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ABSTRACT

Motivation is an important component in the productivity of employees in any organization because it is iterative process which influences the needs of an individual that energize, direct and maintain the behavior of individuals. It is an effort that directs an individual towards the attainment of an objective. In Kenya, productivity in the Banking Sector demands that the institutions should have effective systems in place to offset unpredictable events that can maintain their operations and reduce the risk implicated through development. The objective of the study was to determine the influence of motivation on employee productivity in the Banking Sector in Kenya. Descriptive research design was used in the study and the target population was 300 employees working in the Cooperative Bank Headquarter. Stratified sampling was used to come up with a sample size of one hundred and thirty five (135) respondents. A questionnaire was used as the main tool to collect primary data. Secondary data was obtained from documentaries and published reports available. The primary data collected was analyzed through the use of descriptive statistics where the Statistical Package for the Social Sciences (SPSS) was used as the aid tool. Frequency tables, percentages, means and standard deviation, and graphs were used to present the analyzed data. The study found out that motivation leads to improved productivity in the Banking Sector by improving employer-employee relationship, rewards build and sustain the commitment among employees and training and development play an important role in the effectiveness of the organization and the people at work. The study concluded that motivation improves productivity. It recommended that the Banking Sector introduces a more competent strategy for rewarding their employee. Training and development should be a practice employed on all employees not just on top.

Key words: *Reward, Training and Development, Employee Productivity.*

INTRODUCTION

Motivation is the inner force that drives individuals to accomplish personal and organizational goals. Motivation is also defined as: the psychological process that gives behavior purpose and direction (Kreitner, 2012); a predisposition to behave in a purposive manner to achieve specific, unmet needs (Buford, Bedeian, & Lindner, 2010); an internal drive to satisfy an unsatisfied need and the way to achieve (Pinder, 2013). Motivated employees help organizations survive and are more productive (Gooch, 2006) . To be effective, managers need to understand what motivated employees within the context of the roles they perform. Of all the functions a manager performs, motivating employees is arguably the most complex. That is due, in part, to the fact that what motivates employees changes constantly (Bowen & Radhakrishna, 2011). For example, research suggests that as employees' income increases, money becomes less of a motivator (Kovach, 2012).

An important factor that determines the motivation level is the element of challenge (Rizter, 2010). When confronted with a challenge, the survival instinct called fright or fight comes into action. Our defense mechanism becomes ultra-activated and triggers us to act in face of challenges (Guest & Conway, 2012). We either run away from the challenging situation out of fright or fight against it by taking it up vigorously head on. A challenge to the survival instinct quite often turned even the mediocre into heroes. There are stories of disabled persons running for life when they found themselves facing the life and death situation during the accidents like fire, (Kreitner, 2006).There were similar situations involving challenge where even the strong and able bodied people gave up. When the level of difficulty or the challenge became too high or was perceived impossible, even the well qualified and efficient team lost motivation at the workplace.

The team of workers was entrusted with responsibility and power to accomplish tasks. These two elements tended to sustain the motivation at a higher level over a long period (Rollinson, 2015). Responsibility involving punishment for mistakes was a negative motivator (Freeman 2007).The fear of consequences can only be a short term motivator, but its sustained use threatened the person away from the work itself. It was difficult to maintain a high level of performance when the whole energy required to perform was sapped and vitiated by the fear, (Adams, 2009).

According to Locke (2012), motivation was determined by goal directedness, human volition or free was, and perceived needs and desires, sustaining the actions of individuals in relation to themselves and to their environment. Although this definition appeared to be comprehensive, it was put forward here for critique amid other competing definitions found in the literature.

According to Ilgen (2011) Productivity pertains to all those activities which are related to individuals and systems. It is based on a performer’s degree of involvement and behavior in a situation to attain outcomes as described by (Mohrman et. al 2009). Productivity is not only concerned with what employees attain but it also considers the mode of attainment. High level of productivity can be achieved through appropriate motivation or with efficient utilization of knowledge, skills and abilities to compete.

