

Upper Nile University

IMPACT OF REWARD MANAGEMENT ON THE EMPLOYEE RETENTION

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1.0 Introduction

This chapter presents the background of the study, the problem statement of the study, the purpose of study, objectives of the study, significance of the study, the Subject scope of the study (geographical, Content and Time scope) and conceptual framework

1.1 Background

Retention researchers have defined retention management as a strategic, coherent process that starts with an examination of the reasons why employees join an organization (Davies, 2001; Solomon, 1999). A number of different factors can affect employee turnover. These include the internal structure of the organization, recruitment policies and strategies, career progression opportunities, rewards and benefits, and training and development (Fitz-enz, 1990). In order to improve employee-employer relations, reduce turnover, and improve commitment levels, HRM policies need to take all of these factors into account and manage them congruently (Arthur, 1994; Delaney &Huselid, 1996; Ichniowski, Shaw, &Prennushi, 1997; MacDuffie, 1995).

When an employee makes the decision to leave an organization, the reason can rarely be attributed to one single factor such as a failure to be awarded a promotion or pay increase. More commonly, one event may act as a catalyst for the employee to leave, but the underlying reasons will be attributable to multiple events during the employee's time at the firm (Davies, 2001; Oh, 1997; Walker, 2001). Truly understanding how different factors interact with one another, and the impact that they have on an individual's commitment to an organization, can be very challenging.

Due to competition for scarce skills, the attraction and retention of quality employees has emerged as the biggest challenge in human capital management. This has resulted in a high turnover rate in most organizations especially in public institutions. Many skills shortages have been reported especially in South Africa's public health sector (Pillay, 2009). Nurse turnover has been linked to nurse shortages (Goodwin, 2003). The retention of highly skilled employees is now the major concern for many of South Africa's public institutions. To attract, retain and be profitable, organizations need novel reward systems that satisfy employees. Managing turnover is proving to be a challenge to many organizations. Organizations incur very high costs as a result of voluntary turnover. According to Gering and Conner (2002) retaining good workers is critical to any organization. If an organization is not able to retain its employees, it will not be able to capitalize on human assets developed within the organization. Literature and best practices indicate that, to some extent, if employers treat their employees as valued contributors, they tend to remain in the organization (Frost, 2001). It is therefore of great importance that organizations keep their employees satisfied to improve employee retention.

DeYoung (2000) reveals in his studies that many organizations are facing challenges in the development of an employee retention strategy, Turnover rates are increasing in various organizations; if employees are unhappy with their organizations they tend to leave the organization (Schuler & Jackson, 2006). This becomes a costly exercise, especially if a valuable employee exits resulting in lost production. In addition, the cost of recruiting another employee is very high and usually takes time. Therefore the responsibility lies with the employer to ensure that they have the right quality and quantity of employees in an organization. This can be achieved through devising an efficient reward system which addresses employees` needs. Employee rewards mainly in the





form of salary are one of the most identified factors when employees describe their employer of choice ref.

In line with the systems view of HR (Lado& Wilson, 1994), firm performance serves as a final outcome of an effective HR system. As an indicator of firm performance, employee retention is a systematic effort by employers to create and foster an environment that encourages current employees to remain employed, by having policies and practices in place that address their diverse needs. Despite efforts to explain what employee retention is, it is clear that the reason such term arose is due to the increasing number of employees leaving the organization for various reasons. Collins and Porras (1994), and Collins (2001) explained that the first success for any organizations is people. Organizations need to have the right people and, thus, it is important to retain employees and knowing how an employee can remain in a particular organization, therefore It would have been a success to Some of this organization in South Sudan if they Reward employees, not even rewarding but also to making happy in the organization, but this has not been the case in South Sudan both in private and public sector, employee leave organization for differentreason, corruption, nepotism, no motivation no over time since South Sudanese have poor time management etc, therefore the researcher though it wish to find out the impact of Reward Management in retaining employee in an organization by looking at the attributes of each independent and dependent variable both in the literature and in the field survey that will be conducted by the researcher to find the gap exist between the two variable.

1.2 Problem Statement

High turnover is a well pronounced trend in most Non government institutions especially in the Publicsector. One of the mainchallenges faced by organizations in employee retention is the competition factor. Frost (2001) states that many professional organizations are in a dilemma as a result of the competition that is present in attracting and retaining highly skilled workers because they fail to match the salaries being offered by their competitors or to offer more than their competitors. The challenge for many organizations today is therefore is to come up with an efficient reward strategy for retaining these core employees for the success of the organization.

Relatively, there is little published research on reward system practices and their outcomes especially in South Sudan, Therefore, this study will focuses onthe gap exist between Reward Management and their outcomes as well as how Reward management influences the retention of employees at a selected organization in South Sudan.

1.3 Research Objectives

The research objectives are to:

- 1. To determine the impact of rewards on employee retention
- 2. Reward Management influence the retention of employee
- 3. To determine the relationship between Reward Management and Employee Retention

1.4 Research Questions

- 1. What is the impact of rewards management on employee Retention?
- 2. What is the influence of Reward Management on employee Retention?
- 3. What is the relationship Between Reward Management and Employee Retention?

1.5 Subject scope of the study

1.5.1 Geographical scope

The location of this study will be conducted in Tong-ping North of Juba Nabri which is located in the central part within the core of the city Near the Airport with an active commercial downtown. This area was chosen because it is easily accessible to the researcher.

1.5.2 Content scope

The study will focus on the variable of reward Management and employee Retention, It's aimed at finding out what impact does Reward Management has in employee Retention.

1.5.3 Time scope



The research will be conducted between the period of four Months from the Month the researcher start the research, The Time which with help the researcher to collect all the necessary relevant information as per the questionnaires and interviews.

1.6Significances of the study

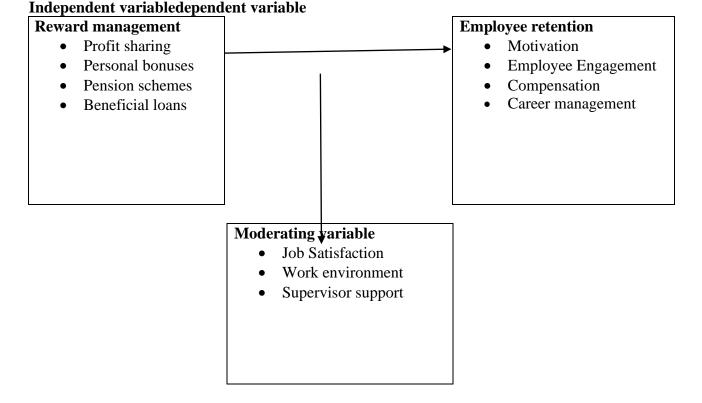
This study is the first comprehensive study of employee retention problems in private organizations of South Sudan, with an emphasis on world vision. It has both practical and theoretical significance: It advances knowledge and understanding of how key retention variables which may affect employee retention in private organizations in South Sudan; and it may also be used to assist some private organizations in formulating strategies to increase retention rates, job satisfaction and organizational commitment among employees.

