Human Resource and Leadership Journal
(HRLJ)

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CARI Journals

Human Resource and Leadership Journal
ISSN xxxx-xxxx (Paper) ISSN XXXX-XXXX (Online)
Vol.2, Issue 2 No.3, pp 44 – 64, 2017
www.carijournals.org

EFFECT OF REWARD ON EMPLOYER BRANDING IN THE MOBILE TELECOMMUNICATION SECTOR IN KENYA

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Abstract

Purpose: The purpose of the study was to establish the effect of reward on employer branding in the mobile telecommunication sector in Kenya.

Methodology: The study used descriptive design. The data collection instrument used was questionnaire. Census study method was used. The target population was only the top, middle and lower level managers in the mobile telecommunication sector totaling to three hundred and ninety (390). A pre-test and pilot survey was conducted. Data analysis involved statistical computations for averages, percentages, and correlation and regression analysis. Statistical computer software (SPSS) was used in data analysis. Analyzed data was presented using tables, charts and graphs.

Results: Results revealed that in most of the mobile telecommunication companies in Kenya employees were stimulated by Salary, benefit and allowances to apply for the job. The results of the study also showed that Bonus, pension pay and promotions have great impact on the success of the organization and may influence retention in the mobile telecommunication companies in Kenya. The results further showed that exists a benefit scheme policy in the mobile telecommunication sector in Kenya, this implies that majority of the telecommunication companies have enrolled their employees to the benefit scheme.

Unique Contribution to Theory, Practice and Policy: The study recommended Mobile telecommunication sector in Kenya to introduce annual salary reviews, housing and commuter allowances to motivate their employees and boost the employee branding.

Keywords**:** *Reward, employer branding, mobile telecommunication sector.*

1.0 INTRODUCTION

1.1 Background of the Study

As HRM begins to assume a greater role in Organisational Effectiveness, there has been growing debate about the need for researchers to provide a more satisfactory means of accommodating workers' interests in the modelling of the employment relationship (Francis and Reddington, 2011). Emphasis is typically placed upon developing an open and trusting employment relationship, with bundles of HR practices geared towards increasing worker autonomy and resourcefulness, grounded in the idea that employees can (and are willing to) become self-managing and self-reliant in ways that act in the firm's interests (Landen, 2002). These types of HR practices have been typified by Marchington and Wilkinson (2005), based on the work of Pfeffer (1998), as extensive training, learning and development and organisational learning employment security and an internal labour market an emphasis on effective manpower planning and the avoidance of job reductions, attention to career management employee involvement, information-sharing and worker voice self-managed teams/team working – an emphasis on working 'beyond contract' and a high compensation contingent on performance and organisational performance underpinned by the harmonisation of pay and conditions of employment between different employee groups.

"Employer branding" is an emerging discipline with its roots in marketing as well as HR principles Mark Gray (2008). Its aim is to develop an image of the organization as an 'employer of choice' in the minds of existing and potential employees, as well as other stakeholders including customers and recruiters. The objective is not only to offer these tangible benefits, but to also develop an emotional link with them. A strong employer brand should connect an organization's values, people strategy and HR policies and be linked to the company brand. It is a targeted, long- term strategy to manage the awareness and perceptions of current employees, potential employees, and related stakeholders with regards to a particular firm. It suggests the differentiation of a firm's characteristics as an employer from those of its competitors.

The telecommunication sector has been facing various challenges from competitors, technological changes and the never end customer demands. According to Ulrich (1998), a major role of HR personnel is to become a strategic business partner and therefore the expansion and growth in the telecommunication sector clearly shows how HRM practices is crucial to organizational effectiveness. The telecommunication sector in Kenya is a very important sector in this study for it is faced with competition and customer demands the focus on competition is slowly shifting from customer acquisition and customer retention to attracting and retaining the best talented employees since the industry needs to always ensure they remain employers of choice.

1.2 Statement of the Problem

As the world increasingly becomes a global village, companies are faced with competition for human capital from all over the globe and they have to struggle to remain competitive and employers of choice. Continuing technological innovations have made it possible for corporations to use workforce from outside traditional markets. This has led to more cross boundary competition for skilled labour. This coupled with the increased competition between large and small firms around the world companies are experiencing unprecedented levels of competition to remain more competitive and sustainable even within given jurisdictions.

Human Resource and Leadership Journal
ISSN xxxx-xxxx (Paper) ISSN XXXX-XXXX (Online)
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www.carijournals.org

Existing literature claims that many organizations are not developing or maintaining their employer brand correctly and talent shortages can render organizations vulnerable in terms of competitive sustainability (Minchington, 2010; Boshard & Louw, 2010; Charest, 2011; Prinsloo, 2008). Previous studies have focused on the relationship between employer brand, corporate reputation, attraction and retention of talent especially in developed economies (Crous, 2007; Dell *et al*., 2001; Minchington, 2010; Willock, 2005) However there is need to clearly establish how organizations use human resource practices to become employers of choice (Employer branding) and to remain competitive using the Kenyan perspective. The proposition is enhanced by recommendations made by Foster, Punjaisri and Cheng (2010) who claim that further studies, must be made in to explore Human Resource activities and its link on Employer Branding. Nyambegera, et al. (2001) dismisses the adaptation of concepts in context of western cultural values due to difference in values held by employees from developed and developing countries but there are no known studies especially in the developing economies with the joint effect of Human resource, organizational culture and Employer Branding.

