# Compensation Culture And Its Influence On Employees' Performance: A Case Study Of The Catholic Diocese Of Lodwar, Turkana County, Kenya

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Abstract: An organization's culture is a system that has a big impact on the performance of the organization. It is also a system that the organization cannot do without because it has both negative and positive effects on employees' performance. One factor, which can affect employees' performance, is employee compensation. Therefore, the main objective of this study is to determine how compensation improves employees' performance in the organizational culture of the Catholic Diocese of Lodwar with an aim to assess organization culture influence on the employees and how it enhances efficacy of employee performance. The research design for the study was a case study of the Catholic Diocese of Lodwar in which the research sought to collect data from a targeted population of employees working within the Catholic Diocese of Lodwar. The questionnaire and interview schedules were used as the main instruments for data collection in the study. The targeted population was 2,000 employees of the Catholic Diocese of Lodwar. The sample size of the study was 600 participants who were the employees of the Catholic Diocese of Lodwar. The data was analyzed and interpreted by using qualitative and quantitative methods. ANOVA was used to test the relationship between the dependent and independent variables. The findings were summarized and presented using frequencies, percentages, charts and tables. The study findings revealed that the adopted culture of employee compensation by the catholic diocese of Lodwar affected employee performance significantly. The study also found a statistical significant relationship between organization cultures and employee performance within the organization. The study recommends that appropriate measures be adopted to enhance the effects of employee compensation on employee performance. All ethical issues pertaining to research were adhered to by the study.

Keywords: compensation, employee performance, organization culture and organization.

#### I. INTRODUCTION

Authoritative culture is a set of common suspicions, qualities, and convictions that governs how people behave in a community. These shared characteristics have an impact on employees at the association because they influence how they dress, behave, and carry out their duties. Each organization develops and maintains a distinct culture that establishes and enforces rules and boundaries for its members' actions (Sagimo, 2002).

High turnover in an organization is caused by a society that does not meet the needs of its employees; the word

"representative turnover" is often used in corporate circles. In the fact that a few studies have been conducted on this subject, the majority of the research has focused on the reasons for worker turnover. However, little has been done on analyzing the causes of representative turnover, their effects, and advising different procedures that can be used by administrators of various organizations to ensure that there is a representative coherence in their organizations.

In terms of enlistment, preparation, formation, maintenance, and retention, associations place a lot of pressure on their members. As a result, directors should strive to keep representative turnover to a minimum. Despite the fact that

there is no universal structure for comprehending the staff turnover metric as a whole, a wide range of variables have been found to be useful in determining representative turnover. Kevin, Joan &Adrian (2004). As a result, there is a need to have a more comprehensive understanding of staff turnover, especially the sources—what determines representative turnover, effects, and methodologies that managers should implement to reduce turnover.

With the rise of globalization and increased competition, businesses must continue to develop significant products and provide services that rely on representative-created processes. These members are very important to the company and their value is immeasurable and difficult to duplicate. As a result, executives should regard leaders as important contributors to the organization's productive success Abbasi and Hollman (2000). To help the association meet its goals, directors should keep employee turnover under check.

Devolution, otherwise called decentralization, was gotten rolling back in 2010 with another constitution that presented two ties of government, the public and area level, and degenerated certain capacities to the provinces, including water and wellbeing administrations. The 2013 races prompted the foundation of 47 district governments with partnered province water services – new establishments that have built up their water administration conveyance command all through the three-year progress period. The Third Yearly Devolution Meeting in Meru, Kenya denoted the finish of the progress time frame in Walk 2016, when all capacities laid out in the 2010 Constitution become completely reverted.

In Turkana District, devolution is viewed as a gift for the minimized individuals of Turkana. Devolution has been spread into sub-areas with much help because of its immediate effect on the residents. The current Administration and organization gives these advantages similarly to all sub provinces inside Turkana Region to support full investment of various networks being developed exercises. The residents reasoning is that: Centered government will be moored around the longing to accomplish social, equity, comprehensive, value, reasonableness and regard for variety in serving individuals of Turkana. To improve viability and proficiency in more extensive Turkana Area.

