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REWARD MANAGEMENT PRACTICES AND EMPLOYEE ENGAGEMENT AT NZOIA SUGAR LIMITED, BUNGOMA COUNTY, KENYA

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Abstract

The sugar industry plays an important role in the socio – economic development of Kenya. It supports over eight million Kenyans who draw their livelihoods directly from sugar production and indirectly through linked enterprises in supply of goods, related services and social amenities. The sector continues to face serious challenges such as high employee turnover and low-level dedication among employees. The study sought to investigate the effect of job promotion and competitive remuneration on employee engagement at Nzoia Sugar Ltd in Bungoma County, Kenya. The study was informed by the social exchange theory and expectancy theory. Positivism philosophy was adopted guided by descriptive research design. The target population was all the 365 employees at Nzoia Sugar Ltd. The sample size was a hundred and ninety (190) employees selected through stratified random sampling technique. Questionnaires were used to collect data and document analysis was also used. Data was analyzed through descriptive statistics with the aid of SPSS version 24 presented through tables and figures. The study found that competitive remuneration (M=3.48), job promotion (M=3.46) moderately practiced as reward management practices, all of them as per regression analysis were found to have significant relationship ($p<0.05$) with employee engagement at Nzoia Sugar Ltd. The study concluded that although Nzoia Sugar Ltd had generally adopted reward management practices to a moderate degree, they were significant predictors of its employee engagement. It was recommended that the human resource managers at Nzoia Sugar Ltd should always make sure that employees have clear understanding of the promotion policy. Thorough research should be conducted in industry level remuneration standards at Nzoia through benchmarking and the same should be slowly replicated to drive employee engagement.

Keywords: *Reward Management, Job Promotion, Competitive Remuneration, Employee Engagement*

INTRODUCTION

Employee engagement has attracted significant attention among scholars and policy makers around the world. This has been demonstrated by an increase in intensity and magnitude of research in the same field. Commonly measured by the Utrecht Work Engagement Scale, the measures of employee engagement as per this scale include absorption, dedication and vigor

(Asaari, Desa & Subramaniam, 2019) and it has been documented as a construct that has attracted significant amount and level of debate. However, creating an engaged labor force require human resource managers to embrace among other things, sound reward management practices (Chan & Hooi, 2023). Employee engagement refers to the emotional commitment and involvement an employee has towards their organization and its goals. This concept is crucial because highly engaged employees are more productive, provide better customer service, and are less likely to leave the organization. Here are the key components and benefits of employee engagement (Asaari, Desa & Subramaniam, 2019). Organizations are finding it a challenge to cultivate highly engaged labor force without a review of their reward management practices. According to Walelign (2021), lack of career development, employee recognition, job promotion and competitive remuneration negatively contributes to employee engagement.

Employee engagement has gathered momentum in Kenyan context as evidenced by a number of scholarly publications in the past decades (Sitati, 2017). Leveraging experiences of corporate failure that has occurred in different sectors of the economy including banking and retail sectors, most of the firms in Kenya have realized the need to promote a highly engaged workforce. Rotich (2020) attributed some of corporate failures in Kenya to lack of effective reward management practices that resulted into employee disengagement. According to Mwema (2022), lack of reward management practices in most of the faith-based organization has been identified as a key factor behind high employee turnover rates. Rotich (2020) noted that lack of non-monetary rewards including provision of work life balance can create an engaged labor force and has been the major reason for poor employee performance and high turnover rates among telecommunication firms. Sitati (2017) established that lack of career development, employee promotion, and remuneration as well as employee recognition has negatively affected employee retention in the hospitality industry in Kenya.

Sugar industries operate in a turbulent environment besides being highly competitive. The industry is highly concentrated with constant changes in regulator environment that govern this industry (Mati & Thomas, 2019). Given these concerns, adoption of relevant strategies that can create engaged employees would allow these industries to withstand market competition and thus survive. However, this has not been evident as most of these firms in this industry have been characterized by losses (Makina & Oundo, 2020). Some of these industries like Mumias Sugar Company are almost collapsing. One worrying and policy issue that is unknown is that collapse of these industries would lead to significant loss of employment as well as the tax revenues generated to the government (Mati & Thomas, 2019). Poor performance of these sugar industries in Kenya has made it difficult to have in place better and competitive rewards and thus poor employee engagement in these firms.