The employee retention problem and its relationship to Reward management in South Sudan is an area that is currently under-researched. This research will provide new data to test South theories and assumptions found in Reward Management studies about employee retention. This research differs from other studies in that it undertakes to develop a theoretical framework on employee retention with reference to the South Sudanese policy. This framework requires a study of both public and private South Sudanorganizations to ensure that national employees areadequately represented. Outcomes of this research are intended to better inform policy on staff recruitment, selection processes and organizational development in South Sudan organizations. Evidence from official staff on turnover is limited; however, people working in South Sudan generally agree there is a problem in retaining employees.

The study of this nature also contributes toward academic knowledge and theoretical skill of other scholar and researcher who use later as reference material.

1.7Conceptual framework or theoretical framework

The conceptual frame work shows the relationship of the independent variable and dependent variable that is relevant to the research problem. In this research we adopted the following conceptual frame work and use this attributes in the literature reviews







From figure Show Conceptual framework illustrating the relationship between Reward Management and employee retention and job satisfaction as a moderator variable between Reward management and employee retention, there are four Reward Management that can affect employee retention namely, Personal bonuses, profit sharing, pension Schemes Job satisfaction is serving as a moderator variable on the effect of Reward management and employee retention. All these variables have been thoroughly discussed in the empirical review.



CHAPTER TWO LITERATURE REVIEW

2.0 Introduction

This chapter is split into parts. Part A is concerned with the geographic area of the study and provides general information about the Reward management with its attributes, employee retention with its attributes

2.1 Employee retention

Employee retention refers to Efforts by which employers attempt to hold on to employees in their organization, it is a move by an organization to create an environment which keeps and engages employees for a longer time.

Employee retention is an increasingly important challenge for organizations as the age of the knowledge worker unfolds (Lumley, Coetzee, Tladinyane& Ferreira, 2011). Presently the labour market belongs to employees, because talented candidates in the global job skills market have the luxury of choice (Harris, 2007).

Employees, both new and experienced are realizing that they have more discretion intheir choice of organizations to work with (Clarke, 2001). The dynamic business environment has brought to bear a lot of organizational challenges, a prominent one being the retention of adept employees. Meanwhile employee turnover is costly and can negatively affect organizational effectiveness and employee morale (Kacmar, Andrews, Van Rooy, Steilberg, &Cerrone, 2006; Shaw, Gupta, &Delery, 2005).

The cost of replacing workers is high, finding skilled employees can be difficult, and investments in training are currently less secure (Lochhead& Stephens, 2004). According to Fitz-enz (1997) the average company loses approximately \$1 million with every 10 managerial and professional employees who leave the organization. Cascio (2006) also affirms that the costs associated with recruiting, selecting, and training new employees often exceed 100% of the annual salary for the position being filled. Thus, every turnover of skilfulemployees come at a cost and the combined direct and indirect costs associated with one employee leaving ranges from a minimum of one year's pay and benefits to something more substantial. Also, when knowledgeable employees leave an organization, the consequences go far beyond the substantial costs of recruiting and integrating replacements. Consequently, most employers are seeking better ways to manage turnover in order to retain valued human resources as well as sustain competition and high performance. Indeed several factors contribute to employee turnover or retention and researchers have proposeddifferent theories on what motivates employees to stay or leave an organization.

2.1.1 Career management

Schemes or ongoing programmes and initiatives that organizations put in place to assist employees to properly plan, carry out and attain their career goals in concert with the organizational career systems. It can be achieved through the introduction of training and development programmes for employees.

In a knowledge economy, developing competencies forms an essential part of organizations competitiveness. Knowledgeable and highly skilled employees improve productivity, enhance quality of products and services, effect positive changes in processes and deliver quality service to customers (Khan, 2010). Most organizations may use career management programmes to assist their employees to properly plan their careers because it is believed that, generally, employees react positively to career development and advancement opportunities.

By providing opportunities for training and career development which forms part of career management, organizations are supporting their employees to more knowledgeable as well as achieve their personal career goals. Career management is defined as an ongoing process of preparing, implementing and monitoring career plans undertaken by individuals alone or in concert with the organization's career systems (Hall 1986). It may include activities that help the individual develop and carry out career plans, however, the focus is on taking actions that



increase the chances that the organization's anticipated HR needs are met. According to Doyle (1997) a well-functioning organizational career planning system may also encourage employees to take more responsibility for their own development, including the development of skills viewed as significant to the organization. It must however be noted that the economic returns of training employees are more likely to be captured by an organization if employees are motivated to stay longer and contribute to its success.

Career management presents several immediate and longer term benefits such as obtaining higher salary, improving one's marketability, positioning oneself for future job opportunities and enhancing job satisfaction. Khan (2010) argues that training and development generate tangible outcomes such as improved productivity, quality products and services, and resource optimization as well as intangible outcomes such as enhanced self esteem, high morale, and satisfaction of employees due to acquisition of additional knowledge, skills and abilities. Hence it has been suggested that organizations should pursue participative mechanism to develop career related objectives for employees, make effective plans, implement and monitor the effectiveness of these plans to achieve employees" career objectives (Hall, 1986; Greenhaus, 1987). Shaw, Delery, Jenkins, & Gupta (1998) assert that organizations with substantial training opportunities should experience lower turnover rates. Some researchers have also shown that training activities are correlated with productivity and retention (Delery& Doty, 1996; Huselid, 1995; Khan, 2010; Walsh & Taylor, 2007).

The above researchers however contradict the findings of Chew and Chan (2008). After employing Structural Equation Modeling to test their hypotheses they established that employees may not necessarily increase commitment to their organizations because they are provided with increased training and development. Thus training and career development is not significantly related to intention to stay.

2.1.2 Employee Engagement

Total reward received by an employee in exchange for services performed for an organization. It can include both direct pay (salary and wages) and indirect pay (benefits programmes).

Employees want to work and remain with organizations in which they are valued and appreciated. The challenge today is not just retaining capable and talented employees, but fully engaging them, capturing their minds and hearts at each stage of their work lives (Kaye & Jordan-Evans, 1999). Employee Engagement (EE) has enormous impact on organizational outcomes. The Gallup Organization has empirically determined that employee engagement is a significant predictor of desirable organizational outcomes such as, retention, productivity and profitability (Luthans& Peterson, 2003). It also results in up to 87 percent reduction in employee turnover intentions (Corporate Leadership Council, 2004). According to Markos and Sridevi (2010), employers are now becoming aware that by focusing on employee engagement, they can create more efficient and productive workforce. Not only does engagement have the potential of significantly affecting employee retention and loyalty, but it is also a key link to overall stakeholder value (Corporate Leadership Council, 2004).

Kahn (1990) is widely credited with the first application of engagement theory to the workplace (Harter, Schmidt, & Hayes, 2002; Rich, Lepine, & Crawford 2010). Macey and Schneider, (2008) assert that the factors that produce engagement may be different from those that generate more traditional employee outcomes such as job satisfaction and organizational commitment. An engaged employee is a person who is fully involved in and enthusiastic about his or her work (Falcone, 2006). Engaged employees work with colleagues to improve performance within the job for the benefit of the organization. Gallup as cited by Dernovsek (2008) likens employee engagement to a positive employee emotional attachment and commitment.