Most of the staff from Turkana County Assembly and County Government was sent for exposure trips and trainings to different countries in abroad in order to gain new knowledge that can help them to ran and Manage Turkana County and its Citizens effectively and efficiently. The County Government is continuing also to support its staff to attend Management and Administration courses within Kenya. For example the Ward administrators that passed out during the month of March 2017. In addition to this the County Government also gave mortgages inform of a loan to the MCA's for buying new houses or vehicles. All this was done in order to motivate the staff hence improving their performance on the job. (Ewoi, 2016).

The Catholic Diocese of Lodwar (DoL) is a religious association in Turkana that has a set up organization of wards all over Turkana Area and initially started its helpful work with the locals more than 50 years prior. It was shaped and begun by Diocesan Bishop Mohan with an aim to identity and get God's message to whole Turkana County. The DoL has

assumed a basic part in filling holes in state administration arrangement by carrying compassionate mediations to weak gatherings as a solid accomplice. Its intercessions length the areas of Jobs, Water, Wellbeing and Training just as Equity and Harmony, Basic liberties, the strengthening of ladies and youth. The DoL has immense involvement with working with networks, stands firm on a footing of extensive authority at the grassroots level and is all around regarded by the nearby organization in Turkana County hence leading to its recognition in Kenya also as a Country. It also acts as a role model to most of the Non-governmental Organizations in Turkana County and because of its positive impact in Turkana County and its admirable image, the researcher would like to investigate on its model on Organizational culture on employees' performance in order to find out the cause of employee turnover.

The objective of the study is to determine how compensation improves employees' performance in the organizational culture of the Catholic Diocese of Lodwar.

#### II. LITERATURE REVIEW

If one turns out to have merit in one situation, rather than the other turns out to be accurate in another, it's the dominant beliefs that manage what happens in various associations (Ravasi, 2006). Both authors and consumers have a significant impact on the manner in which people and groups interact, customers as well as well as on each other stakeholders. Likewise, hierarchical organizational culture can affect how much employees relate to their affiliation (Schrodt, 2002).

It is essential for business pioneers to create and promote an atmosphere where their company's working culture is still expanding. Regardless, though, the relationship between administration and society is not perfectly straight. While pioneers are indispensable to creating new cultures, a put up establishment significantly construe interferes with what kind of experimentation they may engage in. Both participants in the original family enterprise can see the worth of holding up or improving a tradition's ways of life. Employees can benefit from being with their company as they have a deep understanding about how they need to behave and function, which engenders the customs and expectations of the company, it is important to be more likely that the leader can really support the person meet the goal since they know the mechanism can push the work on forward (Tsai, 2011). In the context of a hierarchical society, from top to bottom, the attainment of authority and the feeling of occupation are inseparably associated. Pioneers may have the ability to enter a workplace world to create, and in addition be rendered by various work environment organizations. It's not just [the matter of] that individuals can either expand their ambitions in response to feedback; these distinctions will appear in various forms, including but not exclusive to person commercial/entrepreneurial community A lead community has many positive influences on the overall atmosphere of a small group and the people who participate in it as well as on the culture of the surrounding population that it serves.. Individuals contribute to society by providing designs that are useful to those people that are at the same stage as them.

Association membership is treated as something more essential than the persons it really is. There are many people who will contend for the role, and prepetition must continue in the position because of these various factors (Endless, 2015). We conduct our activities based on market societies, with focus on competition, achievement, and the importance of doing one's business (Danowski, 2013).

Shallown above is an approach to the nature of growth in complex, diverse novel cultures where people are given the ability to do what they want, and this society, where all is up for grabs and unrestrained. Many human groups favor expansion and thrive because of the unpredictability is often allows for quick movement, and this ensures their survival over time (Costanza, 2015). Lifestyle features such as adventurous and experimental conduct, open-mindedness, seeking new opportunities, and a willingness to take risks, all mixed together with leadership in this kind of society (Danowski, 2013).

The hierarchy of forces (order and government), though, is distinguished by the amount of influence each power has in society: to how well it may use them, how important it is to one's task, and how complexly it uses it. One is bold enough to try just a handful of approaches, while being flexible enough to allow room for experiments. Our predecessors built the base of our current belief system, which necessitates making significant concessions to the leader (Boundless, 2015). It is the location where good work is done, where there is an assignment for which one should be thanked, where people understand their jobs, where they are expected to follow their orders, and where usefulness and precision don't matter (Vast, 2015). Society operates as a single-handedly (via the chain of command) just in the short term; it grows in dependence over time. They're about being able to get results, performing it properly, and doing them effectively (Danowski, 2013).

