PERFORMANCE BASED INCENTIVES, ORGANIZATIONAL CULTURE, AND EMPLOYEE PRODUCTIVITY IN THE TOP-TIER RESTAURANTS IN NAIROBI COUNTY, KENYA

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DECLARATION

I, the undersigned, declare that this thesis is my original work and that it has not been presented in any other university or institution for academic credit.

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ABSTRACT

The research project investigated the impact of performance-based incentives on employees' productivity in the best restaurants of Nairobi County, Kenya. Low productivity persisted in the restaurant sector despite the implementation of incentive schemes, is attributed to high employee turnover, inconsistent service levels, and difficulties in retaining highly skilled workers, which continue to undermine operational performance. Specific goals included studying the impact of learning incentives, recognition awards, merit-based pay, and bonus pay on employee productivity, and the moderating effect of organizational culture on the relationship between the incentives and employee productivity. Human Capital Theory, Two-Factor Theory by Herzberg, Meritocracy Theory, Reinforcement Theory and Cultural Dimensions Theory by Hofstede formed the bases of the study. This study used an explanatory research design, which targeted 350 employees from the best restaurants in Nairobi County. There were 313 valid responses or 89.4 per cent of the sample. Descriptive statistics, Pearson correlation, multiple regression analysis, and moderated regression analysis were used to analyze the data. The descriptive results showed that respondents highly rated the learning incentives, recognition awards, merit-based salary, bonus payment, organizational culture and employee productivity. The regression results indicated that the four variables of incentive together and significantly explained 70.6 percent of the variance in employee productivity (R^2 = 0.706, F = 184.859, $p < 0.001$). Learning incentives were the strongest predictor of employee productivity (B = 0.284, $p < 0.001$), followed by bonus payments (B = 0.249, $p < 0.001$), recognition awards (B = 0.228, $p < 0.001$), and merit-based salaries (B = 0.203, $p < 0.001$). The results of the moderated regression analysis revealed that organizational culture partially moderated the relationship between performance-based incentives with employee productivity (R^2 = 0.729, F(9, 303) = 90.591, $p < 0.001$). Learning incentives (B = 0.142, $p < 0.001$) and recognition awards (B = 0.018, p = 0.047) were significantly moderated by organizational culture, but merit-based salaries (B = 0.013, p = 0.162) and bonus payments (B = 0.412, p = 0.257) were not. The study results showed that there was a strong effect on the productivity of employees both from the financial and non-financial rewards, with the greatest effect resulting from learning incentives. It recommended that learning must be institutionalized as a continuous part of restaurant operation rather than a periodic exercise, a better recognition system be developed, the appraisal and salary systems be structured to be more transparent, and to build supportive cultures that motivate and drive employees' productivity.

TABLE OF CONTENTS

DECLARATION ..... **ii**
ACKNOWLEDGEMENT ..... **iii**
ABSTRACT ..... **iv**
TABLE OF CONTENTS ..... **v**
LIST OF TABLES ..... **ix**
LIST OF FIGURES ..... **xi**
LIST OF ABBREVIATIONS AND ACRONYMS ..... **xii**
OPERATIONAL DEFINITION OF TERMS ..... **xiii**
CHAPTER ONE **1**
INTRODUCTION **1**
1.0 Introduction 1
1.1 Background to the Study 1
1.1.1 Global Perspective of Performance-Based Incentives 4
1.1.2 Regional Perspective of Performance-Based Incentives 6
1.1.3 Local Perspective of Performance-Based Incentives 8
1.1.4 Organizational Culture 10
1.1.5 Employee Productivity 11
1.1.6 Restaurants in Nairobi County, Kenya 12
1.2 Statement of the Problem 13
1.3 Research Objectives 14
1.3.1 General Objective 14
1.3.2 Specific Objectives 14
1.4 Research Hypotheses 15
1.5 Significance of the Study 15
1.6 Scope of the Study 17
1.7 Theoretical Framework 18
1.8 Conceptual Framework 19
CHAPTER TWO **22**
LITERATURE REVIEW **22**
2.1 Introduction 22
2.2 Theoretical Review 22
2.2.1 Human Capital Theory 22
2.2.2 Herzberg's Two-Factor Theory 24

2.2.3 Meritocracy Theory 25
2.2.4 Reinforcement Theory 27
2.2.5 Hofstede's Cultural Dimensions Theory 28
2.3 Empirical Review 30
2.3.1 Learning Incentives and Employee Productivity 30
2.3.2 Recognition Awards and Employee Productivity 35
2.3.3 Merit-Based Salaries and Employee Productivity 38
2.3.4 Bonuses and Employee Productivity 40
2.3.5 Organizational Culture, Performance-Based Incentives and Employee Productivity 42
2.4 Summary of Research Gaps 45
2.4.1 Conceptual Gaps 45
2.4.2 Contextual Gaps 46
2.4.3 Methodological Gaps 46
CHAPTER THREE 48
RESEARCH METHODOLOGY 48
3.1 Introduction 48
3.2 Research Philosophy 48
3.3 Research Design 48
3.4 Target Population 49
3.5 Sample Size and Sampling Procedures 50
3.6 Research Instruments 51
3.7 Data Collection Procedures 51
3.8 Operationalization of Variables 52
3.9 Pilot Study 53
3.9.1 Validity of the Instruments 53
3.9.2 Reliability of the Instruments 54
3.10 Data Analysis Procedures 54
3.10.1 Assumptions of the Multiple Regression Model 55
3.10.2 Normality Test 55
3.10.3 Autocorrelation Test 55
3.10.4 Multicollinearity Test 55
3.11 Ethical Considerations 56
CHAPTER FOUR 57

DATA ANALYSIS, INTERPRETATION AND DISCUSSION OF FINDINGS 57
4.1 Introduction 57
4.2 Presentation of Findings 57
4.2.1 Response Rate 57
4.2.2 Demographic Characteristics of Respondents 58
4.2.3 Pilot Findings 63
4.2.4 Diagnostic Tests 74
4.2.5 Descriptive Findings 77
4.2.6 Inferential Statistics 100
4.2.7 Hypothesis Testing 109
4.3 Discussion of Findings 112
4.3.1 Influence of Learning Incentives on Employee Productivity 112
4.3.2 Effect of Recognition Awards on Employee Productivity 113
4.3.3 Role of Merit-Based Salaries on Employee Productivity 114
4.3.4 Influence of Bonus Payments on Employee Productivity 115
4.3.5 Moderating Effect of Organizational Culture on the Relationship between Performance-Based Incentives and Employee Productivity 115
CHAPTER FIVE 119
SUMMARY, CONCLUSIONS AND RECOMMENDATIONS 119
5.1 Introduction 119
5.2 Summary of Findings 119
5.2.1 Learning Incentives and Employee Productivity 119
5.2.2 Recognition Awards and Employee Productivity 120
5.2.3 Merit-Based Salaries and Employee Productivity 120
5.2.4 Bonus Payments and Employee Productivity 120
5.2.5 Moderating Effect of Organizational Culture 121
5.3 Conclusions 121
5.4 Recommendations 123
5.4.1 Recommendations for Restaurant Management 123
5.4.2 Recommendations for Policy and Industry Stakeholders 124
5.5 Contribution to Existing Knowledge 124
5.6 Limitations of the Study 125
5.7 Areas for Further Research 125
REFERENCES 127

APPENDICES 138
Appendix I: Letter of Introduction 138
Appendix II: Letter of Authorization 139
Appendix III: Research Permit 140
Appendix IV: Data Collection Instruments 141
Appendix V: List of Top-Tier Restaurants 144

LIST OF TABLES

Table 3.1: Target Population....50

Table 3.2: Sample Size Distribution....51

Table 3.3: Operationalization of Variables....52

Table 4.1: Response Rate....57

Table 4.2: Reliability....64

Table 4.3: KMO and Bartlett's Test of Sphericity....64

Table 4.4: Total Variance Explained: Learning Incentives....65

Table 4.5: Total Variance Explained: Recognition Awards....66

Table 4.6: Total Variance Explained: Merit-Based Salaries....66

Table 4.7: Total Variance Explained: Bonus Payments....67

Table 4.8: Total Variance Explained: Organizational Culture....67

Table 4.9: Total Variance Explained: Employee Productivity....68

Table 4.10: Rotated Component Matrix: Learning Incentives....70

Table 4.11: Rotated Component Matrix: Recognition Awards....70

Table 4.12:Component Matrix: Merit-Based Salaries....71

Table 4.13: Rotated Component Matrix: Bonus Payments....72

Table 4.14: Rotated Component Matrix: Organizational Culture....72

Table 4.15: Component Matrix: Employee Productivity....73

Table 4.16: Summary of Construct Validity....74

Table 4.17: Normality Test....75

Table 4.18: Multicollinearity....75

Table 4.19: Autocorrelation Test....76

Table 4.20: Test for Heteroskedasticity....76

Table 4.21: Descriptive Statistics for Learning Incentives....77

Table 4.22: Descriptive Statistics for Recognition Awards....82

Table 4.23: Descriptive Statistics for Merit-Based Salaries 86
Table 4.24: Descriptive Statistics for Bonus Payments 89
Table 4.25: Descriptive Statistics for Organizational Culture 92
Table 4.26: Descriptive Statistics for Employee Productivity 97
Table 4.27: Correlation Analysis 100
Table 4.28: Model Summary 103
Table 4.29: ANOVA 103
Table 4.30: Coefficient of Regression 104
Table 4.31: Model Summary for Moderated Regression of Organizational Culture 106
Table 4.32: ANOVA for Moderated Regression of Organizational Culture 106
Table 4.33: Regression Coefficients for Moderated Effect of Organizational Culture 107
Table 4.34: Summary of Hypothesis Testing Results 109
Table 4.35: Moderated Regression Results, Interaction Effects of Organizational Culture 111

LIST OF FIGURES

Figure 1.1: Conceptual Framework 21

Figure 4.1: Gender of Respondents 58

Figure 4.2: Age of Respondents.....60

Figure 4.3 Duration Worked in the Restaurant.....61

Figure 4.4: Highest Level of Education.....62

Figure 4.5: Scree Plots for the Six Pilot Constructs.....69

LIST OF ABBREVIATIONS AND ACRONYMS

ANOVA	Analysis of Variance
CPD	Continuing Professional Development
EFA	Exploratory Factor Analysis
GDP	Gross Domestic Product
HR	Human Resources
KMO	Kaiser-Meyer-Olkin
KNUN	Kenya National Union of Nurses
NACOSTI	National Commission for Science, Technology, and Innovation
SPSS	Statistical Package for the Social Sciences
TRA	Tourism Regulatory Authority
WHO	World Health Organization

OPERATIONAL DEFINITION OF TERMS

Bonuses:	Bonuses are typically awarded periodically and serve as a motivational tool to encourage exceptional performance and enhance employee commitment. This sum of money is added to salary or wages.
Employee Productivity:	The measurable output of an employee in relation to their assigned tasks, assessed through indicators such as volume of work completed, quality of service delivered, and efficiency in task execution. High employee productivity reflects optimal use of skills, time, and resources.
Learning:	The systematic process through which organizations provide employees with training, education, mentoring, and career growth opportunities aimed at enhancing their knowledge, skills, and competencies for improved individual and organizational performance.
Merit-Based Salaries:	Remuneration structures where salary increments or pay levels are determined by measurable performance outcomes, accomplishments, and contributions rather than tenure or standardized pay scales. This approach rewards high achievers and incentivizes consistent excellence.
Organizational Culture:	The shared values, beliefs, norms, and practices that shape the behaviors and interactions of members within an organization. In this study, organizational culture is examined as a moderating factor influencing how performance-based incentives affect employee productivity.
Recognition Awards:	Formal or informal acknowledgment of an employee's achievements, contributions, or exemplary behavior. Recognition may take the form of certificates, trophies, public praise, or other symbolic gestures aimed at

boosting morale, reinforcing positive behavior, and motivating sustained employee productivity.

CHAPTER ONE

INTRODUCTION

1.0 Introduction

This chapter introduced the study by outlining the background and statement of the problem. It also presented the objectives, research questions, scope, and limitations of the study, along with its significance. Finally, the theoretical and conceptual frameworks guiding the study were discussed.

1.1 Background to the Study

Employee productivity has long been known as one of the determinants of organizational effectiveness, a foundational determinant that is currently recognized as a key determinant of institutional performance (Tavitiyaman et al., 2022). It is not a unidimensional construct that is limited to the amount of work produced; instead, it is inherently multidimensional in the context of management research (Dsouza et al., 2023). In service-related sectors, productivity also takes into account behavioral and psychological aspects such as motivation, engagement and well-being that directly influence how employees perform their duties (Tahiri et al., 2022).

Markedly, employee productivity is thus best construed not as a mere product of individual effort, but as a result of the dynamic interaction between individual competencies and organizational systems as well as the conditions under which work is done (S. Hamid et al., 2023). In operational terms, it is measured through three core indicators; the rate of task completion which measures how well the employees perform their tasks according to stipulated timelines; the quality of work output which captures accuracy, consistency and adherence to service standards; and the efficiency of employees which measures how optimally time and resources are used to achieve the expected results (Anita et al., 2024; Musyoki, 2024). A combination of these indicators will give a holistic basis of measuring the quantitative and qualitative aspects of employee performance in organizational settings (Prasetya et al., 2026; Singh, 2024).

Incentives that are based on performance have become a key strategic tool through which organizations are trying to increase the level of productivity among employees by directly equating rewards to measurable outcomes of performance (Mazorenko & Boblovskyi, 2025). These types of incentive programs are founded on the assumption that employees tend to maintain high performance more when their effort is

acknowledged and rewarded in ways which are transparent, fair and which are consistent with organizational objectives (Liu et al., 2022). They are both financial and non-financial, covering learning incentives, recognition awards, salaries based on merit, and even bonus payments, and each has a particular motivational pathway where employee behaviour is shaped and maintained (Noorazem et al., 2021). Incentives in learning contribute to the competence of employees through training, mentorship, and certification opportunities, building the human capital needed to sustain performance (Yoopetch et al., 2021; Ferdiansah, 2024). Recognition awards support positive behavior by formal and informal recognition of achievement which satisfies intrinsic motivational needs that cannot be fulfilled by financial compensation alone (Presslee et al., 2023; Ampofo et al., 2023). Performance equity is embedded in merit-based salaries, where the pay increment is based on proven contribution and is not tied to tenure or personal affiliation (Cheruon et al., 2023; Kim and Jang, 2023). Bonus payments are contingent financial rewards to exceed performance targets, creating a direct behavioral incentive to exceed baseline expectations (Nnubia and Ngige, 2024). All these incentive systems together act as strategic human resource mechanisms which help in aligning individual motivational and organizational performance expectations.

The connection between reward systems that are based on performance and employee productivity is long established in the literature, and empirical studies have consistently shown that well-structured and fairly administered reward systems can generate measurably positive impact on employee output, service quality, and commitment to their organization (Tahiri et al., 2022; Rohim et al., 2023). Employees who see an apparent and plausible connection between their performance and rewards that are provided to them will be more inclined to invest discretionary effort in their roles, maintain service consistency, and remain committed to organizational objectives (Vroom, 1964; Odhiambo et al., 2024).

Such congruence between effort, performance, and reward is not automatic, however; it is contingent on the design clarity, administrative consistency, and contextual appropriateness of the incentive system in question (Njenga & Kamaara, 2024). Financial incentives like bonuses and merit pay have the highest effects when disbursement criteria are objective and output-based, and when non-financial rewards such as recognition and learning opportunities are embedded within a culture that values employee development and contribution (Kerubo & Thomas, 2022; Yani et al.,

2025). The collective impact of various types of incentives, which are simultaneously implemented, has been found to explain a significantly larger proportion of the variance in employee productivity compared to any single incentive mechanism, which applies in isolation (Agba et al., 2021).

The effectiveness of the performance-based incentives on the productivity of the employees is not only predetermined by the design of the incentive system, but it is also shaped significantly by the organizational culture in which the systems are applied (Lin et al., 2022). The organizational culture includes the mutual values, norms, beliefs, and expectations of behavior that are shared among the employees and define how they interact, make decisions, and respond to the management practices within an organization (Al Dhaheri, 2024). It acts as the interpretive context within which employees gauge the equity, authenticity, and applicability of incentive systems and through which the motivational efficacy of rewards is either enhanced or diminished (Judijanto et al., 2025).

In organizations characterized by openness, ethical leadership, and value congruence, employees are more likely to perceive incentives as legitimate reflections of their effort and respond with sustained high performance (Ngui & Kariuki, 2024; Daudi, 2021). Conversely, where cultural norms are misaligned with incentive structures marked by rigid hierarchies, limited trust in management, or inconsistent application of reward criteria even technically well-designed incentive systems risk underperforming (Sutinga et al., 2024; Luzon, 2022). Organizational culture therefore functions not merely as a background variable but as an active moderating force that conditions the extent to which performance-based incentives translate into measurable productivity gains (Pham et al., 2023).

The hospitality industry represents one of the most prominent service sectors in which the interplay between incentives, culture, and productivity manifests with particular intensity. Hospitality organizations, including hotels, lodges, and restaurants, are engaged in the production and delivery of experiential services in which the behavior, attitude, and competence of frontline employees are inseparable from the quality of the product offered to guests (Tavitiyaman et al., 2022; Dsouza et al., 2023). Restaurants, as a distinct and economically significant sub-sector of hospitality, are commercial establishments that provide prepared food and beverage services to customers in exchange for payment, operating across a broad spectrum of service models ranging

from quick-service outlets to casual dining and fine dining establishments (Gachuru, 2017). What distinguishes restaurants from other hospitality entities is the simultaneous production and consumption of their service offering, meaning that employee performance at the point of service is directly and immediately experienced by the customer, with no buffer for correction after the fact (Were & Maranga, 2022). Employee productivity in restaurant settings consequently extends beyond internal operational metrics to encompass customer satisfaction, responsiveness, and the overall dining experience, making it a construct with direct commercial and reputational implications (Owiti et al., 2024).

Top-tier restaurants occupy the highest tier of this service spectrum, characterized by elevated culinary standards, premium pricing, sophisticated ambience, and a clientele with correspondingly high service expectations. In these establishments, employee productivity is not simply a matter of completing tasks efficiently; it requires precision, professionalism, and the consistent delivery of personalized service experiences under conditions of high demand and time pressure (Mtana & Ombui, 2022). Even minor deviations in service quality such as a delayed order, an inaccurate preparation, or an insufficiently attentive interaction can materially affect guest experience, organizational reputation, and customer retention (Were & Maranga, 2022).

Top-tier restaurants are also characterized by complex staffing structures encompassing managers, kitchen staff, wait staff, and human resource personnel, each of whom contributes to productivity in distinct but interdependent ways (Ireri et al., 2023). The high-pressure, customer-facing nature of these environments makes the design and effectiveness of performance-based incentives a matter of both operational necessity and strategic priority, as motivated, well-rewarded employees are the primary mechanism through which service excellence and sustained competitiveness are achieved (Barsulai, 2022; Kathukya, 2025).

1.1.1 Global Perspective of Performance-Based Incentives

Globally, performance-based incentives have become a central mechanism through which organizations enhance employee productivity by directly linking rewards to measurable outcomes. Their design and application, however, vary considerably across regional contexts, reflecting differences in labor market structures, cultural orientations, regulatory environments, and workforce expectations.

In North America, performance-based incentive systems are predominantly characterized by pay-for-performance models that tie compensation directly to quantifiable output metrics. Research in the United States restaurant industry demonstrates that pay structures anchored in performance criteria, including merit increments and bonus schemes, significantly influence employee motivation and task efficiency, with moderate pay differentials producing the strongest productivity outcomes (Kim & Jang, 2023). Studies in Canadian fast-food establishments further show that non-monetary recognition mechanisms, including structured acknowledgment programs, significantly enhance employee engagement and service quality, establishing recognition as a productivity lever that operates independently of financial compensation (Presslee et al., 2023). These findings reflect a broader North American emphasis on performance transparency and individualized reward systems as drivers of workforce productivity.

In European contexts, the design of performance-based incentives is more heavily shaped by regulatory frameworks, collective bargaining agreements, and an emphasis on work-life balance as a component of employee motivation. Studies in European hospitality and service organizations indicate that merit-based compensation systems are most effective when embedded within broader employee development frameworks that include structured career progression pathways, continuing professional development, and transparent appraisal criteria (Bénet et al., 2022). The European approach reflects a recognition that sustainable productivity requires addressing both extrinsic financial rewards and intrinsic motivational drivers, including professional growth and job autonomy, a perspective that aligns with Herzberg's distinction between motivators and hygiene factors.

In Asian contexts, collectivist cultural orientations significantly shape how performance-based incentives are designed and received. Research in Indonesia's food and beverage industry demonstrates that organizational culture exerts the strongest influence on Generation Z employee motivation, surpassing even the direct effect of performance-based compensation, reflecting the primacy of group values, shared identity, and workplace belonging in shaping incentive responsiveness (Judijanto et al., 2025). Similarly, studies in Thailand's hotel industry show that fair compensation and personalized reward systems, when aligned with employee expectations and supported by positive work environments, significantly enhance satisfaction, loyalty, and

productivity (Oo & Khurana, 2026). In Vietnam's hospitality sector, Han et al. (2023) found that team support and job quality were critical conditions for the success of training and development incentives, with intrinsic motivation alone proving insufficient in the absence of a supportive organizational environment. These findings collectively underscore that in Asian hospitality contexts, incentive effectiveness is inseparable from the relational and cultural conditions surrounding their delivery.

In emerging economies across Sub-Saharan Africa, Latin America, and South Asia, performance-based incentives are increasingly recognized as essential tools for improving workforce productivity in labor-intensive service sectors, though their effectiveness is often conditioned by institutional constraints, limited training infrastructure, and variable managerial capacity (Agba et al., 2021). Research in Nigerian hospitality firms demonstrates that recognition alone can explain a substantial proportion of the variance in employee productivity, establishing non-financial incentives as particularly powerful in contexts where monetary reward systems are constrained by budget limitations (Uzochukwu et al., 2023). In India's hospitality sector, training incentives have been shown to improve task performance significantly, with employee engagement mediating this relationship and amplifying the productivity returns of learning investments (Arwab, Adil, et al., 2023). These findings underline the growing importance of integrated, multi-component incentive frameworks that combine financial and non-financial mechanisms to address the diverse motivational needs of emerging economy workforces.

Across all global contexts, a consistent pattern emerges: performance-based incentives generate the strongest and most sustained productivity gains when they are transparent, equitably administered, contextually appropriate, and embedded within supportive organizational cultures (Rohim et al., 2023; Yani et al., 2025). The shift from purely financial incentive systems toward more holistic, employee-centered reward frameworks is increasingly evident globally, reflecting a broadening recognition that employee productivity is shaped by psychological, social, and cultural factors alongside purely economic ones (Dewi et al., 2025; Pei et al., 2025).

1.1.2 Regional Perspective of Performance-Based Incentives

Within the African region, performance-based incentives have gained increasing prominence as strategic tools for enhancing employee productivity across both public

and private sector organizations, including the hospitality industry. The regional evidence reflects a diverse landscape of incentive practices, with notable differences in emphasis across East, West, and Southern Africa that reflect distinct labor market conditions, cultural orientations, and sector-specific challenges.