Engaged employees are highly involved in their jobs, go beyond their employment contractual agreement and remain with their organization for a long period of time (Towers Perrin Report, 2003). Although the literature review shows that empirical research on EE is scarce, the Gallup Organization (2006) found critical links between employee engagement, retention, customer loyalty, business growth and profitability. Others have identified engagement as a



key driver of individual attitudes, behavior, performance as well as organizational performance, productivity, retention, financial performance, and shareholder return (Richman, 2006). According to Baumruk (2006) organizations with higher engagement levels have lower employee turnover, higher productivity and better results. Research indicates that organizations with engaged employees have higher employee retention as a result of reduced intention to leave and turnover leading to increased productivity, profitability and growth (Markos & Sridevi, 2010). It is important that these positive assertions are empirically tested

2.1.3 Compensation

Employee compensation includes all forms of pay and rewards received by employees for the performance of their jobs (Snell &Bohlander, 2007). Direct compensation includes employeewages and salaries, incentive-payments, bonuses and commissions. Whilesindirect compensation comprises the many fringe benefits provided by employers and non financial compensation including health care, life insurance, subsidised lunch, leave policy, overtime, pension plan and transportation policies.

According to Willis (2000), direct compensation serves as the most critical issue when it comes to attracting and retaining talents. Parker and Wright (2000) alsoassert that there is an underlying assumption that money can influence behavior hence a fair remuneration is understood to be the cornerstone of the contractual and implied agreement between employees and employers. As a result, some companies may even provide remuneration packages which are well above the market rate to attract and retain critical talents (Parker & Wright, 2000). Most managers believe that money is the prime retention factor and many employees cite better pay or higher compensation as the reason for leaving one employer for another (Mathis & Jackson, 2004). Khan (2010) argues that comprehensive compensation and rewards augmented by an effectual system of disbursement can play an effective role in attracting the best candidates, shaping employee behavior and performance outcome, and facilitating retention of talents.

Indirect compensation such as benefits could also affect employee attraction and retention. The absence of adequate benefits is thus one of the main factors contributing to employee intention to leave (Rusbult& Farrell, 1983). Casper and Buffardi (2004) assert that an organization can compensate for moderate salaries in a form of non cash compensation, by offering a large amount of benefits. In support of this, Browne (1997) in his study proved that potential employees, irrespective of their sex and culture, were willing to accept lower salaries if benefits of importance to them were also offered. Employee benefit packages increase worker commitment to the organization and reduce the tendency to think about other job opportunities (Mitchell, Holtom, Lee, Sablynski&Erez, 2001). Cho, Woods, Jang, &Erdem, (2006) in a study of the relationship between HRM practices and organizational performance found out that companies providing incentive plans to employees are more likely to experience lower turnover rates among non-managerial employees. Also, a firm would further reduce its laborturnover rate if it applies reward systems in the form of incentive plans to more employees across the organization (Moncarz, Zhao & Kay 2009).

2.1.4 Motivation

Motivation is derived from the Latin term motivus ("a moving cause"). It is normally defined as "that which tends to move people to act" (Deneulin and Alkire 2000). Motivation refers to forces acting either within or on a person to initiate action. Thus, staff may be intrinsically motivated to work by conviction (e.g. "for my country" or "because it is my duty") even in situations where extrinsic motivational factors are weak (low salary; poor management; limited involvement in decision-making; etc).

In contrast, "satisfaction" refers to a state of contentment that is not necessarily related to action. Just introducing pay-raises if existing accountability mechanisms for performance are weak, for example, may produce more satisfied staff – but not necessarily staff motivated to perform.

While improved staff motivation may therefore lead to better staff performance (and hence to enhanced organizational performance), there is no similar relationship between satisfaction and performance.



This is only a limited set of available motivational tools as the list above indicates. Thus, the current focus on coercion and monetary rewards, excludes important motivational factors. "[M] Ainstream development advice pays little attention to the matter of worker commitment, except to argue that government workers are doomed by their self-interest to be uncommitted" (Tendler1997: 136). She argues that

HRM-theory about motivational factors used to study organizational performance in rich countries offer very useful insights into the motivation and performance of workers in public sector in poor countries.

2.2 Reward Management

"Reward is the benefits that arise from performing a task, rendering a service or discharging a responsibility." (Colin Pitts, 1995, p. 11.) Pay is the most significant and motivating benefit that is received in return for performing a task or service. It is pay that motivates individuals to go out and seek work. Pay is also one of the few ways to set a mutually acceptable common value to the individual's work contribution. Pay can also be a powerful demotivator, if employees are not satisfied with the reward package, it will be hard for the company to recruit and retain good individuals. (Colin Pitts, 1995, p. 11).

Advocates of the expectancy theory believe that employees will change their behavior by working harder or prioritizing their actions if they know that by doing so they will be rewarded with something of value to them. Hence, incentives are a great way to reward effort and behaviors which the organization wishes to encourage. If the incentive is paid in return for behavior that contributes to the organizations goals, it will in the long run enhance organizational effectiveness and productivity and hence generates a positive outcome for both employer and employee. (Torrington, Hall, Taylor & Atkinson, 2009, p. 162). The principle reward for performing

The principle reward for performing work is pay, many employees however offer also reward packages of which wages and salaries are only a part of. The packages typically include; bonuses, pension schemes, health insurance, allocated cars, beneficial loans, subsidized meals, profit sharing, share options and much more. (Pitts, 1995, p. 13).

There are various things to think about before making decisions about what kind of payment system is most appropriate for an organization. Managers should start by asking what objectives they are seeking to achieve. These are likely to include the following: (Torrington, Hall, Taylor & Atkinson, 2009, p. 154).

- 1. To minimize expenditure on wages and salaries over the long term.
- 2. To attract and retain staff of the desired caliber, experience and qualifications.
- 3. To motivate the workforce so as to maximize organizational performance.
- 4. To direct effort and enthusiasm in specific directions and to encourage particular types of employee behavior.
- 5. To underpin and facilitate the management of organizational change. There is no one payments system that can achieve all the above mentioned features for all employees in an organization. Managers are required to weigh up the advantages and disadvantages of each payment system and decide where to put the emphasis on. (Torrington, Hall, Taylor & Atkinson, 2009, p. 154).

2.2.1 Profit sharing

Profit sharing is an incentive based compensation program where employees are rewarded with company shares or a percentage of the company's profit. This scheme is claimed to increase employee's commitment to his or her company by linking pay to profit, and hence deepening the level of mutual interest. Profit sharing also encourages the thought of everyone being on the same team; the employees have the same goals and are rewarded equivalently. The disadvantage of profit sharing in the employee's point of view is the fact that pay levels may decline if the company do not meet its profit expectations. Another weakness of profit sharing is that the employees cannot see andknow the impact of their work performance on the profitability of the company. Due to the fact that the employees receive the profit sharing money regardless of their own performance, the



reward might become more of an entitlement than a motivating factor. (Torrington, Hall, Taylor & Atkinson 2009, p163-164).

Profit sharing is paid out once a month together with the monthly salary. A sales target is predetermined for each month and if the store unit succeeds in reaching this target a bonus is paid out to all employees. This reward was first tried out in September 2009. The trial period for the reward was three months and it was taken in use permanently in December 2009. The reward is 0.0025% of the total sales, which is divided by the work hours. Each employee is paid out by their hours worked. An example follows. (Interview with store Manager Sami Nordlund).