Relation between assignment and family values: Expansion of the former to the latter. The overall level of dedication that errand staff and tribe workers display is a direct correlation to the success of aggregate objectives. One of the purposes of errand groups is to hire people who are specialized to solve each problem or task. The standard in this kind culture is for undertaking consists of small-size quantity units, since there are several endeavors and little groups to accomplish something significant (Limitless, 2015). Tribe cultures are somewhat similar to parental households, with regard to their involvement in the schooling of the younger members

What are the underlying conditions that allow an authoritative culture to change? Hierarchical cultures are neither new nor innovative. During the course of communication, individuals from the group can form the impression of "what they believe is their rights imitate" before they obtain them. Then, they learn which ones lead to accomplishment and which do not. At that moment, if you stick to your own beliefs and suspicions, rather than finding justice, then your way of life cannot stay crucial in a constantly changing world.

## COMPENSATION AND EMPLOYEES PERFORMANCE IN AN ORGANIZATION

Respectable companies who invest in a few projects gets as well as monetary benefits as a part of the association with them. peripheral pay (P) refers to other ways of getting more for the worker for job done, such as incentive schemes where immediate reward is paid as cash, and on a single project, whereas compensation per project includes additional remuneration which is paid in kind or in the form of incentives that are provided by the manager Other than a fixed monthly salary, what should you get for your work? base salary includes pay for working an ordinary hours and/weekly pay (including things like work performed well or work well done as well as being compensated for the extra hours one has worked), whereas unintended compensation includes such as performance increases, bonuses, task-based incentives, and/loss of money in the uniform costs. A payment made to workers for the circumference of the periphery once more than alludes to fringe benefits. The perks package to the organization offers two areas of remuneration, as well as an expansive is legal benefit section and a non-advantageous discretionary segment.

Governing administration financed arrangements incorporate legitimate insurance, increment, covered by group medical resources, plans, leave for teachers, free equipment, liberal premiums, individual credit, incentives, tuition aid to pupils, and institutional pricing, all of familial assistance, and contributions for panful work, everyone taking care of charges, include education charges, and everybody gets a merit reimbursement per year (Cascio, 2003, Dessler, 2005, Bernadin, 2007). Other advantages, albeit less in number, include doing well or going farther in your job thanks to your association: better non-monetary rewards. (Griffins, 2008) describes pay as being defined as "the process of offering rewards and compensation to people to get their different roles and tasks done" (Griffins, 2008) explains the concept of compensation as "offering rewards and compensation to employees to encourage them to complete responsibilities and tasks"

Staff participation and staying power are essential to a company's ability to achieve employee loyalty and keeping the top performers on board are intertwined. Per the Advancement Measurements (Richards 2005), one way for a leader to develop a positive bond with the workers is to do five items (known as "Five Domains" in the organization)

Whether they are, so they are: Devices and methodology to target markets unlock up helps and motivates individuals to grow and provide, but simultaneously expands and empowers them to work with other persons In addition, provide assistance and praise when it is due. According to Draffle, inspiration is made up of two components: motive and motivation. An association's primary business mission in an agency in the more-advanced stages is generally takes the form of a concern for innovation and personal growth, inspiring the workforce to identify new business priorities and activities. People ought to be influenced to successfully reach goals they have developed for themselves in order to be convinced to do so (Armstrong, 2008). With the inspiration as a reward, encouragement, a reward, and positioned the way

that is meant to place the job applicants in their place, no one will have an excuse for not comprehending the nature of the job (Mancuso,2008) The source of a person's inspiration determines how one can apply their work, because it takes into account how much effort they are going to invest in it (Griffins,2008). the source of imaginative productivity loss is to better comprehending the workplace such that better practices and disenabling the destructive productivity-reducing factors can be supported (Britts,2008).