In East Africa, studies from Tanzania demonstrate that non-monetary incentives, particularly recognition, career development opportunities, and structured mentorship programs, significantly improve employee motivation and service delivery in hotel and hospitality contexts (Lawuo & Nyoni, 2024). Widambe (2024) further established that performance-linked reward systems in Tanzanian public organizations, including bonuses and recognition programs, significantly enhanced employee motivation and job performance, demonstrating the cross-sectoral applicability of incentive mechanisms in the East African context. In Uganda, Muhaire (2022) found that training needs assessment, appropriate training methods, and certification-linked learning incentives significantly improved employee performance in the hotel sector, underscoring the productivity returns of structured learning investments in the region. These findings collectively suggest that East African hospitality organizations are moving toward more comprehensive incentive frameworks that address both the skills development and motivational needs of their workforces.

In Southern Africa, evidence from South Africa's five-star hotel sector indicates that the most effective reward systems are those that integrate financial compensation with recognition mechanisms and structured professional growth pathways (Cwibi, 2022). Employees in high-end South African hospitality establishments respond most strongly to incentive systems that combine competitive base pay with visible recognition and access to career advancement opportunities, reflecting the importance of both extrinsic and intrinsic motivational drivers in Southern African hospitality contexts.

Further in West Africa, Ugbomhe and Braimah (2023) provide useful empirical evidence that bonuses and commissions significantly enhance job satisfaction among fast-food employees in Edo State, Nigeria. Ampofo et al. (2023) conducted a longitudinal study of frontline restaurant employees in Ghana and established that recognition significantly enhanced job embeddedness and service orientation, though the moderating influence of leadership style determined the extent to which these effects translated into sustained productivity gains. Odunayo (2022) similarly found in Nigerian hotel establishments that recognition had a significant positive effect on

contextual performance, while Uzochukwu et al. (2023) demonstrated that recognition practices explained a substantial proportion of variance in employee productivity in Nigerian hospitality firms, rivaling the influence of monetary compensation. These West African findings are particularly instructive for the present study as they validate non-financial incentives as powerful productivity mechanisms in African hospitality contexts where monetary reward budgets are frequently constrained.

Across the region, a consistent finding is that the effectiveness of performance-based incentives whether learning programs, recognition awards, merit-based salaries, or bonuses is conditioned by the organizational and cultural environment within which they are implemented. Incentive systems that are transparent, consistently administered, and aligned with employee values generate the strongest productivity outcomes, while those that are perceived as arbitrary or culturally misaligned produce limited motivational impact (Daudi, 2021; Sutinga et al., 2024). The regional evidence therefore reinforces the importance of designing context-sensitive incentive frameworks that account for the cultural, institutional, and sectoral specificities of African hospitality environments.

1.1.3 Local Perspective of Performance-Based Incentives

Within Kenya, performance-based incentives have become increasingly central to human resource strategies in the hospitality sector, driven by intensifying competition, rising customer expectations, and persistent workforce challenges including high employee turnover and inconsistent service quality (B. Onyango et al., 2022; Mutiso et al., 2022). The local evidence draws predominantly from star-rated hotels in Nairobi and other urban centers, providing a strong empirical foundation for understanding how specific incentive mechanisms operate within the Kenyan hospitality labor market.

Studies examining reward systems in Kenya's star-rated hotels consistently demonstrate that structured incentive programs significantly enhance employee output when they are designed with clarity and administered fairly. Cheruon et al. (2023) established that reward systems, including merit-based salary structures and recognition practices, had a positive effect on employee performance in star-rated hotels in Nakuru City, with employees in clear pay-for-performance environments demonstrating higher task completion rates and service quality scores. Njenga and Kamaara (2024) similarly found that competitive bonus schemes and supportive work environments significantly

reduced employee turnover in Nairobi's hospitality establishments, confirming that financial incentives function simultaneously as productivity enhancers and retention tools. Odhiambo et al. (2024) further demonstrated in a study of five-star hotels in Nairobi City County that compensation strategies, including overtime pay and performance bonuses, influenced employee motivation and commitment, and that organizational culture moderated the relationship between remuneration strategy and employee turnover.

Beyond financial incentives, Kenyan evidence consistently highlights the productivity significance of non-financial mechanisms. Kerubo and Thomas (2022) found a moderate but significant positive relationship between staff training and employee performance among non-governmental organizations in Nairobi ($r = 0.397$, $p = 0.000$), establishing learning incentives as meaningful drivers of output even in resource-constrained organizational contexts. Wanjohi et al. (2022) demonstrated that career development policies were positively associated with employee retention in three to five-star hotels in Nairobi City County, linking learning and development incentives to long-term workforce stability and service consistency. Njeru et al. (2025) further found in Kisumu County hotels that recognition had a strong positive correlation with employee engagement ($r = 0.870$, $p < 0.001$), and that leadership style significantly moderated this relationship, confirming that the effectiveness of recognition as an incentive is culturally and managerially contingent.

The broader Kenyan evidence also emphasizes that complementary organizational factors significantly influence how performance-based incentives translate into productivity outcomes. Kathukya (2025) demonstrated that work-life balance practices and employee engagement were significant determinants of performance in five-star hotels in Kenya, reinforcing that incentive systems are most effective when implemented within supportive work environments that address employee well-being alongside performance expectations. Barsulai (2022) similarly found that time-based conflict negatively moderated the relationship between employee effort and productivity in star-rated hotels, highlighting the importance of operational conditions in determining whether incentives achieve their intended motivational effects. Ireri et al. (2023) established a significant positive relationship between senior employee mentorship roles and hotel performance in Nairobi ($r = 0.746$, $p = 0.000$), underscoring

the productivity value of structured knowledge transfer and mentorship as components of learning incentive systems.

Despite this growing body of evidence, existing Kenyan research has focused predominantly on star-rated hotels rather than standalone top-tier restaurants, leaving a significant contextual gap in understanding how performance-based incentives operate in the distinct staffing structures, service demands, and competitive dynamics of Nairobi's high-end restaurant sector. Furthermore, few Kenyan studies have simultaneously examined multiple incentive mechanisms within a single quantitative framework, or tested the moderating role of organizational culture on incentive-productivity relationships using robust regression-based methods. The present study directly addresses these gaps by examining four performance-based incentive mechanisms, learning incentives, recognition awards, merit-based salaries, and bonus payments, and their interaction with organizational culture in determining employee productivity within top-tier restaurants in Nairobi County.

1.1.4 Organizational Culture

Organizational culture defines the internal environment in which work is executed and influences how employees perceive management practices, including reward systems and performance expectations (Al Dhaheri, 2024; Liu et al., 2022). In contemporary organizations, culture is increasingly viewed as a strategic asset that guides employee behavior, reinforces organizational identity, and determines how effectively employees align their efforts with institutional objectives.

A strong organizational culture plays a critical role in enhancing employee productivity by fostering commitment, collaboration, and consistency in service delivery. In the hospitality sector, where employee behavior directly influences customer experience, culture shapes service standards, teamwork, and responsiveness (Ampofo et al., 2023; Njenga & Kamaara, 2024). When organizational values emphasize excellence, accountability, and recognition, employees are more likely to internalize performance expectations and respond positively to incentive systems. This alignment enhances both individual and collective productivity, particularly in high-contact service environments such as top-tier restaurants.

Moreover, organizational culture significantly influences how performance-based incentives are perceived and implemented. A supportive and transparent culture

strengthens the credibility and fairness of reward systems, encouraging employees to view incentives as legitimate reflections of their effort and performance (Cheruon et al., 2023). Conversely, weak or inconsistent cultural frameworks may undermine trust in incentive systems, reducing their effectiveness regardless of their design. This suggests that the success of performance-based incentives is not solely dependent on their structure but also on the cultural environment within which they operate.

In the context of top-tier restaurants in Nairobi County, organizational culture is particularly important due to the high-pressure, customer-focused nature of operations. Establishments that cultivate a culture of professionalism, teamwork, and continuous improvement are better positioned to translate performance-based incentives into enhanced employee productivity and service quality (Odhiambo et al., 2024; Kathukya, 2025). Such environments encourage employees to consistently deliver high standards of service while maintaining motivation and engagement, thereby strengthening organizational performance in a highly competitive hospitality market.

1.1.5 Employee Productivity

In service-oriented sectors such as hospitality, productivity extends beyond task completion to include quality of service, responsiveness, and customer satisfaction, making it a multidimensional construct (Tavitiyaman et al., 2022; Dsouza et al., 2023). It is shaped by both individual factors such as motivation and competence, and organizational factors including work environment and management practices, which collectively determine how well employees perform their roles (N. Hamid et al., 2023; Tahiri et al., 2022). As such, employee productivity is not merely a measure of output but a reflection of how effectively employees align their efforts with service expectations.

Operationally, employee productivity is commonly assessed through key components including task completion rate, quality of work output, and employee efficiency. Task completion rate reflects the ability of employees to meet assigned responsibilities within defined timelines, while quality of output captures accuracy, consistency, and adherence to service standards (Anita et al., 2024). Employee efficiency evaluates how effectively time and effort are utilized to achieve optimal results with minimal wastage (Musyoki, 2024). In hospitality settings, these components are interdependent, as

employees must balance speed with quality to ensure satisfactory customer experiences and operational performance (Prasetya et al., 2026).

In the context of the hospitality industry, and particularly in top-tier restaurants, employee productivity assumes a more dynamic and customer-centered dimension. Employees are required to deliver high-quality service under time pressure while maintaining professionalism and responsiveness, making productivity closely tied to customer satisfaction and service excellence (Owiti et al., 2024). High-end restaurant environments demand consistency, precision, and attention to detail, where even minor lapses can significantly affect customer experience and organizational reputation (Were & Maranga, 2022). Therefore, productivity in such settings is not only measured by output volume but also by the ability to deliver superior service experiences consistently.

Within Nairobi County, the restaurant sector is characterized by high competition, fluctuating demand patterns, and increasing customer expectations, all of which place pressure on employees to maintain high productivity levels. Studies show that workplace conditions, employee engagement, and organizational support significantly influence productivity outcomes in hospitality settings (Mtana & Ombui, 2022; Barsulai, 2022). Additionally, factors such as work environment, training, and management practices play a critical role in shaping employee performance and efficiency (Owiti et al., 2024). Consequently, enhancing employee productivity in top-tier restaurants requires a strategic approach that integrates motivation, supportive work environments, and effective performance management systems.

1.1.6 Restaurants in Nairobi County, Kenya

Nairobi County serves as the most appropriate and strategically justified setting for this study, owing to its unparalleled concentration of top-tier restaurants and its status as East Africa's premier hospitality and commercial hub. As Kenya's capital city and economic nerve center, Nairobi hosts the largest density of classified high-end dining establishments in the country, drawing a diverse clientele that includes tourists, diplomats, expatriates, and an expanding urban professional class with elevated dining expectations (Kenya Tourism Board, 2023). This concentration of top-tier establishments creates a competitive labor and service environment in which employee productivity is a direct determinant of organizational survival and reputation, making

the county a uniquely suitable site for examining the influence of performance-based incentives on employee outcomes.

The restaurant sector in Nairobi County is characterized by significant diversity in cuisine offerings and service models, encompassing fine dining establishments, hotel-based restaurants, and premium standalone outlets serving international, African, Asian, European, and fusion cuisines (Musaala et al., 2023). This variety reflects Nairobi's cosmopolitan character and its role as a regional gateway city, which generates sustained and heterogeneous demand for high-quality food service. Top-tier restaurants operating within this environment are subject to stringent service standards, high customer expectations, and intense competition, all of which place considerable pressure on employee productivity and make the design and effectiveness of incentive systems a matter of operational priority.

From a research perspective, Nairobi County offers logistical and empirical advantages that other Kenyan counties cannot match. The high number of classified top-tier restaurants within a geographically concentrated area facilitates systematic data collection across a representative sample of establishments, enabling robust quantitative analysis. Prior studies such as Odhiambo et al. (2024), Njenga and Kamaara (2024), and Cheruon et al. (2023) have situated their hospitality research in Nairobi and Nakuru owing to the density and diversity of classified establishments, reinforcing the county's suitability as a research site. However, most existing studies have focused on star-rated hotels rather than standalone top-tier restaurants, leaving a contextual gap that this study explicitly addresses. By focusing on top-tier restaurants in Nairobi County, this study targets the segment of Kenya's hospitality industry where service intensity, employee productivity pressures, and incentive system sophistication are most pronounced, ensuring that the findings are both contextually grounded and practically relevant to the sector's most competitive establishments.

1.2 Statement of the Problem

Top-tier restaurants in Nairobi County operate in a competitive, labor-intensive environment where employee productivity is central to service excellence and sustained profitability. Persistent challenges including high employee turnover, inconsistent service quality, and difficulty retaining skilled talent continue to undermine operational performance across the sector (J. M. Onyango et al., 2022; Mutiso et al., 2022). These

challenges have persisted despite the widespread adoption of performance-based incentive systems designed to motivate employees and improve output.

The problem is that it remains empirically unclear which specific performance-based incentives—learning incentives, recognition awards, merit-based salaries, or bonuses—most significantly influence employee productivity in top-tier restaurants in Nairobi County, Kenya. Existing studies, such as those by Iqbal et al. (2019), Nnubia (2020), and Luzon (2022), primarily examined isolated monetary incentives and did not adequately explore the combined influence of multiple incentive types within the Kenyan restaurant context. Mugambi et al. (2021) noted significant gaps in understanding how incentive structures function within Kenya's restaurant sector, while Wanjohi et al. (2022) observed a scarcity of studies specifically targeting top-tier establishments in Nairobi. Without this evidence, restaurant owners and HR managers lack the empirical grounding needed to design effective, context-sensitive incentive systems that sustainably address the productivity and retention challenges facing the sector.

A further gap relates to the moderating role of organizational culture. Lin et al. (2022) demonstrated that cultural dynamics within workplaces shape how employees perceive and respond to incentive systems. In Nairobi's restaurant industry, where team norms, communication styles, and managerial approaches vary considerably, the extent to which organizational culture conditions the incentive-productivity relationship remains empirically underexplored (Cheruon et al., 2023). This study therefore examined how learning incentives, recognition awards, merit-based salaries, and bonuses influence employee productivity in top-tier restaurants in Nairobi County, Kenya, and tested the moderating role of organizational culture in this relationship.

1.3 Research Objectives

1.3.1 General Objective

The study sought to examine the influence of performance-based incentives on employee productivity in top-tier restaurants in Nairobi County, Kenya.

1.3.2 Specific Objectives

i. To evaluate the influence of learning incentives on employee productivity in top-tier restaurants in Nairobi County, Kenya.

ii. To assess the effect of recognition awards on employee productivity in top-tier restaurants in Nairobi County, Kenya.
iii. To determine the role of merit-based salaries on employee productivity in top-tier restaurants in Nairobi County, Kenya.
iv. To examine the influence of bonuses on employee productivity in top-tier restaurants in Nairobi County, Kenya.
v. To investigate the moderating effect of organizational culture on the relationship between performance-based incentives and employee productivity in top-tier restaurants in Nairobi County, Kenya.

1.4 Research Hypotheses

i. H01: Learning incentives have no statistically significant influence on employee productivity in top-tier restaurants in Nairobi County, Kenya.
ii. H02: Recognition awards have no statistically significant effect on employee productivity in top-tier restaurants in Nairobi County, Kenya.
iii. H03: Merit-based salaries have no statistically significant impact on employee productivity in top-tier restaurants in Nairobi County, Kenya.
iv. H04: Bonuses have no statistically significant effect on employee productivity in top-tier restaurants in Nairobi County, Kenya.
v. H05: Organizational culture has no statistically significant moderating effect on the relationship between performance-based incentives and employee productivity in top-tier restaurants in Nairobi County, Kenya.

1.5 Significance of the Study

Restaurant owners and managers in Nairobi's top-tier dining sector stand as the most immediate beneficiaries of this study's findings. The research provides evidence-based guidance on which specific performance-based incentives -learning incentives, recognition awards, merit-based salaries, and bonus payments most significantly influence employee productivity within the unique operational context of top-tier restaurants. Armed with this evidence, managers can move away from generic or arbitrarily designed reward systems toward structured, targeted incentive frameworks that are effective in improving task completion rates, service quality, and employee efficiency.

The findings further equip restaurant owners with an understanding of how organizational culture conditions incentive effectiveness, enabling them to cultivate workplace environments that amplify the motivational impact of their reward systems and reduce the costs associated with high employee turnover and inconsistent service delivery.

Human resource practitioners operating within Kenya's hospitality industry benefit from the study's integrated examination of both financial and non-financial incentive mechanisms. Existing HR practice in the sector has tended to prioritize monetary compensation while underutilizing non-financial levers such as recognition programs and structured learning incentives. The study's findings provide HR professionals with empirical justification for designing holistic incentive systems that address the diverse motivational needs of hospitality employees across different roles and career stages. The moderated regression evidence further offers HR practitioners a practical framework for assessing how the prevailing organizational culture within their establishments conditions employee responses to specific incentive types, enabling more precise and context-sensitive reward system design.

Policymakers and industry regulatory bodies, including the Kenya Tourism Board, the Tourism Regulatory Authority, and the Kenya Association of Hotelkeepers and Caterers, benefit from the study's sector-specific empirical evidence on the relationship between incentive structures and workforce productivity in top-tier restaurants. The findings provide a sound basis for the development of minimum national benchmarks for performance appraisal systems, merit-based compensation structures, and professional development standards within classified restaurant establishments. Such policy frameworks would protect employees from inequitable reward practices, promote fair labor standards across the sector, and support the broader national tourism strategy by ensuring that Kenya's high-end hospitality workforce is motivated, competent, and productively engaged.

Academic researchers and students of human resource management, organizational behavior, and hospitality management benefit from the study's contribution to the empirical literature on performance-based incentives in developing economy hospitality contexts. The study addresses a clear gap in the existing body of knowledge by simultaneously examining four incentive mechanisms within a single quantitative framework, testing the moderating role of organizational culture using moderated

multiple regression analysis, and situating these relationships within Nairobi's top-tier restaurant sub-sector, a context that has been largely overlooked in prior research. The methodological framework and findings provide a replicable template for future researchers seeking to examine incentive-employee productivity relationships in comparable hospitality contexts across Kenya and the broader East African region.

The study also contributes to theoretical development by providing empirical support for the selective moderating role of organizational culture, enriching the application of Hofstede's Cultural Dimensions Theory within African hospitality management research.

1.6 Scope of the Study

The scope of this study was confined to examining the influence of performance-based incentives, specifically learning incentives, recognition awards, merit-based salaries, and bonuses, on employee productivity within top tier restaurants in Nairobi County, Kenya. The investigation focused on four main categories of employees: managers, kitchen staff, wait staff, and human resource personnel. This categorization enabled a comprehensive assessment of how incentives functioned across different levels of the restaurant hierarchy, capturing perspectives from both frontline service providers and back end operational staff.

Geographically, the study was limited to Nairobi County, which hosts a vibrant and diverse restaurant industry characterized by high end fine dining establishments and premium casual outlets catering to both local and international clientele. This urban setting provided an ideal environment for exploring how various incentive structures were designed, implemented, and perceived in a competitive hospitality context where service quality, operational efficiency, and employee retention are critical for organizational success.

The methodological approach of the study was an explanatory design in order to build relationships between independent and dependent variables. This was a combination of quantitative and qualitative methods, with quantitative analysis used to make sense of measurable relationships and qualitative analysis used to make sense of contextual dynamics. The structured questionnaire was used to gather data from the various employees. The study was conducted during the period of July to December 2025 to

allow for thorough data collection, analysis and interpretation in the dynamic restaurant business in Nairobi County.

1.7 Theoretical Framework

Expectancy Theory developed by Victor Vroom in 1964 provided the foundational framework for this study by explaining how employee motivation is determined by the perceived connection between effort, performance, and rewards. Within the context of top tier restaurants in Nairobi County, expectancy was evident in employees' belief that putting in greater effort—such as improving service quality, increasing speed in order delivery, or enhancing culinary precision—would lead to improved performance outcomes. For example, wait staff were more likely to upsell menu items when they believed that their actions would improve sales performance metrics tied to bonuses. Instrumentality was reflected in employees' perceptions of fairness and reliability in the link between performance and rewards. When restaurants clearly communicated that meeting performance targets would lead to recognition awards or merit-based salary increments, employees demonstrated higher levels of motivation and accountability.

Valence was equally significant as employees valued different types of incentives depending on their personal and professional goals. Some staff found Learning incentives most appealing due to their potential for career growth, while others were more motivated by immediate financial benefits such as bonuses or the social recognition associated with awards. When the incentives provided matched employees' preferences and aspirations, motivation and sustained performance increased. This underscores the importance of designing performance-based incentive systems that are flexible and aligned with employee expectations and values.

Expectancy Theory also emphasized the importance of fairness, clarity, and consistency in the administration of rewards. In Nairobi's competitive restaurant sector, where retaining skilled employees is essential, inconsistencies or favoritism in incentive distribution can erode trust and reduce morale. Transparent performance criteria, credible managerial follow through, and alignment of rewards with employee contributions are essential for maintaining motivation and reducing turnover. Moreover, the study highlighted that organizational culture interacts with the expectancy mechanism by shaping how employees perceive fairness, trust, and reward

reliability. A supportive and ethical culture enhances expectancy by providing resources and training, reinforces instrumentality through transparent evaluation systems, and strengthens valence by ensuring that rewards resonate with employee values.

By grounding this study in Expectancy Theory, the research effectively demonstrated the psychological processes through which performance-based incentives such as learning incentives, recognition awards, merit-based salaries, and bonuses influence employee productivity. The theory also provided a framework for understanding how organizational culture moderates these relationships by shaping perceptions of fairness, transparency, and reward value.

1.8 Conceptual Framework

The conceptual framework presents the relationship between performance-based incentives and employee productivity in top-tier restaurants in Nairobi County, Kenya, with organizational culture acting as a moderating variable. The independent variables comprise four performance-based incentive mechanisms; learning incentives, recognition awards, merit-based salaries, and bonus payments while employee productivity serves as the dependent variable. Organizational culture is positioned as a moderating variable, conditioning the strength and direction of the relationships between each incentive mechanism and employee productivity. Learning incentives are operationalized through training participation rates, breadth of skills or certifications attained, and opportunities for coaching. These indicators reflect both the accessibility and depth of learning opportunities available to employees within the restaurants.

Recognition awards are measured through the frequency of recognition events, the number of employees recognized per quarter, and employee satisfaction with recognition programs. These indicators collectively reflect the consistency, inclusivity, and perceived motivational impact of recognition practices within the organization. Merit-based salaries are assessed through promotion rate, average employee tenure, and the number of performance appraisals conducted per year. These measures indicate the degree to which salary structures are transparently anchored in measurable performance outcomes and organizational expectations.

Bonus payments are evaluated through bonus disbursement frequency, performance benchmark achievement, and managerial performance ratings. These indicators

operationalize the extent to which bonus systems are outcome-driven, transparent, and consistently applied across the workforce.

