decisions in public healthcare institutions (Newman & Gough, 2020).

To achieve the study objectives, a cross-sectional survey design was employed to collect data from healthcare employees at a single point in time. This design is suitable for examining relationships among variables without manipulating the study environment and has been widely applied in healthcare and organizational research (Pandey & Pandey, 2021). By capturing employees' perceptions of reward management practices and linking them to healthcare service delivery outcomes, the design facilitated analysis across Level Five public hospitals in Kenya's Upper Eastern Region (Lee et al., 2020; Cho et al., 2020).

The target population included all employees working in Level Five public hospitals in the Upper Eastern Region, encompassing Meru Teaching and Referral Hospital, Chuka County Referral Hospital, Isiolo Level Five Hospital, and Marsabit County Referral Hospital. Both medical and non-medical staff were included to ensure comprehensive representation of healthcare service delivery processes. Based on hospital human resource records and County Integrated Development Plans, the total population was 1,484 employees. Including

diverse employee categories enhanced the representativeness and external validity of the study findings (Ketchen & Bergh, 2014; Mishra & Alok, 2022).

To obtain a representative sample, stratified proportionate random sampling was employed, with stratification based on employee cadres to ensure equitable representation of different job categories and minimize sampling bias. The sample size was determined using the Yamane (1967) formula for finite populations, with a 5 percent margin of error, yielding a total of 315 respondents. This sample size was considered adequate for statistical analysis and consistent with recommendations for quantitative survey studies (Mohajan, 2018; Pandey & Pandey, 2021).

Table 1: Stratification of the Sample Size

Cadre	Target Population	Sample Size	Proportion
Nurses	549	117	37%
Radiographers	16	3	1%
Medical Officers	62	13	4%
Dentists and Dental Technologists	15	3	1%
Pharmacists	17	4	1%
Public Health Officers	58	12	4%
Clinical Officers	135	29	9%
Physiotherapists	20	4	1%
Occupational Therapists	11	2	1%
Medical Engineers	14	3	1%
Nutrition and Dietician Staff	20	4	1%
Pharmaceutical Technologists	27	6	2%
Laboratory Technologists	84	18	6%
Plaster Technicians	13	3	1%
Information Technologists	21	4	1%
Medical Social Workers	15	3	1%
Medical Clerks	26	6	2%
Non-Medical Staff	381	81	26%
Total	**1, 484**	**315**	**100%**

Primary data were collected using a structured questionnaire designed on a five-point Likert scale ranging from strongly disagree to strongly agree. Questionnaires were particularly suitable because they facilitate standardized data collection and enable efficient capture of

respondents' perceptions regarding reward management practices and healthcare service delivery (Rinjit, 2020). Secondary data were obtained from published reports, policy documents, and peer-reviewed journals to provide contextual and theoretical support for the study (Mishra & Alok, 2022).

The reliability of the research instrument was assessed using Cronbach's Alpha to evaluate the internal consistency of the measurement items, with coefficients of 0.70 and above considered acceptable in line with established social science research standards (Cronbach, 1951; Patel & Patel, 2019). Validity was ensured through content and face validation conducted via expert review and pilot testing. Construct validity was assessed using exploratory factor analysis, where factor loadings of 0.40 and above were considered satisfactory for confirming the underlying measurement constructs (Dzwigol & Dzwigol-Barosz, 2018; Safsten & Gustavsson, 2020).

Data analysis was conducted using SPSS Version 26. Descriptive statistics, including means and standard deviations, were used to summarize the characteristics of reward management practices and healthcare service delivery indicators. Inferential analysis, specifically correlation and regression techniques, was employed to examine the relationship between reward management and healthcare service delivery outcomes. Findings were presented using tables and figures to enhance clarity and facilitate interpretation (Al-Ababneh, 2020; Newman & Gough, 2020).

FINDINGS AND DISCUSSIONS

Descriptive Statistics

Descriptive statistics provide a summary of the key characteristics of the study variables, allowing for a clear understanding of respondents' perceptions before conducting inferential analysis (Pallant, 2020).

In this study, descriptive statistics were used to examine how healthcare employees perceive various aspects of reward management, including recognition, incentives, performance-based rewards, and career advancement opportunities. Measures such as mean scores and standard deviations were calculated to determine the central tendency and variability of responses across the study sample. Presenting these descriptive statistics facilitates the identification of patterns and trends in reward management practices within Level Five public hospitals, providing a foundational understanding of how these practices may relate to healthcare service delivery outcomes. The descriptive results are summarized in Table 1.