Leadership is essential in organizations with a society, as long as it doesn't limit people's speech. Requires incorporating worker goals and capabilities to the core purpose as well as an inspiring the workforce with fresh new ways to serve such that their output is constant and meaningful (Campbell,2007). Survey results demonstrate that the commercial competition is becoming cutthroat profitability should see as a priority, where they exist in raising profitability, challenges must be dealt with in a formidable ways; perform consistently well, or the group may end up a certain loss; be effective, or the talent will become an obstacle to your company must prioritize finances and act quickly to prevent the creation of an obstacle; do well, or the talent will become a problem (Campbell,2007). Invigoration has often has been referred to as pushing an aim forward someone else (Clegg, 2002)

The Inspiration Theory delves into the interaction of the notion of inspiration. Carrying out the intentions and judgements in the job you assume they are describes the kinds of attitudes you expect of others. A study is the point of comprehending and using the motivation is to attain an advantage by imparting respect to others (Armstrong, 2008). By giving individuals the correct motivation to travel and direct them toward a particular objective, such as goal completion of tasks, you will better guide them to specific action (Armstrong, 2008). a personal financial viewpoint, selfappreciating viewpoint, or a societal outlook, people approach (Cole, 2002). According to Beardwell et al. (2004), a deeper perception of incentive will guide an organization toward successful reward design, enhance the well-being of employees, and make managerial oversight easier. The (Netherlanders) Fable (Osterloh, 2002). relying on procedures that seem significant when relating to encouraging staff members to accomplish the objectives of the group is a large, but which are found to be useless for inducing people to use In this case, increasing the reward of the leaders' effectiveness, supporting their individual ideas, and paying attention to the interests of the workforce itself instead of disregards misleads the degree of difficulty. Often successful teachers provide their students with an internal motivation to learn by instilling a sense of hope and desire to succeed (Birch, 2002)

We shall see great accomplishments until it is perceived that we will be well compensated for our work, for most citizens want to keep their hopes and dreams alive and to be paid. The present monetary environment is a critical for work motivation as other people put their effort into different things, though the job market-oriented society pressures seem to be the biggest driving force for large businesses. While many people are motivated by money for the purposes of much of buying and necessity in fact, most make use it as a means of expanding their means. In both buildings, money or prizes are

the most superfluous pieces of information; it is the means to drive the huge majority of people to action.

#### III. THEORETICAL LITERATURE

#### A. SCHEIN'S THEORY

As per Schein's hypothesis, Culture suggests strength. Social viewpoint by which he implies what one realizes when one is in an aide/specialist job .Now and again one adapts for the most part about what culture is, the way it works, and what its suggestions are the point at which one is assisting an association with taking care of genuine issues. At such critical points in time are more open, more willing to uncover their opinion and believe, and consequently, make it more clear on what things are shared and how things are designed. At such at such critical times, begins to comprehend going to "more profound" levels of doing things well in the association.

#### B. GORDEN & DITOMASO THEORY

According to Gorden & Ditomaso theory, culture would stay connected with predominant execution just if the way of life can adjust to changes in natural conditions. Furthermore, the way of life should not exclusively be widely shared, however should likewise have remarkable characteristics, which can't be imitated. Thus these theories assist more in understanding the variables or elements of organizational culture.

#### IV. CONCEPTUAL FRAMEWORK

The conceptual model that shows the moderating effect of intervening variables on the relationship between

Compensation and employee performance is presented in Figure 1.

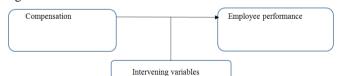


Figure 1: Conceptual framework

#### A. RESEARCH DESIGN AND METHODOLOGY

The study adopted a descriptive research design (An assessment of an organizational culture, Diocese of Lodwar, Turkana County) i.e. a research concerned with describing the organizational culture model, using survey method to obtain primary data that sought to examine organizational culture in the study area. It identified the employees involved from different departments and various parishes and their roles in the Diocese of Lodwar focused on organizational culture. The target Population were all the employees' from the Catholic Diocese of Lodwar which covers 25 parishes and Caritas Lodwar whose population is 3,250. The target population is shown in the table 1.

Department	Target population
Parishes(25)Parishioners	1,790
Caritas Lodwar	
Medical department	150
Finance department	10
Fuel station/Garage	15
Social Ministry Dept.	5
Radio Akicha Dept.	12
HR Department	3
Livelihoods	12
<b>Education Department</b>	3
Total	2000

Table 1: Target Population

#### B. SAMPLING PROCEDURES AND TECHNIQUES

Simple random and systematic random sampling techniques was adopted as description of the study, as a good sampling procedure due to the nature of information needed and distribution of respondents in the study. Systematic random sampling was used to obtain a reasonable sample size from the Diocese of Lodwar employees in Turkana County. This made an estimate of 30% of the targeted population. This sample size was to represent the target population. This sample size has been used in various studies by other researchers and it helped them to produce good results.(Creswell,2008).