2.2.2 Personal Bonuses

"Recognition is the demonstration of appreciation for a level of performance, an achievement or a contribution to an objective. It can be confidential or public, causal or formal. It is always in addition to pay." (Colin Pitts 1995, p 14.) In addition to reward, employees also need recognition. Individuals like to share their achievements with others and have it recognized and celebrated. When this need is satisfied, it works as an excellent motivator. If employers rely on reward alone to recognize contribution and achievement it is most possible that the employee's objective will become modified to secure the pay and nothing more and this in turn will lead to a degraded culture of the organization. When used correctly recognition is cost-effective way of enhancing achievements and enable people to feel involved in the company culture. (Pitts 1995, p.14). Work-Related Recognition can be educational and training opportunities, a special project assignment, lateral or vertical career opportunities or special office and work equipment.

Recognition and celebration does not work as an alternative to a base pay, they are only adders, not replacements for pay. However, together with a solid pay approach, recognition and celebration is an effective way to make rewards communicate effectively. Used properly, these two factors gives the company an opportunity to communicate the role that employees should play in making the organization a success. When traditional pay solutions fail to acknowledge issues such as business opportunities, organization designand competency, recognition can be a great tool to address them. (Zingheim& Schuster, 2000, p. 188-191).

Recognition, whether it is cash or non-cash has an advantage over base pay and variable pay because it can be used at any time. The company can immediately reward and acknowledge something of importance that was not necessarily planned, such as unexpected and outstanding achievements of individuals and teams. Non-cash recognition can be especially meaningful to the recipient since it can be customized or personalized. Non-cash recognition also gives the company a possibility to distinguish themselves from other employers due to the fact that this type of recognition cannot be imitated by other companies. (Zingheim&Schuster, 2000, p. 193-194). The tangible recognition is given outin the form of movie-tickets. Depending on the store manager, each week one or more employees are rewarded with movie-tickets. The company believes this to be a great way to encourage employees to make an extra effort in their daily tasks and perform better in teams. This form of reward was implemented in Motonet-Espoo from the start.

2.2.3 Pension schemes

Pension" means the pension payable under the Employees' Pension Scheme and also includes the family pension admissible and payable under the Employees' Family Pension Scheme, 1971 immediately preceding the commencement of the Employees' Pension Scheme, 1995 with effect from the 16th November, 1995.

In many countries, pension provision is covered by a mandatory public scheme (usually referred to as social security schemes), which is often supplemented by occupational pension schemes. The extent to which occupational pension schemes supplement public schemes varies substantially among advanced economies. In emerging economies, the access to any form of pension coverage among the working population is quite limited – only around 10 to 25 percent (Schwarz, 2003). Among public pension schemes, some are funded, i.e. the pension liabilities are backed by pension assets; others are unfunded and referred to as pay-as-you-go (PAYG) schemes, i.e. the current pension payments are financed from contributions or payroll taxes paid by current employees. In



advanced economies, when the pension assets relative to gross domestic product (GDP) are low, it usually implies that a large share of pension liabilities is tied to future government tax revenues.

Occupational pension schemes can be broadly classified into defined benefit (DB) schemes and defined contribution (DC) schemes. DB schemes offer the employees more measurable post-employment income benefits; but they lack the portability that DC schemes offer employees when they switch employers. In a DC plan, the amount of money that has to be contributed to the fund is specified, but the benefits payout will be known only at the time of retirement. The design of retirement plans can have effects on labor markets because they have important economic incentives associated with them that affect the embedded value in employment contracts, and through this, the employee turnover rates and the age-specific retirement rates (Friedberg, 2011).

The overarching objective of any pension scheme is to provide beneficiaries with an adequate income stream during the post-employment period. For funded schemes, this requires assessment of what the appropriate contribution rates (as a percentage of salaries) into the pension fund should be to deliver the expected retirement income stream. For DB schemes, any asset shortfall arising from poor investment returns on pension assets becomes a liability of the schemes' sponsor. For DC schemes, employees bear the risk that the post-employment income can be lower than what they had planned for

There are various forms of pension schemes. The most common is the so-called "salary scheme", also known as Defined Benefit schemes (DB). In these schemes, the level of pension depends on the number of years worked in combination with your salary. DB schemes can be divided into final salary schemes and average salary schemes. In the Netherlands, the majority of pension schemes are DB schemes. In recent years many of these schemes have been converted from final salary to average salary schemes.

In final salary schemes, the accrued pension rights are increased at each career step to the level of the new pension basis. If the average salary is the pension basis then this is known as an average salary scheme. In average salary schemes, the accrued pension rights are related to the employees' income in a specified year. In general, average salary schemes have conditional indexation. In principle, this means that the pension rights of employees as well as those already drawing their pension are revised annually for inflation or increase in wages in the sector. If the fund's financial situation is such that an adjustment is not feasible, then it will not be applied, and this is why it is referred to as conditional indexation. Pension funds do not have to maintain reserves for future indexation. However, pension funds must demonstrate to the regulator that they will be able to realizetheir indexation plans in the long-term. Based on an indexation table the pension administrators indicate to what extent they will be able to keep abreast with inflation under normal circumstances and what will happen if they are faced with a severe economic downturn.

2.2.4 Beneficial loans

Beneficial loans to employees" designates interest-free loans or loans at less than a marked rate of interest received by reason of employment. For tax purposes it does not matter whether the employee has a regular employment or not, as long as the benefit is received by reason of labour or services rendered. Loans comprises in principle any form of credit. Beneficial loans to employees transfers an economic value (the time value of capital) to the borrower which the lender renounce. This article discusses how this benefit in kind should be treated for tax purposes both on the lender/employer's hand and on the borrower/employee's hand. The general rule as to the taxation ofincome from employment is that an employee's total labour compensation includes all benefits received in connection with the employment, The General Tax Act (GTA) Sec. 5-1 paragraph 1 and Sec. 5-10. The general concept of income is not based on characteristics of the payment or manner in which it was derived. The total compensation may include a money wage and non-wage benefits as e.g. conventional fringe benefits. Conventional fringe benefits, like beneficial loans linked to the job, are often named benefits in kind. Taxable benefits in kind must be valued to enter the tax base. The borrower cannot convert the benefit of a beneficial loan into money. The general rules are described in; Hugo P. Matre, Deductibility of Interest Paid on ProfitParticipating Loans in Stock Companies, Bulletin for International Fiscal Documentation, vol. 56 no. 8/9 2002 at 456-457.



It may be argued that no realizable value is received by an employee receiving a beneficial loan, and therefore no taxation should be suffered by an employee receiving such a loan from his employer or otherwise by reason of his employment. However, the general rule in relation to the taxation under GTA Sec 5-12 paragraph 2 and Sec 5-3 of benefits in kind received by reason of employment is that the value of such benefits is to be taken as the market value, namely, the value a nonemployee would pay for similar goods or services. Therefore benefits in kind may be taxable even if they are not convertible into an amount of cash, as long as they have a marked value. Enacted on March 16 1999 No 14; in force as from 1 January 2000

The analysis above indicates that the benefit in kind of beneficial loans to employees is taxable on the employees hand both as ordinary income and as personal income. The employee is not entitled to a deduction of the same amount at the calculation of ordinary income. Further the interest subsidy is deductible on the employers hand as a wage expense, but correspondingly the benefit of reduced wage expenses is taxable income from capital or business as a benefit in kind with for practical reasons the same amount. Stockholm Institute for Scandianvian Law 1957-2009

2.3 Impact of reward management

Several studies have addressed the impact of rewards and retention (see Cho, Woods, Jang, &Erdem, 2006; Milman& Ricci, 2004; Shaw, Delery, Jenkins, & Gupta, 1998; Walsh & Taylor, 2007).