Employee productivity, the dependent variable, is measured through task completion rate, quality of work output, and employee efficiency. These three indicators provide a comprehensive basis for assessing both the quantitative and qualitative dimensions of employee productivity in top-tier restaurant settings. Together, they reflect how effectively employees convert their effort, skills, and time into outputs that meet organizational service standards. Organizational culture moderates the relationship between performance-based incentives and employee productivity, and is assessed through value congruence, leadership norms, and service orientation.

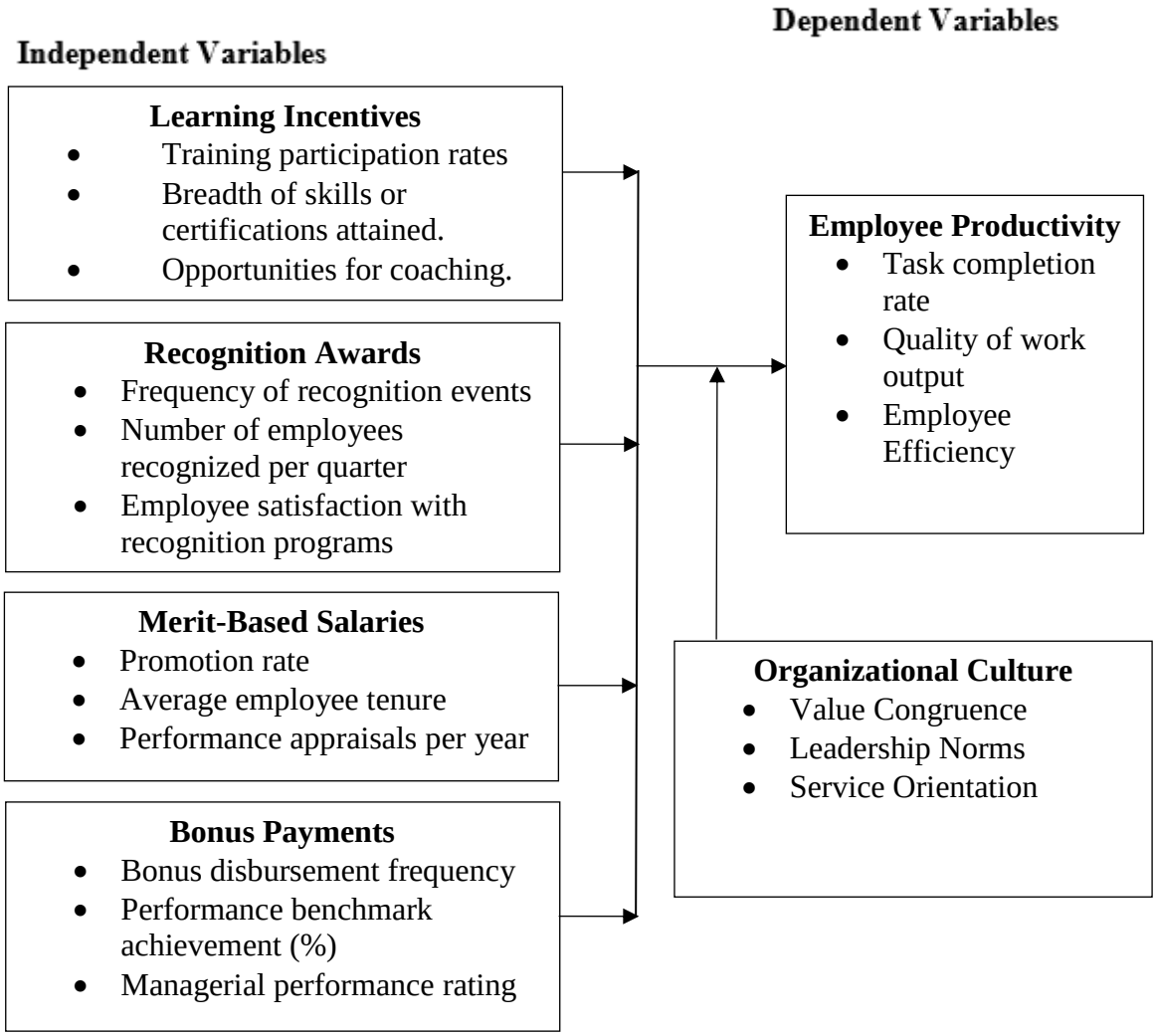


Figure 1.1: Conceptual Framework

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter presents the theoretical and empirical foundations of the study. It reviews five key theories that underpin the relationship between performance-based incentives and employee productivity, followed by an empirical review of existing studies on each study variable. The chapter concludes with a synthesis of the theoretical perspectives and a summary of the research gaps that this study seeks to address.

2.2 Theoretical Review

The five key theories selected for the study explain the relationship between performance-based incentives and employee productivity: Human Capital Theory, Herzberg's Two-Factor Theory, Meritocracy Theory, Reinforcement Theory, and Hofstede's Cultural Dimensions Theory. Each theory offers a distinct analytical lens for understanding how specific incentive mechanisms shape employee behaviour and output in top-tier restaurant environments.

2.2.1 Human Capital Theory

The Human Capital Theory, developed by Gary Becker (1964), conceptualizes the knowledge, skills, and competencies of people as economic assets that can be used to increase productivity and generate returns in the long run. The theory postulates that the productive capacity of the employees is augmented by way of investments in education, training and perpetual skill development thus enhancing the organizational efficiency and the results of organizational performance. It makes the development of workforce neither expensive nor a cost, but a strategic investment, whereby both employees and organizations gain long-term benefits through increased capabilities and output (Becker, 1993; Tan, 2014). In an organizational setting, learning incentives are thus perceived as intentional processes by which companies amass human capital, enhance service delivery, and maintain a competitive edge (S. Hamid et al., 2023; Parashar Carville, 2026).

The theory is based on some supporting assumptions which justify its predictive ability. First, it presupposes that people are rational decision-makers who are willing to invest in skill acquisition when the benefits are larger than the costs involved such as time and

money (Becker, 1964). Second, it assumes that organizations have direct advantages in increased employee capabilities since the increased skills lead to increased efficiency, accuracy, and innovativeness in carrying out tasks (Romer, 1990). Third, the theory posits that there is a positive and quantifiable relationship between investment in human capital and productivity outcomes, such that structured training and learning incentives produce measurable improvements in the performance and productivity of employees and organizations.

Among the strong points of Human Capital Theory is its high empirical basis and broad applicability across industries. The literature confirms that, in organizations which invest in employee training, mentorship, and continuous development, there is an improvement in the quality of services offered by these companies, their operational efficiency, and their commitment to serving the clients (Yoopetch et al., 2021; Ferdiansah, 2024). The theory is a sound explanation of how learning incentives can promote performance consistency and customer-responsiveness (Arwab, Khan, & Ali, 2023; Han et al., 2023). Its systematic nature also provides a well-defined structure of connecting training investments to quantifiable productivity results, which makes it very specific to performance-driven settings.

However, Human Capital Theory has been criticized to have a number of limitations. It is more prone to simplifying the association between learning and productivity by presuming that all investments in learning will automatically yield positive returns, without sufficiently considering the contextual factors such as leadership support, organizational culture, and quality of implementation. Also, the theory fails to adequately deal with employee mobility, especially in those industries where turnover rates are high such as in hospitality industry (Acemoglu and Pischke (1999). More than that, its robust economic orientation disregards the important social and psychological aspects of employee development such as motivation, teamwork and emotional engagement, which have significant bearing on performance in service-oriented environments (Blaug, 1976).

Within the framework of this research, the Human Capital Theory is a direct source of information on the variable of learning incentives. The theory is a powerful basis on which the competencies of the employees in the highest-ranking restaurants in Nairobi County may be understood. Such increased capabilities translate into increased service quality, quicker task performance, and an increased operational efficiency. In this

regard, the theoretical stance adopted by the study is that, learning incentives serve as a key motivating factor in the productivity of the employees within the hospitality industry.

2.2.2 Herzberg's Two-Factor Theory

The Two-Factor Theory by Frederick Herzberg (1968), identifies two types of factors in the workplace that affect employee motivation and job satisfaction. The theory argues that motivators such as achievement, recognition, responsibility, and advancement are intrinsic factors that actively drive job satisfaction and enhance employee performance. Conversely, hygiene factors such as salary, working conditions, supervision, and organizational policies are extrinsic factors that do not motivate employees in their presence but result in dissatisfaction in their absence (Mottaz, 1985). The basic premise of the theory is that to enhance motivation, it is necessary to do more than simply remove dissatisfaction; one must actually intentionally activate intrinsic drivers that will stimulate employee effort and engagement.

The theory is grounded on a number of fundamental assumptions which explain how the theory is applied in an organizational context. First, it presupposes that job satisfaction and dissatisfaction are on different continua instead of being opposite ends of the same spectrum, that is, the elimination of dissatisfaction does not necessarily result in satisfaction (Herzberg, 1968). Second, it assumes that intrinsic factors are the main causes of sustained motivation and performance, and extrinsic factors only lead to the creation of a neutral work environment. Third, the theory presumes that employees desire psychological growth and fulfillment in their work and that recognition and achievement are essential in satisfying these higher-order needs. These assumptions place recognition as a key process that can be used to increase employee motivation and productivity.

One of the strengths of the Two-Factor Theory is that it has a great practical applicability to management and organizational design. By making a clear distinction between those factors that prevent dissatisfaction and those that actively promote motivation, the theory offers a valuable guideline of reward and recognition systems to the organization. Empirical research indicates that recognition programs like performance-based awards and public recognition have a significant positive impact on

employee engagement, commitment, and productivity, especially in service-oriented industries (Yoopetch et al., 2021; Han et al., 2023). The theory is useful in explaining why recognition-based incentives can lead to long-term performance growth and service quality in hospitality settings, where employee behavior has a direct impact on customer experience.

However, the theory has received significant criticism both methodological and conceptual. Its use of the critical incident technique has been criticized as introducing the attribution bias where employees are more likely to attribute positive results to internal factors and negative results to external factors (King, 1970). Also, it has been argued that the generalizability of the theory is not always applicable, especially in the context of various cultural and economic backgrounds, where the distinction between motivators and hygiene factors may not always be applicable (Deci & Ryan, 1985). The extreme dichotomy between intrinsic and extrinsic factors is also viewed as an oversimplification since motivation in the workplace is often influenced by the interplay of several overlapping factors.

The variable of recognition awards is informed by Herzberg's Two-Factor Theory in this study. The theory offers a powerful conceptual framework to understand how non-monetary recognition systems like Employee-of-the-Month awards, certificates, and public commendations can be used as intrinsic motivators to increase employee productivity in top-tier restaurants in Nairobi County.

2.2.3 Meritocracy Theory

Meritocracy Theory, developed by Michael Young (1958) and further elaborated by John Rawls (1971), states that people should be rewarded, promoted and recognized on the basis of their abilities, performance and contributions and not on the basis of their social background, seniority and personal connections. According to the theory, fair and efficient systems are those that match rewards with quantifiable performance outcomes, and thus motivate individuals to maximize their productivity. In organizational settings, this view is in support of the design of compensation systems where the progression and advancement of salary is directly linked to the results demonstrated, which supports the principle that effort and competence should determine economic outcomes.

The theory is based on a number of assumptions that characterize its use in the organizational context. First, it presupposes the presence of equal opportunity, when all individuals have fair opportunity to prove their abilities and compete to get rewards depending on performance. Second, it assumes that performance can be objectively measured and accurately evaluated, and that it can be used by organizations to differentiate employees based on merit. Third, the theory presupposes that people are encouraged to work harder and more productively when rewards are explicitly linked to performance results. These assumptions make merit-based salary systems as systems that spur efficiency and promote high levels of individual contribution.

One of the greatest strengths of Meritocracy Theory is that it focuses on fairness, transparency, and performance orientation. The theory offers a clear guideline on how to motivate employees and align individual goals with organizational goals by linking rewards to specific measurable outcomes. Empirical research indicates that performance-based compensation systems increase employee effort, accountability and productivity, especially in competitive service environments where output is closely monitored (Han et al., 2023; Yoopetch et al., 2021). Merit based salary structures in the hospitality industry help to reinforce a performance excellence culture where employees are rewarded to deliver high quality service and achieve or exceed organizational standards.

However, Meritocracy Theory has received a lot of criticism both conceptually and practically. A significant weakness is that it assumes a level playing field, which critics argue does not take into account structural inequalities that favor some groups despite individual performance (Piketty, 2014). Interestingly, the concept was first introduced by Young (1958) as a critique, warning that merit-based systems can justify inequality by attributing success to individual ability. The theory has also been criticized to reduce complex human performance to quantifiable metrics, thus ignoring social, relational, and contextual factors that affect productivity. Rigid merit-based systems can create unhealthy competition, undermine collaboration and create a sense of unfairness when evaluation criteria are not transparent or consistent.

Meritocracy Theory is used to inform the variable of merit-based salaries in this study. The theory offers a powerful conceptual framework to explain the effects of the linkage of salary progression to individual performance on employee productivity in the top tier restaurants within the Nairobi County. It substantiates the hypothesis that, when

employees believe that the compensation systems are fair and performance based, the employees become more motivated and work harder, resulting in better service delivery and operational efficiency. The paper therefore takes the stance that merit-based pay structures are important in improving the productivity of employees in performance-oriented hospitality settings.

2.2.4 Reinforcement Theory

Reinforcement Theory, advanced by B. F. Skinner (1953), is a behavioral framework that explains how employee actions are shaped and sustained through systematic consequences. The theory argues that behavior followed by positive outcomes such as rewards, recognition, or promotion is likely to be repeated, while behavior followed by negative outcomes is discouraged. Drawing from Edward Thorndike's Law of Effect (1898), which established that satisfying consequences strengthen behavior, the theory provides a structured explanation of how organizations can influence employee performance through carefully designed reward systems. Within organizational settings, reinforcement mechanisms are therefore used to encourage desirable behaviors that align with productivity goals.

The theory is based on several core assumptions that guide its application in workplace contexts. First, it assumes that behavior is a function of its consequences, meaning that employees adjust their actions based on the rewards or penalties they receive. Second, it presumes that individuals respond predictably to reinforcement, with positive reinforcement increasing the likelihood of repeated behavior. Third, the theory assumes that reinforcement must be timely, consistent, and clearly linked to specific behaviors in order to be effective. These assumptions position incentive structures such as bonuses as direct tools for shaping and sustaining high levels of employee performance.

A major strength of Reinforcement Theory lies in its strong practical applicability in organizational management. The theory provides a clear and actionable framework for designing reward systems that directly influence employee behavior and productivity. Empirical evidence shows that consistent use of performance-based incentives such as bonuses, recognition programs, and merit rewards significantly improves employee output, service quality, and retention in service industries (Yoopetch et al., 2021; Ferdiansah, 2024). In hospitality environments, where service consistency and responsiveness are critical, reinforcement mechanisms effectively promote repeatable

high-performance behaviors that enhance customer satisfaction and organizational outcomes.

Nonetheless, Reinforcement Theory has been widely criticized for several limitations. Its primary weakness lies in its strong emphasis on extrinsic rewards, which tends to overlook intrinsic motivation, creativity, and employee autonomy that are essential in modern service settings (Deci & Ryan, 1985). The theory also adopts a mechanistic view of human behavior by reducing motivation to a stimulus and response process, thereby neglecting cognitive, emotional, and social factors that influence employee actions. In addition, over reliance on external rewards may result in short term compliance rather than sustained motivation, and may even weaken intrinsic motivation when rewards are removed (Deci et al., 1999).

In this study, Reinforcement Theory informs the variable of bonuses. The theory provides a strong conceptual basis for understanding how performance based financial rewards influence employee productivity and behavior in top tier restaurants in Nairobi County. By linking bonuses directly to performance outcomes, organizations reinforce desirable work behaviors such as efficiency, service quality, and task completion. The study therefore adopts the position that consistent and well-structured bonus systems act as behavioral reinforcers that enhance employee productivity within competitive hospitality environments.

2.2.5 Hofstede's Cultural Dimensions Theory

The Cultural Dimensions Theory, developed by Geert Hofstede in 1980 and later refined with Michael Minkov in 2010 is a framework that helps understand how cultural values influence organizational behavior, management practices, and employee motivation. The theory recognizes six major cultural dimensions, that is, power distance, individualism versus collectivism, masculinity versus femininity, uncertainty avoidance, long term versus short term orientation, and indulgence versus restraint (Hofstede, 1980; Hofstede & Minkov, 2010). In the organizational setting, these dimensions are applied to understand how employees perceive authority, fairness and reward systems, and hence respond to performance-based incentives and managerial practices (House et al., 2004; Taras et al., 2010).

The theory is based on a number of fundamental assumptions that underlie its use in the analysis of organizations. First, it supposes that culture is a collective programming

of the mind that distinguishes groups and affects behavior in predictable patterns (Hofstede, 1980). Second, it assumes that cultural values are relatively constant over time and that they still influence workplace attitudes and practices across generations (Hofstede & Minkov, 2010). Third, the theory presupposes that the behavior of employees, including their reactions to incentives, authority structures, and performance expectations, are significantly conditioned by these cultural orientations (Taras et al., 2010; Beugelsdijk et al., 2017). These assumptions place culture as a key determinant of the way organizational systems are perceived and acted.

A great strength of the Cultural Dimensions Theory is the fact that it has a very strong empirical foundation and is very broadly applicable in a variety of organizational and national settings. The framework has been widely tested and used in cross cultural management research to explain the differences in leadership styles, employee motivation, and organizational practices (House et al., 2004; Taras et al., 2010). The theory can be used as a helpful prism to explain how cultural values influence responsiveness to incentives and managerial control systems, which are particularly relevant in service industries such as hospitality (Minkov & Hofstede, 2012; Beugelsdijk et al., 2017). Its dimensional methodology allows scholars to analyze the cultural factors that affect workplace performance and organizational performance in a systematic manner.

However, the theory has been extensively criticized both methodologically and conceptually. The original data, based on a single multinational company, has been criticized as being limited in representativeness and in its capacity to be representative of current and diverse work settings (McSweeney, 2002). Critics also claim that the framework assumes culture is static and homogeneous, thus ignoring intra national differences and dynamic impacts of globalization on cultural values (Baskerville, 2003; Beugelsdijk et al., 2017). Moreover, simplifying culture to a set of dimensions is a risky move that may lead to oversimplification of the complex and dynamic nature of culture in influencing employee behavior and organizational systems (Taras et al., 2010).

In this research, Hofstede's Cultural Dimensions Theory is used to inform organizational culture, the moderating variable. The theory offers a robust conceptual framework to explain the way cultural values affect the perceptions of fairness, authority, and reward distribution in top tier restaurants in Nairobi County. Power distance and collectivism are some of the dimensions that influence how employees

perceive performance-based incentives, and thus affect the strength and direction of the relationship between incentives and productivity (Hofstede, 1980; Minkov & Hofstede, 2012). The study thus takes the stance that organizational culture moderates the performance of incentive mechanisms, which supports its role as a moderating variable in the relationship between performance-based incentives and employee productivity.

Notably, the Human Capital Theory establishes the value of investment in learning and skill development as a driver of employee productivity; Herzberg's framework explains how recognition and non-monetary motivators sustain employee engagement beyond hygiene-level compliance; Meritocracy Theory justifies performance-linked salary structures as equitable incentive mechanisms; Reinforcement Theory demonstrates the behavioral mechanisms through which reward systems shape and sustain desired performance; and Hofstede's Cultural Dimensions Theory contextualizes these dynamics within the cultural milieu of Kenyan hospitality organizations. Collectively, these perspectives address the individual, organizational, and cultural dimensions of incentive-based compensation, providing a robust multi-dimensional foundation for examining how salary, recognition awards, bonuses, and learning incentives influence employee productivity in top-tier restaurants in Nairobi County.

2.3 Empirical Review

This subsection presents an empirical review of the existing knowledge and knowledge gaps arising from prior research on the proposed study variables.

2.3.1 Learning Incentives and Employee Productivity

Learning incentives include structured organizational investments in employee capability, such as training programs, certification pathways, coaching and mentorship, and career development opportunities. An increasing amount of empirical research indicates that these incentives are positively correlated with the productivity of employees, especially in service-intensive industries like hospitality. The studies discussed below are analyzed in the context of their research design, population, sample, key findings, and contribution to the current study.

Yoopetch et al. (2021) examined how employee learning, knowledge, benefits and satisfaction influence employee performance and career development in the hospitality industry in Thailand. The research was quantitative and cross-sectional in nature and focused on hotel workers in various hotels in Thailand. Purposive sampling was applied

to obtain a sample of 412 respondents and the data were analyzed using structural equation modelling (SEM). The results were that employee learning had a strong direct impact on job performance, and that job knowledge mediated the relationship between learning and productivity outcomes. The research also found that employees who attended structured learning programs had a higher degree of service delivery consistency and task accuracy. This research enlightens the current research by confirming that learning incentives work through the acquisition of knowledge as a mediating pathway, which is especially pertinent to the top-tier restaurant employees whose productivity depends on their technical and interpersonal competencies. The study however is limited in its applicability to the Kenyan hospitality context where the dynamics of the labor market, training infrastructure, and cultural expectations are quite different.

The study by Ferdiansah (2024) involved analyzing the effect of training and development programs on employee productivity in the hospitality industry in Indonesia. The study design was quantitative, based on structured questionnaires to 150 employees of hotels and restaurants, who were selected using simple random sampling. Multiple regression analysis was used to analyze the data. Findings were that training and development programs had a significant positive impact on the productivity of employees, with participants showing a measurably greater efficiency, better task execution, and increased levels of job satisfaction. The research found that organizations that make systematic investments in employee learning produce a more adaptable and productive workforce. In the current study, the findings of Ferdiansah (2024) support the premise that learning incentives will positively impact the productivity of employees in the top-tier restaurants in Nairobi. Nevertheless, the study failed to investigate the role of organizational culture in conditioning the training-productivity relationship, and did not disaggregate the specific dimensions of learning that most influenced output, which is a conceptual limitation the present study aims to overcome.

Arwab, Adil, et al. (2023) studied the correlation between training, task performance, and employee engagement in the tourism and hospitality industry in India. The study's design was quantitative cross-sectional and targeted frontline hospitality employees in a number of hotel properties in India. A selection of 312 respondents using stratified random sampling was augmented by confirmatory factor analysis and regression

modelling in analysis, and the findings indicated that training directly and significantly impacted task performance positively. The research showed that employees who felt that training was relevant and well-designed were more engaged, which reflected in their increased productivity and quality of service. This is especially applicable to the restaurant setting in Nairobi where frontline employees are expected to provide high quality, personalized service under pressure. One gap in this study, however, is that it did not determine how the existing organizational culture in establishments influenced the reception and application of training, which the present study explicitly addresses through moderated regression.