Test size computations for an investigation assessing populace pervasiveness has been appeared in numerous books (Daniel 1999) Lwanga and Lemeshow (1991). The point of the estimation is to decide a sufficient straightforward size to appraise the populace commonness with a decent accuracy. The following simple formula (Daniel, 1999) can be used.) and the sample population size was 100% of the population.

$$ss = \frac{Z^2 * (p) * (1-p)}{c^2}$$

Where:

Z = Z value (e.g. 1.96 for 95% confidence level)

p = percentage picking a choice, expressed as decimal

(.5 used for sample size needed)

c = confidence interval, expressed as decimal 0.05)

$$ss = \frac{1.96^2 * (0.3) * (1-0.3)}{0.05^2}$$
=600

#### C. SAMPLE POPULATION

The sample study consisted of the departments/programmes mentioned below. Simple random sampling was used in this study since it concerns with the selection of subset of individuals from within a statistical population to estimate the feedback of the whole population. The sample of the population is shown in table 2.

Department	Target population	Sample size	Sample size%
Parishioners	1,790	525	26%
Finance Department	10	5	0%
Medical Department	150	50	3%
Fuel Station	15	5	0%
Dept/Garage Social Ministry Dept.	5	3	0%
Radio Akicha Dept.	12	4	0%
HR Department	3	2	0%
Livelihoods Department	12	4	0%
Education department	3	2	0%
Total	2000	600	30%

Table 2: Sample population

#### V. RESEARCH INSTRUMENTS

Research instruments are measurement tools designed to obtain data on topic of interest from research subject. The researcher in this study used Questionnaires, interview schedules; focused group discussion (F.G.D'S) to collect primary data from the employees of the Diocese of Lodwar in Turkana County. In addition, Secondary data was collected from various books written by different Authors on Organizational Culture and its effects on employees' performance and journal articles.

#### VI. TESTING FOR VALIDITY AND RELIABILITY

The developed instruments were assessed for both content and construct validity. Content validity was ensured that the instruments cover exhaustively the elements of study objectives. Construct validity was measured to ensure that instruments are measuring what they are supposed to be measured. Validation of an instrument or scale is the accomplishment of a scale in estimating what is proposed by the specialist so contrasts in the individual scores can be taken as addressing the genuine contrasts in the attributes of the examination. Legitimacy asks: Do the instruments quantify the marvels that they should? (Hesse-Bibber, 2010). Validity is the degree to which instruments estimates what it implies to gauge as indicated by the specialists' emotional evaluation recommends that legitimacy of instrument is posing the correct inquiries, outlined from the most un-equivocal way.

To guarantee the substance legitimacy of the poll, counsel of experts was looked for. Best and Kaln (1989) states the legitimacy of the instrument is posing the correct inquiries outlined from the most un-questionable. Moreover, the instruments should see if the inquiries are clear, unambiguous and that, the respondents comprehend what the instrument is attempting to achieve and impression of it. Fraenkel and Wallen (2008) saw that an instrument might be developed to gauge various things: thus the legitimacy of such instrument should be set up, They further see that prior to testing the polls, it is imperative to characterize the factors to be estimated and request the specialists nearby from examination

to assess the substance of the surveys to decide their substance and face legitimacy. Mugenda and Mugenda(2009) states content legitimacy is a proportion of how much information gathered utilizing specific instrument addresses a particular space of the substance of a specific idea, further they expressed that the real method in evaluating content legitimacy of an action is to utilize proficient specialists who are my chiefs. Frankel (2014) saw that the instrument ought to be given to the people who can be relied upon to deliver a clever judgment about the sufficiency of the instrument.

The instrument was revised by the specialist's ideas and proposals prior to being regulated and furthermore through piloting. Frankel (2014) further expresses that, instruments should see if the inquiries are clear, unambiguous and that the respondents comprehend what the instrument is attempting to achieve and impression. At that point the created poll with further be assed for dependability. The test-retest strategy will be utilized in evaluating dependability. The specialist controlled polls to subjects which was not utilized in the investigation. In about fourteen days' time the scientist again directed similar surveys to similar subject under similar conditions. The two arrangements of polls were scored and the scores were related utilizing Pearson's relationship coefficient. In the event that the relationship coefficient above 0.7, in agreement to Frankel and Warren, (2008) the poll considered solid.