Human resource practice are based on the basic human resource management assumption that human capital brings value to the firm, influencing performance levels (Backhaus and Tikoo, 2004), which is the foundation of competitive advantage in the modern economy. Companies are facing problems concerning the attraction and retention of talented employees, due to the shortage of individuals with competence. A survey conducted between October and November 2013 by Universum, a New York-based employer branding and human resource consulting company, Unilever's reputation was among the best choice company selected by students in top universities in the Kenya market over the past year. The company was declared the overall winner of the 2013 Institute of Human Resource Management Awards and was also ranked top employer brand of the year by a global talent management firm.

Despite the growing popularity of the employer branding practice, academic research on the concept is limited to a few articles in the marketing literature. Priyadarshi (2011), observed that despite employer brand gaining considerable popularity in HR practitioner literature, empirical research is still relatively inadequate (Cable & Turban, 2001; Backhaus & Tikoo, 2004; & Davies, 2007) echo the same sentiments and feel that the advent of the employer brand as a concept has been recent in academic field and its theoretical foundation is gradually being developed even though it is being considered and applied by practitioners for some time now. Kobonyo, P. & Dimba, B.A. (2007) suggested the need to examine the moderating Influence of culture on relationships between HRM practices, motivation and organizational performance in Kenya since their studies focused on the Influence of culture on strategic Human resource management (SHRM) in the Kenyan multinational companies(MNCs).

This clearly explains why there is need to establish the relationship that exists between employee reward and employer branding and to completely understand the phenomenon of Employer Branding empirical contributions necessary in the developing world and especially Kenya. This study therefore sought to establish the effect of reward on employer branding in the mobile telecommunication sector in Kenya.

1.3 Objective of the Study

The objective of the study was to establish the effect of reward on employer branding in the mobile telecommunication sector in Kenya.

2.0 LITERATURE REVIEW

2.1 Theoretical Review

2.1.1 Psychological Contract Theory

The psychological contract has been defined by Guest and Conway (2002) as the perceptions of both parties to the employment relationship, organizational and individual of the reciprocal promises and obligations implied in that relationship. The theory of the psychological contract and its effect on the employee organizational relationship provides a second foundation for employer branding. In the traditional concept of the psychological contract between workers and employers, workers promised loyalty to the firm in exchange for job security However, the recent trend toward downsizing, outsourcing, and flexibility on the part of the employer has imposed a new form of psychological contract, in which employers provide workers with marketable skills through training and development in exchange for effort and flexibility (Baruch, 2004). Simon (1958) in their inducements-contributions model argued that employees are satisfied when there is a greater difference between the inducements offered by the organization and the contributions they need to give in return However if the employee feels that the contract is being breached, it may result in reduced commitment, intentions of leaving and even resignation (De Cuyper et al., 2008).

In the face of negative perceptions of this new employment reality, firms use employer branding to advertise the benefits they still offer, including training, career opportunities, personal growth and development. In general, firms have been perceived to fail to deliver some of these offerings so employer branding campaigns can be designed to change perceptions of the firm. Further similarities between corporate branding and employer branding can be observed when considering the “promise” made between the organization and the stakeholder group. Moroko and Uncles (2008) suggest that an employer brand can be regarded as a psychological contract between an employer and employee, and similarly the corporate branding literature (Olin’s, 2004) has long considered a brand as a promise from an organisation to customers. For this promise to be successful in an employment context (as it would in a product/service context), the employer brand propositions should be established to ensure that the rational and emotional benefits are congruent with existing and potential employees’ expectations (Mosley, 2007).It is said to create emotions and attitudes which form and control behavior (Armstrong, 2006) and it has been linked to commitment, organizational culture, unmet expectations and betrayal of trust (Leeg., 2001). In current times employers utilising flexible working arrangements the psychological contract’s nature has become more short term meeting the needs of both employee and employer "for the moment" (Chew and Girardi, 2008). Hence employers wanting to improve retention should investigate the psychological contracts perceived by their employees to understand why people may wish to voluntarily quit.

The violation of the psychological contract may lead to increased turnover. Sims(1994) explains that: “A balanced psychological contract is necessary for a continuing, harmonious relationship between the employee and the organization. However, the violation of the psychological contract can signal to the participants that the parties no longer share (or never shared) a common set of values or goals.”(Sims, 1994, cited in Armstrong, 2006,). However it has been claimed that the nature of the psychological contract is changing, in response to the external and internal environment (Armstrong, 2006) due unpredictable markets, employer’s inability to make life long promises to employees resulting in changing perceptions of these include beliefs that are based on promises made or implied regarding the

Human Resource and Leadership Journal
ISSN xxxx-xxxx (Paper) ISSN XXXX-XXXX (Online)
Vol.2, Issue 2 No.3, pp 44 – 64, 2017

employee/employer relationship. These contracts motivate employees to work and deliver results when they feel that the employee will honour the agreement. The contract is continuously being reviewed by both parties in the relationship over time (Rousseau, 2004) and is therefore subject to various degrees of emotions from happiness to anger as the relationship progresses or regresses. Consequently, when these contracts are perceived to be broken or violated beyond reconciliation, employees consider resignation from the employer (Grobler , Warnich, Carrell, Elbert and Hatfiel, 2006). The psychological contract is therefore an important concept to consider when investigating why employees resign from their jobs. According to (Miles, & Mangold,.2007) employee motivation, trust, performance, organizational commitment, and satisfaction are contingent upon the extent to which employees perceive their psychological contracts as being upheld. Employer branding also constitutes part of the psychological contract between employer and employee (Miles and Mangold 2005).The employer branding process, done well, provides a competitive advantage with tangible positive impacts on HRM. These include enhanced employee satisfaction and retention (Miles and Mangold 2005). Employer branding has been described as an attempt by employers to better define the psychological contract in terms of the value employees derive from their employment in an organisation, linking this to organisational level of analysis, and a corporate personality or identity that both employees and customers will identify with (Barrow and Moseley, 2005; Martin and Hetrick, 2006; Rosethorn, 2009).