Muhaire (2022) studied the effect of employee training on the performance of the organization in the hotel and catering sector in Uganda. The design of the research was descriptive survey design and the population studied was the hotel employees of the major urban centres in Uganda. A total of 189 respondents were selected using stratified random sampling technique from the departments. Structured questionnaires were used to gather data and Pearson correlation and multiple regression were used for analysis. It was found that training needs assessment, training techniques suitability, and training content suitability were the best predictors of increased employee performance. The research indicated that consistency of the match between the skill gaps of employees and the training material should be maintained by conducting training assessments regularly. In the current study, the results of Muhaire (2022) highlight the significance of context-specific and operationally embedded learning programs in the East African hospitality industry, which provides a methodological and regional point of reference. One factor that needs to be taken into consideration is that the hospitality labor market and training facilities in Uganda is not the same as in Kenya, particularly Nairobi's top-end segment where the service standards are tough.

Gitongu (2021) investigated how employee training affects organizational performance in three-star hotels in Nakuru County, Kenya. A descriptive research design was used that aimed at studying the employees of seven hotels. Sampling involved 148 respondents stratified randomly, with questionnaires employed to gather data and analysis done descriptively and through regression. Results showed that training methods and design had a significant and positive impact on organizational performance, with interactive and on-the-job training being particularly effective. Gitongu (2021) found that hotels that invested in practical and role-specific training

programs had significantly improved service outcomes and employee efficiency. This research is directly applicable to the current research because it offers a Kenyan empirical reference point of the learning incentives-productivity relationship. However, the study was limited to three-star hotels in Nakuru, and did not extend its analysis to top-tier restaurants in Nairobi or consider the moderating role of organizational culture, both of which the present study addresses

Mustafa and Lleshi (2024) investigated the impact of lifelong learning initiatives on employee performance across multiple professional settings. Using a quantitative design with a sample drawn from diverse organizational contexts, the study found that continuous employee learning, encompassing upskilling, professional development, and formal education, had a significant and direct positive effect on individual performance. Notably, organizations that institutionalized learning as a cultural expectation reported higher employee engagement, lower turnover, and greater innovation. The findings underscore that learning incentives are not simply training events but ongoing strategic investments that build organizational resilience. For the present study, Mustafa and Lleshi (2024) findings support the argument that top-tier restaurants in Nairobi should embed learning as a sustained cultural and operational priority rather than a periodic activity. The study's limitation lies in its cross-sectoral sample, which does not isolate hospitality-specific effects or account for the moderating influence of organizational culture on learning outcomes.

Fatfa et al. (2024) analyzed the effect of training and incentives on job satisfaction and work productivity among bank employees in Indonesia. The study employed a quantitative design using Partial Least Squares (PLS) structural equation modelling, with a sample of 80 employees from PT Bank DKI. Findings showed that training had a significant effect on job satisfaction, that satisfaction in turn significantly influenced productivity; however, training did not directly affect productivity when satisfaction was excluded from the model. Similarly, incentives affected productivity indirectly through satisfaction rather than directly. These findings highlight job satisfaction as a critical mediating mechanism through which learning incentives translate into performance outcomes. While the banking context limits direct generalizability to Nairobi's restaurant sector, the mediation pattern identified by Fatfa et al. (2024) is theoretically significant: it suggests that learning incentives may have a more nuanced effect on productivity, operating through employee satisfaction and motivation rather

than in isolation. This is a dimension the present study captures through its descriptive and regression analyses.

Yani et al. (2025) examined the effect of training, incentives, organizational cultutre, and employee engagement on employee performance in Bali's hospitality industry. The method of the study was quantitative using a simple random sample of 134 hotel workers and employed multiple linear regression analysis. The findings indicated positive and significant impact of training on the competence of employees and significant positive influence of incentives both monetary and non-monetary on employee's motivation and productivity. Most importantly, the study revealed that a positive organizational culture enhanced the impact of training and incentives, fostering a more supportive workplace and boosted loyalty of employees. Analysis of these four variables showed that they had an integrated effect on employees' performance, as indicated by the simultaneous analysis of the four variables. This study is very applicable to the present research as it offers empirical evidence of how organizational culture moderates the relationship between learning and the productivity of employees, and demonstrates this in a hospitality context that shares many commonalities with the restaurant sector in Nairobi. One drawback is that it only covers the hotel sector in Bali and that it does not differentiate between top-tier and mid-tier as far as restaurants go.

Kerubo and Thomas (2022) examined the effect of non-financial incentives, including training, on employee performance in non-governmental organizations in Nairobi City County, Kenya, leveraging descriptive research design. 325 non-governmental organizations were looked into with 180 human resource managers sampled. Gathering data was through structured questionnaires, and descriptive statistics, correlation, and regression were employed in analysis. Findings revealed a moderate but significant positive relationship between staff training and employee performance ($r = 0.397$, $p = 0.000$). This indicated that even in resource-constrained, non-profit contexts, learning incentives are a meaningful driver of performance. The study recommended that organizations conduct regular training needs assessments and employee appraisals to highlight skill gaps and improve training targeting. For the present research, Kerubo and Thomas (2022) provide a locally grounded Nairobi-based reference point, anchoring the learning-employee productivity hypothesis in the Kenyan organizational context. The study's limitation is its NGO focus, which differs from the commercial,

high-pressure service environment of top-tier restaurants, where productivity expectations and incentive structures are markedly distinct.

2.3.2 Recognition Awards and Employee Productivity

Presslee et al. (2023) examined the effect of non-monetary recognition on employee performance using a quasi-experimental design across 60 fast-food restaurant branches in Canada. Bi-weekly recognition mechanisms including thank-you cards and token gifts were introduced, and outcomes were assessed over a defined period. Findings showed that recognition significantly increased employee engagement, which in turn enhanced effort and service quality, with engagement confirmed as a mediating variable. The study demonstrates how structured, low-cost recognition interventions can raise productivity in fast-paced restaurant environments. A limitation is its quasi-experimental setting in a franchised fast-food context, which differs from the independent, high-service-standard establishments characteristic of Nairobi's top-tier restaurant sector.

Uzochukwu et al. (2023) investigated recognition practices and employee productivity in Nigerian hospitality firms using a cross-sectional survey. The target population comprised 400 hospitality employees, from whom a stratified random sample of 210 respondents was drawn. Data were analyzed utilizing regression analysis. Findings revealed that recognition alone explained 73.9% of the variance in employee productivity a contribution comparable to wage policies, establishing it as a substantive, independent driver of performance in African hospitality contexts. This study is directly applicable to this research as it validates non-financial recognition as a productivity mechanism within a comparable African setting. Its limitation is the Nigerian focus, which may not fully reflect Kenyan hospitality labor market conditions.

Ampofo et al. (2023) conducted a three-wave longitudinal study of 185 frontline employees across 15 restaurants in Ghana to examine how recognition shapes knowledge-sharing and service orientation. Results showed that recognition enhanced job embeddedness, which promoted both knowledge-sharing and service orientation; however, the presence of abusive supervision significantly weakened these positive effects. The study underscores leadership style as a critical boundary condition for recognition effectiveness a finding that directly supports the present study's inclusion

of organizational culture as a moderating variable. A methodological limitation is the reliance on self-reported data across waves without objective performance indicators.

Odunayo (2022) assessed the effect of organizational reward systems including recognition on employee performance in two selected hotels in Lagos, Nigeria. The study utilized a survey design with a target population of 315 employees, from whom 204 usable responses were obtained through simple random sampling. Bivariate regression analysis showed that recognition had a significant positive impact on contextual performance ($\beta = 0.592$, $t = 12.353$, $p < 0.05$), confirming its behavioral impact on how employees engage with their roles. This Nigerian hotel-based evidence complements the present study's argument that recognition is a meaningful driver of employee productivity in the African hospitality sector. The study's limitation is its small two-hotel sample, which constrains generalizability.

Cheruon et al. (2023) evaluated the influence of reward systems including recognition on employee performance in star-rated hotels in Nakuru City, Kenya. A stratified and simple random sample of 42 employees was drawn across departments, and data were analyzed using descriptive statistics. Results indicated that reward systems, including recognition, had a positive effect on employee's performance, and that employees showed differentiated preferences for specific reward types. As a Kenyan hospitality study, Cheruon et al. (2023) provides a locally grounded reference for the recognition-productivity relationship. Its primary limitation is the small sample size and exclusive use of descriptive statistics, which precludes drawing causal or predictive conclusions.

Njeru et al. (2025) investigated the effect of leadership style on the relationship between recognition and employee engagement in 3–4 star-rated hotels in Kisumu County, Kenya, using concurrent explanatory research methods. 228 employees from hotels participated, with descriptive and inferential statistics utilized in analysis. Findings confirmed a strong positive correlation between recognition and employee engagement ($r = 0.870$, $p < 0.001$), and regression analysis established a significant direct effect ($\beta = 2.019$, $p < 0.05$). Critically, leadership style significantly moderated this relationship ($\beta = 0.045$, $p = 0.001$), illustrating that recognition yields stronger engagement outcomes when embedded within supportive leadership frameworks. This study is particularly relevant as it provides Kenya-specific evidence and demonstrates the conditional nature of recognition a pattern that informs the present study's moderated

regression design. Its limitation is the focus on engagement rather than direct productivity outcomes.

Razzak et al. (2022) explored the non-financial dimensions of recognition and well-being among Bangladeshi restaurant workers in the United Kingdom using a qualitative design with semi-structured interviews from 32 respondents. Findings showed that employees valued autonomy, respect, and authentic recognition, all of which contributed to a sense of fulfillment and higher service quality. While the qualitative design limits statistical generalizability, the study usefully establishes that recognition operates through relational and cultural channels beyond formal awards, a dimension particularly applicable to Nairobi's high-contact restaurant environments.

Gordon and Parikh (2021) used a mixed-methods design involving 312 employees and 28 managers across fine-dining restaurants in the United States to examine how HR practices, including recognition, influence employee retention and commitment. Results showed that recognition, when paired with transparent communication and supportive management, significantly reduced turnover risk and strengthened employee commitment.

Odhiambo et al. (2024) examined the effect of compensation strategies on employee turnover in five-star hotels in Nairobi City County, Kenya. The study applied a descriptive design, sampled 110 employees from a target population of 556, and collected primary data using semi-structured questionnaires. Findings showed that employees received overtime pay and bonuses, but employee policies were unclear and younger employees were more likely to change jobs. The study further found that job promotion had no statistically significant effect on turnover, while organizational culture moderately influenced the relationship between remuneration strategy and employee turnover.

Collectively, the reviewed evidence establishes recognition awards as a powerful, multi-pathway driver of employee productivity in hospitality, operating through engagement, job embeddedness, and cultural reinforcement. Studies from Canada, Nigeria, Ghana, Kenya, United Kingdom, and America converge on the finding that recognition is most effective in organizations where leadership is supportive and cultural values are aligned, directly motivating the inclusion of organizational culture as a moderator in the present study. A persistent gap across the reviewed literature is

the absence of studies examining recognition within Nairobi's top-tier restaurant sector specifically, where high service standards and competitive labor dynamics create a distinct incentive context that this study addresses.

2.3.3 Merit-Based Salaries and Employee Productivity

Merit-based salaries are compensation structures in which pay increments and salary levels are determined by measurable employee performance outcomes, achievement of targets, and appraisal results rather than tenure or standardized pay scales. This model is widely adopted in hospitality and service sectors to promote fairness, reward high-quality work, and align individual effort with organizational goals. The studies reviewed below examine this relationship across global and local contexts, documenting design, population, sample, findings, and relevance to the present study.

Cheruon et al. (2023) examined the effect of reward systems, including merit-based salary structures, on employee output in star-rated hotels in Kenya using a cross-sectional survey design. Employees across multiple star-rated establishments were targeted, and a stratified random sample was obtained. Data were collected through questionnaires, analyzed through descriptive and inferential statistics, with regression analysis. Findings pointed out that merit-based salary structures, when perceived as fair and linked to measurable performance criteria, significantly enhanced employee output, with employees in clear pay-for-performance environments demonstrating higher task completion rates and service quality scores. This Kenyan study provides a directly relevant empirical anchor for the present research. Its limitation is the focus on star-rated hotels rather than standalone top-tier restaurants in Nairobi, leaving a contextual gap that the present study addresses.

Kabii and Ngetich (2026) examined employee attitudes toward promotion and merit-based career advancement in the hospitality industry in Nairobi. Using a mixed-methods approach, drawing from 250 employees identified from randomly selected 3 to 5-star hotels. Thematic analysis and SPSS edition 26 were utilized to analyze qualitative and quantitative data respectively. Findings revealed that age significantly influenced satisfaction with merit-based promotion practices, with younger professionals aged 25 to 40 years reporting the highest dissatisfaction and uncertainty due to unclear promotion pathways. The research recommended applying transparent, merit-based yardsticks and bolstering mentorship for younger staff to enhance trust,

motivation, and retention. For the present research, Kabii and Ngetich (2026) provide a Nairobi-specific, contemporary reference demonstrating that the perceived fairness and transparency of merit-based systems are critical to their effectiveness. A limitation is the study's focus on promotion rather than salary-based merit pay specifically, which narrows its direct applicability to the salary dimension examined here.

Kim and Jang (2023) analyzed the relationship between pay structures and productivity in the restaurant industry using quantitative methods grounded in tournament theory and equity theory. The study population comprised franchised and non-franchised restaurant chains in the United States, with productivity operationalized through sales per employee and customer retention data. Findings indicated an inverted U-shaped relationship between pay disparity and productivity: moderate pay gaps were associated with peak productivity levels, while extreme disparities reduced employee performance and cohesion. The study concludes that merit-based pay systems enhance employee productivity when implemented equitably, underscoring the need to reward high performers without generating perceptions of unfairness among other staff. This is relevant to the present study's restaurant context in Nairobi, where diverse roles ranging from managers to wait staff must be compensated through systems that balance performance rewards with equity. The limitation of Kim and Jang (2023) is its focus on American franchised restaurant chains, whose operational models and pay structures differ substantially from Nairobi's independent top-tier establishments.

Oo and Khurana (2026) examined the effects of compensation, benefits, and reward programs on employee retention and productivity in Thailand's hotel industry using a mixed-methods approach combining semi-structured interviews with hotel staff and owners, analyzed through thematic analysis, alongside a comprehensive literature review. Findings indicated that fair compensation, personalized rewards, positive work environments, and career development opportunities significantly enhanced employee satisfaction and loyalty. Further, the study identified challenges such as balancing budget constraints with employee expectations, particularly during off-peak seasons. For the present research, Oo and Khurana (2026) reinforce the argument that merit-based salary systems must be aligned with employee expectations and embedded within broader talent management practices to sustain productivity. A limitation is the qualitative dominance of the study, which limits the statistical quantification of compensation effects on productivity.

2.3.4 Bonuses and Employee Productivity

Noorazem et al. (2021) investigated the effect of financial and non-financial rewards on employee performance in a service organization in Malaysia using a survey of 132 employees selected through convenience sampling. Data were analyzed using correlation and regression analysis. Findings showed that bonuses exerted the strongest positive impact on employee performance compared to salaries, appreciation, and medical benefits, confirming the primacy of bonus schemes among reward types in service settings. The authors concluded that bonus structures must be regularly updated to reflect evolving employee expectations and organizational priorities. This study informs the present research by establishing bonuses as the most potent financial incentive for productivity in service environments. Its limitation is the single-organization sample, which constrains generalizability to multi-establishment hospitality contexts such as Nairobi's restaurant sector.

Kenga and Kingi (2024) studied the impact of motivation, including monetary rewards, on performance of employees in four star rated hotels in the coastal regions of Kenya. It was a descriptive study with a simple random sample of respondents of 66 out of 78 employees of 13 hotels. The statistical method used was simple linear regression analysis which was performed in SPSS. The results showed that there is a positive correlation between motivation and employee performance with a correlation coefficient of 0.573 and the coefficient of determination (R2) of 32.8% indicates that 32.8% of the variance in employee performance is explained by the variance in motivation. The null hypothesis was rejected, thus the findings showed that there is a significant positive influence of motivation on performance. The results of the study suggest that the hotels should have a wide range of motivation programs with both intrinsic and extrinsic motivation. Kenga and Kingi (2024) offer Kenya-specific empirical evidence of the link between performance-based motivation and employee output in the hospitality industry for the current research. It has the limitation of the coastal Kenya environment and the fact that the impact of bonuses is overlaid with other types of incentives, which means that the specific impact of bonuses cannot be isolated.

Nnubia and Ngige (2024) examined the role of monetary rewards on motivation and performance in the Nigerian automobile industry through a survey of 120 workers, analyzed using regression analysis. Findings revealed that bonuses and pay increments significantly boosted job satisfaction, which subsequently improved performance.

Conversely, profit-sharing schemes produced minimal impact owing to transparency and fairness concerns, highlighting that clarity in bonus allocation is essential for employee trust and sustained productivity. While the automotive industry context differs from hospitality, the core finding that transparent and clearly communicated bonus criteria prevent perceptions of favoritism is directly applicable to Nairobi's restaurant sector. The study's limitation is its non-hospitality context, which limits the direct transferability of its conclusions to a service-intensive environment.

Odhiambo et al. (2024), leveraging descriptive research design, and sampling 110 respondents drawn from 556 employees across five hotels utilizing semi-structured questionnaires investigated the effect of compensation strategies, including bonus payments, on employee turnover in five-star hotels in Nairobi City County, Kenya. Findings showed that employees received overtime pay and bonuses, and that those in establishments with relatively competitive compensation reported greater job satisfaction. This Nairobi-based study is particularly applicable to this present research because it situates bonus payments within a local five-star hotel context and identifies organizational culture as a conditioning factor, which directly supports the present study's moderated regression framework. Its limitation is the focus on turnover rather than direct productivity outcomes.

Ireri et al. (2023) examined the impact of senior employees on hotel performance in 3 to 5 star-rated hotels in Nairobi City County, Kenya, using a descriptive survey design. Sampling 218 respondents from selected hotels employing questionnaires and interview schedules, qualitative and quantitative methods were employed to analyze data. The study found that leadership, training, and mentorship were the primary performance-enhancing roles of senior staff, and recommended that hotels create environments promoting collaboration and recognize the contribution of experienced employees through appropriate incentives. For the present study, Ireri et al. (2023) provide a Nairobi-specific reference demonstrating that performance-linked recognition and incentive practices improve organizational outcomes in the local hospitality sector. The limitation is that the study focuses on workforce seniority and mentorship rather than bonus systems specifically.

Njenga and Kamaara (2024) analyzed reward strategies and employee retention in Nairobi's three to five-star hotels using a descriptive survey design with inferential statistics. The study targeted hospitality employees across multiple establishments in

Nairobi. Findings indicated that competitive bonuses, alongside a supportive work environment, significantly reduced employee turnover and enhanced commitment. The authors recommended benchmarking bonus structures against prevailing industry standards to sustain retention and performance. For the present research, Njenga and Kamaara (2024) confirm that bonuses function not only as employee productivity enhancers but also as retention tools in the Kenyan hospitality sector, with direct implications for service continuity and operational stability in top-tier restaurants. The limitation is the study's focus on retention outcomes rather than task-level productivity metrics.

Collectively, these studies confirm that bonuses are powerful motivators of employee productivity when they are transparent, fair, and tied to measurable performance indicators. In Nairobi's restaurant sector, linking bonuses to specific service outcomes—such as customer satisfaction, table turnover efficiency, or order accuracy—can establish a clear performance–reward connection.

2.3.5 Organizational Culture, Performance-Based Incentives and Employee Productivity

Lin et al. (2022) conducted a systematic review of individual-level performance-based incentives across OECD healthcare systems, examining how organizational culture conditioned incentive outcomes. The review analyzed evidence from multiple countries and healthcare settings, covering a broad range of incentive schemes including bonuses and performance management systems. Findings established that the success of performance-based incentives was highly dependent on the prevailing organizational culture, with results consistently stronger in cultures that emphasized transparency, regular feedback, and accountability. The authors cautioned that even technically well-designed incentive schemes underperform in the absence of supportive cultural conditions. For the present study, Lin et al. (2022) provides cross-national evidence that organizational culture is not a peripheral factor but a central determinant of incentive effectiveness. The limitation is the healthcare focus, which differs from the service-intensive restaurant environment of the present study.

Pham et al. (2023) conducted a quantitative study of 301 managerial and non-managerial employees in three to five-star hotels to examine the relationship between employee motivation practices and performance, with organizational culture as a

moderating variable. Structured questionnaires aided collection of data while regression and moderation analysis oversaw the analysis. The results demonstrated that green reward practices and performance management systems were significantly linked to employee performance and organizational citizenship behavior. Critically, the research found that the impact of green rewards on performance was stronger in hotels managed by Western corporations, indicating that national and organizational culture moderated the reward-performance relationship. For the present research, Pham et al. (2023) provide direct empirical support for the moderating role of organizational culture on incentive effectiveness within the hotel industry, offering a methodological reference for the present study's moderated regression approach. The limitation is the environmental performance focus, which narrows its direct applicability to general productivity outcomes.

Judijanto et al. (2025) conducted a study on the effect of performance-based compensation, a collaborative work climate and organizational culture on the motivation of Generation Z employees in the food and beverage industry of Indonesia. The data obtained via questionnaires was analyzed descriptively; correlation analysis and multiple linear regression in SPSS version 27 were employed in a quantitative approach. All three factors were found significant and positively correlated with employees' motivation, the most significant being organizational culture, which was followed by performance-based compensation and collaborative work environment. The study concludes that the implementation of custom HR strategies that fit cultural preferences is crucial to maintaining employee engagement and productivity in a competitive food service market. The study is applicable to the present one because it shows that organizational culture conditions the motivational impact of performance-based compensation within a food and beverage context comparable to Nairobi’s restaurant sector. A limitation is the small number of respondents (N = 45), limiting the generalizability and statistical power of the results.

Ngui and Kariuki (2024) studied the impact of strategic leadership skills of three-star hotels in Nairobi County, Kenya, on their performance with a particular focus on corporate culture. The study used descriptive research design and obtained 76 senior management staff members who were randomly selected from 254 senior management staff members by stratified sampling of the population. The analysis of obtained data

employed SPSS edition 28 with descriptive and inferential statistics. The results from regression analysis indicated that the culture of the company impacted the performance of the hotel with value $\beta = 0.415$ and significant value ($p = 0.031$), confirming that a conducive organizational culture directly enhances operational outcomes. One of the study's recommendations was to focus on employee engagement, teamwork, and ethical behavior in these cultures as a key to maintaining performance. Ngui and Kariuki (2024) provide a Nairobi-specific, hospitality-based reference confirming organizational culture as a performance driver in the local context. Its weakness is the focus on strategic leadership and the performance level of the hotel and not the specific moderating effect that culture has on incentive mechanisms at an employee level.

Luzon (2022) investigated the effect of performance-based bonuses on employee productivity in a public institutional setting using a quantitative design. Findings showed that while financial incentives produced measurable productivity gains, the sustainability of these outcomes was closely tied to cultural alignment. When institutional planning, shared goal-setting, and trust in leadership were present, bonuses generated lasting productivity improvements. Conversely, where cultural alignment was absent, bonuses produced only short-term output spikes without sustained behavioral change. For the present study, Luzon (2022) reinforces the argument that the productivity effects of bonus payments are culturally contingent, a pattern the present study tests empirically through interaction terms in the moderated regression model. The limitation is the public sector context, which operates under different motivational dynamics than commercial hospitality environments.