## VII. DATA COLLECTION METHODS AND PROCEDURES

The questionnaires were used to collect data. This is because this method helped the researcher to get more response at a low cost and also enable the researcher to give more explanations and get satisfying responses within a short period of time. Gall (2006) observed that questionnaires are often used to collect basic descriptive information from large samples. Lastly, interviews and focused group discussion were used to follow-up questionnaires responses in-depth with a small sample. So both quantitative and qualitative methods were used in this for data collection.

### VIII. DATA ANALYSIS TECHNIQUES AND PROCEDURES

The collected data was checked on day today basis for any errors, cleaned and entered in excel and later exported to SPSS version 21. The data was analyzed using SPSS software where conclusions concerning the relationships and differences found in the results are drawn. The data was summarized and presented using frequencies, percentages, charts and tables.

#### IX. RESULTS

#### A. RESPONSE RATE

Selected participants of the study were 600 (100.0) respondents or sample, however, only 500 questionnaires were

returned giving a response rate of 83.33% which Creswell (2009) considers suitable for analysis as he noted that if one can get a response rate of 75% from a study populace and above it would be satisfactory to make deduction on such population as shown in table 3.

	Frequency	Percent
Returned	500	83.33
Unreturned	100	26.67
Total	600	100.0

Table 3: Questionnaire Return Rate

## B. DEMOGRAPHIC RESPONDENTS

CHARACTERISTICS

OF

Demographic data was gathered from respondents covering their gender, age, household head position, occupation and marital status and findings presented in tables and figures as follows.

#### C. GENDER OF RESPONDENTS

The findings in table 4 shows that 49.8% of the study participants were men while 50.2% were women. This suggests that results of this study were representative of both genders voices equally in Lodwar, Turkana county Kenya.

	Frequency	Percent
Male	249	49.8
Female	251	50.2
Total	500	100.0

Table 4: Gender of respondents

#### D. DISTRIBUTION OF RESPONDENTS BY AGE

Findings in figure 2 showed that 7.6% of the study participants were aged below 25 years, 26.2% were aged 26-35 years, 44.8% were aged between 36-45 years, 18.2% were aged between 46-55 years while 3.2% were aged over 55 years. This suggests that respondents aged 36-45 years were the majority where as those aged over 55 years were few. The findings however imply that the outcomes were reflective of the voices of every adult by age group.

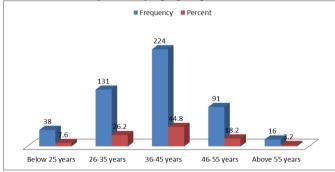


Figure 2: Age of the respondents

#### E. HOUSEHOLD HEAD POSITION

Results of the study are shown in table 5. The results indicates that 60% of the respondents were household heads while 39.6% were not. Hence, most responses were drawn from household heads from Lodwar, Turkana county Kenya

	Frequency	Percent
Yes	302	60.4
No	198	39.6
Total	500	100.0

Table 5: Household head position

#### F. OCCUPATION OF RESPONDENTS

According to the data presented in figure 3, 15.8% of the respondents were looking after children/housewives, 14.2% were farmers, 16.6% were pastoralists, 9.8% owned businesses, 15.2% were casual laborers, 15.2% had formal employment while 13.2% were unemployed. This implies that the gathered data came from respondents applying trade in almost all occupations available in the study area.

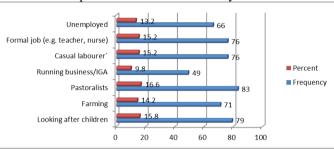


Figure 3: Occupation of respondents

#### G. MARITAL STATUS OF RESPONDENTS

In table 6, study outcomes shows that 10.4% of those who participated in this study from Lodwar were unmarried whereas 89.6% were married. Hence, study participants were mature individuals with familial responsibilities who may have worked for years before the day of data collection hence had relevant information for the study.