The start of operations of Nzoia Sugar Company (NSC) limited can be traced back in 1978 and its location is in Bungoma County in Western part of Kenya. The government owns 97.93% of the shares at Nzoia Sugar Ltd. The company is mandated with the role of manufacturing sugar and co-products from sugarcane. The company provides extension services to farmers and it has an extensive nucleus cane with an estimated acreage of 3,600 ha (Wycliffe & Migosi, 2017). There has been a persistent rise in the turnover rates at Nzoia besides higher levels of dissatisfaction among employees (Makina & Keng'ara, 2018). This provides an indication that employee engagement is a challenge at Nzoia Sugar Ltd and hence the justification of the present study.

Statement of the Problem

In Kenya, the sugar industry is currently crippling with myriad of the challenges including of high employee turnover rates, lack of dedication and vigor among employees that have adversely affected the level of engagement of employees with their assigned duties (Wanyama, Sifuma, Koyi, Indiatsi & Ojiambo, 2019). The long-term interplay of all these employee engagement issues in the sugar industry have resulted into collapse of some industries like Soin Sugar while others like Mumias were compelled to suspend its operations in 2018 (The Policy on Privatization of Sugar Industry, 2023). Other sugar industries like Nzoia Sugar are almost collapsing (Mati & Thomas, 2019). Despite the central role played by these industries in creation of employment and payment of taxes to the government, little effort has been made to salvage these industries from possible collapse (Makina & Oundo, 2020). According to Senanayake (2021), high turnover rates provide a strong indication and evidence of employee disengagement. The poor performance has complicated the reward practices because these industries cannot afford the same and thus aggravating the disengagement problem. This is compelling employees working at Nzoia Sugar Ltd to look for more rewarding career opportunities out there and thus increasing the turnover rates in this company. For instance, as of 2017, the staff turnover rate at Nzoia Sugar was at 15% (Wycliffe & Migosi, 2017) while the same rate in 2022 was estimated at 35% (Nzoia Sugar Ltd, 2022).

The existing studies include Bulanda (2021) who focused on Zambia and investigated the implication of reward systems on productivity of employees. This study noted that lack of reward system contributes towards poor employee motivation. In Nigeria, Osuigwe (2022) focused on reward management system and organizational sustainability with specific focus on manufacturing entities. It was established that lack of career development, appreciation system and fringe benefits have inversely affected organizational sustainability. In Kenya, Sitati (2017) conducted a study whose focus was on reward management practices and employee retention with specific focus on the hotel industry. The study concluded identified that as a result of lack of career development; job promotion and remuneration, employee retention has remained a challenge in the hospitality industry. In the study that was conducted by Karuri (2021), the focus was on reward management practices and employee performance with specific focus on Kenyan commercial banks. The study found that lack of career development and employee promotion have been key reward management related factors contributing towards poor performance of employees.

However, some of the reviewed studies like Osuigwe (2022) and Bulanda (2021) focused on Nigeria and Zambia and not in Kenya. Other studies like Sitati (2017) and Karuri (2021) used employee retention and employee performance as dependent variables and not employee engagement. Thus, based on these gaps, the present study sought to investigate the effect of reward management practices on employee engagement at Nzoia Sugar Ltd in Bungoma County, Kenya.

Research Objectives

i. To establish the effect of job promotion on employee engagement at Nzoia Sugar Ltd in Bungoma County, Kenya
ii. To determine the effect of competitive remuneration on employee engagement at Nzoia Sugar Ltd in Bungoma County, Kenya

Research Hypotheses

Ho1: there is no significant relationship between job promotion and employee engagement at Nzoia Sugar Ltd in Bungoma County, Kenya

Ho2: there is no significant relationship between competitive remuneration and employee engagement at Nzoia Sugar Ltd in Bungoma County, Kenya

Theoretical Review

Social Exchange Theory

The proponent of this theory was Homans (1958) and it is premised on a number of assumptions. First, it is assumed that employees have strong incentive of seeking out rewards and avoiding punishment. Secondly, it is premised that employees initiate an interaction with the aim of gaining optimal profit with minimized costs (Ahmad, Nawaz, Ishaq, Khan & Ashraf, 2023). Thirdly, it is assumed that employees have the behavior of calculating the costs and profits before making a decision to engage in any kind of relationship. This theory is based on the notion that the relation and interaction between employees is established based on the cost-benefit analysis process (Kilroy, Dundon & Townsend, 2023).