Productivity and motivation have reciprocal effect on one another. Motivation not only influences productivity but productivity can also influence motivation. Information about one’s productivity on a particular job may show increase or decrease in the subsequent job motivation depending on the level of productivity, representation about the reason of performance and condition of motivation as discussed by Kanfer (2009). It is quite evident that person and system factors influence the work performance and output of the organization. Most of the workers consider that their performance must be matched with the rewards which are granted by the organization. The relationship between motivation and performance influences the organizational operations.

Workers maintain the level of expectations about the reward which they will receive when they will perform particular task. The relationship between motivation and productivity can be defined in different stages; at the first stage employees set expectations and objectives while performing a particular task, at the second stage their performance is appraised by the management and feedbacks are provided to employees. At the third stage rewards are awarded by organizations and employees do their self-assessment and match their performance with rewards and the fourth and last stage employees set new expectations and objectives which are based on their previous experience (Schultz, W. 2015). In order to maintain relationship between productivity and motivation, banks must provide accurate evaluation system related to performance, maintain proper performance reward system and supervisors' feedback system.

Cooperative bank is a commercial bank licensed by the Central Bank of Kenya, the central bank and national banking regulator. The bank has the second highest customer base in Kenya with over 3.5 million accounts as of June 2013. In 2010, the bank was awarded *"Best Bank of Kenya"* by the London Financial Times due to their excellent growth. The bank serves the banking needs of individuals, small businesses and large corporations, focusing on the needs of cooperative societies in Kenya. Cooperative Bank is a large financial services institution. As of March 2015, its total assets were valued at approximately US$3.345 billion (KSh309.6 billion). At 31 December 2013, its shareholders' equity was valued at approximately US$425 million (KES: 36.8 billion). As of May 2012, the bank controlled about 8.2% of all bank assets in Kenya.

Statement of the Problem

The success of any organization depends on the ability of managers to provide a motivating environment for its employees (Storey, 2013). Motivated employees are more productive, happier and stay with the organization longer (Callaghan, 2009). Organizations do experience de-motivation from time to time also and this had impact on the employee productivity.

Leadership style was another major issue that usually motivated or de-motivated employees (Engelhart, 2006). In the recent years, however, it's been discovered that the changing nature of organizations, its dynamics and structure affects the delivery of motivation. Statistics available at Co-operative Bank Headquarters 2015/2016 annual report indicate that 20% of the employees there have been facing problems with de-motivation which are unfavorable reward systems for all genders; employees' efforts are not appreciated in that those employees who go on maternity leave are ranked low as compared to their counterparts. Evaluation system related to performance is not accurate; reviews that impact workforce performance are not effectively delivered. The Bank's targets are not smart in that employees find it hard to meet them. The employee productivity is therefore affected since employees' morale towards work goes down due to poor evaluation systems and lack of appreciation.10% of the employees felt that they could be more satisfied if some key issues such appreciation of their efforts and setting of smart targets would be put into great consideration by the management so as to improve the overall performance of the organization. Several previous studies have already proven the interplay between motivation and employee productivity and most organizations confirm the results (Maleba & Jacques 2011). It would be then desirable to dig deeper into which among the several factors influence motivation on employee productivity of

Kenyan employees working for banking sectors. The research therefore, sought to fill the existing gap in knowledge by putting into consideration the motivational factors that affect employee productivity.

Objective of the Study

The objective of the study was to determine the influence of motivation on employee productivity in the banking sector in Kenya. The specific objectives were;

- To determine the effect of rewards on employee productivity in the banking sector in Kenya.
- To evaluate the effect of training & development on employee productivity in the banking sector in Kenya.

LITERATURE REVIEW

Theoretical Review

Adam's Equity Theory

Equity Theory is derived from social exchange theory. It explains motivation in the workplace as a cognitive process of evaluation, whereby the employee seeks to achieve a balance between inputs or efforts in the workplace and the outcomes or rewards received or anticipated (Baker & Powell, 2002). Equity Theory research has tested employee sentiments regarding equitable compensation. Employee inputs take the form of work volume and quality, performance, knowledge, skills, attributes and behaviors. The company-generated outcomes include rewards such as compensation, praise and advancement opportunities. The employee compares his inputs relative to outcomes; and, then, extrapolating to the social context, the employee compares his input or outcome ratio with the perceived ratios of others. If the employee perceives an inequity, the theory posits that the employee will adjust his behavior to bring things into balance Ott et al, (2007).