Daudi (2021) analyzed the influence of performance-based rewards on employee retention in tier-one commercial banks in Kenya using a quantitative design. The study identified bonuses and recognition as strong predictors of retention but found that negative cultural elements, including rigid leadership styles, limited work-life balance, and high organizational stress, significantly diluted the intended benefits of these incentives. The study concluded that incentives must be embedded within supportive cultural environments to generate and sustain positive employee outcomes. For the present research, Daudi (2021) provides a Kenyan-grounded reference demonstrating that organizational culture moderates the relationship between performance-based incentives and employee outcomes, directly supporting the moderating role of culture

in the present study's conceptual framework. Its limitation is the banking sector focus, which differs from the operational dynamics of Nairobi's top-tier restaurant industry.

Sutinga et al., (2024) assessed the impact of different cultural typologies, specifically clan, hierarchical, market, and adhocracy cultures, on staff commitment among lecturers in Ghana using a quantitative survey design. Findings revealed that clan cultures, characterized by collaboration and mutual support, were associated with higher commitment and stronger positive responses to performance expectations. Market cultures, while results-oriented, reduced commitment unless paired with equitable incentive systems and supportive leadership. The study emphasized that misalignment between cultural orientation and incentive design generates resistance, dissatisfaction, and disengagement. For the present research, Sutinga et al., (2024) contributes a typological perspective on how specific cultural characteristics condition incentive responsiveness, enriching the theoretical basis for the present study's moderated regression analysis. Its limitation is the higher education context, which differs from the high-pressure, customer-facing environment of top-tier restaurants.

Overall, empirical evidence consistently demonstrates that performance-based incentives do not operate in a cultural vacuum. Supportive cultures—characterized by openness, collaboration, fairness, and feedback—strengthen the positive influence of incentives on employee productivity. In contrast, rigid or misaligned cultures can neutralize or reverse these effects. In Nairobi County’s restaurant sector, where service quality is closely tied to frontline staff motivation, understanding the moderating role of organizational culture is critical.

2.4 Summary of Research Gaps

Although a substantial body of scholarship has examined employee performance and motivation, important gaps remain in understanding how performance-based incentives influence employee productivity in Nairobi’s fine-dining restaurant sector. Prior studies often differ in conceptual scope, sectoral context, and methodological rigor, leaving conceptual, contextual, and methodological gaps that this study seeks to address.

2.4.1 Conceptual Gaps

Conceptually, much of the existing research isolates individual incentive mechanisms—such as recognition or wage policies—without integrating multiple

incentive types into a single framework. For instance, Uzochukwu et al. (2023) analyzed wage policies and recognition in Nigerian hospitality firms but excluded complementary incentives like bonuses or merit-based salaries. Presslee et al. (2023) focused on team-based recognition in Canadian fast-food outlets, while Razzak et al. (2022) examined working conditions among UK ethnic restaurant staff without directly assessing structured incentives and their effect on productivity. Ampofo et al. (2023) studied recognition and job embeddedness in Ghanaian restaurants but did not extend their analysis to tangible, pay-linked incentives.

2.4.2 Contextual Gaps

Contextually, existing research is often rooted in hospitality environments that differ markedly from Nairobi's high-end dining landscape. Kim and Jang's (2023) work on pay structures in U.S. restaurant chains reflects franchised models with operational logics unlike Nairobi's blend of luxury independents and premium hotel-based outlets. Uzochukwu et al. (2023) studied mid-range Nigerian establishments, while Razzak et al. (2022) focused on small ethnic restaurants in the UK—both contexts differing in customer expectations, service intensity, and incentive practices. Even within Kenya, studies such as Odhiambo et al., (2024) emphasize hotels rather than standalone restaurants, which operate under distinct staffing structures and incentive systems.

2.4.3 Methodological Gaps

Methodologically, prior research has often employed approaches that limit generalizability or rigor in testing incentive–productivity relationships. Razzak et al. (2022) applied qualitative thematic analysis without statistical modeling of incentives and productivity. Presslee et al. (2023) used a short-term pre–post design, constraining external validity. Although Ampofo et al. (2023) utilized structural equation modeling, their work did not extend to pay-based incentives, focusing instead on recognition and engagement. This highlights a methodological gap in systematically testing the combined effects of multiple performance-based incentives while incorporating organizational culture as a moderating factor using robust quantitative techniques.

In addressing these gaps, the present study examined how four distinct performance-based incentives—learning incentives, recognition awards, merit-based salaries, and bonuses—influence employee productivity in top tier restaurants in Nairobi County, with organizational culture included as a moderating variable. The research was

situated within Kenya's fine dining sector, a setting characterized by high service standards, competitive labor dynamics, and an increasing emphasis on performance management. Utilizing a cross-sectional quantitative design, the study systematically analyzed the relationships between incentive mechanisms and productivity outcomes while testing how cultural attributes shaped these associations. This approach provided context specific and empirically grounded evidence on the mechanisms through which well-structured incentives drive employee motivation, efficiency, and commitment. By integrating organizational culture into the model, the study contributed to a more holistic understanding of how workplace values and practices condition the effectiveness of incentive systems in enhancing productivity within Nairobi's hospitality industry.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter describes the methodological approach that guided the study. It outlines the research philosophy, research design, target population, sample size, research instruments, data collection procedures, operationalization of variables, pilot study, data analysis procedures, and ethical considerations.

3.2 Research Philosophy

This study was anchored in the positivist research philosophy, which holds that reality exists independently of human perception and can be objectively observed, measured, and analyzed through systematic and value-free inquiry (Saunders et al., 2019). The positivist approach privileges quantifiable evidence and statistical analysis as the basis for drawing valid and generalizable conclusions, making it appropriate for studies examining causal or predictive interactions among variables.

This philosophical orientation is fitting for the study because it aims to investigate the influence of four distinct performance-based incentives learning incentives, recognition awards, merit-based salaries, and bonuses on employee productivity, with organizational culture as a moderating variable. The positivist paradigm enabled the use of structured instruments, standardized measurement scales, and inferential statistical procedures to generate objective, replicable, and contextually relevant empirical evidence.

3.3 Research Design

A research design provides a structured plan that guides the collection, analysis, and interpretation of data in line with the research objectives (Bell & Bryman, 2022). This study used an explanatory research design appropriate for the examination of cause and effect or predictive interactions among variables. Explanatory designs are employed when the goal for the research is to explain how independent variables are causing a dependent variable to change, not just describe the situation (Creswell, 2014).

In particular, this study utilized a cross sectional survey method and collected data from a population sample over a specific period of time. As a result, all of the study variables, including performance-based incentives and employee productivity, were measured in

a representative sample of restaurant employees. The explanatory design was suitable because it enabled quantitative analysis of the direction and magnitude of the relationships, including the moderation of the organizational culture.

3.4 Target Population

The target population for this study comprised employees working in top-tier restaurants in Nairobi County, Kenya. Top-tier restaurants were defined as classified high-end dining establishments operating within Nairobi County and recognized by relevant regulatory and industry bodies, including the Tourism Regulatory Authority (TRA) and allied hospitality classification agencies, as meeting the requisite standards of service quality, facilities, and operational sophistication. Through a systematic identification process drawing on regulatory classification data, industry directories, and field verification, a total of 52 top-tier restaurants were identified as the sampling frame for this study, as documented in Appendix V.

Across the facilities, the units of observation were employees across four key operational categories within these establishments, namely managers, kitchen staff, wait staff, and human resource personnel. These four categories were selected because they collectively represent the full spectrum of roles through which performance-based incentives are designed, administered, and experienced within top-tier restaurant operations. Managers oversee incentive implementation and performance appraisal processes; kitchen staff and wait staff constitute the frontline workforce whose productivity is most directly influenced by incentive systems; and human resource personnel oversee the design, communication, and monitoring of reward frameworks. The study therefore targeted employees within these four categories across the 52 identified establishments, providing a population that was both operationally representative and practically accessible for systematic data collection. Based on staffing records obtained from the sampled establishments the total target population comprised 2,809 employees distributed as shown in Table. 3.1

Table 3.1: Target Population

Employee Category	Number of Employees	Percentage (%)
Managers	265	9.4
Kitchen Staff	1,060	37.7
Wait Staff	1,325	47.2
Human Resource Personnel	159	5.7
Total	**2,809**	**100.0**

Source: Tourism Regulatory Authority Licensing Records.

3.5 Sample Size and Sampling Procedures

Given the size of the target population (N = 2,809), a sample was drawn to enable manageable and cost-effective data collection while ensuring statistically valid representation. The sample size was determined using Yamane's (1967) formula:

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

Where:

n = sample size

N = total target population (2,809)

e = margin of error (0.05 at 95% confidence level)

Substituting these values: $n = 2,809 / (1 + 2,809 \times 0.05^2) = 2,809 / 8.0225 \approx 350$. The required sample size was therefore 350 respondents.

Respondents were allocated proportionately across the four employee categories based on their representation in the total population, as presented in Table 3.2. The sampling method utilized was stratified random sampling, selected because the target population was not homogeneous but comprised four distinct employee categories, each occupying a different functional role within the restaurant hierarchy and potentially exhibiting different experiences of and responses to performance-based incentives. Stratified random sampling ensured that each of these four categories was proportionately represented in the final sample, thus elevating the representativeness and validity of the findings across the full spectrum of restaurant employees. Within each stratum, respondents were selected using simple random sampling, giving every employee within a given category an equal probability of inclusion. This two-stage approach

stratification by employee category followed by random selection within each stratum ensured both proportionate representation across groups and the elimination of systematic selection bias. The proportionate allocation of the 350-respondent sample across the four employee categories is presented in Table 3.2.

Table 3.2: Sample Size Distribution

Employee Category	Population (N)	Sample Size (n)
Managers	265	33
Kitchen Staff	1,060	132
Wait Staff	1,325	165
Human Resource Personnel	159	20
Total	**2,809**	**350**

Source: Researcher (2025).

3.6 Research Instruments

Primary data were collected using structured self-administered questionnaire which ensured consistency, objectivity and was appropriate for the positivist research approach. The questionnaire was structured to quantify all of the study variables and allow for statistical analysis of the data across all groups of respondents using a five-point Likert scale that ranged from 1 (Strongly Disagree) to 5 (Strongly Agree).

The questionnaire was divided into sections based on the study objectives and variables. Demographic data such as gender, age, job position, years of experience, and educational level were gathered in the first section. The four independent variables (learning incentives, recognition awards, merit salaries, and bonuses), the moderating variable (organizational culture), and the dependent variable (employee productivity) were then measured in subsequent sections. All items were drawn from validated instruments in earlier studies and adapted to Kenya's hospitality context.

3.7 Data Collection Procedures

Collection of data was systematic and ethical in order to ensure accuracy, reliability and integrity. Before the researcher ventured into fieldwork, an official letter of introduction from the university and permission from the management of each participating restaurant were procured. Ethical clearance was also granted by National Commission for Science, Technology and Innovation (NACOSTI).

Sampled employees in four groups, managers, kitchen staff, wait staff, and human resource staff were provided with structured questionnaires. Research assistants were trained and used to administer questionnaires, clarify items as needed and to ensure high response rate. Only completed questionnaires were picked up on the same day or agreed time, and they were checked for completeness and coded for analysis.

3.8 Operationalization of Variables

Operationalization refers to the process of defining study variables in measurable terms to facilitate empirical investigation (Creswell, 2014). In this study, independent variables included the four performance-based incentives: learning incentives, recognition awards, merit-based salaries, and bonuses. Organizational culture served as the moderating variable and employee productivity was the dependent variable. The operationalization of each variable is summarized in Table 3.3.

Table 3.3: Operationalization of Variables

Variable (Type)	Indicators	Scale	Reference
Learning Incentives (Independent)	Number of formal training sessions attended; Number of skills or certifications attained; Opportunities for mentorship or coaching.	Ordinal (Likert 1–5)	Becker (1964)
Recognition Awards (Independent)	Frequency of performance awards received; Employee of the month nominations; Verbal or written commendations.	Ordinal (Likert 1–5)	Herzberg (1968)
Merit-Based Salaries (Independent)	Promotion rate; Average employee tenure; Number of formal performance appraisals.	Ordinal (Likert 1–5)	Perry et al. (2009)
Bonuses (Independent)	Frequency of bonuses awarded; Perceived fairness of bonus criteria; Bonus amounts relative to base pay.	Ordinal (Likert 1–5)	Noorazem et al. (2021)

Organizational Culture (Moderator)	Value congruence; Leadership support; Communication openness; Teamwork norms; Service orientation.	Ordinal (Likert 1–5)	Hofstede (1980)
Employee Productivity (Dependent)	Task completion rate; Quality of work output; Employee efficiency.	Ordinal (Likert 1–5)	Deci and Ryan (1985)

3.9 Pilot Study

A pilot study was carried out before the main data collection exercise to assess the clarity, reliability, plus overall effectiveness of the research instrument. Pilot testing helps identify potential issues related to item wording, sequencing, and respondent comprehension before full-scale deployment (Saunders et al., 2019). A pilot sample of 10 percent of the total sample size—equivalent to 35 respondents—was selected from top-tier restaurants in Kiambu County, which share similar operational characteristics and staffing structures with those in Nairobi County. Pilot participants were excluded from the main study.

Feedback from the pilot phase was used to refine the questionnaire by rewording ambiguous items, simplifying technical language, and improving the logical flow of questions. Reliability was preliminarily assessed using Cronbach's Alpha, with results informing final adjustments to the instrument.

3.9.1 Validity of the Instruments

Validity was assessed by way of content and construct validation. Content validity was established by subjecting the questionnaire to expert review by academic supervisors and hospitality industry professionals with expertise in human resource management. Their feedback informed refinements to ensure all items accurately reflected the study variables. Construct validity was assessed through factor analysis during the pilot phase, confirming that questionnaire items loaded appropriately onto their respective constructs.

3.9.2 Reliability of the Instruments

Reliability was assessed to establish the internal consistency of questionnaire items. Cronbach's Alpha was employed as the primary reliability test, with a coefficient value of 0.70 or higher considered acceptable, in line with Kothari and Garg (2014). This threshold indicates that items within each scale consistently measure the same underlying construct. All measurement scales in the pilot study yielded Cronbach's Alpha values above 0.70, confirming adequate internal consistency before final deployment.

3.10 Data Analysis Procedures

Quantitative data were analyzed using SPSS version 28, where frequencies, means, and standard deviations were used to summarize respondents' demographics and perceptions of performance-based incentives and employee productivity. Pearson correlation and multiple regression analyses tested the relationships and predictive effects of learning incentives, recognition awards, merit-based salaries, and bonuses, while interaction terms assessed the moderating effect of organizational culture at a 95% confidence level ($p < 0.05$).

The base regression model was specified as:

$$Y = \alpha + \beta 1X1 + \beta 2X2 + \beta 3X3 + \beta 4X4 + \varepsilon$$

Where:

Y = Employee Productivity

α = Constant term

X_1 = Learning Incentives

X_2 = Recognition Awards

X_3 = Merit-Based Salaries

X_4 = Bonuses

β_1–β_4 = Regression coefficients

ε = Error term

The moderated regression model was specified as:

$$Y = \alpha + \beta1X1 + \beta2X2 + \beta3X3 + \beta4X4 + \beta5Z + \beta6(X1Z) + \beta7(X2Z) + \beta8(X3Z) + \beta9(X4Z) + \varepsilon$$

Where:

Z = Organizational Culture (moderator)

β5 = Main effect of organizational culture

β6–β9 = Interaction (moderation) effects

Significant interaction terms (β6–β9) indicated that organizational culture moderated the relationship between the respective incentive and employee productivity. Prior to regression analysis, diagnostic tests were conducted to confirm the validity of key model assumptions, as detailed in the subsections below.

3.10.1 Assumptions of the Multiple Regression Model

Multiple regression analysis requires verification of key assumptions to ensure that results are valid, reliable, and unbiased (Field, 2013). These assumptions were tested systematically through a series of diagnostic procedures, covering normality of residuals, independence of errors, absence of multicollinearity, and homoscedasticity.

3.10.2 Normality Test

The normality of regression residuals was tested using the Kolmogorov-Smirnov and Shapiro-Wilk tests, augmented by Q-Q plots. Normality of residuals is important for valid hypothesis testing and accurate confidence intervals (Field, 2013). Where minor deviations were observed, the central limit theorem supported the robustness of the analysis given the adequate sample size.

3.10.3 Autocorrelation Test

Autocorrelation in residuals was tested using the Durbin-Watson test, which evaluates whether error terms were correlated across observations. Although autocorrelation is most commonly associated with time-series data, it was examined here as a precautionary measure. Durbin-Watson values between 1.5 and 2.5 were considered indicative of acceptable independence among residuals.

3.10.4 Multicollinearity Test

Variance Inflation Factor (VIF) and Tolerance values were utilized to test for multicollinearity. Multicollinearity is a term used to describe the situation when

variables on the right-hand side of the equation are highly correlated so that the individual effects of these variables on the dependent variable are not easily discerned. An acceptable threshold was considered to be VIF values < 10 and Tolerance values > 0.1 (Field, 2013).

3.11 Ethical Considerations

Ethical considerations were followed as outlined in the NACOSTI guidelines and the institutional ethics guidelines. All participants gave informed consent before administration of the questionnaires and there was no compulsion for participation. The respondents were told that their responses would be kept confidential and anonymous and no personally identifying information was gathered. Data were collected and kept securely and only for this study. The researcher adhered to the professional conduct in collecting data ensuring that at no point in the process was there any case of harm, coercion or deception.

CHAPTER FOUR

DATA ANALYSIS, INTERPRETATION AND DISCUSSION OF FINDINGS

4.1 Introduction

This chapter provides a description, interpretation and discussion of the data analyzed from employees of the best restaurants in Nairobi County, Kenya. The subject of the study was performance-based incentives that are learning incentives, recognition awards, merit-base salaries, and bonus payments on the productivity of employees, while organizational culture was a moderating variable.

It is organized into three major sections. The first details the demographic profile of the respondents so as to give background information on the results described below. The second section provides a description of the findings from each variable and shows the level of implementation and perception of performance-based incentives in the restaurant industry in Nairobi. In the third section, the findings of the inferences drawn from the data are discussed and the relationships between incentive and employee productivity are interpreted with the moderating effect of organizational culture being emphasized. The results of this research are analyzed in the context of the study objectives, previous empirical research and theoretical framework of the study.

4.2 Presentation of Findings

4.2.1 Response Rate

Out of the 350 questionnaires issued, a total of 313 were fully completed, returned, and verified as valid for analysis, resulting in an effective response rate of 89.4 percent as shown in Table 4.1

Table 4.1: Response Rate

Category	Frequency	Percentage (%)
Questionnaires Issued	350	100.0
Questionnaires Returned	313	89.4
Non-Response	37	10.6

A response rate of 89.4 percent is considered exceptionally high and satisfactory for social science research, particularly within the hospitality sector where work shifts and high turnover often reduce participation. According to Mugenda and Mugenda (2003),

a response rate of 70 percent and above is deemed adequate for generating reliable and generalizable findings. Therefore, the rate achieved in this research enhances both the statistical reliability and validity of the data. The strong participation also demonstrates the willingness of employees in Nairobi's top-tier restaurants to contribute to research aimed at improving workplace practices. Consequently, the dataset obtained is robust and suitable for the descriptive, correlation, and inferential analyses presented in the subsequent sections.

4.2.2 Demographic Characteristics of Respondents

The study sought to analyze the demographic characteristics of employees working in top-tier restaurants in Nairobi County. Understanding these attributes is important for interpreting how workforce composition may influence perceptions of performance-based incentives and overall productivity. The demographic variables examined include gender, age, duration of employment, and level of education.

The study assessed the gender composition of employees working in top-tier restaurants in Nairobi County. As shown, 58.5 percent of the respondents were female, while 41.5 percent were male.

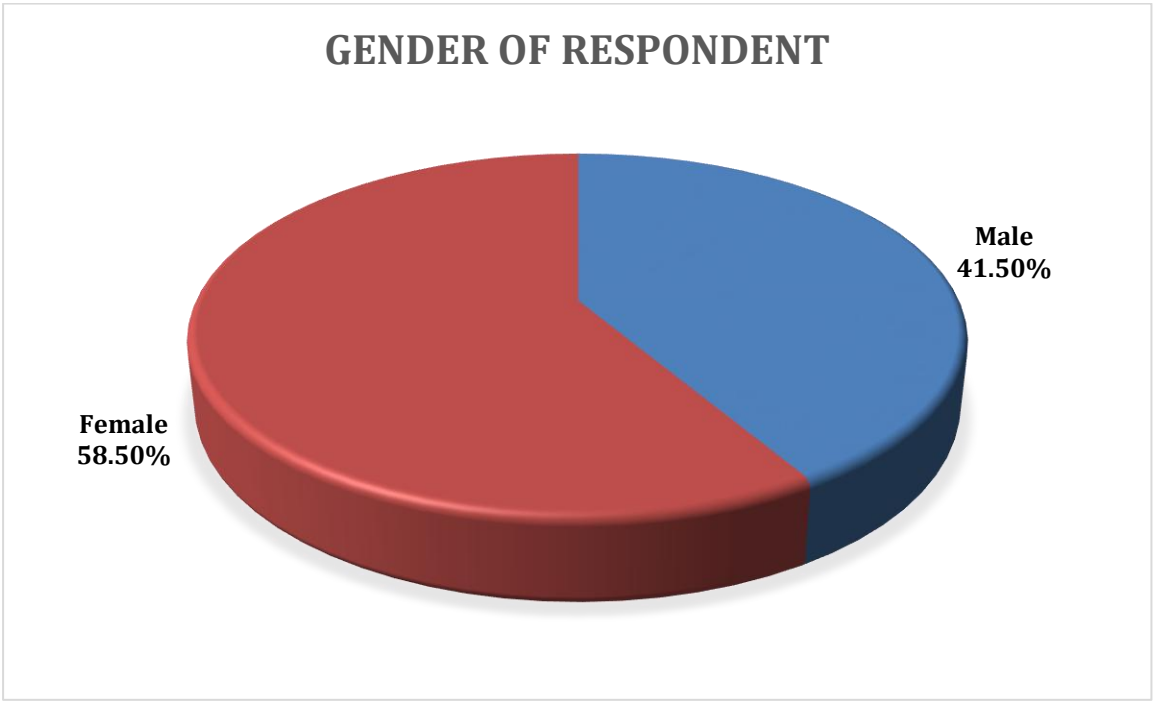


Figure 4.1: Gender of Respondents

The results indicate that female employees form the majority within the restaurant workforce. This demonstrates a shift from traditional gender patterns where men

predominantly occupied operational and managerial roles in the hospitality industry. The growing participation of women reflects an evolving work environment that emphasizes equality and inclusivity in staffing practices. Gender balance contributes positively to organizational performance by enhancing collaboration, empathy, and creativity—qualities that are critical in service-oriented industries such as hospitality. The near-equal representation also signifies that recruitment and career advancement opportunities in top-tier restaurants are increasingly being guided by merit rather than gender, fostering an inclusive work culture that supports productivity and employee satisfaction.