The main argument of this theory is that employees decide on behavior that maximizes their possibility of attaining their self-interests. The implication drawn from this theory is that when an organization provides suitable rewards to employees, they would reciprocate the same by superior performance (Thomas & Gupta, 2021). On the other hand, when an organization fails to provide adequate rewards to employees in exchange for their skills and efforts, possibility of decreased employee engagement would be evident (Zhao & Detlor, 2023). This was the main theory of the study since was used to underpin the dependent variable of employee engagement.

Expectancy Theory

The main proponent of this theory was Vroom (1964) and it provides an explanation of the mental processes that employees go through when making interpretations and their perceptions on competition that an organization provides to them. Vroom (1964) noted that beliefs of employees that their efforts would lead to attainment of valuable results shape and determine their behavior. The foundation of this theory is three expectancies among employees: effort performance expectancy (E-P), performance outcome expectancy (P-O) and valence (V). The interaction of these three expectancies helps employees to fulfill or not fulfill expectancies at an organizational level (Yoes & Silverman, 2021).

In regard to E-P, this is the perception that employees hold with the fact that there exists a direct and significant nexus between effort and performance where it is believed an increase in efforts would lead to better performance (Lee, 2019). On the other hand, the main emphasis of P-O is that an increase in performance would imply positive outcomes in form of competitive remuneration (Watters, 2021). The focus of valence is on value expectations of staff on rewards. This implies that staff will need to put in more effort when there exists a link between outcomes from reward and effort which is perceived to have value (Pembi, 2019). This theory was used to underpin the main independent variable which is reward management practices. Employees put in more efforts in achieving the goals of the firm when they are provided with competitive reward based on industry standards.

Conceptual Framework

Figure 1 is the conceptual framework that guided the proposed study:

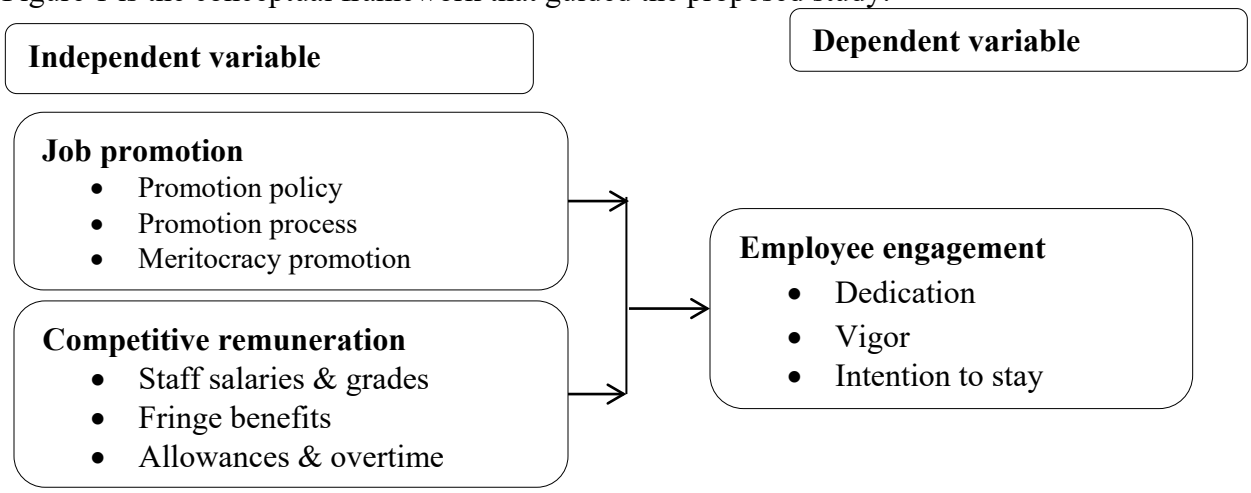

Figure 1: Conceptual Framework

Job Promotion

A clear job promotion policy allows provides guidelines, rules and regulations on how promotional activities should be conducted leading to an engaged labor force (Khader, Essaid, Alyahya, Al-Maaitah, Gharaibeh, Dababneh & AbuAlRub, 2022). Existence of a clear and meritocracy promotion process results into equality and this in turn leads to an engaged labor force. Promotion of employees based on merit is critical in enhancing their engagement with an organization (Razak, Sarpan & Ramlan, 2018).

Competitive Remuneration

Remuneration is an intrinsic reward strategy that an organization can leverage to promote an engaged labor force. Provision of competitive salaries to employees is a key way of motivating them and they will reciprocate through engagement with their firms (Onochie, 2020). An organization with well-established and clear salary grades contribute towards engaged employees. Provision of fringe benefits, allowances and overtime make it hard for employees to move away from such an organization (Muchai, Makokha & Namusonge, 2018).

Employee Engagement

An engaged employee is highly dedicated to ensure the assigned duties and responsibilities are realized. Highly engaged employees demonstrate their vigor through energy that they exert when carrying out their assigned duties and responsibilities (Chan & Hooi, 2023). High employee engagement is characterized by high levels of intentions to stay in a given organization. This means that high employee engagement is associated with low employee turnover in an organization (Asaari, Desa & Subramaniam, 2019).

Empirical Review

Job Promotion and Employee Engagement

Lichtenthaler and Fischbach (2019) conducted a study whose focus was on the promotion and prevention of job crafting and thus employee engagement. The study established that having in place clear promotion practices and opportunities leads to an engaged workforce. In Ghana, Agbenyegah (2019) conducted an investigation into non-financial and financial rewards and their link to the motivation of staff in the baking industry. The study noted that non-financial rewards

through promotion have a significant contribution towards the motivation of employees in an organization. Khader, Essaid, Alyahya, Al-Maaitah, Gharaibeh, Dababneh and AbuAlRub (2022) did an investigation on women's career progression towards managerial positions taking evidence from Jordan in the health sector. The adopted design was a cross-sectional survey and the analysis indicated that career advancement opportunities among women and men were based on skills in their firms.

The study by Razak, Sarpan and Ramlan (2018) was done among employees from Makassar Government Region on promotion and its influence on performance of employees and established existence of significant link between these variables. Ligare, Wanyama and Aliata (2020) did an analysis of job promotion and performance of employees in Bungoma County. Descriptive survey was adopted targeting 1,318 administration police officers in Bungoma County in which a sample size of 384 respondents was used. Information gathering was obtained from primary sources and the analysis showed that promotion had significant link with performance of staff.

Competitive Remuneration and Employee Engagement

Lekartiwa, Rintari and Moguche (2020) did an analysis of remuneration and the link with employee turnover in private hospitals in Samburu County. The adopted design was cross sectional survey and information gathering was achieved through questionnaire. The results from analysis showed that remuneration and employee turnover was positively and significantly linked with each other. Hidayah, Dewi and Listiowati (2020) conducted an investigation into remuneration as a strategy aimed at improving service quality and performance of private health centers. The adopted design was quantitative in nature and the context of the study was Indonesia. The analysis was done through SEM and it emerged after processing of the obtained information that compensation had significant effect on performance.

The study conducted by Onochie (2020) was a systematic review of literature on remuneration and employee retention within the public sector in Gambia. After processing of the obtained information, the study established existence of a positive link between remuneration and retention of staff. Bello (2021) carried out a study on system of remuneration and performance of staff. The design that was adopted was survey and information gathering was done through questionnaire. The findings indicated that remuneration system has significant implication on staff retention. Anggraini, Muchtar and Masdupi (2019) studied the link between remuneration and job performance among staff. The analyzed findings in this study indicated that remuneration significantly affects job performance. Muchai, Makokha and Namusonge (2018) did a study on remuneration system and organizational performance while focusing on Teachers Service Commission in Kenya. The targeted respondents were 1500 staff from TSC but 316 were sampled. The study found that remuneration significantly enhances organizational performance.