Equity Theory has proven relevance in situations where an employee is under-compensated. If the employee is able to achieve a ratio of inputs to outputs that he perceives to be equitable, then the employee will be satisfied. The employee's evaluation of input-to-output ratios and subsequent striving to achieve equilibrium is an ongoing process. While it has been established that Equity Theory provides insight into scenarios of under-compensation. In this way, it could be said Equity Theory is more useful in describing factors that contribute to motivation in the workplace. Concepts of organizational justice later expanded upon the fundamentals of Equity Theory and pointed to the importance of fairness perceptions in the workplace.

Human-capital theory

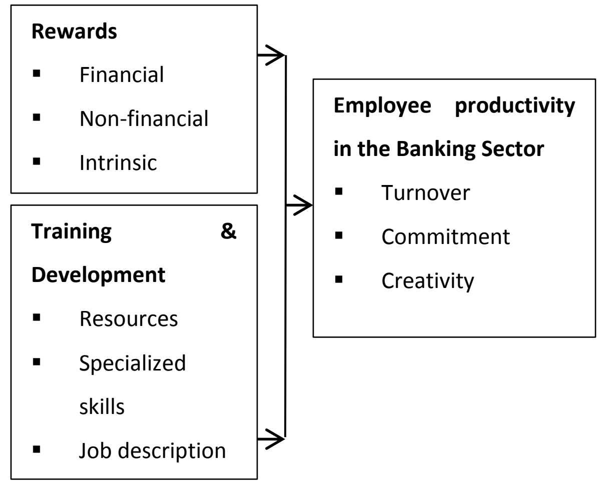
This is a modern extension of Adam Smith's explanation of wage differentials by the so called net (dis)advantages between different employments. The costs of learning the job are a very important component of net advantage and have led economists such as Gary S. Becker & Jacob Mincer (1994) to claim that, other things being equal, personal incomes vary according to the amount of investment in human capital; that is, the education and training undertaken by individuals or groups of workers. A further expectation is that widespread investment in human capital creates in the labor-force the skill base indispensable for economic growth. The survival of the human capital reservoir was said, for example, to explain the rapid reconstruction achieved by the defeated powers of the Second World War.

Human capital arises out of any activity able to raise individual worker productivity. In practice full time education is, too readily, taken as the principal example. For workers, investment in human capital involves both direct costs and costs in foregone earnings. Workers making the investment decisions compare the attractiveness of alternative future income and consumption streams, some of which offer enhanced future income, in exchange for higher present training costs and deferred consumption. Returns on societal investment in human capital may in principle be calculated in an analogous way.

In economics, critics of human-capital theory point to the difficulty of measuring key concepts, including future income and the central idea of human capital itself. Not all investments in education guarantee an advance in productivity as judged by employers or the market. In particular, there is the problem of measuring both worker productivity and the future income attached to career openings, except in near-tautological fashion by reference to actual earnings differences which the theory purports to explain. Empirical studies have suggested that, though some of the observed variation in earnings is likely to be due to skills learned, the proportion of unexplained variance is still high and must be an attribute of the imperfect structure and functioning of the labor-market, rather than of the productivities of the individuals constituting the labor supply.

Human capital theory has attracted much criticism from sociologists of education and training. In the Marxist renaissance of the 1960s, it was attacked for legitimating so called bourgeois individualism, especially in the United States where the theory originated and flourished. It was also accused of blaming individuals for the defects of the system, making pseudo-capitalists out of workers, and fudging the real conflict of interest between the two. However, even discounting these essentially political criticisms, human-capital theory can be regarded as a species of rational exchange theory and open to a standard critique, by sociologists, of individualist explanations of economic phenomena.

Conceptual framework



Independent Variable Dependent Variable

Figure 1: Conceptual framework

Rewards

Reward-based systems are certainly the more common practice for attempting to influence motivation within an organization, but some employers strive to design the work itself to be more conducive (Jex & Britt, 2013). Rewards play an important role in building and sustaining the commitment among employees that ensures a high standard of performance and workforce constancy (Wang, 2009).