Reward managementincludes all forms of pay and any payment received by employees for the performance of their jobs (Snell &Bohlander, 2007). Direct reward inform of compensationincludes employee wages and salaries, incentive-payments, bonuses and commissions. Whiles indirect compensation comprises the many fringe benefits provided by employers and non financial compensation including health care, life insurance, subsidised lunch, leave policy, overtime, pension plan and transportation policies.

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Most managers believe that money is the prime retention factor and many employees cite better pay or higher compensation as the reason for leaving one employer for another (Mathis & Jackson, 2004). Khan (2010) argues that comprehensive compensation and rewards augmented by an effectual system of disbursement can play an effective role in attracting the best candidates, shaping employee behaviour and performance outcome, and facilitating retention of talents.

2.4 Reward Management influence the retention of employee

Employees want to work and remain with organizations in which they are valued and appreciated. The challenge today is not just retaining capable and talented employees, but fully engaging them, capturing their minds and hearts at each stage of their work lives (Kaye & Jordan-Evans, 1999). Employee Engagement (EE) has enormous impact on organizational outcomes. The Gallup Organization has empirically determined that employee engagement is a significant predictor of desirable organizational outcomes such as, retention, productivity and profitability (Luthans& Peterson, 2003). It also results in up to 87 percent reduction in employee turnover intentions (Corporate Leadership Council, 2004). According to Markos and Sridevi (2010), employers are now becoming aware that by focusing on employee engagement, they can create more efficient and productive workforce. Not only does engagement have the significantly affecting employee retention and loyalty, but it is also a key link to overall stakeholder value (Corporate Leadership Council, 2004).

Employees today face several "out of work" problems which impinge on their daily working lives and the satisfaction they derive from work. Job satisfaction can basically be described as the extent to which employees perceive or are content with their occupation. It has been an



important concept in organizational study for a long time and remains one of the most studied concepts in organizational research; dating back to the late 1920s when Mayo and Hawthorne first studied job satisfaction.

JS has been defined in several ways. Locke 1969 defined job satisfaction as an emotional situation related to the positive or negative judgment of job experiences. Inferring from Locke's definition it could be suggested that, if employees have negative perceptions about their jobs they may not remain with the organization. According to Sempane, Rieger and Roodt, (2002) job satisfaction is a result of an individual"s perception and evaluation of their job influenced by their own unique needs, values and expectations, which they regard as being important to them. Thus job satisfaction can be said to be a set of favorable or unfavourable feeling with which employees view their work and it is affected by both the internal and external environment of the organization.

2.5 The relationship between reward management and employee retention in an organization

One of the greatest challenges facing any organization is to ensure the sustainability of an employee for longer period in a dynamic business environment. Retention of employees is of paramount importance as the success or failure of an organization depends on the quality of her people.

Shoaib, Noor, Tirmizi and Bashir (2009), recognize that employee rewards are very important since they have lasting impression on the employee and continue to substantiate the employees' perception of their value to the organization they work for. Moreover, they contend that employees judge the quality of their job in the intrinsic satisfaction and the personal reward theyearn from their work. Using intrinsic rewards to increase employee commitment and retention is achievable in all organizations.

Sutherland (2004), demonstrates that reward is the basic element, which indicates how much employees, gain by dedicating their time and effort towards the achievements of company objectives, therefore employers have the responsibility to design an attractive reward package to attract and retain valuable employees. Shoaib et al. (2009), also attest that it is important for employers to know the value employees place in their reward systems and to formulate strategies that address equitable and adequate reward for their employees. When appropriate reward strategies are understood and embedded in the organization's culture, productive employees remain (Shechtman, 2008).

A valued employee is more likely to stay in employment than an unvalued employee is. Sutherland (2004) argues that reward systems ought to be a significant sphere of innovation for employers. The increasing diversity of the workforce, she states, suggests the need for more creative approaches to tailoring the right rewards to the right people. Sheconcluded that recognition and reward are part of a more comprehensive effort at keeping workers or adopting good workplace practices, which can contribute to increased retention. Recognition programs are an important component of an employeeretention plan. The importance of these kinds of program is rooted in theories of positive reinforcement, By saying 'thank you' to employees for a job well done or a 'pat on a shoulder' to show appreciation, an organization is reinforcing ideal behavior and encouraging more of the actions that will make it successful.

Job satisfaction is the pleasurable emotional state resulting from the appraisal of one's job as achieving or facilitating the achievement of one's job values (Perez, 2008). Armstrong (2010) also describes job satisfaction as the attitudes and feelings people have about their work. Positive and favorable attitudes towards the job indicate job satisfaction. Negative and unfavorable attitudes towards the job indicate job dissatisfaction. Collins (2007) also defined job satisfaction as the degree to which an employee has positive emotions towards the work role. Job satisfaction is vital for employee well being and organizational effectiveness. Lee-Kelley, Blackman and Hurst (2009), contend that lack of satisfaction in the job is a major predictor of turnover intentions.

According to Willis (2001), compensation is one of the crucial issues as far as attracting and keeping talent in organizations is concerned. The fundamental hypothesis is that money





influences employee behavior through shaping their attitudes (Parker & Wright, 2001). Therefore wages influence the attraction and retention of the workforce (Parker &Wright, 2001). The provision of a lucrative remuneration package is one of the broadly discussed factors of retention. Not only do rewards fulfill financial and material needs but they also provide a social status and position of power within an organization. In a past study, Allen, Shore and Griffeth(2003) reported that employers have to differentiate themselves from others through their compensation strategy in order to attract and retain quality employees. Therefore, an organization's compensation strategy should be able to attract the right quality of employees, retain suitable employees and also to maintain equity amongst the employees.



CHAPTER THREE RESEARCH METHOD

3.0 Introduction

This chapter describes the techniques used in conducting the present study; it also addresses the research approach, strategy, sampling method, target population, and various data collection methods inclusive of primary and data collection, reliability and validity. Ethical issues are discussed in this chapter

3.1 Research design

The study with use descriptive research design, where the researcher will attempt to describe how the Reward management with its attributes contributes to employee retention through inferential statistics, the study with used both qualitative and quantitative approaches to analyze present data. Qualitative approach with attempt to give insight on how compensation, motivation and pension can contributes to employee retention in South Sudan using world vision as a case for the study. Quantitative will attempt to determine the influence of the reward management can influence employee retention in South Sudan the researcher will use simple correlation to determine the relation.

3.2 study Population:

The study population consisted of the both male and female employee since the researcher interest is not on sex basis, from a selected organization of South Sudan. The total size of the population was 180 (N=180) of all the Staff of world vision across all the branches.