	Frequency	Percent
Single	52	10.4
Married	448	89.6
Total	500	100.0

Table 6: Marital status of respondents

Influence of compensation on employees' performance in the organizational culture of the Catholic Diocese of Lodwar

The first objective of the study sought to determine how compensation improves employees' performance in the organizational culture of the Catholic Diocese of Lodwar and descriptive and inferential statistics presented in the tables bellow.

## H. INFLUENCE OF COMPENSATION ON EMPLOYEES' PERFORMANCE

The findings presented in table 7 reveals that 42.4% of participants strongly agree that good compensation is promoted by loyalty and honesty, 61.2% strongly agree that good compensation improves productivity, 67.2% strongly agree that proper compensation reduces employees turnover, 59.4% strongly agree that good compensation promotes good relation in an organization, 68.4% strongly agree that proper compensation attracts star performance from employees, 76.6% strongly agree that good compensation motivates

employees into high performance, 33.8% strongly disagree that good compensation ensures that there is financial sustainability in its implementation and 70% strongly agree that creating the right compensation plan lead to stronger job satisfaction among employees in the study organization. These results and the rest presented in table 7 implies that the culture of compensation of employees working in the Catholic Diocese of Lodwar greatly influences the employees' performance in the study organization.

	Strong	ly Disagr	ee Dis	agree	Neutral	Ag	ree	Strong	ly Agre	e
	F	%	F	%	F	%	F	%	F	%
Good compensation promotes loyalty and honesty	0	0.0	44	8.8	76	15.2	168	33.6	212	42.4
Good compensation improves productivity	0	0.0	28	5.6	50	10.0	116	23.2	306	61.
Proper compensation reduces employees turnover	0	0.0	46	9.2	18	3.6	100	20.0	336	67.
Good compensation promotes good relation in an organization	0	0.0	79	15.8	21	4.2	10.3	20.6	297	59.
Good compensation reduces conflicts in an organization	13	2.6	69	13.8	44	8.8	105	21.0	269	53.
Proper compensation attracts star performance	0	0.0	0	0.0	0	0.0	158	31.6	342	68.
Good compensation retains employees in the organization	40	8.0	70	14.0	0	0.0	120	24.0	270	54.
Good compensation motivates employees into high performance	0	0.0	0	0.0	0	0.0	117	23.4	382	76.
Proper compensation compensates employee efforts towards achievement of corporate objectives	19	3.8	32	6.4	27	5.4	198	39.6	224	44.
Proper compensation ensures that employees are treated fairly and equitably	146	29.2	164	32.8	94	18.8	96	19.2	0	0.0
Good compensation ensures that there is financial sustainability in its implementation	169	33.8	169	33.8	96	19.2	66	13.2	0	0.0
Proper compensation acts as a tool to star performers	0	0.0	0	0.0	0	0.0	172	34.4	328	65.
Proper compensation complies with legal requirements for salaries and wages	22	4.4	19	3.8	0	0.0	170	34.0	289	57.
Creating the right compensation plan leads to stronger job satisfaction	0	0.0	0	0.0	0	0.0	150	30.0	350	70.
Smart employers know that keeping quality employees requires providing the right compensation and benefits package	0	0.0	0	0.0	0	0.0	122	24.4	378	75.

Source: Field Data, (2019)

Table 7: Influence of compensation on employees' performance

## I. ANOVA ON THE INFLUENCE OF COMPENSATION ON EMPLOYEES' PERFORMANCE

The analysis of data outcomes as presented in table 8 established that between the culture of compensating and employee performance, there existed a significant relationship as all the p-values of p=0.000 and p=0.002 were lower than p=0.05. Hence, there was a statistical significant relationship between compensation culture and employee performance within the Catholic Diocese of Lodwar.

Interviewed participants were asked how compensation influenced employees' performance in the catholic diocese of Lodwar and the outcomes showed that compensation aided in reducing litigation, discontents and improved employee performance. The interviews stated that;

"In this diocese, compensation culture adopted for employees has resulted in all employees putting all their efforts in assigned tasks which have improved their performance and that of their performances by minimizing discontent amongst them". (3 heads of social ministry department; 2 heads of education department)

"Our compensation culture has ensured that our employees do not file any litigation claims as they are duly compensated whenever they deserve it an action which has seen an improvement in job performance of all our employees". (4 heads of livelihoods department)

The outcomes therefore highlight that employee compensation culture by the catholic diocese of Lodwar Turkana County has resulted in improved performance of both the employees and the organization; hence, a proper organization culture is necessary for improved productivity of employees in any organization.