Rewards refer to all categories of financial benefits, tangible services and benefits that an employee receives as part of employment relationship with the organization (Bratton & Gold 2008). Lawler (2013) described that there are two aspects that decide how much a reward is attractive, the quantity of reward which is provided and the weight age an employee gives to a specific reward. Employees are certainly closer to their organizations and perform better job, while they receive healthier reward and recognition in their organizations. Lotta (2012) agreed that financial incentives are indeed effective in motivating employees. Also, Ojokuku and Sajuyigbe (2009) found out that financial incentives (pay satisfactions dimensions) have significant effect on employee's performance. On the other hand, Perry et al, (2016) discovered that financial reward is not the most motivating factor and financial incentives have a de-motivating effect among employees (Srivastava, 2001).

Nelson (2014) noted that praise and recognition are the most efficient intrinsic reward that enhances employee performance while Jensen et al (2007) see intrinsic reward as a tool that motivates employees to perform as expected. Reward had been seen to be a vital instrument in employee performance. A well rewarded employee feels that he/she is being valued by the company that he/she is working for. They are also encouraged to work harder and better if they are aware that their well-being is taken seriously by their employers, and that their career and self-development are also being honed and taken care of by their company. Employees are the engine of organization vehicles while reward is the fuel. No organization can achieve its stated objectives without its employees.

Training & Development

According to (Capelli, 2009), training and development play an important role in the effectiveness of organizations and to the experiences of people in work. It has implications for productivity, health and safety at work and personal development. All organizations employing people therefore need to train and develop their staff. Most organizations are cognizant of this requirement and invest effort and other resources in training and development. Such investment can take the form of employing specialist training and development staff and paying salaries to staff undergoing training and development. Investment in training and development entails obtaining and maintaining space and equipment.

It also means that operational personnel, employed in the organization's main business functions, such as production, maintenance, sales, marketing and management support, must also direct their attention and effort from time to time towards supporting training development and delivery. This means they are required to give less attention to activities that are obviously more productive in terms of the organization's main business. However, investment in training and development is generally regarded as good management practice to maintain appropriate expertise now and in the future (Burford, 2010).

Training refers to a systematic approach to learning and development to improve individual, team and organizational effectiveness (Goldstein & Ford 2012). Alternatively, development refers to activities leading to the acquisition of new knowledge or skills for purposes of personal growth. However, it is often difficult to ascertain whether a specific research study addresses training, development, or both (Cameroon, 2013).

Training activities have a positive impact on the performance of individuals and teams. Training activities can also be beneficial regarding other outcomes at both the individual and team level (attitudes, motivation, and empowerment). Training-related changes result in improved job performance and other positive changes e.g., acquisition of new skills (Hill & Lent 2006, Satterfield & Hughes 2007). Kraiger (2002) opines, training is often looked upon as an organized activity for increasing the knowledge and skills of people for a definite purpose. It involves systematic procedures for transferring technical know-how to the employees so as to increase their knowledge and skills for doing specific jobs with proficiency. In other words, the trainees acquire technical knowledge, skills and problem solving ability by undergoing the training programme.

Employee productivity

Employee productivity is a measure employed at individual level based on the assumption that the overall productivity can be broken down to increasingly smaller units until, ultimately, to the individual employee, in order be used for example for the purpose of allocating a benefit or sanction based on individual performance (Fleck, 2009). Productivity may be evaluated in terms of the output of an employee in a specific period of time. Employee productivity is determined by a range of factors, including turnover, commitment and creativity and innovation (George, 2009).

These three distinct concepts are inseparably linked; commitment greatly influences employee productivity, which in turn directly affects employee-employer relationships. Employees that feel as though the company has made a commitment to employee success tend to perform better (Persat, 2010). Commitment means offering a competitive rate of pay and benefits package, offering assistance in paying for employee's higher education costs, developing a regular training schedule that keeps employees updated on company changes and gives pertinent information for employees to do their jobs and upgrading equipment to make sure that employees have the most efficient technology available to do their work. Commitment shown by the company is returned in the form of commitment from employees.