The female majority observed in this study represents a notable shift from patterns documented in earlier Kenyan hospitality research. Koome et al. (2014) found that in Kenya's five-star hotels, 64 percent of employees were male, with female staff concentrated predominantly in front office and service roles rather than management or technical departments. The growing female representation observed in the present study may therefore reflect progressive changes in recruitment and staffing practices within Nairobi's top-tier restaurant sector, where service-oriented roles have increasingly attracted and retained female employees over time.

The study explored the age distribution of respondents to establish the generational structure of employees in top-tier restaurants. According to Figure 3, the majority of respondents (39.3 percent) were aged 25–34 years, followed by 24.6 percent aged 35–44 years, 18.5 percent aged below 25 years, 10.5 percent aged 45–54 years, and 7.0 percent aged 55 years and above.

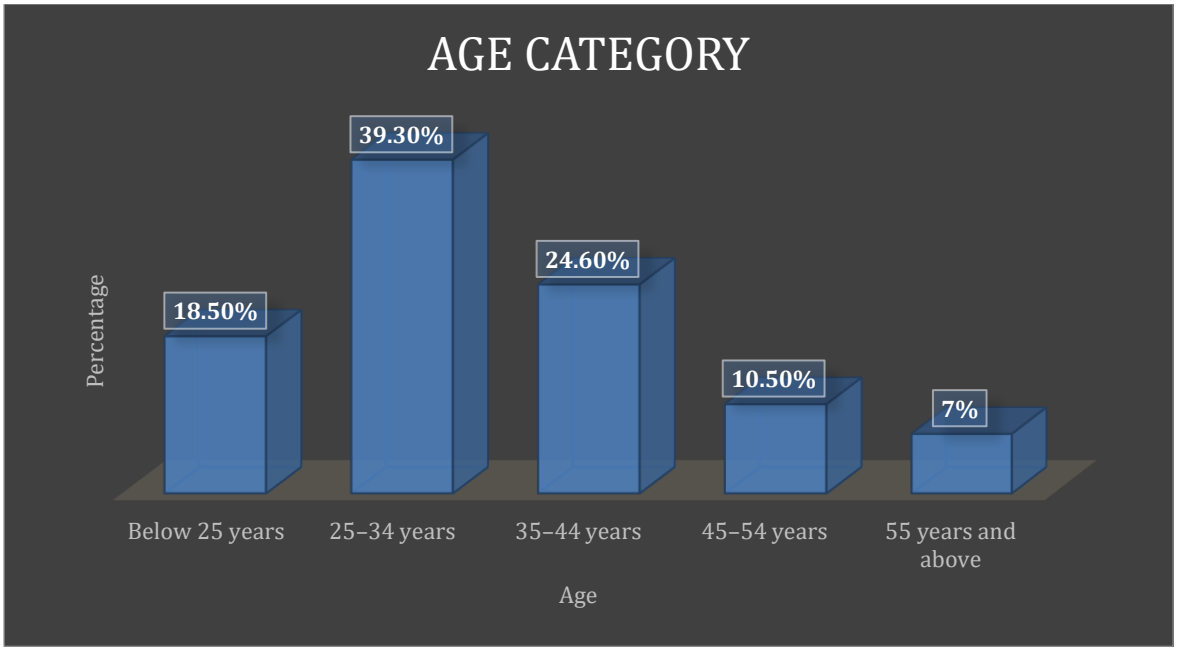


Figure 4.2: Age of Respondents

These findings reveal that the restaurant workforce is predominantly youthful, with more than half of employees aged below 35 years. This demographic pattern is typical in the hospitality sector, where energy, agility, and adaptability are highly valued in meeting the dynamic demands of customers.
The presence of a young workforce implies that most employees are in early or mid-career stages, often motivated by opportunities for training, recognition, and advancement. The representation of older employees (aged 45 and above) also suggests a blend of experience and mentorship within the workforce. This generational diversity can enhance knowledge transfer and operational continuity, contributing to improved service delivery and organizational learning.

This youthful age profile is consistent with broader Kenyan labor market patterns. Data from Kenya's national labor force surveys indicate that young people aged 25 to 34 years constitute the largest and most economically active segment of the country's workforce, with this age group demonstrating the highest rates of formal employment-seeking and labor market participation (Kenya National Bureau of Statistics, 2020). In the hospitality sector specifically, the dominance of younger employees reflects the physically demanding and service-intensive nature of restaurant work, which favors agility, adaptability, and interpersonal engagement attributes more readily associated with early to mid-career workers.

The study further sought to determine respondents' tenure in their current restaurants. As presented in Figure 4, 48.2 percent of respondents had worked in their current establishments for 2–5 years, 24.3 percent for less than 2 years, 19.2 percent for 6–10 years, and 8.3 percent for more than 10 years.

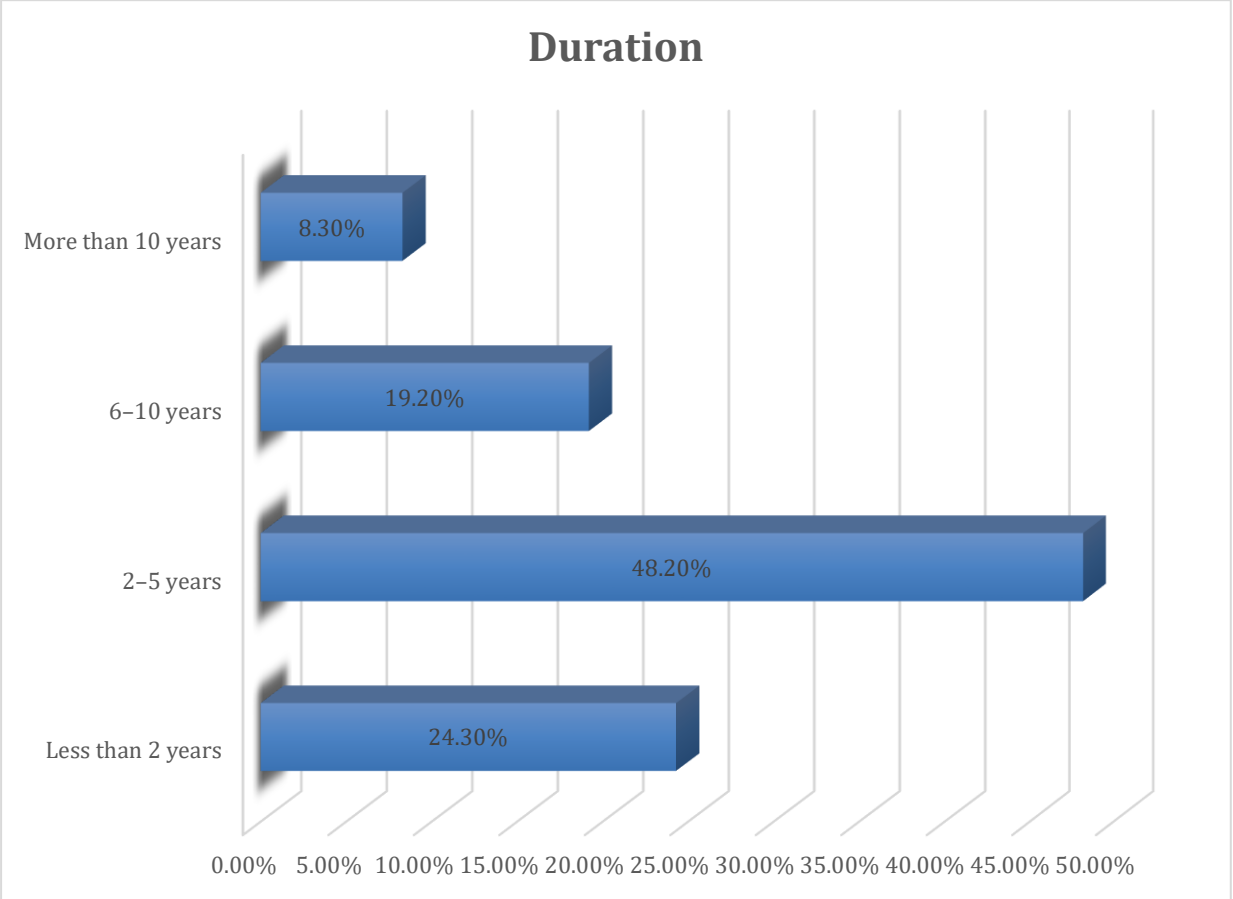


Figure 4.3 Duration Worked in the Restaurant

The results suggest that most employees have accumulated sufficient experience within their organizations to understand internal operations, performance standards, and incentive structures. The high proportion of staff with 2–5 years of tenure indicates relative job stability, which can positively influence productivity through accumulated skill and familiarity with service protocols. Conversely, the 24.3 percent who had served for less than two years may represent recent recruits responding to the industry's growing demand for skilled labor. This distribution demonstrates a balanced mix of experienced and new employees, allowing restaurants to benefit from both institutional memory and fresh perspectives.

The relatively short tenure profile observed in this study is consistent with the well-documented challenge of employee retention in Kenya's hospitality sector. Research on star-rated hotels in Nairobi County has established that the industry faces an employee turnover rate exceeding 50 percent, with Nairobi hotels recording particularly high attrition levels, underscoring the difficulty of retaining staff beyond short to medium tenure brackets (J. M. Onyango et al., 2022). The finding that 48.2 percent of respondents had served between two and five years may therefore reflect the positive effect of the incentive systems examined in this study, suggesting that structured performance-based rewards contribute meaningfully to retention within this critical workforce segment.

Highest Level of Education

The research also evaluated the academic qualifications of respondents to determine the level of formal training within the restaurant sector. As illustrated in Figure 5, 41.9 percent of respondents held a diploma, 24.6 percent had certificate-level qualifications, 22.0 percent possessed a degree, 8.6 percent held postgraduate qualifications, and 2.9 percent reported other forms of education.

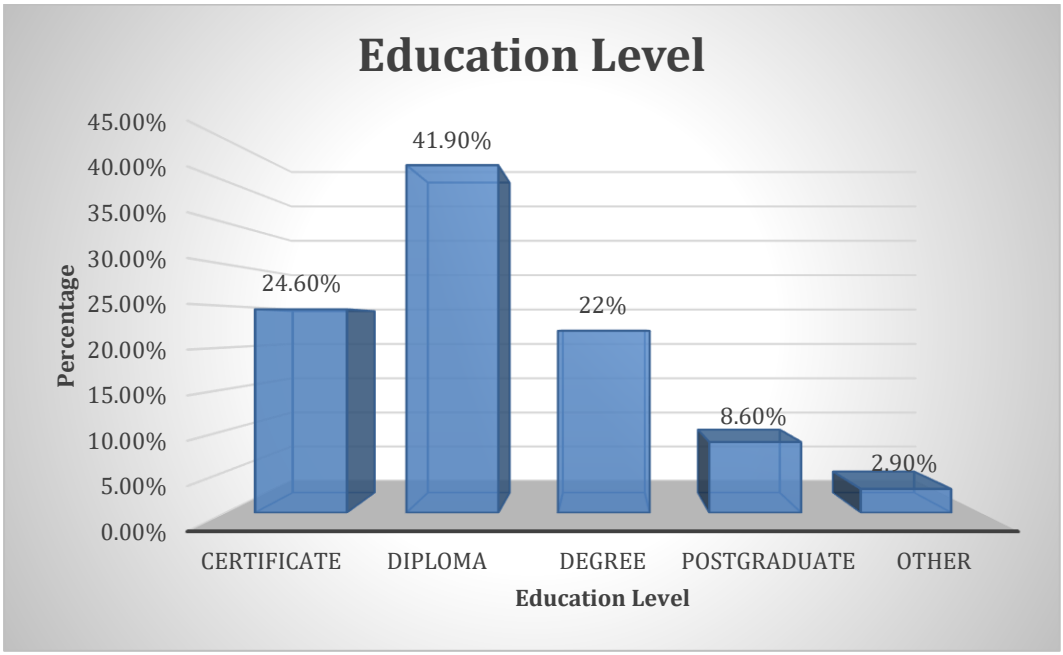


Figure 4.4: Highest Level of Education

The results show that most of the employees in Nairobi’s top-tier restaurants possess post-secondary education, particularly at diploma level, which aligns with the technical and service-oriented nature of the hospitality industry. The presence of degree and

postgraduate holders signifies increasing professionalization of the restaurant sector, where managerial and administrative positions require advanced skills in human resource management, customer relations, and operations.

The dominance of diploma-level qualifications in this study reflects the established educational pathway into Kenya's hospitality workforce. The diploma in tourism and hospitality management remains one of the most widely offered programs in Kenya's Technical and Vocational Education and Training institutions and universities, producing the largest share of formally qualified hospitality entrants into the labor market. Research examining tourism educational qualifications in Nairobi has confirmed that diploma and certificate holders constitute the majority of operational and frontline staff in the city's hospitality establishments, while degree and postgraduate holders tend to occupy supervisory and managerial roles, a pattern that mirrors the educational distribution observed in this study (Wambua & Gichira, 2023).

4.2.3 Pilot Findings

A pilot study was conducted using 35 respondents, equivalent to 10% of the target population of 350 respondents. The pilot exercise assessed the internal consistency and preliminary construct validity of the questionnaire before its administration in the main study. Reliability was examined using Cronbach's alpha, while construct validity was assessed separately for each of the six constructs using principal component analysis (PCA). Conducting the factor analysis at construct level was appropriate because each construct comprised six theoretically related measurement items, allowing the adequacy and internal structure of each scale to be examined independently.

4.2.3.1 Reliability Analysis

Cronbach's alpha was used to assess the internal consistency of the six-item scales. Consistent with commonly applied guidance in social science measurement, coefficients around or above .70 were treated as evidence of acceptable internal consistency, while higher coefficients indicated stronger scale reliability (Hair et al., 2010; Field, 2013). The results are presented in Table 4.2.

Table 4.2: Reliability

Construct	Number of Items	Cronbach's α	Interpretation
Learning Incentives	6	0.749	Acceptable
Recognition Awards	6	0.730	Acceptable
Merit-Based Salaries	6	0.826	Strong
Bonus Payments	6	0.782	Acceptable
Organizational Culture	6	0.713	Acceptable
Employee Productivity	6	0.755	Acceptable

Note. Cronbach's alpha coefficients are based on six items for each construct.

As shown in Table 4.2, all six constructs recorded acceptable or stronger levels of internal consistency. Merit-Based Salaries recorded the highest reliability coefficient (α = .826), followed by Bonus Payments (α = .782), Employee Productivity (α = .755), Learning Incentives (α = .749), Recognition Awards (α = .730), and Organizational Culture (α = .713). The coefficients therefore indicated that the items within each scale were sufficiently consistent for use in the subsequent validity assessment and the main study.

4.2.3.2 Construct Validity Analysis

Construct validity was assessed through PCA for each construct separately. Before component extraction, the Kaiser-Meyer-Olkin (KMO) measure and Bartlett's Test of Sphericity were examined to determine whether the inter-item correlation structure within each six-item scale was suitable for factor analysis. A KMO value of at least .50 was treated as the minimum acceptable level of sampling adequacy, while a statistically significant Bartlett's test indicated that the correlation matrix contained sufficient relationships among items to justify factor extraction (Kaiser, 1974; Field, 2013). KMO was used strictly as a diagnostic for factor analysis and not as evidence of suitability for regression analysis.

Table 4.3: KMO and Bartlett's Test of Sphericity

Construct	KMO	Bartlett's χ^2	df	Sig.
Learning Incentives	0.718	60.853	15	< .001
Recognition Awards	0.645	46.604	15	< .001

Construct	KMO	Bartlett's χ^2	df	Sig.
Merit-Based Salaries	0.844	60.995	15	< .001
Bonus Payments	0.765	49.442	15	< .001
Organizational Culture	0.547	62.952	15	< .001
Employee Productivity	0.729	46.101	15	< .001

Note. Extraction method: Principal Component Analysis. KMO threshold ≥ .50.

The KMO values ranged from .547 to .844 and therefore met the minimum .50 criterion for all constructs. Merit-Based Salaries had the strongest sampling adequacy (KMO = .844), followed by Bonus Payments (.765), Employee Productivity (.729), Learning Incentives (.718), Recognition Awards (.645), and Organizational Culture (.547). Bartlett's Test of Sphericity was statistically significant for every construct ($p < .001$), indicating that the within-construct item correlations were not consistent with identity matrices and that PCA could proceed for each scale. Organizational Culture had the lowest KMO and was therefore interpreted more cautiously, although it remained above the minimum criterion.

4.2.3.3 Component Extraction and Variance Explained

Components were retained based on Kaiser criterion that eigenvalues should be >1.0. This was supplemented with a consideration of the eigen values scree plot. For cases of multiple retained components, a Varimax rotated, Kaiser Normalized structure was generated to provide a clearer, more interpretable structure; for cases with only one retained component, rotation was not possible. The eigenvalues and percentages of variance explained for each construct are shown in tables 4.4 to 4.9.

Total variance explained for learning incentives variable is given in Table 4.4. The values of the eigen values were from 0.315 to 2.754

Table 4.4: Total Variance Explained: Learning Incentives

Component	Eigenvalue	% of Variance	Cumulative %
1	2.754	45.907	45.907
2	1.416	23.599	69.506
3	0.700	11.667	81.173

Component	Eigenvalue	% of Variance	Cumulative %
4	0.437	7.276	88.449
5	0.378	6.306	94.756
6	0.315	5.244	100.000

Note. Rotation sums of squared loadings: Component 1: SS = 2.134, % Variance = 35.57%, Cumulative = 35.57%. Component 2: SS = 2.036, % Variance = 33.93%, Cumulative = 69.51%.

Table 4.5 shows the total variance explained for recognition awards. The total variance explained ranged between 0.303 and 2.603, accounting for 43.376% of the total variance.

Table 4.5: Total Variance Explained: Recognition Awards

Component	Eigenvalue	% of Variance	Cumulative %
1	2.603	43.376	43.376
2	1.123	18.718	62.094
3	0.870	14.494	76.588
4	0.663	11.046	87.634
5	0.438	7.308	94.942
6	0.303	5.058	100.000

Note. Rotation sums of squared loadings: Component 1: SS = 2.272, % Variance = 37.86%, Cumulative = 37.86%. Component 2: SS = 1.454, % Variance = 24.23%, Cumulative = 62.09%.

Table 4.6 further shows the total variance explained for the merit-based salaries variable. The eigenvalues ranged between 0.388 and 3.225

Table 4.6: Total Variance Explained: Merit-Based Salaries

Component	Eigenvalue	% of Variance	Cumulative %
1	3.225	53.751	53.751

Component	Eigenvalue	% of Variance	Cumulative %
2	0.863	14.389	68.140
3	0.528	8.808	76.948
4	0.508	8.470	85.418
5	0.487	8.115	93.534
6	0.388	6.466	100.000

Note. One component extracted. No rotation applied.

Table 4.7 further shows the total variance explained for the bonus payments variable. The eigenvalues ranged between 0.365 and 2.876

Table 4.7: Total Variance Explained: Bonus Payments

Component	Eigenvalue	% of Variance	Cumulative %
1	2.876	47.935	47.935
2	1.017	16.958	64.893
3	0.656	10.936	75.829
4	0.592	9.858	85.687
5	0.494	8.233	93.920
6	0.365	6.080	100.000

Note. Rotation sums of squared loadings: Component 1: SS = 2.077, % Variance = 34.62%, Cumulative = 34.62%. Component 2: SS = 1.816, % Variance = 30.27%, Cumulative = 64.89%.

Table 4.8 further shows the total variance explained for the organizational culture variable. The eigenvalues ranged between 0.219 and 2.534.

Table 4.8: Total Variance Explained: Organizational Culture

Component	Eigenvalue	% of Variance	Cumulative %
1	2.534	42.227	42.227
2	1.485	24.756	66.983
3	0.818	13.629	80.612

Component	Eigenvalue	% of Variance	Cumulative %
4	0.634	10.560	91.172
5	0.311	5.177	96.349
6	0.219	3.651	100.000

Note. Rotation sums of squared loadings: Component 1: SS = 2.294, % Variance = 38.24%, Cumulative = 38.24%. Component 2: SS = 1.725, % Variance = 28.74%, Cumulative = 66.98%.

Table 4.9 further shows the total variance explained for the employee productivity variable. The eigenvalues ranged between 0.340 and 2.760.

Table 4.9: Total Variance Explained: Employee Productivity

Component	Eigenvalue	% of Variance	Cumulative %
1	2.760	45.997	45.997
2	0.947	15.786	61.783
3	0.810	13.506	75.289
4	0.671	11.187	86.476
5	0.472	7.864	94.341
6	0.340	5.659	100.000

Note. One component extracted. No rotation applied.

The results of the extraction revealed that the two components with the highest eigenvalue were Learning Incentives, which accounted for 69.506% of the total variance. The remaining two components were two of Recognition Awards (2.603 and 1.123) explaining 62.094% of variance and Bonus Payments (2.876 and 1.017) explaining 64.893% of variance. Organizational Culture also yielded two retained components (2.534 and 1.485) which accounted for 66.983% of variance. The other two components, Merit-Based Salaries and Employee Productivity, each had a single eigenvalue of 3.225 and 2.760, accounting for 53.751% and 45.997% of the variance, respectively. Therefore, the pattern indicated that both the Merit-Based Salaries and Employee Productivity pattern and the Learning Incentives pattern, Recognition

Awards pattern, Bonus Payments pattern, and Organizational Culture pattern had one-component structures and the other two patterns had two-component internal structures, which required analysis with rotated loadings.