Although the theories presented adopt different perspectives, all are useful in explaining the concepts of the study. Each theory has some limitation in one way or the other but this study seeks to integrate the ideas of the theoretical streams to enrich the theoretical framework and further assist in understanding the dynamics of employer Branding and how it influences human resource strategies in the telecommunication sector in Kenya.

2.2 Empirical Review

Green et al., (2006) reported that organizations that are vertically aligned and horizontally integrated HR function and practices performed better and produced more committed and satisfied HR function employees who exhibited improved individual and organizational performance. Recently, App et al. (2012) examined how the concept of sustainable human resource management (sustainable HRM) can assist organizations to establish an attractive employer brand. App et al. (2012) further identified links between sustainable HRM and employer branding, developed ways to integrate sustainable HRM practices into the different stages of the employee value proposition and provided insights for attracting new, and retaining existing, employees who are at different life and career stages.

Singh (2004) investigated the relationship between six HRM practices and firm level performance in India. 359 firms were drawn from firms listed in the Centre for Monitoring Indian Economy (CMIE) database. Of these 359 firms, 82 responded positively to the survey. Using regression and correlation analysis, the study found a significant relationship between the two HR practices, namely, training and compensation, and perceived organizational and market performance of firms.

Some particularly interesting research that has considerable relevance to employer branding programmes is a study carried out by (Cable & Turban, 2003) who again showed the importance of company reputation in increasing the likelihood of potential applicants applying for a job at the organization. This study helps show why it might be important with human resource management to carefully plan an extensive campaign in order to increase the chances of potential recruits wanting to apply for employment in their organizations.

(Cable and Turban2003) also investigated whether the degree to which organizations advertised aspects of its reputation and HR philosophies on job postings predicted employee reputation perceptions, perhaps surprisingly they found no significant link. The study concurs with the key finding from research work done by other scholar which claims that potential recruits are more likely to apply for a job at a particular organization that has an existing positive company reputation. Research study by Cable and Graham (2000), investigated factors predicting job seekers perceptions of an organizations' reputation and he recommended that researchers and psychologists need to make a concerted efforts to identify the antecedent factors that cause employee turnover in order to assist Human resource managers to institute preventative measures and retain employees (Siong, Mellor, Moore and Firth 2006).

3.0 RESEARCH METHODOLOGY

The study used descriptive design. The questionnaires were administered to all the managers of the four firms identified and a census study method was used since the target population was only the top, middle and lower level managers in the mobile telecommunication sector totaling to three hundred and ninety (390). To ascertain the validity and reliability of questionnaire, a pre-test and pilot survey was conducted. Data analysis involved statistical computations for averages, percentages, and correlation and regression analysis. Statistical computer software (SPSS) was used in data analysis. Analyzed data was presented using tables, charts and graphs.

4.0 RESULTS AND DISCUSSIONS

4.1 Response Rate

The number of questionnaires that were administered was 390 and a total of 292 questionnaires were properly filled and returned where as some of the respondents returned the questionnaires half-filled others refused to return them completely despite a lot of follow up. The response rate was 74.87% as shown on Table 1. This represented an overall success according to Mugenda and Mugenda (2003) and also Kothari (2004) a response rate of above 50% is adequate for a descriptive study. Cooper and Schindler (2003) also argues that a response rate exceeding 30% of the total sample size provides enough data that can be used to generalize the characteristics of a study problem as expressed by the opinions of few respondents in the target population Based on these assertions the response rate of, 74.87% was adequate for the study.

Table 1: Response Rate

Response	Frequency	Percent
Returned	292	74.87%
Unreturned	98	25.13%
Total	**390**	**100%**

4.2 Demographic Characteristics

This section consists of information that describes basic characteristics such as gender of the respondent, number of years worked and the years of operation of the respondents.

4.2.1Gender of the respondents

The respondents were asked to indicate their gender. Figure 1 shows the results.

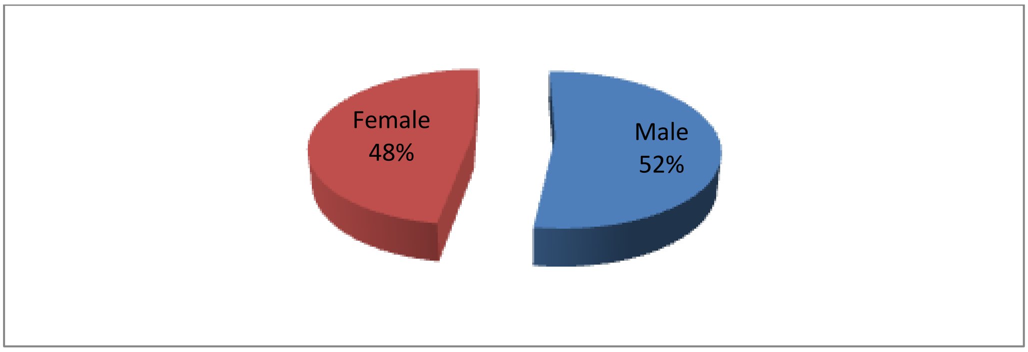

Figure1: Gender of the respondents

52% of the respondents were male while only 48% were female. This implies that majority of middle and lower level management staff working in the mobile telecommunication sector in Kenya are male. This agrees with a study by Ellis, Cutura, Dione, Gillson, Manuel & Thongori (2007) that in spite of women being major actors in Kenya's economy, and notably in agriculture and the informal business sector, men dominate in the formal sector citing the ratio of men to women in formal sector as 74%:26%. Other studies that have identified male domination in the formal and informal sectors include Gakure (2001) and Gakure (2003).