High rates of turnover lead to higher costs related to recruiting and training new employees. It costs businesses money to hire human resource workers to interview and hire candidates and training new workers can be a costly process that diverts skilled workers from revenue-generating activities. Experienced workers who have to frequently train new hires are less able to concentrate on their normal job duties. In a small business, the owner himself might have to train new employees (Baker et al 2011).

Productive people move through the tasks they have to accomplish in a systematic way. They make steady and measurable progress toward their goals. They make effective and efficient use of their time (Zoe, 2009). Employees' creativity makes an important contribution to organizational innovation, effectiveness and survival; there is a need for organizations to create the organizational contexts that are most supportive to idea generation and creative thinking. For employees to be creative there must be a work environment that supports the process of creativity (Zuber, 2011).

Empirical Review

Researchers have abundantly dealt with the issue of organizational performance (Carton, 2014; Dess & Robinson Jr., 2014; Rawley & Lipson, 2015), however, sparse studies have considered the role of reward management on the performance of educational and banking institutions (Kirunda, 2004). With the rapid wave of changes that organizations are undergoing perhaps due to increased global competition, developments in Information Communication and Technology (ICT), and changes in workplace demographic characteristics, the relevance of organizations in terms of their performance, rests in reforming their reward systems in order to get the best from its employees and consequently, withstand the tides of incessant competition (Armstrong, 2006). A series of theoretical and empirical evidence has demonstrated that performance of organizations has continued on a downward path (Jones & Culbertson, 2011; Pulakos & O'Leary, 2011). Reward management has been singled out by many researchers as a major predictor of organizational performance (Agwu, 2013; Armstrong, 2006; Kepner, 2001; Kirunda, 2004). This is so because they help maintain a positive motivational environment for workers, they determine both business goals and employee values which are essential in organizational performance (Armstrong, 2006). Accordingly, in the fall 1994 issue of Review of Educational Research, Cameron and Pierce (1994) presented a meta-analysis of extrinsic reward effects on intrinsic motivation, concluding that; overall, rewards do not decrease intrinsic motivation.

Kohn (2013), asserts that any approach that offers a reward for better performance is destined to be ineffective. He further states that possibly the most compelling reason that incentive systems fail is that extrinsic motivators not only are less effective than intrinsic motivation but actually reduce intrinsic motivation . Furthermore, the more closely compensation is tied to or other rewards to performance, the more damage they do. Daniel Pink, (2009) listed seven deadly flaws of extrinsic rewards, that, they can extinguish intrinsic motivation and they can diminish performance. Such assertions are common place in the management literature.

If extrinsic rewards have such negative effects on intrinsic motivation that they cannot be effective, compensation and benefits is destined to be a miserable profession. Therefore, the issue is of central importance to rewards professionals. Focusing only on intrinsic motivation is not a practical strategy for work organizations. Total motivation is a function of external plus internal motivation, and extrinsic motivation cannot be ignored.

Adapting traditional reward systems to focus on employee preferences has become a necessity as companies strive to attract, motivate and retain a skilled and high performing work force. Organizations should design their reward systems according to the preferences of their employees by focusing on base pay and contingency or variable pay (Kellemoni, 2013).

Training and development have become the most important factor in the business world today, because training increases the efficiency and the effectiveness of both employees and the organization (Raja, Furqan and Khan, 2011). Training is a systematic restructuring of behavior, attitude and skills through learning-education, instruction and planned experience. Training is designed to change or improve the behavior of employees in the work place so as to stimulate efficiency. The cardinal purpose of training is to assist the organization achieve sits short and long term objectives by adding value to its human capital.