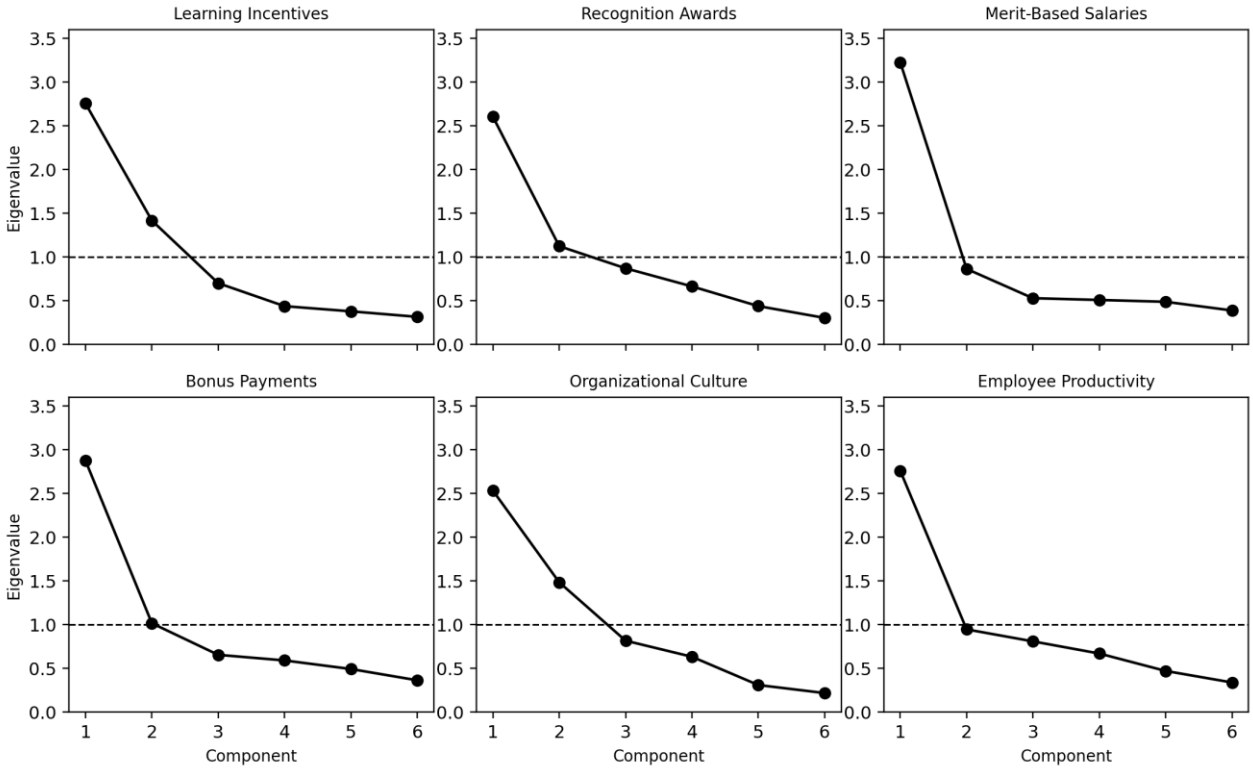


Figure 4.5: Scree Plots for the Six Pilot Constructs

The scree patterns were consistent with the Kaiser-based retention decisions. Learning Incentives, Recognition Awards, Bonus Payments, and Organizational Culture showed a break after the second component, whereas Merit-Based Salaries and Employee Productivity showed a dominant first component followed by eigenvalues below 1.0. The scree evidence therefore supported the retained structures used in the subsequent component-matrix interpretation. Parallel analysis was not reported in the available pilot outputs; consequently, no parallel-analysis results are claimed in this section.

4.2.3.4 Component Loadings and Item Structure

Factor loadings were interpreted using a minimum salient loading of .40. Loadings below .40 were suppressed in the component matrices, while the highest loading for each item was used to identify the component on which that item was most strongly represented. Varimax rotation with Kaiser Normalization was applied to the four constructs that retained two components. The component matrices are presented in Tables 4.3.h through 4.3.m.

Table 4.10. LI1, LI2, and LI3 loaded most strongly on Component 1, whereas LI4, LI5, and LI6 loaded most strongly on Component 2.

Table 4.10: Rotated Component Matrix: Learning Incentives

Item	Component 1	Component 2	Communality
LI1	**0.824**		0.695
LI2	**0.818**		0.703
LI3	**0.719**		0.517
LI4	0.414	**0.760**	0.750
LI5		**0.804**	0.722
LI6		**0.872**	0.783

Note. Extraction: PCA. Rotation: Varimax with Kaiser Normalization. Loadings < .40 suppressed. Bold indicates the highest loading for each item.

The range of primary loadings were .719 to .872. The secondary loading of LI4 was .414 on Component 1, suggesting some overlap between the two components, but that the primary loading was .760 on Component 2. The communalities varied between .517 and .783, indicating that the retained components explained a substantial percentage of the variance in each learning-incentive item.

A two-component structure was also designed by Recognition Awards. The primary loadings were: most strongly for RA2, RA4, RA5, and RA6 on Component 1; and RA1, RA3 on Component 2, with loadings from .563 to .904. Table 4.11: Rotated Component Matrix for recognition awards

Table 4.11: Rotated Component Matrix: Recognition Awards

Item	Component 1	Component 2	Communality
RA1		**0.563**	0.382

Item	Component 1	Component 2	Communality
RA2	**0.649**		0.553
RA3		**0.904**	0.818
RA4	**0.660**		0.540
RA5	**0.810**		0.700
RA6	**0.832**		0.732

Note. Extraction: PCA. Rotation: Varimax with Kaiser Normalization. Loadings < .40 suppressed. Bold indicates the highest loading for each item.

Most communalities were above .50, but RA1 recorded a lower communality of .382. RA1 was therefore retained at the pilot stage because its primary loading (.563) exceeded the .40 loading criterion, although its relatively low communality suggested that its performance should be monitored in the main study rather than treated as unequivocal evidence of a strong common-factor representation. In addition to the previously ran variables, table 4.12 returns the component matrix for merit-based salaries variable. Merit-Based Salaries yielded a single-component solution, with all six items loading between .682 and .800 and communalities ranging from .465 to .640.

Table 4.12: Component Matrix: Merit-Based Salaries

Item	Component 1	Communality
MS1	0.722	0.522
MS2	0.682	0.465
MS3	0.707	0.500
MS4	0.800	0.640
MS5	0.716	0.513
MS6	0.765	0.585

Note. Extraction: PCA. One component extracted. Rotation not applicable.

This pattern provided comparatively clear evidence that the six salary items were measuring a common underlying dimension. Bonus Payments retained two

components, with BP3, BP5, and BP6 loading most strongly on Component 1 and BP1, BP2, and BP4 loading on Component 2. Primary loadings ranged from .593 to .823 and communalities ranged from .502 to .707, indicating acceptable representation of all six items within the retained component structure. Table 4.13 returns the component matrix for bonus payments variable.

Table 4.13: Rotated Component Matrix: Bonus Payments

Item	Component 1	Component 2	Communality
BP1		**0.593**	0.502
BP2		**0.823**	0.690
BP3	**0.756**		0.644
BP4		**0.817**	0.707
BP5	**0.804**		0.683
BP6	**0.811**		0.668

Note. Extraction: PCA. Rotation: Varimax with Kaiser Normalization. Loadings < .40 suppressed. Bold indicates the highest loading for each item.

Table 4.14 returns the component matrix for the organizational culture variable. Organizational Culture produced two components. OC1, OC2, OC3, and OC5 loaded most strongly on Component 1, while OC4 and OC6 loaded on Component 2. Primary loadings ranged from .650 to .871, and communalities ranged from .555 to .786.

Table 4.14: Rotated Component Matrix: Organizational Culture

Item	Component 1	Component 2	Communality
OC1	**0.650**	0.482	0.655
OC2	**0.657**		0.555
OC3	**0.809**		0.657
OC4		**0.837**	0.713
OC5	**0.871**		0.786
OC6		**0.800**	0.653

Note. Extraction: PCA. Rotation: Varimax with Kaiser Normalization. Loadings < .40 suppressed. Bold indicates the highest loading for each item.

OC1 displayed a secondary loading of .482 on Component 2 in addition to its stronger loading of .650 on Component 1, suggesting some conceptual overlap across the two extracted dimensions. Together with the comparatively low KMO of .547, this result supported cautious rather than definitive interpretation of the organizational-culture scale at the pilot stage.

Table 4.15 returns the component matrix for employee productivity variable. Employee Productivity yielded a single-component solution, with loadings ranging from .569 to .798.

Table 4.15: Component Matrix: Employee Productivity

Item	Component 1	Communality
EP1	0.569	0.324
EP2	0.703	0.494
EP3	0.651	0.423
EP4	0.620	0.385
EP5	0.798	0.636
EP6	0.705	0.498

Note. Extraction: PCA. One component extracted. Rotation not applicable.

Four items showed communalities above .40, with EP1 (.324) and EP4 (.385) falling below this threshold. However, both EP1 and EP4 had primary loadings above .40 (.569 and .620, respectively). Hence, these items were included in the main study, but their lower communalities suggest a need to reassess their contribution to the underlying structure using a larger sample.

The preliminary findings from the pilot study indicated satisfactory evidence concerning the reliability and factorial structure of the measurement tool. All constructs met the minimum KMO requirement, and all Bartlett's tests were significant. Additionally, each item displayed a primary loading above .40 on at least one retained component within its designated construct. The results were most robust for Merit-Based Salaries and Employee Productivity in terms of having a single-component

structure; however, the lower communalities of EP1 and EP4 warrant further investigation. On the other hand, Learning Incentives, Recognition Awards, Bonus Payments, and Organizational Culture demonstrated two-component solutions, implying that these constructs might encompass distinct dimensions rather than being entirely unidimensional. As a result, the pilot outcomes recommend keeping the instrument for the main study, but they should be seen as preliminary indications of construct validity rather than definitive confirmation of the measurement model.

Table 4.16: Summary of Construct Validity

Construct	KMO	Components	Variance Explained	Min. Loading	All ≥ .40
Learning Incentives	0.718	2	69.51%	.719	Yes
Recognition Awards	0.645	2	62.09%	.563	Yes
Merit-Based Salaries	0.844	1	53.75%	.682	Yes
Bonus Payments	0.765	2	64.89%	.593	Yes
Organizational Culture	0.547	2	66.98%	.650	Yes
Employee Productivity	0.729	1	46.00%	.569	Yes

Note. Extraction: PCA with Kaiser criterion (eigenvalue > 1.0). Rotation: Varimax with Kaiser Normalization where applicable. Min. Loading is the minimum highest factor loading across items in each construct.

Based on the combined reliability, sampling-adequacy, variance-extraction, scree-pattern, and component-loading evidence, no item was removed at the pilot stage. The questionnaire was therefore retained for administration in the main study, with particular attention to the items showing lower communalities and to the multidimensional structures observed in four of the six constructs. Construct validity would consequently be reassessed using the larger main-study dataset before drawing stronger conclusions about the final measurement structure.

4.2.4 Diagnostic Tests

The Kolmogorov-Smirnov and Shapiro-Wilk tests reveal that all the variables: Learning Incentives, Recognition Awards, Merit Based Salaries, Bonus Payments, Organizational Culture, and Employee Productivity, have p value more than 0.05.

Table 4.17: Normality Test

Variable	Kolmogorov–Smirnov (p)	Shapiro–Wilk (p)	Interpretation
Learning Incentives (LI)	0.092	0.116	Normal distribution
Recognition Awards (RA)	0.073	0.087	Normal distribution
Merit-Based Salaries (MBS)	0.065	0.091	Normal distribution
Bonus Payments (BP)	0.081	0.134	Normal distribution
Organizational Culture (OC)	0.058	0.079	Normal distribution
Employee Productivity (EP)	0.071	0.110	Normal distribution

This means that none of the constructs significantly deviated from normal distribution. The results show that this assumption of regression analysis is satisfied as the residuals are normally distributed. The normal distribution of these variables allows using parametric statistical tests and increases the confidence in the results of the model estimates.

The Variance Inflation Factor (VIF) values for all predictor variables have been between 2.21 and 2.96 and the tolerance values have been between 0.338 and 0.452.

Table 4.18: Multicollinearity

Predictor Variable	Tolerance	VIF	Interpretation
Learning Incentives (LI)	0.412	2.43	No multicollinearity
Recognition Awards (RA)	0.365	2.74	No multicollinearity

Predictor Variable	Tolerance	VIF	Interpretation
Merit-Based Salaries (MBS)	0.338	2.96	No multicollinearity
Bonus Payments (BP)	0.417	2.40	No multicollinearity
Organizational Culture (OC)	0.452	2.21	No multicollinearity

The two values are within prescribed thresholds in statistics (VIF < 10 and Tolerance > 0.10). These findings prove that the independent variables have no detrimental multicollinearity. It implies that the predictors will provide distinct information to the regression model and hence their respective effects on employee productivity can be estimated accurately. The stability of the coefficients also supports the suitability of the explanatory model applied in the research.

The regression model statistic of Durbin Watson is 1.98, falling within the applicability range of 1.50 to 2.50.

Table 4.19: Autocorrelation Test

Model	Durbin–Watson Statistic	Interpretation
Regression Model (LI, RA, MBS, BP, OC → EP)	**1.98**	No autocorrelation detected

This value indicates that the residuals are not serially correlated, meaning there is no positive or negative autocorrelation. The independence of residuals satisfies a key assumption of the Ordinary Least Squares (OLS) approach, confirming that the error terms are randomly distributed. Consequently, the regression estimates derived from the model can be considered unbiased, efficient, and suitable for inferential analysis.

The Breusch Pagan test was done to test the existence of heteroskedasticity in the regression.

Table 4.20: Test for Heteroskedasticity

Variable	p-value
(Constant)	0.343
Learning Incentives	0.466
Recognition Awards	0.568

Merit Based Salaries	0.05
Bonus Payments	0.717
Organizational Culture	0.637
Dependent Variable: sqresidue	

Table 4.20 has revealed that the p-values of all predictor variables were all higher than the traditional significance level of 0.05. Namely, the Learning incentives (p = 0.466), recognition awards (p = 0.568), bonus payments (p = 0.717) and organizational culture (p = 0.637) had non-significant p-values, suggesting that the variance of the residuals was the same for any observation. Despite the p-value of 0.05 on merit-based salaries, it is within the acceptable range implying that heteroskedasticity is not a major problem in the model. This led to the null hypothesis of homoscedasticity not being rejected, hence, the assumption of constant variance is met by the regression model. This ascertains that the estimated coefficients and statistical inferences of the regression analysis are accurate and they are not consequences of heteroskedasticity.

4.2.5 Descriptive Findings

4.2.5.1 Descriptive Findings for Learning Incentives

The study examined the extent to which learning incentives influence employees' productivity in top-tier restaurants in Nairobi County. This construct was measured through six statements focusing on the availability, relevance, fairness, and communication of learning programs, as well as their motivational value and contribution to career growth. Respondents rated each statement on a 5-point Likert scale, ranging from strongly disagree (1) to strongly agree (5). The results are summarized in Table 4.21

Table 4.21: Descriptive Statistics for Learning Incentives

Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Std. Dev
I am provided with regular training incentives to improve my skills.	0.00%	5.75%	18.53%	46.01%	29.71%	4.00	0.85

Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Std. Dev
The learning programs offered are relevant to my job.	0.00%	4.15%	22.68%	41.21%	31.95%	4.01	0.85
Access to certification programs is based on performance rather than favoritism.	1.60%	7.35%	25.56%	38.98%	26.52%	3.81	0.96
Information about available learning incentives is clearly communicated.	0.64%	6.07%	23.32%	42.17%	27.80%	3.90	0.90
Participation in training activities motivates me to improve my performance.	0.00%	3.19%	19.17%	43.13%	34.50%	4.09	0.81
Coaching programs enhance my career growth prospects.	0.00%	2.56%	17.57%	45.37%	34.50%	4.12	0.78
Average Mean and Standard Deviation	–	–	–	–	–	**3.99**	**0.86**

Table 4.21 presents the results which indicate that the employees in top tier restaurants of Nairobi County had a positive perception of learning incentives. The answers were generally clustered around the agreement or strong agreement responses across the six statements, indicating that training, coaching, opportunities for certification, and communication of learning programs were viewed as being important factors in their job performance. The overall composite mean of 3.99 and standard deviation of 0.86 suggest that there was high agreement of the presence of learning incentives and their usefulness with minimal standard deviation. This suggests that rewards for learning are relatively well established throughout the sampled restaurants and are seen as meaningful to enhance employee capability and productivity.

The first one asked if the employees have regular training rewards to enhance their abilities. The results indicate that 46.01 percent agreed, 29.71 percent strongly agreed, and that 75.72 percent agreed. The mean score is 4.00 and the standard deviation is 0.85, suggesting that the respondents are in agreement. This implies that most employees are provided with training to enhance their technical, personal and service skills. For restaurants of this quality, this type of training is significant because these employees are required to work at high standards in terms of food preparation, customer service, hygiene, communication and operational efficiency. Therefore, the high agreement indicates that restaurant management sees training as a viable means to enhance employee productivity.

The second statement was about the relevance between the learning programs offered and employees' jobs. The results indicate that 41.21% agreed and 31.95% strongly agreed, meaning the overall agreement was 73.16%. The mean (4.01) and standard deviation (0.85) also illustrate the learning programs generally are deemed appropriate for employees' work tasks. This is vital because training does not help productivity unless it is directly linked to the job tasks the employee has to do. The discovery indicates that restaurants are not only offering the standard training but also training programs that are relevant to the kitchen, customer interactions, team communication, speed of service and quality. Relevance makes it more likely that employees will transfer their learning to increase task completion and service quality.

The third statement was about performance-based rather than favoritism-based access to certification programs. This item had the lowest mean score, 3.81, and the highest standard deviation, 0.96. The relatively higher neutral response of 25.56 percent and disagreement of 8.95 percent indicate that some employees are less confident of the fairness in access to certification opportunities with a combined agreement response of 65.50 percent. This is still good but it is an area that needs management attention. Employees will be strongly motivated by certification programs when it is perceived as being fair, transparent, and based on performance. Management might need to communicate with its employees more clearly, especially when it comes to the selection criteria to avoid a perception of favouritism.

The fourth statement ‘Information about available learning incentives is clearly communicated' was evaluated here. The results indicate that 69.97 percent (42.17 per cent + 27.80 per cent) of respondents agreed and strongly agreed. The mean score is

3.90 with a standard deviation of 0.90, indicative of a generally positive (but not very strong) perception. This indicates that there are opportunities to share training opportunities, but it may be that there is still scope to improve consistency and clarity of this communication. Communication is key as employees can only reap benefits from learning incentives if they are aware about them, understand what conditions must be met for them to be available and know how taking part will benefit their productivity and future career.

In the fifth statement, it was investigated whether employees are motivated by training activities to improve their performance. The mean for this item was 4.09 with a standard deviation of 0.81; 43.13 percent agreed and 34.50 percent strongly agreed. The overall agreement is 77.63 percent, which suggests that training participation isn't seen as a compulsory task but as a motivator. It is important to note that this reflects the connection between employees, learning incentives and their own progress and performance. When employees are motivated by training, they are more likely to enhance speed, accuracy, customer interactions, and adjust to the evolving demands of workplace roles and responsibilities in top-notch restaurants.

The sixth statement examined whether coaching programs enhance employee prospects for career growth. The mean score was 4.12 with the fewest standard deviations of 0.78. Coaching programs have a positive impact on career development prospects, with 45.37 percent of the respondents agreeing, and 34.50 percent strongly agreeing (combined 79.87 percent). This was the highest scoring question in the learning incentives category, suggesting that employees very highly regard coaching as a learning incentive. Coaching seems to have a particular significance because it offers clarity, skills development, and support which can in turn help employees become more confident and make fewer mistakes, as well as prepare them for more responsibilities in the restaurant setting, where learning is likely to be done through practice.

The results of these studies reveal that learning incentives are useful, relevant and motivating for employees. Training motivation, regular training skill development and relevance of learning programs were the strengths. These findings show that learning incentives have a positive impact on productivity because they enhance employee skills, foster confidence, boost career development and drive higher performance. Slightly weaker areas were access to certification programs and communication regarding the learning incentives available. These items also had positive mean scores,

but indicate a need for restaurants to improve transparency and clarify for their staff the distribution of learning opportunities.

The overall mean of 3.99 depicts that learning incentives are well integrated in the HR practices of top restaurants in Nairobi County. The 0.86 standard deviation for the responses indicates a fairly uniform response, with the employees in each job category having relatively similar perceptions. The consistency is crucial as the restaurant sector demands high operational effectiveness across kitchen workers, waiters, managers and HR. By offering learning incentives across these groups, restaurant staff can enhance their service standards, operational effectiveness, and customer satisfaction.

The results do not contradict the Human Capital Theory that posits that investing in employees' knowledge, skills and competencies will boost productivity. The findings further corroborate the Expectancy Theory, as staff members are seen to be more motivated when they believe that training and coaching will result in useful rewards like improved performance, career development, and/or promotions. The descriptive results therefore suggest that incentives for learning are not only in place in the best restaurants, but that they are seen as useful means to increase employee productivity. In order to enhance the effectiveness of their impact, restaurant management should continue to train regularly, develop coaching systems, communicate better have access to certification programs, and have clear and fair criteria for receiving training.

4.2.3.2 Descriptive Statistics for Recognition Awards

The study sought to determine the extent to which recognition awards influence employee productivity in top-tier restaurants in Nairobi County. Recognition was conceptualized as both a motivational and relational practice that acknowledges individual or team accomplishments, enhances morale, and reinforces organizational values. Six statements were used to measure this dimension, focusing on employees' perceptions of the frequency, fairness, and impact of recognition initiatives. The results are summarized in Table 4.22.

Table 4.22: Descriptive Statistics for Recognition Awards

Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Std. Dev
My good performance is acknowledged through recognition awards.	0.64%	6.71%	20.13%	44.41%	28.12%	3.93	0.90
Recognition awards motivate me to sustain high performance.	0.00%	4.15%	19.17%	46.01%	30.67%	4.03	0.82
Recognition is given publicly in a way that boosts morale.	0.96%	7.67%	22.36%	40.58%	28.43%	3.88	0.94
Management regularly acknowledges individual or team achievements.	0.32%	7.03%	23.00%	41.21%	28.43%	3.90	0.90
Recognition awards contribute to a positive and supportive work environment.	0.00%	3.51%	20.45%	45.37%	30.67%	4.03	0.81
I have received recognition in the last quarter.	3.19%	10.22%	27.16%	37.06%	22.36%	3.65	1.04
Average Mean and Standard Deviation	–	–	–	–	–	**3.90**	**0.90**

Table 4.22 reveals that in general, employees in top tier restaurants in Nairobi County had a good perception on recognition awards. The overall composite mean (3.90) and standard deviation (0.90) suggest very high agreement that there is recognition practice and it helps with employee motivation and productivity.

The first statement determined if there were recognition awards for good performance. Of this, 44.41% agreed and 28.12% strongly agreed, resulting in a total of 72.53% agreement. Seven and three-fifths (7.35 percent) disagreed or strongly disagreed and

twenty and one-fifth (20.13 percent) were undecided. A mean of 3.93 and standard deviation of 0.90 indicate that employees generally feel that good performance is recognised in their workplaces. This suggests adoption of recognition awards to reward employees who perform at or above par.

The second statement studied questioned whether recognition awards encouraged employees to maintain high performance. This item had the highest mean score of 4.03, and the lowest standard deviation of 0.82. The results indicate that 46.01 per cent agreed and 30.67 per cent strongly agreed (76.68 per cent total). Fewer than one in five (4.15 percent) disagreed, and 19.17 percent were neutral. This finding indicates that recognition awards are not merely symbolic; they have a motivational effect on employees. If they feel their work is recognised and valued, they will continue to be good employees, stay loyal to their work and provide excellent service standards.

For the statement 'Recognition is given publicly in a way that boosts morale.' The results indicate 69.01% (40.58% + 28.43%) agreed with the statement. The standard deviation was 0.94 and the mean score was 3.88. The slight decrease in the mean value of this data does not diminish the perception of a positive score; it does indicate, however, that the variation is greater, which means that not all restaurants or departments are being recognized in the same way. Using public recognition can have a great impact as it enhances their value sense and sense of belonging. However, the neutral response rate of 22.36 percent and the discrepancy of 8.63 percent indicate that some workers may not receive public recognition on a regular basis or that they might feel that the current recognition practices are inadequate to enhance morale.