T test was performed so as to check if there was a significant relationship between gender and employer branding. Table 2 shows the results.

Table 2: t test for Gender of the respondents

Gender	N	Mean	Std. Deviation	Std. Error Mean	t test
Male	153	0.7799	0.23512	0.01901	
Female	139	0.8247	0.2136	0.01812	**0.089**

The t test results revealed that there was no statistical significance difference in gender with employer branding (p=0.089). This means that gender did not influence employer branding.

4.2.2 Age of the respondents

The respondents were asked to indicate their age. Figure 2 shows the results.

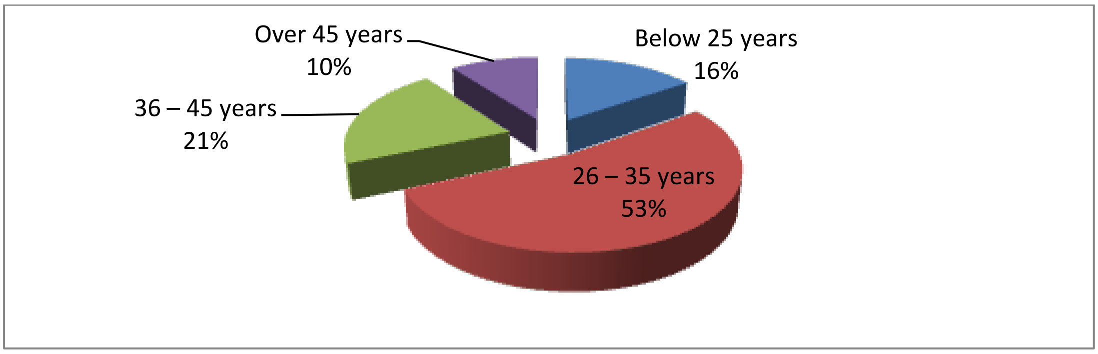

Figure 2: Age of the respondents

53% of the respondents indicated that they were between 26-35 years, 21% of the respondents indicated that they were between 36-45 years.16% of the respondents indicated that they were below 25 years while only 10% of the respondents indicated that they were over 45years. This implies that majority of the employees were younger employees. A vibrant sector like telecommunication will have relatively younger employees considering the high level of technology. According to the Population Situation Analysis Report for Kenya (2014) the trend of population growth for persons aged 24-34 years has increased from about 12% in 1999 to nearly 15% in the year 2009. Therefore the finding of this study reflects the current trend of the Kenya population indices.

Descriptive statistics for the age of the respondents were performed. This was for the purpose of checking if there was significant difference between the means of the age brackets. The results are presented in Table 3.

Table 3: Descriptive statistics of Age of the respondents

	Mean	Std. Dev	Std. Error	95% Confidence Interval for Mean		Min	Max
				Lower Bound	Upper Bound		
Below 25 years	0.88	0.11599	0.01729	0.8452	0.9148	0.53	1
26 – 35 years	0.833	0.20588	0.01654	0.8003	0.8657	0.27	1
36 – 45 years	0.7383	0.26564	0.03374	0.6709	0.8058	0.2	1
Over 45 years	0.6489	0.26548	0.04847	0.5498	0.748	0.27	1
Total	0.8012	0.22586	0.01322	0.7752	0.8272	0.2	1

The descriptive statistics of age showed that there were differences in the means scores of age brackets. Those who were on the age bracket below 25 years had a means score of 0.88, those who were between 26-35 years had s means score of 0.833, 36-45 years had a mean score 0.7383, while those were above 45 years had a means score of 0.6489 as shown in table 3

Further analysis of the variance was tested to confirm if there was statistical significant difference on the ages of the respondents and employer branding. The results were presented in Table 4.4.

Table 4: ANOVA test for Age of the respondents

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	1.377	3	0.459	9.817	**0.000**
Within Groups	13.468	288	0.047		
Total	14.845	291			

Results revealed that there was statistical significant difference (p=0.000) as shown in table 4.4. This means that age influences employer branding.

Human Resource and Leadership Journal
ISSN xxxx-xxxx (Paper) ISSN XXXX-XXXX (Online)
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4.2.3 Level of education

The respondents were asked to indicate their highest level of education. The results are presented in Figure 3.

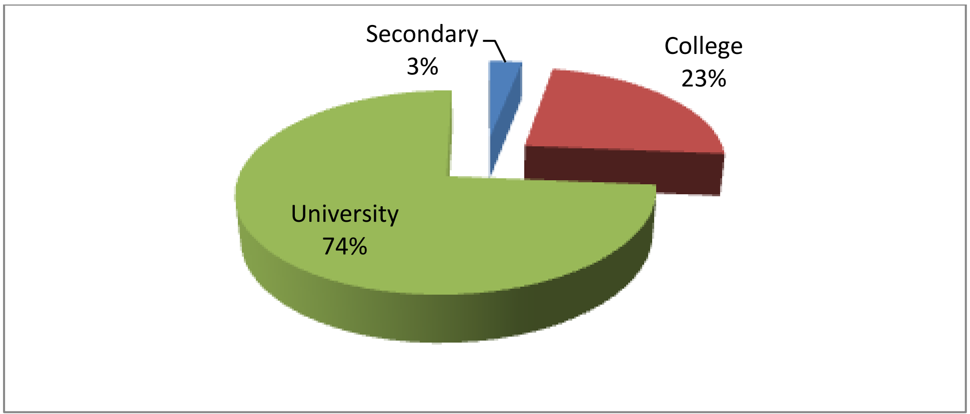

Figure 3: level of education

74% of the respondents had their highest level of education being university level, 23% of the respondents had their highest level of education being college level while 3% of the respondents had their highest level of education being secondary level. This implies that the employees working in the communication sector are skilled for the job. In addition, regarding to this study, it means that the respondents were able to read the questionnaire on their own and thus better response achieved.