Training and development are not undertaken for the sake of training, but rather are designed to achieve some needs. Therefore, training and development are need based in the sense that they are undertaken to fill some knowledge gap within an organization. Many organizations have over the years introduced good manpower training and development strategies in order to enhance better employee performance at work and increase their productivity. However, the efforts of such strategies in most cases have always been jeopardized in most organizations, as a result of some factors that impede against the achievement of their objectives. Some of the impeding factors include recruitment/selection problems, training procedure and inadequate facilities, government policy, the economy and labor legislation (Nguyen, 2009).Generally; it has been observed that the environment that hosts the organizations is dynamic. The dynamism of the environment has many implications on the organizations: It is the determinant of the product that the organizations will produce; there must be a market before the organizations will produce a product. Thus as the consumers' taste and preference change, there is need for the organizations to also change their product and work process (Byrne, 2011). Training and development therefore, become necessary.

Training has the distinct role in the achievement of an organizational goal by incorporating the interests of organization and the workforce (Stone, 2002). Now a day's training is the most important factor in the business world because it increases the efficiency and the effectiveness of both employees and the organization.

A study performed by Bryan, (2011) founded that training is important to enhance the capabilities of employees. The employees who have more on the job experience have better performance because there is an increase in both skills and competencies because of more on the job experience and the employee development encourages self-fulfilling skills and abilities of employee, decreased operational costs, limits organizational liabilities and changing goals and objectives (Donald Nickels, 2009).

It is very necessary for the organization to design the training very carefully (Michael Armstrong, 2008). The design of the training should be according to the needs of the employees (Ginsberg, 2007). Those organizations which develop a good training design according to the need of the employees as well as to the organization always get good results (Partlow, 2016; Tihanyi et al., 2010; Boudreau et al., 2011). It seems that Training design plays a very vital role in the employee as well as organizational performance. A bad training design is nothing but the loss of time and money (Tsaur and Lin, 2014).On the job training helps employees to get the knowledge of their job in a better way (Deming, 2012). People learn from their practical experience much better as compare to bookish knowledge. On the job training reduces cost and saves time (Flynn et al., 2015; Kaynak, 2013; Heras, 2016). It is better for the organizations to give their own job training because it is effective and time saving (Ruth Taylor et .2014).It is good for organization to give their employees on the job training so that their employees learnt in a practical way (Tom Baum et al, 2007).

Cooper (2003) states that all companies want to improve employee productivity, but they do not examine their own management practices as a means of attaining it. Previous studies consistently show that a disturbingly high number of non-management employees are disengaged, not working at full productive capacity. Cooper therefore came up with steps management can take to improve productivity by putting employees in a more productive mind set. He suggested that the management should design economic incentives so employees at all levels of an organization can benefit from them.

A study carried out by Ngechu (2004) also suggested that organizations need to provide meaningful feedback in a constructive manner on a regular basis so as to improve employee productivity. Feedback is a foundational management skill; the ability to provide regular, helpful feedback to employees in a manner that encourages, not discourages.

RESEARCH METHODOLOGY

The research design to be used in the study was a descriptive survey design and had two approaches namely; qualitative and quantitative data analysis. The target population for this study was 300 staff members of the Cooperative Bank Headquarters. The sample size for this study was 135 employees of Cooperative Bank Headquarters.; it was categorized into the: Management, Supervisors and Clerks. According to Nassiuma, (2000) sample size was determined by the formulae below:

$n= (Ncv^2)/ (cv^2 + (N-1) e^2)$

Where; n is the sample size,

N= population

Cv= Coefficient of variation (take 0.5)

e =Tolerance at desired level of confidence, take 0.05 at 95% confidence level.

Stratified random sampling technique was used to select the sample. The researcher used questionnaires which were administered to all the respondents. The researcher personally administered the questionnaires to the respondents of which they were given two weeks to give their responses. Descriptive and inferential statistics were used to analyze the data.

DATA ANALYSIS AND PRESENTATION

The study targeted a sample size 135 respondents from which 120 filled and returned the questionnaires making a response rate 89 % .This response rate was satisfactory to make conclusions for the study as it acted as representative. The study also sought to determine the respondent's highest level of education. The findings revealed that the majority 59% had a Degree while 41% have Masters. These findings therefore depicted that all the respondents involved in the study had attained the basic education and would thus understand the questionnaire hence gave credible information related to this study. The study sought to find out the respondent's experience in years. The findings revealed that majority of the respondents as shown by 33.3% had a work experience of 6 to 10 years, 25% had a work experience of 11 to 15 years, 21 % had a work experience of 16 to 20 years and 21 % listed their year of experience as over 21 years.