3.3 Sample size:

Using the RaoSoft sample size calculator, a minimum recommended sample size of 80 respondents was obtained. The respondents were selected using a simple random sampling method

3.4 Sources of data

Data was collected mainly from primary source. Questionnaires were employed for the collection of primary data from the selected employees in the chosen organization. There were both close and some open ended questions however, most of the questions were stated in a five-point liker scale (strongly disagree –strongly agree).

3.4.1 Primary data

This data with be collected by use of self-administered questionnaire. This is because of its confidentiality and efficiency that with provide responses and reveals the respondents views.

3.4.2 Secondary data

This is the already existing data and with be collected from the internet, text books, reports and journals.

This with help the researchers gets new able documented data on the impact of reward management on employee retention in an organization in South Sudan

3.5 Data Analysis

Descriptive statistics (e.g. frequencies and percentages) was used to describe the data in summary form. Chi- square test was used to measure the association between the variables. Correlation analysis was also carried out to test the relationship between rewards and employee retention

3.6 Measurement of Variables

The explanatory variables included in the empirical model arepension schemes, personal bonuses, profit sharing etc. The variables were hypothesized to affect employee retention either negatively or positively.

3.7 Reliability and Validity

Reliability and validity of the research instruments are of great importance in any research. Researchers are expected to properly consider them when designing and judging the quality of a study. Reliability refers to the degree to which measures are free from random error and therefore yield consistent results (Zikmund 1997). According to Sekaran (2003) reliability of a measure is an indication of the stability and consistency with which the instrument measures the concept and

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helps to assess the goodness of the measure. The reliability of the research used Cronbach's Alpha as a measure of internal consistency. Cronbach's Alpha is a reliability coefficient that indicates how well items in a set are positively correlated to one another (Sekaran, 2003), this with prompt the process of logical analysis, careful and critical examination of the items in the questionnaire which will be given to the advisor to ascertain the reliability. The validity of the instrument will be established by use of professional experts of the supervisor. The instrument will be submitted to the supervisor who will suggest some important adjustments that cover all the important aspects of the study under investigations

3.8 Ethical Considerations

Ethics in research has to do with the responsibility of researchers to be honest and respectful to all individuals who are affected by the research studies or reports of theresults of the studies (Gravetter&Forzano, 2006). Gaining the trust of respondents and their willingness to support the researcher's role is a step in the right direction, but it is the recognition of the relevance of ethical principles that must guide any research (Orb, Eisenhauer&Wynaden, 2001). Toensure that ethical principles were upheld, the researcher obtained an introductory letter from the School of Business, Busoga University. This letter was forwarded to the head offices of the selected organization, It also served asidentification when the Researcher sought appointments with the heads of the selected organization under study

3.9 Limitations of the Study

In general, the study went well and the respondents were largely cooperative. However, as with most research, there were some limitations, but this did not in any way compromise the validity of the data collected since the researcher took necessary steps to address all the setbacks.

First of all, some of therespondents were not supportive. This could be attributed to the immense competition in some of the Organization. Some of them were not willing to participate in any kind of survey or give out information even to academic researchers. This became evident when HR Branch managers of the organization who had been contacted on phone and had agreed to participate later decided to withdraw from the study. Several reasons were given for their withdrawal. Some explained that in the past, under the guise of research some competitors had succeeded in accessing information from them to their disadvantage. Others claimed that in their estimation the questionnaire was lengthy and filling it out could be time consuming. Even though participants' confidentiality was assured; some claimed that their unwillingness to take part in the survey was due to what they described as the sensitive nature of the research



CHAPTER FOUR ANALYSIS OF FINDINGS AND RESULTS

4.0 Introduction

The chapter involves presentation, analysis and interpretation of the study results. Data presented, analyzed and interpreted according to the research objectives. It is presented in the form of tables and figures basing on the responses got from the study respondents that were selected during the process of data collection. The discussion of findings has been arranged in accordance with demographic characteristics of respondents' and objectives of the study as were formulated in chapter one of this report.

4.1 Presentation and Analysis of Data collected Presentation:

During this research 80 questionnaireswere returned from the respondents. This gives a response rate of 100%. As a result of follow up by the researcher

4.2 Data Presentation Preliminary.

The table below shows the rate of response by different respondents.

Table 4.2 Rate of response by Respondents.

Questionnaires	Respondents	Valid Percentages (%)
Returned	80	100
Total	80	100

Table 4.2 A total number of 80 questionnaire where distributed and returned Showing a total rate of 100% questionnaires Administered. However, this is a sure level upon which research can be based and valid conclusions drawn from the research.

SECTION A-Personal Bio-Data.

The table 4.2.1 below shows the distribution of respondents by gender.

Table 4.2.1 Gender of Respondents.

		Frequency	Valid Percent	Cumulative Percent
Valid	male	45	56.25	56.25
	female	35	43.75	100.0
	Total	80	100.0	

Source: Primary data. (2017)

Table 4.2.1 shows that 45 out of the total of 80 respondents were males, representing approximately 56.25% of the entire sample size. While 35 were females, representing approximately 43.75% of the sample size.

The table 4.2.2 below shows the distribution of respondents by age.

Table 4.2.2 Age Group of the respondents

		Frequency	Valid Percent	Cumulative Percent
Valid	18-25	15	18.75	18.75
	26-35	33	41.25	60
	36-46	16	20	80
	56-60	9	11.25	91.25
	above 60	7	8.75	100.0
	Total	80	100.0	

Source: Primary data. (2017)

Table 4.2.2 it can be deduced that out of 80 of the total respondents, 15 were between the 18-25 years representing 18.75%, 33 were between 26-35 years representing 41.25%, 16 were between 36-



46 years representing 20%, 9 were between 56-60 years representing 11.25% and 7 were above 60 years representing 8.75%

The table 4.2.3below shows the distribution of respondents by marital status.

Table 4.2.3 Marital Status of the respondents

		Frequency	Valid Percent	Cumulative Percent
Valid	single	18	22.5	22.5
	married	31	38.75	61.25
	divorced	14	17.5	78.75
	separated	7	8.75	87.5
	widowed	10	12.5	100.0
	Total	80	100.0	

Source: Primary data. (2017)

Table 4.2.3 it can be deduced that out of 80 of the total respondents, 18 were single, representing 22.5%, 31 were married representing 38.75%, 14were divorced, representing 17.5%, 7were separated, representing 8.75% and 10 were widowed, representing 12.5%

The table 4.2.4 below shows the distribution of respondents by academic qualification.

Table 4.2.4 Academic qualification of respondents.

				Cumulative
		Frequency	Valid Percent	Percent
Valid	Senior school certificate	38	47.5	47.5
	diploma	12	15	62.5
	Bachelor	20	25	87.5
	Masters	10	12.5	100.0
	Total	80	100.0	

Source: Primary data. (2017)

Table 4.2.4 it can be deduced that out of 80 of the total respondents, 38 were Senior School Certificates, representing 47.5%, 12 were having diploma representing 15%, 20 were Bachelor holders, representing 25% and 10 were Master holders, representing 12.5%

Table The table 4.6 below shows the distribution of respondents by working experience.