Table 2: Reward Management Practices and Health Delivery in Level 5 Hospitals in Upper Eastern Region, Kenya

Reward Management Practices	N	Mean	SD
The compensation and benefits provided by the organization are competitive compared to industry standards	274	3.99	0.889
I believe that my pay accurately reflects my contributions and responsibilities within the organization	274	4.09	0.767
The organization offers performance-based bonuses and incentives that motivate me to perform at my best	274	4.05	0.848
The process for salary reviews and adjustments is transparent and fair, considering individual performance and market trends	274	4.08	0.810
I am satisfied with the overall compensation package, including benefits such as health insurance, retirement plans, and leave policies	274	4.22	0.823
Promotion opportunities within the organization are clearly communicated and well-understood by employees	274	4.23	0.832
The criteria for job promotions, including skills, experience and performance, are consistently applied and fair	274	4.20	0.795
I believe that the process for job promotions is transparent and unbiased, providing equal opportunities to all employees	274	4.14	0.902
The organization provides adequate training and development programs to prepare employees for potential job promotions	274	4.16	0.873
The organization regularly acknowledges and appreciates employees' efforts and contributions	274	4.21	0.863
I feel valued and motivated when the organization recognizes my achievements and hard work	274	4.29	0.766
Employee recognition in the organization is consistent and not limited to specific roles or departments	274	4.32	0.704
The recognition practices in the organization include a variety of methods, such as verbal praise, awards, and public acknowledgment	274	4.38	0.685
Overall, I believe that the organization's employee recognition practices contribute to a positive work environment and boost morale	274	4.23	.0873
Average	**274**	**4.19**	**0.760**

The findings on Reward Management Practices, based on responses from 274 participants, indicate generally positive perceptions across various dimensions of remuneration, promotion, and recognition. Respondents reported moderately high agreement that the organization offers competitive compensation and benefits (M = 3.99, SD = 0.889), and that their pay reflects their contributions and responsibilities (M = 4.09, SD = 0.767). Performance-based incentives were also acknowledged as motivating (M = 4.05, SD = 0.848), while the salary review process was perceived as fair and transparent (M = 4.08, SD = 0.810). Satisfaction with the overall compensation package was strong (M = 4.22, SD = 0.823), and promotion-related practices received similarly favorable ratings. Promotion opportunities were reported as clearly communicated (M = 4.23, SD = 0.832), with criteria viewed as fair and consistently applied (M = 4.20, SD = 0.795). The promotion process was largely seen as transparent and unbiased (M = 4.14, SD = 0.902), and the organization was found to offer adequate training and development for advancement (M = 4.16, SD = 0.873).

Furthermore, employee recognition emerged as a notable strength, with participants agreeing that the organization regularly acknowledges staff contributions (M = 4.21, SD = 0.863). Overall, the results suggest that the organization's reward management practices are viewed positively, fostering employee motivation, satisfaction, and perceptions of fairness. This aligns with recent research emphasizing the role of competitive and transparent compensation in boosting employee engagement and performance. According to Tumkou & Ngeno (2023), healthcare employees in public institutions are more likely to exhibit higher job commitment when they perceive their remuneration as fair and commensurate with their efforts. Further, these findings are consistent with recent literature that highlights the importance of intrinsic rewards-such as acknowledgment and career advancement opportunities in enhancing employee morale and organizational commitment. As Mutua and Were (2022) note, recognition and growth opportunities are critical drivers of job satisfaction and are often more influential than monetary compensation alone.

Correlation Analysis

The study employed Pearson’s product-moment correlation coefficient to measure the strength and direction of the linear relationship between the study variables. The correlation coefficient measure, denoted as r, ranges from –1 to +1, where values closer to either extreme indicate a stronger linear association. An r value between 0.10 and 0.29 is typically interpreted as a weak correlation, 0.30 to 0.49 as moderate, and 0.50 or higher as a strong correlation.

Table 3: Pearson Product Moment Correlation on Reward Management Practices and Healthcare Service Delivery

Variables		Reward Management Practices	Health Care Service Delivery
Reward Management Practices	Pearson Correlation	1	.802
	Sig. (2-tailed)		.000
	N	274	274
Health Care Service Delivery	Pearson Correlation	.802	1
	Sig. (2-tailed)	.000	
	N	274	274

The results from the Pearson correlation analysis reveal a strong and statistically significant positive relationship between Reward Management Practices and Health Care Service Delivery, with a correlation coefficient of r = 0.802, and a p-value of 0.000. This indicates that improvements in reward management practices are strongly associated with enhanced service delivery in the healthcare sector. The correlation is significant at both the 0.01 and 0.05 levels, implying a high level of confidence in the observed relationship.

Regression Analysis

To address the specific objectives of the study, linear regression analysis was employed to explore and quantify the relationships between the independent variables and the dependent variable. This analytical approach was chosen due to its effectiveness in estimating the extent to which predictor variables influence outcomes, thereby offering insights into the predictive power and significance of each factor. By examining the regression coefficients, significance levels, and model fit statistics, the analysis provides empirical evidence to support or refute the study's hypotheses.