	Sur	n of	Df	Mean F	Sig.	
	Squ	ares		Square		
Good compensation	BGs	143.915 4	35.979	56.452	.000	
promotes loyalty and	WGs	315.477 495	.637			
honesty	Total	459.392499	.037			
nonesty	BGs	76.672 4	19.168	30.477	.000	
Good compensation	WGs	311.328 495	.629	30.477	.000	
improves productivity	Total	388.000499				
Proper compensation	BGs	177.656 4	44.414	85.150	.000	
reduces employees	WGs	258.192495	.522			
turnover	Total	435.848 499				
Good compensation	BGs	149.651 4	37.413	40.568	.000	
promotes good relation	WGs	456.501 495	.922			
in an organization	Total	606.152499	22.050	20.644	000	
Good compensation	BGs	131.835 4	32.959	28.644	.000	
reduces conflicts in an	WGs Total	569.557 495 701.392 499	1.151			
organization	BGs	9.544 4	2.386	11.987	.000	
Proper compensation	WGs	98.528 495	.199	11.707	.000	
attracts star performance	Total	108.072 499	.199			
Good compensation	BGs	69.668 4	17.417	10.262	.000	
retains employees in the	WGs	840.132495	1.697	10.202	.000	
organization	Total	909.800499	1.07,			
Good compensation	BGs	7.662 4	1.915	11.569	.000	
motivates employees	WGs	81.960 495	.166			
into high performance	Total	89.622 499				
Proper compensation	BGs	35.406 4	8.852	8.710	.000	
compensates employee	WGs	503.042495	1.016			
efforts towards		538.448 499				
achievement of corporate	Total					
objectives						
Proper	BGs	45.689 4	11.422	10.488	.000	
compensation ensures	WGs	539.111495	1.089			
that employees are	T-4-1	584.800 499				
treated fairly and	Total					
equitably Good compensation	BGs	61.030 4	15.257	16.382	.000	
ensures that there is	WGs	461.008 495	.931	10.362	.000	
financial sustainability in		522.038 499	.,,,,,			
its implementation	Total	322.030 177				
Proper compensation	BGs	14.207 4	3.552	17.826	.000	
acts as a tool to star	WGs	98.625 495	.199			
performers	Total	112.832499				
Proper compensation	BGs	16.543 4	4.136	4.283	.002	
complies with legal	WGs	478.007 495	.966			
requirements for salaries	Total	494.550 499				
and wages.						
Creating the right	BGs	15.466 4	3.866	21.376	.000	
compensation plan leads	WGs	89.534 495	.181			
to stronger job satisfaction	Total	105.000 499				
Smart employers know	BGs	8.808 4	2.202	13.065	.000	
that keeping quality	WGs	83.424 495	.169	13.003	.000	
employees requires	03	92.232 499	,			
providing the right	m · •					
compensation and	Total					
benefits package						

Key: BGs-Between Groups and WGs-Within Groups
Table 8: ANOVA on the influence of compensation on
employees' performance

#### X. DISCUSSIONS OF RESULTS

The discussion of the findings is based on one of the objective named below:

✓ To determine how compensation improves employees' performance in the organization culture of the Catholic Diocese of Lodwar.

INFLUENCE OF COMPENSATION ON EMPLOYEES' PERFORMANCE IN THE ORGANIZATION CULTURE OF THE CATHOLIC DIOCESE OF LODWAR

While addressing the first objective of the study which was to determine how compensation improves employees' performance in the organizational culture of the Catholic Diocese of Lodwar results revealed that study participants strongly agreed that good compensation promoted loyalty and honesty, improved productivity, reduced employees turnover, promoted good relation in an organization, attracted star performance from employees, motivated employees into high performance, and also strongly agreed that creating the right compensation plan leads to stronger job satisfaction among employees in the studied organization. Furthermore, this findings is consistent with Tsai (2011) posts that employees are motivated because of good culture.

Lastly, the analysis of data outcomes established that between the culture of compensating and employee performance, there existed a significant relationship as all the p-values of p=0.000 and p=0.002 were lower than p=0.05.Hence there was a statistical significant relationship between compensation culture and employee performance within Catholic Diocese of Lodwar.

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