4.2.5 Experience of the respondents.

c or the	1 csponaches.			
		Frequency	Valid Percent	Cumulative Percent
Valid	less than a year	20	25	25
	1-3 years	38	47.5	72.5
	4-9 years	22	27.5	100.0
	Total	80	100.0	

Source: Primary data. (2016)

Table 4.2.5 from the table it can be deduced that out of 80 of the total respondents. 20 work for less than a year, representing 25% of the total population. 38 have an experience of 1-3 years, representing 47.5% and 22 had work experience of 4-9 years, representing 27.5% of the entire population.



4.3 Relationship between the study variables.

Important to the successful completion of this dissertation was to find out the relationship between Reward Management and Employee Retention on Employee Services

Table 4.3.1 Spearman` zero order correlation matrix

e 4.5.1 Spearman zero order	correlation in	uti i X		
	1	2	3	
Reward Management (1)	1.000			*
Employee Retention (2)	.787**	1.000	**	
Employee Services (3)	.798**	. 765**	1.000	

Source: Primary data. (2016)

Spearman correlation was used to determine relationship between the study variables as shown in the table 4.3.1 above.

4.3.1. The relationship between Reward Management and Employee Retention

The results in the table 4.3.1 indicated a significantly strong positive relationship between Reward Management and Employee Retention (r = 0.798, P-value<0.01). However, the implication of these findings is that without proper Reward Management and Employee Retention policies in place, generally, Employee Services would be affected in south Sudan.

4.3.2. The relationship between Employee Retention and Motivation

The results in table 4.3.1 indicate a significantly strong positive relationship between Employee Retention and Motivation (r = 0.787, P-value < 0.01). The implication of these findings is that with good of motivation in the organization, the process of Retaining Employees in South Sudan can be achieved.

4.4 Regression model for Reward Management, Employee Retentionand Motivation.

Table 4.3.2 below shows the regression model for Reward Management, Employee Retention and Motivation in South Sudan

Coefficients

Employee Services	Unstandardi Coefficients			Standardized Coefficients		
(Motivation)	В	Std. Error	Beta	Std. Error	Т	Sig.
Reward Management	2.718 .172	.131	.349	.115	20.706 3.022	.000
Employee Retention	.288	.083	.456	.132	3.461	.001

R = 0.869, R - Square = 0.755, Adjusted R - square = 0.751, F = 0.595, Sig0. 593 Source: Primary data (2017).

The results in the table 4.3.2 above indicate a linear relationship between Reward Management, Employee Retention and Motivation(F = 0.595, Sig = 0.593). Reward Management and Employee Retention activities greatly explained Motivation of the organization's part of employee's services.

Reward Management(Beta = 0.456 explained more to Employee Retention and Motivation as an employee service (Beta = 0.349). This implies that Reward Management and Employee Retention entirely influenced Employee's services in South Sudan.



4.5 Factor structure of Reward Management, Employee Retention and Motivation.

This research used factor loadings in order to check how much a variable loads into its corresponding factor. The figure below showed factor loading of each item. Straub, (2009) suggested that value of each item in factor loading should be at least 0.50 into its relative principal component.

4.5.1. Factor analysis results of Reward Management

Table 4.3.3. Factor loading of Reward Management

<u>abl</u>	e 4.3.3. Factor loading of Reward Management		T		
	Variable attributes	Profit Sharing	Personal Bonuses	Pension Schemes	Beneficial Loans
	Profit sharing has helps this organization to performs well	.953			
	Symptoms of good profit sharing can be identified when service provision is felt in the organization	.935			
	Process of profit sharing can improve the working environment for the employees	.928			
	Provision of personal bonuses helped the employees to identify the seriousness of their management.		.865		
	Availability of bonuses has enabled the employees of this organization to committed in their work		.873		
	Provision of bonuses to employees is a sign of motivation in this organization		.872		
	This organization has set a time line for retiring their staff or employees			.775	
	The introduction of pension schemes helped this organization to downsize their staff annually			.963	
	Staff in the organizationare trained on the significance of pension to an individuals			.935	
	This organization is providing loans to their staff when they asked for it				.835
	Beneficial loan provided by this organization has helped her to attract more employees.				.798
	Staff that are given loan in this organization are required to pay high interest rate on the a mount of money they have taken				.912
	Eigen value	1.605	1.589	1.503	0.987
	Variance %	41.333	38.749	23.458	19.789
	Cumulative variance %	41.333	81.092	90.65	96.79

Source: Primary data. (2017)



The results in table 4.3.3 above shows how the factor loadings do confirm that Reward Management is measured by profit sharing, personal bonuses, pension schemes and beneficial loansas hypothesized in conceptual framework (figure 1.1)

The table shows the factor analysis results of Reward Management, four factors were extracted and the attribute (profit sharing) explained Reward Management better with 96.2%, the second attribute (personal bonuses) explained more of Reward Management with 91.5%, Third attribute (pension schemes) explain Reward Management with 87.9%. And the Fourth attributes (beneficial loans) explain Reward Management by 85.3%

4.5.2. Factor analysis results of Employee Retention

Table 4.3.4 factor loadings of Employee Retention

Variable attributes.				
	Motivation	Employee Engagement	Compensation	Career Management
Motivation has helped this organization to expand in term of productivity	.862			
Staff motivation facilities performance in this organization	.879			
Departments adhere strictly to provision of open motivation systems services.	.894			
Enough participation can be found during the time of service delivery to the clients by this organization.		.965		
The staff participation and engagement has improved goods security and efficient performance in the organization		.972		
All staff are seriously engaged by the management in this organization		.876		
This organization provide any compensation to their employees on time.			.896	
Compensation policies are always included on the contract forms by this organization			.947	
In the Organization, planning and budgets is being allocated for any compensation activity.			.899	
Jobs allocation are normally based on specialization in this organization				.951
Staff are given regular training as a way of developing their careers.				.897
Career management policies has helped this organization to retain their employees.				.813
Eigen value	1.161	1.005	.651	.598
Variance %	32.871	28.454	18.431	16.351
Cumulative variance %	32.871	61.325	79.756	87.657

Source: Primary data, (2017)



The results in the table 4.3.4 above shows how the factor loading do confirm that Employee Retention is measured by Motivation, Employee Engagement, Compensation and Career Management as hypothesized in conceptual framework (figure 1.1)

In the results of factor analysis of Employee Retention, four factors were extracted the first attribute (Motivation) explained Employee retention better with 93.5%, the second attribute (Employee Engagement,) also explained more of Employee retention with 89.4%, third attribute (Compensation) explained Employee retention with 96.2%. And the fourth attribute (Career management) explain employee retention by 79.7%.

4.5.3. Factor analysis results of Motivation as an Intervening Variable

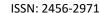
Table 4.4.3 factor loadings of Motivation

Variable attributes	Job Satisfaction	Work Environment	Supervisor Support
The Organization has equally satisfied job requirement for all the employees	.987		
Provision of job satisfaction in this organization has help this organization to retain her staff	.867		
I don't think whether the organization is fully providing services to the employees.	.895		
Staff working environment in this organization is favorable		.891	
This organization has provided equal services and working environment to all the staff		.981	
All the staff of this organization can access services evenly with no doubt throughout their working time		.892	
Departmental supervisors in this organization provide guidance about the working activities to their subordinates			.913
Staff efficiency has helped in assessing the general performance in the organization			.871
We should encourage our local employees to patronize staff support.			.875
Eigen value	1.576	1.498	.599
Variance %	38.973	31.343	19.354
Cumulative variance %	38.973	60.313	80.789

Source: Primary data, (2017)

The results in the above table shows how the factor loading do confirm that Employee services/motivation is measured by Job satisfaction, Work environment and Supervisor support as hypothesized in the conceptual framework (figure 1.1.)