METHODOLOGY

Research Philosophy

This study adopted positivism philosophy. Under the positivism philosophy, the researcher is tasked with clarifying and collecting data using an appropriate methodology where the outcome is usually measurable (Harris et al., 2019). There is not much opinion on human interests within the study, so the researcher is independent of the study in positivism philosophy.

Research Design

The study adopted descriptive research design of cross-sectional nature to provide answers to the research questions. According to Liamputtong (2019), descriptive design provides an accurate

account of things the way they are in their original state without manipulation of variables. Thus, through this design, it was possible to provide an explanation and description of career development practices and employee engagement focusing on Nzoia Sugar Ltd.

Target Population

Target population refers to group of items as well as individuals that the researcher intends to carry out research on and come up with conclusions and recommendations (Bougie & Sekaran, 2019). There are 365 employees at Nzoia Sugar Ltd (https://rocketreach.co/nzoia-sugar-company-limited-profile_b5a1242cf9fe1439) which formed the target population.

Sampling and Sample Size

The sample size of the study was scientifically determined using the formula by Yamane (1967) as follows:

$n = (N) / (1+Ne^2)$

Where, n = Sample Size

N= the size of the population

e = the probability error of 5%

$$= \frac{365}{(1+ 365*0.05^2)}$$

$$= \frac{365}{(1.9125)}$$

= 190 respondents

Selection of the 190 respondents was done through stratified random sampling technique

Data Collection Methods and Instruments

The study collected primary and secondary data. Collection of primary data was supported by the use of questionnaires which was divided into sections to present the general information and the four independent variables and one dependent variable. On the other hand, secondary data was gathered on employee turnover on a period of 10 years starting from 2013 all through to 2022.

Piloting

The questionnaire was pilot tested among 10 respondents (being 5% of the study sample) who were purposively selected from the Mumias Sugar Ltd. According to Liamputtong (2019), a pilot study can be conducted using 1-10% of the study sample and this is the justification of why the above 5% sample was involved in the pilot study of the proposed study. The reason for selecting Mumias Sugar as the case for pilot testing was because of the need to avoid biasness.

Reliability of the Instrument

The questionnaire from the pilot study was used to compute the values of Cronbach Alpha Coefficients in order to determine reliability. The value 0.7 was considered as the threshold when interpreting the coefficient coefficients from Cronbach as recommended by Harris, Holyfield, Jones, Ellis and Neal (2019).

Validity of the Research Instrument

Validity is the degree of the study questionnaire to measure an item which it is designed to indicate (Striker, Bosworth & Bouter, 2020). The study tested for content and construct validity with the aid of supervisor and two experts in the field of human resource management. They

reviewed the contents on the questionnaire and suggestions raised were effected on the final version of the questionnaire administered to respondents in the field.

Data Analysis Methods and Tools

The analysis of the collected data was done through SPSS version 24 guided by means and standard deviations as well as regression analysis with the model as presented below

$$\mathbf{Y = \beta_0+\beta_1X_1 +\beta_2X_2+\varepsilon}$$

Where:

Y = Employee engagement

β_0 = constant

β_0, β_1= beta coefficients

X_1 = Job promotion

X_2 = Competitive remuneration

ε = error term

DATA ANALYSIS AND DISCUSSION

Response Rate

Out of the 190 questionnaires that were distributed to employees working at Nzoia Sugar Ltd, 153 of them were dully filled in and returned. This translated to a response rate of 80.5 per cent which was adequate and consistent with Babbie (2010) assertion.

Descriptive and Qualitative Analysis

The subsequent sections provide the findings of descriptive statistics covering means and standard deviations and the analysis of open-ended questions per objective that was done through content analysis.

Job Promotion

Descriptive statistics on job promotion were determined and presented as shown in Table 2.