Effect of Rewards on Employee Productivity

The study sought to find out how rewards affected employee productivity in the Banking Sector.

Table 1: Effect of rewards on Employee Productivity

Statement	NA A	LE	M E	GE	VG E	M	SD
Financial incentives, praise and recognition enhance employee performance	62	49	3	5	1	4.16	.870
Management communicates pay matters periodically to employees	54	49	13	3	1	4.32	.987
Pay strategy has improved communication and employee-employer relationship	51	43	17	6	3	3.48	1.152
Financial incentives have significant effects on employees performance	59	34	9	16	2	3.66	1.073
Employees feel welcomed, valued and appreciated hence perform to their best	11	7	14	54	34	4.08	1.070
Management has non-financial incentive plans to motivate and retain talented people	39	35	21	16	9	3.78	.974
Employees experience feeling of achievement and personal growth	31	32	18	27	12	4.39	.919
Employees receive reward and recognition in the org	62	44	8	5	1	4.09	1.202
No employee leaving the organization as a result of pay issues	59	49	8	3	1	3.93	1.139

From the findings, majority of the respondents agreed that financial incentives, praise and recognition enhanced employee performance shown by a mean of 4.16 and a SD of 0.870, that management communicates paid matters periodically to employees shown by a mean of 4.32

and SD of .987, that, pay strategy had improved communication and employee-employer relationship shown by a Mean of 3.48 and SD of 1.152 and that financial incentives had significant effects on employees performance shown by a mean of 3.66 and SD 1.073.

The respondents also agreed that employees felt welcomed, valued and appreciated hence perform to their best shown by a Mean of 4.08, that management had non-financial incentive plans to motivate and retain talented people shown by a mean of 3.78, that employees experienced feeling of achievement and personal growth shown by a mean of 4.39 and that employees received reward and recognition in the organization shown by a mean of 4.09. They also agreed that no employee left the organization as a result of pay issues and that was shown by a mean of 3.93. The findings was supported by an average means score of 4. 0 which implied that respondents all agreed that rewards affected Employee Productivity in the banking sector in Kenya. The findings were in line with Tansley, (2013) who stated that organizations that applied best reward practices demonstrated significantly higher productivity. They also concurred with Agwandar, (2010) who asserted that to ensure the organization had good performance and disciplined employees; there should be a fair basis for compensating employees.

Effect of Training and Development on Employee Productivity

Table 2: Effect of Training and Development on Employee Productivity

Statement	**NAA**	**LE**	**ME**	**GE**	**VGE**	**M**	**SD**
Training and development has increased and improved knowledge and skills of employees.	50	45	13	6	6	4.13	1.426
Training increases the knowledge and skills of the employees.	30	24	43	11	12	4.32	.608
Employees feel motivated with the training & development programs provided by the organization and as a consequence give better yields.	36	34	31	10	9	4.28	1.236
Employees are continuously trained to enhance their professional skills & competencies	65	33	9	6	7	3.55	.934
Training & development policies have been put in place to guide staff in advancing their careers.	56	22	21	13	8	4.30	.729
There's a great improvement on job performance as a result of training & development.	54	35	16	10	5	3.70	.913
Employees are trained regularly.	47	25	23	15	10	3.98	1.123
Management invests effort and other resources in training & development.	54	47	13	5	1	4.07	1.136
The organization offers good training & development programs to all the employees.	30	24	43	11	12	4.45	.756

The study sought to establish the respondent level of agreement on the statement relating to training and development. From the findings, majority of the respondents agreed that training and development had increased and improved knowledge and skills of employees shown by a mean of 4.13, training increased the knowledge and skills of the employees shown by a mean of 4.32, employees felt motivated with the training & development programs provided by the organization and as a consequence gave better yields shown by a mean of 4.28, that employees were continuously trained to enhance their professional skills & competencies shown by a mean of 3.55 and that training & development policies had been put in place to guide staff in advancing their careers shown by a mean of 4.30.