In the results of factor analysis of Motivation three factors were extracted and the first attribute (Job satisfaction) explained Motivation in the organization better with 76.1%, the second attribute (Work environment) also explained more of Motivationof employees with 87.1%, the third attribute (Supervisor support) also explained Motivation with 87.5%.





CHAPTER FIVE DISCUSSION OF FINDINGS

5.0 Introduction

This chapter presents interpretation of the study findings

5.1 Bio data

5.1.1 Gender of the respondents

The results indicated that 56.25% were males while the remaining 43.75% were females respectively. This implies that most of the respondents are male. The big number of male respondents indicated that most employees in the Ministry are males. It showed that the Organization has employed men more than women.

5.1.2 Age of the respondents

The result indicates that out of 80 of the total respondents, 15 were between the 18-25 years representing 18.75%, 33 were between 26-35 years representing 41.25%, 16 were between 36-46 years representing 20%, 9 were between 56-60 years representing 11.25% and 7 were above 60 years representing 8.75%

5.1.3 Marital status of the respondents

It can be deduced that out of 80 of the total respondents, 18 were single, representing 22.5%, 31 were married representing 38.75%, 14were divorced, representing 17.5%, 7were separated, representing 8.75% and 10 were widowed, representing 12.5%

5.1.4 Education levels of the respondents

The results deduced that out of 80 of the total respondents, 38 were Senior School Certificates, representing 47.5%, 12 were having diploma representing 15%, 20 were Bachelor holders, representing 25% and 10 were Master holders, representing 12.5%

5.2 Relationship between the variables

Important to the successful completion of this dissertation was to find out the relationship between Reward Management and Employee Retention on Employee Services. Spearman correlation was used to determine relationship between the study variables as shown in the table 4.3.1 above.

5.2.1. The relationship between Reward Management and Employee Retention

The results in the table 4.3.1 indicated a significantly strong positive relationship between Reward Management and Employee Retention (r = 0.798, P-value<0.01). However, the implication of these findings is that without proper Reward Management and Employee Retention policies in place, generally, Employee Services would be affected in south Sudan.

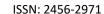
5.2.2. The relationship between Employee Retention and Employee Services (Motivation)

The results in table 4.3.1 indicate a significantly strong positive relationship between Employee Retention and Motivation (r = 0.787, P-value < 0.01). The implication of these findings is that with good of motivation in the organization, the process of Retaining Employees in South Sudan can be achieved.

5.2.3 Regression model for Reward Management, Employee Retention and Motivation as Employee Service

The results in the table 4.3.2 above indicate a linear relationship between Reward Management, Employee Retention and Motivation (F = 0.595, Sig = 0.593). Reward Management and Employee Retention activities greatly explained Motivation of the organization's part of employee's services.

Reward Management (Beta = 0.456 explained more to Employee Retention and Motivation as an employee service (Beta = 0.349). This implies that Reward Management and Employee Retention entirely influenced Employee's services in South Sudan.





CHAPTER SIX CONCLUSION AND RECOMMENDATIONS

6.0 Introduction

This chapter highlights the major conclusions and recommendations of the study. The findings are outlined in direct response to the objectives of the study. Recommendations have been provided to incorporate Reward Management and Employee with the aim of improving on the Performance in the Organization.

6.1 Conclusions

The purpose of study was to examine the relationship between Reward Management, Employee Retention and Employee Service (Motivation) in South Sudan. The study confirmed that there was a positive relationship between the study variables. It is therefore, evident that the combination of Reward Management and Employee Retention has effects on the process of Employee performance in South Sudan.

6.2 Recommendations

Basing on the study findings and the conclusions, the researcher derived the following recommendations.

6.2.1 The relationship Reward Management and Employee Motivation

The study had shown that Reward Management leads to improvement in performance and Service delivery in the organization as indicated by (r=0.798, p-value<0.01). The study recommends that,

- i. The management of the organization should prioritize Employee Services like motivation as the tool for ensuring performances and their Retention
- ii. The management should also machinate Employee Retention mechanism aiming at improving Performance through motivation

6.2.2 The relationship between Employee Retention and Employee Motivation as a service.

The study indicate a significantly strong positive relationship between Employee Retention and Motivation (r = 0.789, P-value < 0.01). The implication of these findings is that with the prevalence of Employee Motivation, Performance in the Ministry can be achieved and vice versa. From which;

- i. Employee Retention should be given more attention with focus widening the department and establishment of subunit to improve on service delivery in the Organization.
- ii. Organization Administration should extend provision of services to their Employees and clients.

6.2.3 The factor structure of Accountability, Transparency and Performance

The study show a linear relationship between Reward Management and Employee Retention that is determining the Employee's Performance (F = 0.595, Sig = 0.593) which shows that effective motivation strategies and Provision of bonuses can improve performance in the Organization in South Sudan.

- **i.** Organization should setup committee to monitor the process of their service availed to the employees across different unit at different areas to effective improve on progress.
- ii. Reward Management and Employee's Services like motivation should be in place to allow coordination and ensure employee retention in the Organization

6.3Areas for further research

The study recommended further study on the following;

- i. I would like to propose for more research on accuracy and efficiency of Employees in the private sector/organization.
- ii. The impact of technology on Employees retention process.
- iii. The effect of Loans and Compensation on the transformation and Employee retention in the public sector.



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within a shorter time.

10

I do not have any intention to resign from the organization

I talk of this organization to my friends as a great organization



	to work			
11	I find that my values and the bank's value are very similar			
12	I feel very little loyalty to this organization			
	Pension schemes			
13	The level of pension depends on the number of years worked in			
	combination with your salary.			
14	In final salary schemes, the accrued pension rights are increased			
	at each career step to the level of the new pension basis			
	Beneficial loans			
15	The employee is not entitled to a deduction of the same amount			
	at the calculation of ordinary income			
16	Do they taxable the benefit even if the agreed interest rate was			
	equivalent to the marked interest rate			

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	What actions could the organization have taken to keep their human resources and attract other applicants?
2. 	How would you rate the compensation and benefit of the organization?
	How would you describe the training programs provided by your company?
	Identify specific aspects in this organization that you would change in order to improve the workplace environment?
 5.	What is the relationship between reward management, and employee retention?



APPENDIX II

Proposed budget for the proposal and report writing.

ITEM	QUANTITY	RATE ssp	TOTAL COST ssp
Ream of paper	5	16000	80000
Pens	8	8000	64000
Proposal, typing and	4 copies	6000	24000
printing			
Transport	-	-	4000
Research assistant	6	7000	42000
Dissertation, typing,	4	5000	20000
printing and			
blinding.			
Miscellaneous	-	-	5000
Airtime	-	-	8000
Total	-	-	247,000ssp