Descriptive statistics for the education levels of the respondents were performed. This was for the purpose of checking if there was significant difference between the means of the education levels. The results are presented in Table 5.

Table 5: Descriptive statistics for level of education

	Mean	Std. Dev	Std. Error	95% Confidence Interval for Mean		Min	Max
				Lower Bound	Upper Bound		
Secondary	0.9111	0.06667	0.02222	0.8599	0.9624	0.87	1
College	0.8216	0.2359	0.02861	0.7645	0.8787	0.33	1
University	0.7902	0.22587	0.0154	0.7598	0.8206	0.2	1
Total	0.8012	0.22586	0.01322	0.7752	0.8272	0.2	1

The descriptive statistics of level of education showed that there were differences in the means scores of education levels. Those who had attained secondary level had a mean score of 0.9111, those who had attained college level had a mean score of 0.8216 while those who had attained university level had a mean score of 0.7902 as shown in the Table 5

Further analysis of the variance was tested to confirm if there was statistical significant difference on the level of education and employer branding.

Table 6: ANOVA test for level of education

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	0.163	2	0.081	1.604	**0.203**
Within Groups	14.682	289	0.051		
Total	14.845	291			

Results revealed that there was no statistical significant difference (p=0.203) as shown in Table 6. This means that the level of education does not influence employer branding.

4.2.4 Length of service

The respondents were asked to indicate the duration they have worked in the organization. Results are presented in Figure 4.

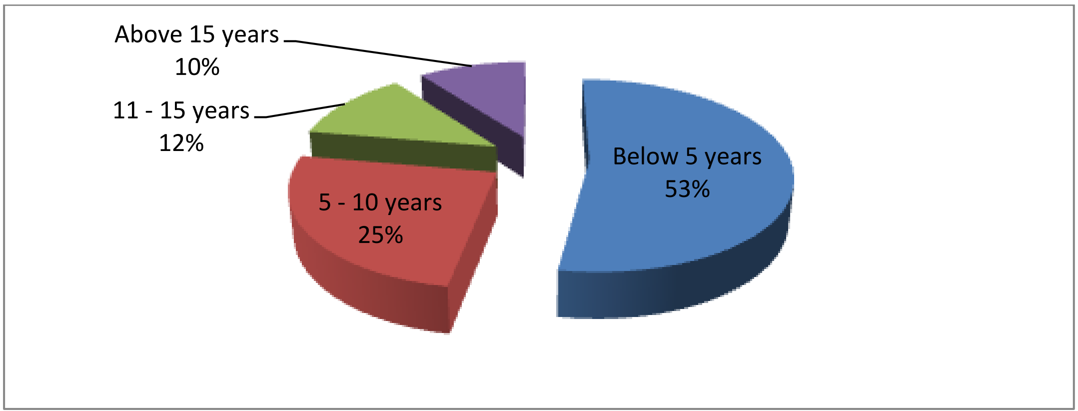

Figure 4: Length of service

53% of the respondents had worked in the communication sector for less than 5 years, 25% had worked in the communication sector for 5-10 years, and 12% had worked in the communication sector for 11-15 years while only 10% had worked in the organization for above 15 years. This implies that majority of the respondents had not worked in the organization for a long period.

Descriptive statistics for the length of service of the respondents were performed. This was for the purpose of checking if there was significant difference between the means of length of service. The results are presented in Table 7

Table 7: Descriptive statistics for length of service

Length of service	Mean	Std. Dev	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
				Lower Bound	Upper Bound		
Below 5 years	0.8348	0.19797	0.01595	0.8033	0.8663	0.27	1
5 - 10 years	0.7826	0.25797	0.03019	0.7225	0.8428	0.2	1
11 - 15 years	0.7619	0.23669	0.04001	0.6806	0.8432	0.27	1
Above 15 years	0.72	0.24221	0.04422	0.6296	0.8104	0.33	1
Total	0.8012	0.22586	0.01322	0.7752	0.8272	0.2	1

The descriptive statistics of length of service showed that there were differences in the mean scores of length of service. Those who had worked in the organization for less than 5 years had a mean score of 0.8348, those who had worked for between 5-10 years had a mean score of 0.7826, those who had worked for between 11-15 years had a mean score of 0.7619 while those who those who had worked for 15 years had a mean score of 0.72 as shown in Table 7.

Further analysis of the variance was tested to confirm if there was statistical significant difference on the length of service and employer branding. Results are presented in Table 8.

Table 8: ANOVA test for length of service

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	0.451	3	0.15	3.007	**0.031**
Within Groups	14.394	288	0.05		
Total	14.845	291			

Results revealed that there was statistical significant difference (p=0.031) as shown in table 4.8. This means that length of service influences employer branding.

4.3 Influence of Reward on employer branding

4.3.1 Reliability Results for Reward and pay

The cronbach alpha was calculated in a bid to measure the reliability of the questionnaire. A cronbach alpha of 0.7 and above indicates the presence of internal consistency and that the instrument is reliable for use in the study. Internal consistency means that the questions or item measures included for a construct actually belong to that construct (Babbie & Mouton, 2009).