They also agreed that there was a great improvement on job performance as a result of training & development shown by a mean of 3.70, that employees were trained regularly shown by a mean of 3.98, that management invested effort and other resources in training & development shown by a mean of 4.07 and that the organization offered good training & development programs to all the employees shown by a mean of 4.45. An average mean score of 4.09 implied that the respondents agreed that training and development affected employee performance.

The findings concurred with Gomez (2014), who stated that loyalty and commitment were no longer relevant issues in human resource management and instead, personal growth, learning and development had become more relevant as they make individuals more enjoyable and improve their productivity. The findings were also in line with the study's done by Rothwel & Kazanas (2004) which stated that training and developing employees empower them with the right skills that they need to do their job. The findings also concur with the study by Peffer (2006) which explains that training and skills development helps companies retain talent.

Table 3: Correlation Analysis

		Rewards	**Training and development**	**Employee productivity**
Rewards	Pearson Correlation	1	-.220*	-.299**
	Sig. (2-tailed)		.016	.001
	N	120	120	120
Training and development	Pearson Correlation	-.220*	1	.991**
	Sig. (2-tailed)	.016		.000
	N	120	120	120

Employee productivity	Pearson Correlation	-.299**	.991**	1
	Sig. (2-tailed)	.001	.000	
	N	120	120	120

**Correlation is significant at the 0.01 level (2-tailed)
*Correlation is significant at the 0.05 level (2-tailed)

The researcher conducted a Pearson Correlation. From the findings, the study found that there was strong positive correlation between training and development and employee productivity as shown by correlation factor of 0.991, this relationship was found to be statistically significant as the significant value was 0.000 which was less than 0.05. Finally, the study found a weak correlation between rewards and employee productivity shown by a correlation factor of -0.299 at 0.001 level of significance.

SUMMARY CONCLUSION AND RECOMMENDATION

The study revealed that rewards played an important role in building and sustaining the commitment among employees that ensured a high standard of performance and workforce constancy. Bonuses in the banking sector lead to reduction in staff complaints while competitive compensation lead to achievement of targets, reduction of labor and customer satisfaction. Reward and bonuses should be well distributed to all employees who have helped the sector achieve its targets. A well rewarded employee feels that he is being valued by the company that he is working for. They were also encouraged to work harder.

The study established that training and development played an important role in the effectiveness of organizations and to the experiences of people in work. It had implications for productivity, health and safety at work and personal development. Most organizations were cognizant of this requirement and invested effort and other resources in training and development. Such investment takes the form of employing specialist training and development staff and paying salaries to staff undergoing training and development. Training activities had a positive impact on the performance of individuals and teams. They were therefore, beneficial regarding other outcomes at both the individual and team level such as attitudes, motivation, and empowerment. Training-related changes result in improved job performance.

Conclusion

The study concluded that rewards lead to improved employee productivity in the Banking Sector in Kenya by enhancing target achievement, improving customer satisfaction and reduces staff turnover and complaints hence excellent employee productivity. A well rewarded employee feels that he is being valued by the company that he is working for. They are also encouraged to work harder.

The study also concluded that training and development lead to improved productivity by ensuring the employees in various departments are subjected to different training programs for both the organizations overall performance as well as their performance. Training and development presented a prime opportunity to expand the knowledge base of all employees; it amplifies ones strengths and helps to acquire new skill sets.

Organizations were cognizant of this requirement and invest effort and other resources in training and development. Such investment takes the form of employing specialist training and development staff and paying salaries to staff undergoing training and development.

Recommendations

The study recommended that the Banking Sector introduce a more compete strategy for rewarding their employees. Rewards such as bonuses, appreciative rewards such holidays should be introduced to reward good performing employees.

This study also recommended that training and development should be a practice employed on all employees in the Banking sector not just the ones performing well. Both on job and off job training should be practiced so that the employees can gain new knowledge and skills for the betterment of the organization.

Suggestions for Further Research

This study sought to determine the influence of motivation on employee productivity in the Banking Sector in Kenya. The study recommended that an in-depth study should be done on the barriers to employee productivity.

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