Table 1: Job Promotion

Job Promotion	Mean	Std. Dev
I understand the promotion policy of this company	3.49	.653
The promotion policy of this company is fair	3.47	.858
Promotion is done on merit in this company	3.48	.784
The company has clear promotion process	3.43	.820
Competence guide the promotion process in this company	3.42	.712
Average	**3.46**	**.765**

On overall, Table 1 shows that job promotion as a reward management practice was moderately rated by respondents who were employees at Nzoia Sugar Ltd (M=3.46). In particular, respondents were in moderate agreement on whether they understood the promotion policy in place (M=3.46), promotion being done on merit (M=3.48) or the same being done fairly (M=3.47). This means that promotion of employees on merit and fairly at Nzoia Sugar was moderately conducted. These findings agree with Razak, Sarpan and Ramlan (2018) who established that existence of a clear and meritocracy promotion process results into equality and this in turn leads to an engaged labor force and that promotion of employees based on merit is critical in enhancing their engagement with an organization. On clarity (M=3.43) and competence (M=3.42) of the employee promotion process, most of the respondents also rated the statements on a moderate scale. This means the promotion process at Nzoia Sugar Ltd was clear to a moderate extent and degree. As orated by Khader et al. (2022), a clear job promotion policy

allows provides guidelines, rules and regulations on how promotional activities should be conducted leading to an engaged labor force.

Competitive Remuneration

The findings of descriptive statistics on competitive remuneration were established and summarized as shown in Table 2.

Table 2: Competitive Remuneration

Competitive Remuneration	Mean	Std. Dev
I receive competitive remuneration package from this company	3.51	.937
I am paid based on the established salary grades in this company	3.53	.666
I receive competitive fringe benefits from this company	3.48	.781
The amount of allowances I receive from this company are competitive	3.44	.784
The amount of overtime received from this company is fairly computed	3.46	.970
Average	**3.48**	**.828**

The findings in Table 3 indicate that respondents slightly agreed on the fact that they were paid based on the established salary grades (M=3.53) besides receiveing competitive remuneration packages (M=3.51). This means that paying employees based on the established salary grades at Nzoia created perceptions of competitiveness in remuneration among employees to some extent. Thesr findings agree with Muchai, Makokha and Namusonge (2018) who indicated that an organization with well-established and clear salary grades contribute towards engaged employees. However, other statements on competitive remuneration like receipt of fringe benefits (M=3.48), fair computation of overtime amount (M=3.46) as well as providing competitive allowances to employees (M=3.44) wereall moderately rated by employees. This shows that at Nzoia Sugar Ltd, provision of fringe benefits, overtime as well as allowances was to a moderate level amomng employees. Muchai, Makokha & Namusonge (2018) were of the view that provision of fringe benefits, allowances and overtime make it hard for employees to move away from such an organization.

Regression Results and Hypotheses Testing

Multiple regression analysis was performed to test the formulated hypotheses and the findings were determined and presented as below:

Presentation of Regression Results

Table 3 is a breakdown of the model summary.

Table 3: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.776[a]	.601	.576	3.04250

From Table 3, the value of adjusted R-square is 0.576, this means that 57.6% of variance in employee engagement at Nzoia Sugar Ltd in Bungoma County, Kenya can be attributed to variation in reward management practices. This further implies that there are other factors outside the scope of this study aside from reward management practices that have an effect on employee engagement at Nzoia Sugar and this should be the main focus of future studies this should come as recommendation for further studies. A number of empirical studies support the findings in Table 3 above including Bulanda (2021) who noted that lack of reward system contributes towards poor employee motivation. In Nigeria, Osuigwe (2022) established that lack of career development, appreciation system and fringe benefits have inversely affected

organizational sustainability. In Kenya, Sitati (2017) found that identified that as a result of lack of career development; job promotion and remuneration, employee retention has remained a challenge in the hospitality industry. In the study that was conducted by Karuri (2021), findings indicate that lack of career development and employee promotion have been key reward management related factors contributing towards poor performance of employees. An Analysis of Variance was done at 5% level of significance and the results are shown in Table 5.