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ISSN xxxx-xxxx (Paper) ISSN XXXX-XXXX (Online)
Vol.2, Issue 2 No.3, pp 44 – 64, 2017
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Table 9: Reliability Coefficient

Variables	Number of items	Cronbach's Alpha	Comment
Reward	12	0.880	Accepted

Reward was reliable since it had a cronbach alpha of 0.880 which was above the cut-off of reliability for the study. Table 9 shows the reliability results.

Salary review policy

The respondents were asked to indicate whether there exists a salary review policy in the organization. Figure 5, shows the results.

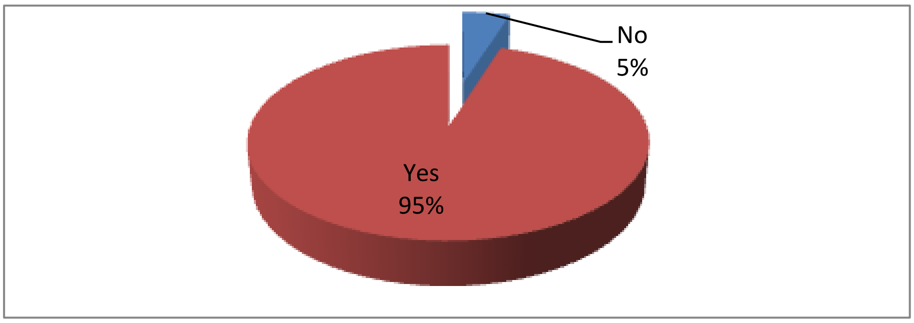

Figure 5: Salary review policy

95% of the respondents indicated that there exists a salary review policy in the organization while 5% indicated that salary review policy does not exist. This implies that Majority of mobile telecommunication companies review the salaries of their employees. This finding is consistent with that of Andrew (2004), who found out that commitment of all employees is based on salary review, reward and recognition. Lawler (2003) has stated that prosperity and survival of organizations is determined by how their human resources are treated. Most organizations studied have shown to have made significant progress by implementing a well-balanced rewards and recognition program for employees.

Benefit scheme policy

The respondents were further asked to indicate whether there exists a benefit scheme policy in the organization. Results are presented in Figure 6.

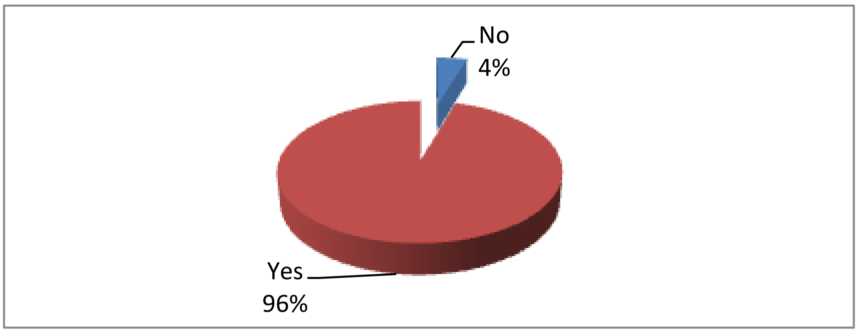

Figure 6: Benefit scheme policy

96% of the respondents indicated that there exists a benefit scheme policy in the organization while 4% indicated that Benefit scheme policy does not exist. This implies that majority of the telecommunication companies have enrolled their employees to the benefit scheme. Dessler (2008) says that firms that rely on teams to manage their work must develop incentive plans that encourage teamwork and focus on team membership within the company.

Types of rewards

In addition the respondents were asked to indicate the types of rewards that are usually given to the employees in their organization. Results are presented in Figure 7.

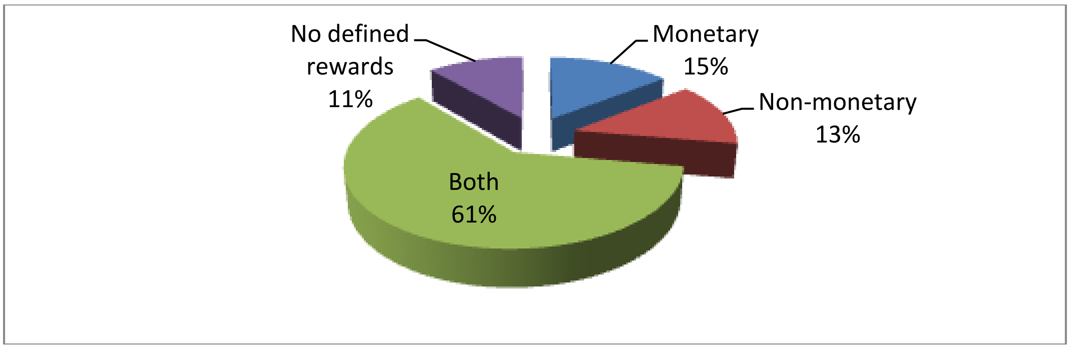

Figure 7: Types of rewards

Majority of the respondents who were 61% indicated that the employee are given both non monetary and monetary rewards, 15% of the respondents indicated that employees are given monetary rewards, 13% of the respondents indicated that employees are given non monetary rewards while 11% indicated that employees are given no defined rewards. This implies that majority of the mobile telecommunication companies provide variety of rewards to their employees. Armstrong, (2006) argued that a company that adopts a reward and compensation policy that is consistent and reinforces its strategies is more likely to implement those strategies than a firm that adopts compensation policies that are inconsistent with its strategies.

Recognition

In addition the respondents were given options to indicate on how they get recognition. Majority of the respondents indicated more than two considerations in which performance in each case was appearing. This implies that majority of the employees of mobile telecommunication companies are recognized through their performance (as shown in appendix II).