Table 4: Model Summary on Reward Management Practices and Healthcare Service Delivery

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.802[a]	0.644	0.643	5.575

a Predictors: (Constant), Reward Management Practices

The regression results indicate that Reward Management Practices account for a substantial portion of the variation in the Performance of Health Care Service Delivery**.** The model yields a correlation coefficient (R) of 0.802, suggesting a strong positive relationship between the predictor and the outcome variable. The R Square value of 0.644 implies that approximately 64.4% of the variation in health care service delivery can be explained by reward management practices alone. Additionally, the Adjusted R Square, which adjusts for the number of predictors in the model, remains nearly identical at 0.643**,** confirming the model's stability and reliability. These results demonstrate that reward management practices play a significant role in predicting the effectiveness of service delivery in the healthcare context.

Table 5: Analysis of Variance on Reward Management Practices and Healthcare Service Delivery

ANOVA [a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	15295.345	1	15295.345	492.044	.000
	Residual	8455.214	272	31.085		
	Total	23750.558	273			

a. Dependent Variable: Health Care Service Delivery

b. Predictors: (Constant), Reward Management Practices

The Analysis of Variance (ANOVA) results demonstrate that the regression model, with Reward Management Practices as the predictor, is statistically significant in explaining variations in Health Care Service Delivery. The model produced an F-statistic of 492.044 and a p-value of 0.000. This highly significant result ($p < 0.05$) confirms that Reward Management Practices have a meaningful and measurable effect on Health Care Service Delivery. The large F-value further indicates that the model provides a good fit, meaning the variation in the dependent variable is not due to chance but is strongly associated with the predictor variable.

Therefore the null hypothesis H01: Reward management practices have no significant effect on employee delivery of healthcare services in level five public hospitals in Upper Eastern Region, Kenya was rejected and the study arrived at a conclusion that the model was statistically significant and that reward management practices have a meaningful impact on healthcare services at 5% significance level.

Table 6: Regression Analysis on Reward Management Practices and Healthcare Service Delivery in level five public hospitals in Upper Eastern Region, Kenya

Coefficients [a]

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	6.127	2.405		2.547	.001
	Reward Management Practices	.919	.041	.802	22.182	.000

a. Dependent Variable: Health Care Service Delivery

The coefficients table presents the contribution of Reward Management Practices to the prediction of Health Care Service Delivery. The unstandardized coefficient (B) for Reward Management Practices is 0.919, indicating that a one-unit increase in reward management practices leads to an estimated 0.919-unit increase in health care service delivery, holding all other factors constant. The standard error associated with this coefficient is 0.041, suggesting a high level of precision in the estimate. The t-value of 22.182 and the p-value of 0.000 indicate that the relationship is statistically significant at the 0.05 level, providing strong evidence that reward management practices significantly affect health care service delivery.

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

The study sought to examine the effect of reward management practices on the delivery of healthcare services in Level Five public hospitals in the Upper Eastern Region of Kenya. Descriptive analysis indicated that employees perceived reward management practices positively, with high levels of agreement on competitive compensation, performance-based incentives, fair promotion processes, and recognition mechanisms. Employees reported that their pay reflected their contributions and responsibilities, while salary review processes were considered transparent and equitable. Promotion opportunities were clear, consistently applied, and supported by training and development programs, and recognition practices, including verbal praise, awards, and public acknowledgment, were deemed inclusive and motivating. These findings suggest that a comprehensive reward system, integrating both financial and non-financial incentives, creates a supportive work environment that fosters employee motivation, commitment, and satisfaction.

Correlation analysis further confirmed a strong positive association between reward management practices and healthcare service delivery ($r = 0.802$, $p < 0.001$), indicating that

improvements in reward practices are closely linked to better service outcomes. Regression results revealed that reward management alone explained approximately 64.4% of the variation in healthcare service delivery ($R^2 = 0.644$, $B = 0.919$, $t = 22.182$, $p < 0.001$), demonstrating its substantial predictive power. This implies that enhancing compensation, recognition, and promotion systems can significantly improve service quality. The findings align with the Equity Theory and Expectancy Theory, which suggest that fair and transparent rewards enhance employee motivation and performance. They also resonate with recent empirical studies in healthcare settings, which have shown that both extrinsic incentives (such as competitive pay and bonuses) and intrinsic rewards (such as recognition and career development opportunities) are critical in driving employee engagement and service quality (Kihara et al., 2023; Mutua & Were, 2022).

The strong influence of reward management observed in this study underscores the necessity for hospital administrators to implement robust, well-structured, and equitable reward frameworks. Transparent salary structures, consistent promotion criteria, and inclusive recognition practices not only boost individual morale but also strengthen organizational outcomes, particularly in high-stakes sectors such as healthcare, where employee performance directly affects service delivery. Additionally, the findings suggest that integrating both monetary and non-monetary rewards provides a balanced approach that maximizes employee motivation while supporting sustainable improvements in healthcare performance.

SCOPE FOR FURTHER STUDIES

While this study provides valuable insights into the relationship between work environment factors and healthcare service delivery, several areas remain open for further exploration: Future research could compare the influence of work environment factors on service delivery across different hospital levels, such as county, sub-county, and private hospitals, to identify context-specific differences. Further, expanding research to other regions and sectors, such as education or manufacturing, could help determine whether the relationships observed in healthcare apply in other industries with similar workforce dynamics.

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