Table 4: Analysis of Variance

	Sum of Squares	Df	Mean Square	F	Sig.
Regression	866.197	4	216.549	55.843	.000[b]
Residual	573.922	148	3.878		
Total	**1440.119**	**152**			

From the ANOVA findings in Table 4, the value of F calculated is 55.843 with p=0.000 which is lower than 0.05. This means that the overall regression model of the study was significant. The findings in beta coefficients and significance as determined in this study are presented as shown in Table 5.

Table 5: Regression Beta Coefficients and Significance

	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	t	Sig.
(Constant)	4.51	1.621		2.782	.019
Job Promotion	.777	.151	.660	5.146	.000
Competitive Remuneration	.665	.136	.177	4.890	.016

The results in Table 6 results into the following equation:

$\mathbf{Y = 4.51+.777X_1+.665X_2}$

Where;

Y = Employee engagement

X_1 = Job promotion

X_2 = Competitive remuneration

Hypotheses Testing

The hypothesis of the study was ***$H_0$1:*** *There is no significant relationship between job promotion and employee engagement at Nzoia Sugar Ltd.* The findings in Table 4.15 give the p-value under job promotion as 0.000, that is p<0.05 meaning that the variable was significant. Hence, the study rejects hypothesis **$H_0$1** and deduce that a significant relationship exists between job promotion and employee engagement at Nzoia Sugar Ltd. The finding is supported by Lichtenthal and Fischbach (2019) who established that having in place clear promotion practices and opportunities leads to an engaged workforce. In Ghana, Gbenga (2019) noted that non-financial rewards through promotion have a significant contribution towards the motivation of employees in an organization. Khader, Essaid, Alyahya, Al-Maitha, Ghraieb, Dababneh and AbuAlRub (2022) indicated that career advancement opportunities among women and men were based on skills in their firms. The study by Razak, Saran and Ramlan (2018) established existence of significant link between these variables. Ligare, Wanyama and Aliata (2020) showed that promotion had significant link with performance of staff.

The following hypothesis guided the study***; $H_0$2:*** *There is no significant relationship between competitive remuneration and employee engagement at Nzoia Sugar Ltd.* From Table 4.15, the p-

value of competitive remuneration stood at 0.016 which is less than 0.05. Hence, the study rejects hypothesis **$H_0$2** and inferred that there existed significant relationship between competitive remuneration and employee engagement at Nzoia Sugar Ltd. The finding is in agreement with Lukatwi, Rintaro and Mouche (2020) who showed that remuneration and employee turnover was positively and significantly linked with each other. Hidayah, Dewi and Setiawati (2020) noted that compensation had significant effect on performance. The study conducted by Onochie (2020) established existence of a positive link between remuneration and retention of staff. Bello (2021) indicated that remuneration system has significant implication on staff retention. Ingrain, Muchtar and Medupi (2019) indicated that remuneration significantly affects job performance. Muchai, Makokha and Namugongo (2018) found that remuneration significantly enhances organizational performance.

CONCLUSION AND RECOMMENDATIONS

Conclusion

Promotion of employees on merit and fairly at Nzoia Sugar was moderately conducted. Promotion process at Nzoia Sugar Ltd was clear to a moderate extent and degree. The findings of regression analysis were that job promotion was a significant predictor of employee engagement.

Paying of employees based on the established salary grades at Nzoia created perceptions of competitiveness in remuneration among employees to some extent. At Nzoia Sugar Ltd, provision of fringe benefits, overtime as well as allowances was to a moderate level among employees. From regression analysis, it emerged that competitive remuneration and employee engagement were significantly related with each other.

Recommendations of the Study

The human resource managers at Nzoia Sugar Ltd should always make sure that employees have clear understanding of the promotion policy. Further steps should be undertaken to promote employees at Nzoia Sugar Ltd based on their, merit, experience and competence levels.

Thorough research should be conducted in industry level remuneration standards at Nzoia through benchmarking and the same should be slowly replicated to drive employee engagement.

In order to drive employee engagement, human resource managers working at Nzoia Sugar Ltd should provide competitive fringe benefits, airtime earned by employees should be fairly computed and all allowance provided should be competitive enough.

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