4.3.2 Descriptive Statistics

Descriptive statistics was performed regarding to the responses on reward related statements. Results were presented in Table 10.

Human Resource and Leadership Journal
ISSN xxxx-xxxx (Paper) ISSN XXXX-XXXX (Online)
Vol.2, Issue 2 No.3, pp 44 – 64, 2017

Table 10: Rewards

Statements	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Mean	Std. Dev.
Salary and allowances stimulated me to apply for the job	15.40%	44.50%	17.50%	16.10%	6.50%	2.54	1.13
Employees are attracted by merit based pay	28.10%	42.80%	17.50%	9.20%	2.40%	2.15	1.01
Employee appreciation for better performance by the employer enhances employee motivation in this organization	39.40%	44.50%	11.30%	3.80%	1.00%	1.83	0.85
Annual salary review motivates employees to perform better	32.00%	47.40%	16.20%	2.40%	2.10%	1.95	0.87
Medical Insurance cover benefit attracts employee to the organisation	25.90%	53.80%	15.20%	2.10%	3.10%	2.03	0.88
Non-financial benefits training, recognition, scholarship etc. enhances retention	22.30%	43.50%	16.10%	14.00%	4.10%	2.34	1.10
Bonus pay have great impact on the success of the organization	32.20%	46.20%	17.50%	3.10%	1.00%	1.95	0.84
Retirement benefit gives staff a sense of job security	26.40%	48.60%	10.30%	13.70%	1.00%	2.14	1.00
Pension pay promotes employee retention	27.40%	44.20%	14.70%	13.70%	0.00%	2.15	0.98
Employee appreciation and recognition motivates employees	33.20%	48.60%	9.90%	7.20%	1.00%	1.94	0.90

Provision of housing allowance promotes a sense of belonging	15.70%	22.60%	28.20%	17.80%	15.70%	2.95	1.29
Transport/commuter allowance enhances employee retention	18.80%	25.10%	21.60%	23.00%	11.50%	2.83	1.29
Average						**2.23**	**1.01**

Results in Table 10 revealed that 59.9% (15.4%+44.5%) of the respondents agreed with the statement that Salary and allowances stimulated them to apply for the job. 70.9% agreed with the statement that employees are attracted by merit based pay. 83.8% agreed with the statement that employee appreciation for better performance by the employer enhances employee motivation in this organization.

The results also showed that 79.4% agreed with the statement that annual salary review motivates employees to perform better. 79.70% agreed with the statement that Medical Insurance cover benefit attracts employee to the organization. 65.8% agreed with the statements that Non-financial benefits training, recognition, scholarship etc. enhances retention. The results also showed that 78.4% agreed with the statement that Bonus pay have great impact on the success of the organization.

In addition, 75% agreed with the statements that Retirement benefit gives staff a sense of job security. 71.6% agreed with the statement that Pension pay promotes employee retention. 81.8% agreed with the statement that Employee appreciation and recognition motivates employees. 38.3% agreed with the statements that Provision of housing allowance promotes a sense of belonging. Results in table 4.15 also revealed that 43.9% agreed with the statement that Transport/commuter allowance enhances employee retention. Using a five point scale likert mean, the overall mean of the responses was 2.23 which indicates that majority of the respondents agreed to the statement of the questionnaire. Additionally, the standard deviation of 1.01 indicates that the responses were varied. The results herein imply that reward and pay influence employer branding.

The findings agree with that of (Khan, 2012) who concluded that compensation and rewards are important factors for attracting and retaining competent employees in the organization. Studies have highlighted there to be a link between rewards and retention (Chew and Girardi, 2008). Pay and received money influences a person psychologically, economically and sociologically (Abbasi et al., 2000) in forms of EVP and the employer brand is therefore dependant on each other, with the brand promise being delivered through the EVP (Nienaber, 2009). Companies are increasingly allocating funds to what has been termed employer branding (Davies, 2008). Employer branding is the process of creating an identity and managing the company’s image in its role as an employer (Spitzmuller, Huntington, Wyatt, & Crozier, 2002).

According to Som, (2008) the role of HR is generally seen in ensuring that firms are able to attract, retain, motivate and develop human resources according to current and future requirements this was confirmed by Katua, Mukulu & Gachunga 2014 who found that Rewards and compensation strategies have a greater role in influencing the performance of bank employees hence contribute heavily to the performance of commercial banks in Kenya.

Human Resource and Leadership Journal
ISSN xxxx-xxxx (Paper) ISSN XXXX-XXXX (Online)
Vol.2, Issue 2 No.3, pp 44 – 64, 2017

They further recommended that Human resources managers must pay attention to compensation systems that motivate employees to become productive and innovate.

Range of salaries

The respondents were further asked to indicate the range of their salaries. Figure 8 shows the results.

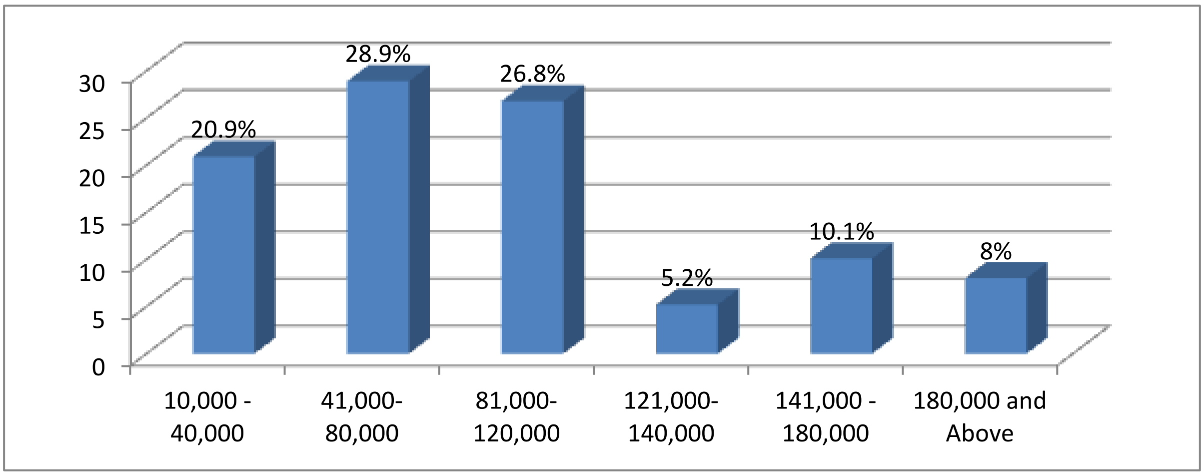

Figure 8: range of salaries

28.9% indicated that their salaries ranged between 41000-80000 while only 8% indicated that their salaries were above 180000. This implies that majority of the employees of mobile telecommunication companies earn above the minimum wage rate (ksh 10,000). This reflects the minimum pay in Kenya which is ksh10, 000 per month. Griffeth et al. (2000) noted that pay and pay-related variables have a modest effect on turnover. Their analysis also included studies that examined the relationship between pay, a person's performance and turnover. They concluded that when high performers are insufficiently rewarded, they quit employment.

4.3.3 Correlation analysis

The correlation was conducted between reward and employer branding. Results were presented in table 11.

Table 11: Correlation matrix

		Employer branding	**Reward**
Employer branding	Pearson Correlation	1.000	
	Sig. (2-tailed)		
Reward	Pearson Correlation	**.234****	1.000
	Sig. (2-tailed)	**0.000**	

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

The results indicated that there was a positive and a significant association between reward and employer branding (r=0.234, p=0.000). Financial rewards, together with some level of work challenge, seem to influence an employee's intention to remain in the workforce for a long time (Proper, Deeg and van der Beek 2009). People receive extrinsic e.g. pay bonuses, promotions, time off, special assignments, office fixtures, awards and verbal praise or intrinsic rewards (Armstrong, 2008, Dessler, 2006, Goel 2008). Intrinsic rewards are self-administered (Dessler, 2006).

4.3.4 Logistic Regression

The second objective of the study was to determine the effect of reward and pay on Employer branding in the mobile telecommunication sector in Kenya. A logistic regression was used to model relationship between reward and pay and employer branding.

Table 12: Logistic regression

Employer branding	Coef.	Std. Err	z	P>|z|
Reward	0.14148	0.22573	0.63	**0.0053**
cons	1.30006	0.50054	2.6	0.009

Number of Observations= 292

Pseudo R2 = 0.015

Pro>chi = 0.531

Table 12 showed that reward and pay was positively and significantly associated with employer branding. (Exp(B)= 0.14148, P=0.0053).Thus, the employer branding for mobile telecommunication companies who have good reward and pay is 0.14148 times higher than those who do not have good reward and pay.

$Y=1.30006+0.14148X_1$

Where Y=Employer branding

X_1= Reward and pay

4.3.5 Hypothesis testing

The hypothesis was tested by using the ordinary least square regression. The acceptance/rejection criteria were that, if the p value is greater than 0.05, the Ho is not rejected but if it's less than 0.05, the Ho fails to be accepted. The null hypothesis was that reward and pay had no significant relationship with employer branding. The alternative hypothesis was that reward and pay had a significant relationship with employer branding. Results were presented in table 13.

Table 13: Regression of coefficients

Variable	B	Std. Error	t	sig
(Constant)	0.866	0.043	20.250	0.000
Reward and pay	0.03	0.019	2.592	**0.011**
R squared=0.09				
F statistic=**25.34**				
P value= **0.011**				

The calculated f-statistic of 25.34 was higher than the tabulated/critical f statistic. The findings were further supported p-value of 0.011. This indicated that the null hypothesis was rejected hence reward had a significant relationship with employer branding.

5.0 CONCLUSIONS AND RECOMMENDATIONS

5.1 Conclusions

Based on the findings above, the study concluded that reward has a positive and significant effect on employer branding in the Mobile telecommunication sector in Kenya.

The study also concluded that there is a positive relationship between rewards and employer branding in the Mobile telecommunication sector in kenya. The findings agree with that of Khan, (2012) who concluded that compensation and rewards are important factors for attracting and retaining competent employees in the organization. Previous studies have established a link between rewards and retention Chew & Girardi, (2008). Rewards are important factors for attracting and retaining competent employees in the organization. There is a positive link between rewards and retention, reward received whether financial or non-financial influences a person psychologically, economically and sociologically. The most popular way of checking determinants of company's brand is to do an analysis of attributes that attract and/or retain talents in this company with benchmarking to similar organizations *(Hieronimus at al., 2005, p. 13).* Companies are increasingly allocating funds to what has been termed employer branding. Rewards and compensation strategies have a greater role in influencing the performance of mobile telecommunication employees hence contribute heavily to the performance of telecommunication industry in Kenya.

5.2 Recommendations

The study recommended Mobile telecommunication sector in Kenya to introduce annual salary reviews, housing and commuter allowances to motivate their employees and boost the employee branding.

The government and policy making organs like the Communication Authority of Kenya (CAK) should come up with laws that regulate, promote and position the telecommunication sectors in Kenya to become branded as employers of choice laying emphasis on good HR practices.

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