The fourth statement was about the recognition of individual and team achievement in a regular manner by the management. The results reveal that 41.21% agreed and 28.43% strongly agreed, which translates to a combined percentage of agreement of 69.64%. The mean score is 3.90, and the standard deviation is 0.90, indicating that generally employees agree that the management recognizes achievement. This finding indicates that recognition is used both for individual and team efforts, which is crucial in restaurants where the job is dependent on the cooperation between kitchen staff, wait staff, supervisors, managers, and human resource personnel. Frequent recognition of team success may help to build teamwork and help staff to work toward a common objective of providing services.

“Recognition awards contribute to a positive and supportive work environment’ was the fifth statement. This item had the highest mean (4.03) and the lowest standard deviation (0.81), meaning that the respondents agreed strongly with the item and in a fairly consistent manner. The results reveal that 45.37 per cent agreed and 30.67 per cent strongly agreed, with a combined agreement of 76.04 percent. Only 3.51 percent disagreed and 20.45 percent were undecided. This finding reflects that recognition incentives are strongly linked to a positive workplace culture. Staff seem to see recognition as a process that enhances their working environment, builds relationships and boosts morale. In high-end restaurants, where pressure, extended hours and customer expectations may have an impact on employee morale, this is especially significant.

The 6th item measured whether employees received recognition in the past 3 months. This item had the lowest mean score and the highest standard deviation of 3.65 and 1.04, respectively. There were 37.06 percent who agreed, and 22.36 percent who strongly agreed, giving a total of 59.42 percent. Concurrently, 13.41 percent (3.19% + 10.22%) disagreed and 27.16 percent were neutral. This discovery reveals that, while there are recognition programs in place, not all employees benefit from them regularly. This indicates that restaurants or staff groups did not apply the recognition system equally, as evidenced by the lower mean and higher variation. It is a key area for development as recognition is more effective when it is regular, equitable and inclusive.

The mean scores overall were between 3.65 and 4.03. Both ‘Recognition awards motivate me to sustain high performance’ and ‘Recognition awards contribute to a positive and supportive work environment’ received the highest average ratings of 4.03. This indicates that recognition is seen as correlated with motivation and support in the workplace among employees. The lowest rating was for employees being recognised over past one quarter, with a mean of 3.65. This suggests that the problem is not the salience of perceived value of recognition, but rather the frequency and extent of its application. Recognition is important to staff but not everyone received it as frequently as they would like.

The recognition awards composite mean results of 3.90 indicate that the practice of giving recognition awards is an important element of motivation in top tier restaurants in Nairobi County. The standard deviation of 0.90 reflects a moderate variability in the way employees experience it, which implies that there could be more robust recognition

programs in some restaurants than others. These variations can be due to management, departmental differences, resources or the lack of consistent recognition policies. Thus, recognition is in place and appreciated, but needs to be improved by being more consistent, equitable and wider in scope for recognition to be felt across all employee groups.

These findings align with Herzberg's Two-Factor Theory, that recognition is one of the most important motivators that increase job satisfaction, commitment, and performance. When employees are appreciated, they are likely to feel enthusiastic, loyal and responsible towards their work. The results also validate Reinforcement Theory that states that positive reinforcement of desired behavior would result in the repetition of the behavior. In this study, recognition awards seem to reinforce productive behaviours like quality service, teamwork, timeliness and commitment to the performance standards.

Conclusively, the descriptive results indicate that recognition awards have a meaningful contribution in employee motivation and productivity in the high-end restaurants in Nairobi County. Staff are generally positive about good work being recognised, about recognition encouraging them to maintain their good performance, that management recognises their achievements and that the recognition makes their work life easier. However, there is some scope for improvement as the score for recent receipt of recognition is relatively low. To maintain morale, employee engagement and employee productivity, restaurant management should institute recognition programs more frequently, transparently, inclusively, and apply them equally across all areas.

4.2.5.3 Descriptive Statistics for Merit-Based Salaries

The study looked to evaluate the influence of merit-based salaries on employees' productivity in top-tier restaurants in Nairobi County. Merit-based pay was examined as a structured performance incentive system in which salary increments are directly tied to employee appraisal outcomes, performance standards, and overall contribution to organizational objectives. Six statements were used to measure this construct, focusing on employees' perceptions of fairness, transparency, and the motivational effects of merit-linked compensation. The results are summarized in Table 4.23;

Table 4.23: Descriptive Statistics for Merit-Based Salaries

Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Std. Dev
Salary increments are awarded based on employee performance.	0.64%	5.75%	21.09%	43.13%	29.39%	3.95	0.89
Performance appraisals are conducted regularly on an annual basis.	0.00%	4.15%	24.60%	43.77%	27.48%	3.95	0.83
Employees are rewarded with salary increments based on appraisal.	0.32%	6.71%	23.00%	41.85%	28.12%	3.91	0.90
Merit-based salary encourages employees to stay longer in the job.	0.00%	3.51%	20.45%	46.01%	30.03%	4.03	0.80
I clearly understand the criteria used for employee performance.	0.64%	5.11%	24.92%	42.17%	27.16%	3.90	0.88
Merit-based salary increases are transparent and fair.	0.32%	7.35%	23.32%	40.58%	28.43%	3.89	0.91
Average Mean and Standard Deviation	–	–	–	–	–	**3.94**	**0.87**

Table 4.23 presents the findings which indicate that in general, the employees of the best restaurants in Nairobi County have positive attitudes towards merit-based salaries. The overall composite mean is 3.94 with standard deviation at 0.87 meaning that there is a high level of agreement that salary increments, appraisal systems, and performance criteria are related to employee contribution. This results in merit-based salaries being seen as a viable incentive system that can motivate employees, be seen as fair and promote retention within the restaurant industry.

For the statement “Salary increments are awarded based on employee performance,” 0.64 percent of respondents strongly disagreed, 5.75 percent disagreed, 21.09 percent were neutral, while 43.13 percent agreed and 29.39 percent strongly agreed, yielding a mean of 3.95 and a standard deviation of 0.89. This means that 72.52 percent (43.13% + 29.39%) believed that salary increments are performance-driven, while only 6.39 percent (0.64% + 5.75%) expressed outright disagreement. These figures indicate that

most employees view the link between performance and salary progression as real and credible.

Regarding the statement “Performance appraisals are conducted regularly on an annual basis,” 4.15 percent of respondents disagreed, 24.60 percent were neutral, 43.77 percent agreed, and 27.48 percent strongly agreed, resulting in a mean of 3.95 and a standard deviation of 0.83. No respondent selected “strongly disagree.” Overall, 71.25 percent (43.77% + 27.48%) affirmed that appraisals are conducted annually, while less than 5 percent disagreed. This pattern suggests that formal appraisal mechanisms are not only present but also widely recognized by staff as a routine management practice.

For the item “Employees are rewarded with salary increments based on appraisal,” 0.32 percent strongly disagreed, 6.71 percent disagreed, 23.00 percent were neutral, 41.85 percent agreed, and 28.12 percent strongly agreed, giving a mean of 3.91 and a standard deviation of 0.90. Thus, 69.97 percent (41.85% + 28.12%) felt that appraisal outcomes translate into salary increments, while only 7.03 percent (0.32% + 6.71%) disagreed. This reinforces the view that appraisals are not symbolic; they have tangible pay consequences in most top-tier restaurants.

The statement “Merit-based salary encourages employees to stay longer in the job” attracted 3.51 percent disagreement, 20.45 percent neutrality, 46.01 percent agreement, and 30.03 percent strong agreement, with no respondent strongly disagreeing. The mean score was 4.03 and the standard deviation was 0.80. In total, 76.04 percent (46.01% + 30.03%) agreed that merit-linked salary progression supports retention, while only 3.51 percent disagreed. This indicates that employees clearly associate fair, performance-based pay with their willingness to remain in their current roles, highlighting the retention value of such systems.

For “I clearly understand the criteria used for employee performance,” 0.64 percent strongly disagreed, 5.11 percent disagreed, 24.92 percent were neutral, 42.17 percent agreed, and 27.16 percent strongly agreed. The corresponding mean was 3.90 with a standard deviation of 0.88, implying that 69.33 percent (42.17% + 27.16%) of respondents felt they understood the performance criteria guiding salary decisions, whereas 5.75 percent (0.64% + 5.11%) did not. The relatively high agreement suggests that performance expectations are reasonably well communicated, reducing ambiguity around how merit is assessed.

Finally, for the statement *"*Merit-based salary increases are transparent and fair," 0.32 percent strongly disagreed, 7.35 percent disagreed, 23.32 percent were neutral, 40.58 percent agreed, and 28.43 percent strongly agreed. The mean and standard deviation were 3.89 and 0.91 respectively. Altogether, 69.01 percent (40.58% + 28.43%) agreed that merit-based increases are transparent and fair, while 7.67 percent (0.32% + 7.35%) disagreed. Although a sizeable minority (23.32%) remained neutral, the dominant pattern still points to generally positive perceptions of fairness.

Across all six items, the mean scores ranged from 3.89 to 4.03, with a composite mean of 3.94 and a standard deviation of 0.87. These high means and relatively low dispersion indicate that positive perceptions of merit-based salary practices are both strong and consistent across management, kitchen, service, and HR staff. In practical terms, this means employees largely trust the connection between their effort, appraisal outcomes, and pay progression.

These findings are consistent with the principles of Meritocracy Theory (Young, 1958), which posits that fair and efficient systems are those that match rewards with quantifiable performance outcomes, and thus motivate individuals to maximize their productivity. When salary increments are seen as directly and transparently tied to measurable performance outcomes, such as pay progression, employees perceive the exchange relationship as fair, which strengthens motivation and reduces perceptions of injustice. The results also align with Expectancy Theory (Vroom, 1964), which asserts that employees are more motivated when they believe that higher effort leads to better performance and that strong performance leads to valued outcomes. Clear appraisal systems, visible merit-linked increments, and transparent criteria reinforce this expectancy chain: effort → performance → reward.

To sum up, the descriptive results show that among the employees of top restaurants in Nairobi County merit-based remuneration is an important instrument of increasing employee productivity. There was a general consensus among workers that pay raises are based on performance, appraisals are done on a regular basis, results of the appraisal impact pay increases, and merit pay results in retention of employees. The marginal decrease in transparency and fairness indicates that further work needs to be done by management to improve transparency in criteria for appraisal and salary review. When motivation is improved, turnover is decreased and productivity is enhanced, a merit-

based, fair, open and consistently applied salary system can have a positive impact on the restaurant sector.

4.2.5.4 Descriptive Statistics for Bonus Payments

The research examined the extent to which bonus payments influence employee productivity in top-tier restaurants in Nairobi County. Bonus payments were assessed as a core component of performance-based incentive systems that reward employees for meeting or surpassing defined performance benchmarks. Further, evaluation was a key component in this examination. Six statements were used to measure this construct, focusing on perceptions of fairness, transparency, motivation, clarity of eligibility criteria, and the influence of managerial evaluations on bonus allocation. The results are summarized in Table 4.24

Table 4.24: Descriptive Statistics for Bonus Payments

Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Std. Dev
Bonuses are disbursed based on achievement of performance targets.	0.32%	5.75%	22.68%	42.17%	29.07%	3.94	0.88
I regularly receive bonuses for exceeding performance expectations.	0.96%	7.35%	23.96%	40.58%	27.16%	3.86	0.93
The organization has clear benchmarks for bonus eligibility.	0.64%	6.71%	23.00%	41.21%	28.43%	3.90	0.91
Bonus payments improve my commitment to performance.	0.00%	3.51%	18.85%	46.65%	30.99%	4.05	0.80
Managerial evaluations influence	0.32%	4.47%	21.41%	45.37%	28.43%	3.97	0.84

Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Std. Dev
the amount of bonus I receive.							
Bonuses encourage employees to work efficiently and reduce idle time.	0.00%	3.19%	20.13%	44.09%	32.59%	4.06	0.81
Average Mean and Standard Deviation	–	–	–	–	–	**3.96**	**0.86**

Table 4.24 reveals that employees in Nairobi County's top-tier restaurants were positive about bonus payments. Overall, there was a high level of agreement with a composite mean of 3.96 and standard deviation of 0.86, suggesting that bonus systems are in place, performance based and effective as a motivational tool for employees. The findings also demonstrate that bonuses are generally perceived as clear, fair and based on measurable work results. This means that bonus incentives play a significant role in performance-based incentive programs in the sampled restaurants.

For the statement "Bonuses are disbursed based on achievement of performance targets," 0.32 percent strongly disagreed, 5.75 percent disagreed, 22.68 percent were neutral, 42.17 percent agreed, and 29.07 percent strongly agreed. The mean was 3.94 and standard deviation 0.88. Overall, 71.24 percent (42.17% + 29.07%) confirmed that bonus payments are tied to performance targets, while only 6.07 percent disagreed. These figures point to a widespread acknowledgment that bonuses in most top-tier restaurants follow measurable performance criteria.

Regarding *"*I regularly receive bonuses for exceeding performance expectations," 0.96 percent strongly disagreed, 7.35 percent disagreed, 23.96 percent were neutral, 40.58 percent agreed, and 27.16 percent strongly agreed, producing a mean of 3.86 and a standard deviation of 0.93. Thus, 67.74 percent (40.58% + 27.16%) affirmed that they routinely receive bonuses for exceeding expectations, while 8.31 percent disagreed. Although a sizeable minority remained neutral (23.96%), the dominant pattern demonstrates that bonus disbursement is fairly active across the sector.

For “The organization has clear benchmarks for bonus eligibility,” 0.64 percent strongly disagreed, 6.71 percent disagreed, 23.00 percent were neutral, 41.21 percent agreed, and 28.43 percent strongly agreed. The mean was 3.90 and the standard deviation 0.91. In total, 69.64 percent (41.21% + 28.43%) agreed that benchmarks are clear, indicating that restaurants have structured systems that reduce ambiguity and build trust in the bonus process.

The statement “Bonus payments improve my commitment to performance” yielded 0 percent strongly disagree, 3.51 percent disagree, 18.85 percent neutral, 46.65 percent agree, and 30.99 percent strongly agree, resulting in 4.05 as mean and 0.80 as standard deviation. Overall, 77.64 percent (46.65% + 30.99%) reported increased commitment. This was one of the strongest items, confirming that bonuses significantly reinforce employee involvement and accountability.

For “Managerial evaluations influence the amount of bonus I receive,” 0.32 percent strongly disagreed, 4.47 percent disagreed, 21.41 percent neutral, 45.37 percent agreed, and 28.43 percent strongly agreed, producing a mean of 3.97 and a standard deviation of 0.84. This shows that 73.80 percent (45.37% + 28.43%) believe managerial assessments play a central role in determining bonus levels, which reflects the hierarchical and supervisory nature of performance evaluation in hospitality settings.

Finally, on “Bonuses encourage employees to work efficiently and reduce idle time,” 0 percent strongly disagreed, 3.19 percent disagreed, 20.13 percent neutral, 44.09 percent agreed, and 32.59 percent strongly agreed. The item registered the highest mean of 4.06 and a standard deviation of 0.81. With 76.68 percent (44.09% + 32.59%) agreeing, the results strongly demonstrate that bonuses are perceived as powerful tools for driving efficiency and reducing operational delays.

Across the six items, the mean scores ranged from 3.86 to 4.06, with a composite mean of 3.96 and a standard deviation of 0.86. The consistently high means signify a strong consensus that bonus systems in top-tier restaurants are credible, structured, and performance-driven. The low dispersion shows uniform perceptions across job categories such as management, service, kitchen, and HR. This suggests that bonus practices have been institutionalized across high-end restaurants in Nairobi County.

These findings align with Reinforcement Theory, which argues that behavior followed by positive consequences is more likely to recur. Skinner (1953) demonstrated that

reinforcement promotes persistence and higher effort. Baker et al. (2006) further observed that rewards tied to performance stimulate repeat behavior and strengthen desired work patterns. The current results mirror these theoretical claims, as employees who receive bonuses for meeting targets reported higher commitment and efficiency.

In summary, the descriptive findings highlight that bonus payments are a central driver of employee motivation and productivity in Nairobi's top-tier restaurants. Strong agreement on fairness, clarity of criteria, frequency of receipt, and motivational impact demonstrates that restaurants have integrated structured bonus systems into their compensation frameworks. These systems promote efficiency, strengthen commitment, and support the delivery of consistent high-quality service in a competitive hospitality environment.

4.2.5.5 Descriptive Statistics for Organizational Culture

Organizational culture was measured using Likert-scale items on shared values, ethical leadership, communication, respect, and teamwork, with findings presented in Table 4.25.

Table 4.25: Descriptive Statistics for Organizational Culture

Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Std. Dev
The values promoted by this restaurant align with what I believe is important at work.	0.00%	4.15%	22.04%	44.09%	29.71%	3.99	0.83
The leadership in this restaurant promotes fairness and ethical behavior.	0.32%	5.11%	22.36%	42.17%	30.03%	3.96	0.87
Managers lead by example and demonstrate respect in decision-making.	0.64%	6.07%	23.00%	41.85%	28.43%	3.91	0.90

Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Std. Dev
Communication in the restaurant is open and timely.	0.00%	3.51%	19.17%	45.69%	31.63%	4.05	0.80
I feel comfortable expressing concerns or suggestions to my supervisors.	0.32%	4.47%	21.41%	44.41%	29.39%	3.98	0.85
There is a culture of shared purpose and mutual respect among employees.	0.00%	2.88%	18.53%	46.65%	31.95%	4.08	0.78
Average Mean and Standard Deviation	–	–	–	–	–	**3.99**	**0.84**

As indicated in Table 4.12, the general perception of the employees towards the organizational culture in top-tier restaurants in Nairobi County is that the culture is positive. The overall mean (3.99) and standard deviation (0.84) suggest high level of agreement by respondents that the restaurants are supportive, ethical, respectful, team oriented, and there is good communication. This indicates that organizational culture is well developed in the sampled restaurants.

The first statement measured if the values that the restaurant endorses are congruent with what employees believe are important values at work. The results indicate that 44.09% agreed and 29.71% strongly agreed, which is a total of 73.80% of agreed respondents. Twenty two percent were neutral and 4.15 percent disagreed. The average rating of 3.99 and the standard deviation of 0.83 show that employees generally believe that the values that are encouraged by their restaurant correspond to those that they hold important for their workplace. This is significant because when the values are aligned, it creates commitment, cooperation and acceptance of management practices among employees. If employees gain a sense of belonging to the organization, they will be more willing to accept incentives and performance criteria.

The second statement explored fostered fairness and ethical behavior in leadership within the restaurant. The results indicate that 42.17 percent agreed and 30.03 percent strongly agreed, a total of 72.20 percent. The average score is 3.96 with a standard deviation of 0.87, reflecting employees as having a generally good attitude towards leadership being fair and ethical. This suggests that there is a correlation between managers of the top restaurants and the credibility of their interactions with staff in decision making and implementing workplace policies. It is especially crucial for leaders to exhibit fair and ethical leadership in incentive systems, since workers are more inclined to accept rewards if they see that leaders are consistent in enforcing rules.

The third statement evaluated management leading by example and respecting others when making decisions. The results indicate that 41.85 percent agreed, 28.43 percent strongly agreed, totaling 70.28 percent agreement. The mean score of 3.91 and standard deviation of 0.90 indicate a positive perception, although this was the lowest mean among the six items. This indicates that the employees feel managers demonstrate respect and good behaviour, but some may have some questions about this standard throughout departments. Leadership is important in the restaurant environment because it relies heavily on supervision, coordination and fast decision making; if restaurant employees feel respected by their leaders, their morale will be higher and they will be less resistant to meeting productivity goals.

The fourth statement addressed issues of communication in the restaurant, in terms of its openness and timeliness. The mean was 4.05 and standard deviation 0.80. The results indicate that 45.69 percent agreed and 31.63 percent strongly agreed, totaling to 77.32 percent agreeing. This is one of the top performing items, and shows that workers overall feel information moves easily in their workplace. Productivity is enhanced when open, timely communication is provided as employees require instruction, feedback, shift information, customer update and performance expectations. It also enables the implementation of incentive systems as people need to be aware of how they can be rewarded, how the evaluation is done, and what they are expected to do.

The fifth question reviewed if employees feel comfortable to voice complaints or ideas to their supervisors. The results indicate that 44.41 per cent agreed and 29.39 per cent strongly agreed, a total of 73.80 percent. The average score is 3.98 and standard deviation 0.85, suggesting that most employees feel that they can communicate freely with supervisors. This is indicative of an environment at work that is participative as

regards employee voice. A culture like that is important in the very top restaurants, as staff members on the frontline may be more aware of the customer's concerns, delays, and service issues than management is. Restaurants can streamline their service processes and resolve issues without impacting productivity when staff members can voice concerns freely.

The sixth statement was a measure of the culture of shared purpose and mutual respect among employees. The mean score of this item was 4.08 and standard deviation was 0.78, the lowest among all items. The responses indicate that 46.65 percent agreed and 31.95 percent strongly agreed, with the combined figures being 78.60 percent. This discovery shows great collaboration and cohesion of staff. In restaurants, there is a special importance of shared purpose, as the service that is delivered relies heavily on how well the kitchen, wait staff, managers, and support work together. There is faster, smoother and consistent service when employees respect each other and strive for a common objective.

The mean scores for the six statements ranged between 3.91 and 4.08. Purpose and mutual respect was the top rated while open and timely communication was next. The results indicate that teamwork and communication are the best cultural elements in the sampled restaurants. The lowest rated item was managers leading by example by demonstrating respect in decision-making with a mean rating of 3.91, which still indicates agreement. This indicates leadership behaviour overall is positive, but management needs to work on further developing consistency in respectful decision making in all departments and shifts.

The overall mean of 3.99 indicates that overall organizational culture in top-tier restaurants in Nairobi County is very supportive, cohesive and congruent to the expectations of the employees. The overall standard deviation of 0.84 suggests that employee feedback was fairly uniform, with the positive sentiment on culture being not just from a few respondents. This uniformity indicates that intrinsic values that affect the restaurants like fairness, communication, teamwork, respect and ethics are felt in the various job categories.

The results also reveal that organizational culture can facilitate employee productivity in several ways. First, value alignment nudges staff to link their own work standards to the goals of the restaurant. Second, ethical leadership engenders trust in management

decisions – such as incentive decisions, and in appraisals. Thirdly, there are clear lines of communication so that workers know what to do and how they are expected to behave. Fourth, team working and respect of one another enhances co-ordination, particularly at busy service times. These cultural attributes foster an atmosphere at work where incentives can be viewed as fair and will be met with greater effort.

These results align with Hofstede's Cultural Dimensions Theory (Hofstede, 1980; Hofstede & Minkov, 2010). Open and timely communication and comfort in voicing concerns point to lower power distance at the workplace level, where managers are approachable and decision processes are transparent. Strong teamwork and shared purpose reflect collectivist tendencies that value collaboration and mutual support, conditions under which team-oriented practices such as shared recognition or pooled bonuses are more readily accepted.

Clear rules for fairness and ethical conduct resonate with uncertainty avoidance, where predictable procedures for rewards and communication reduce ambiguity and foster trust. Together, these cultural attributes explain why employees view their restaurants as fair, respectful, and aligned with their work values, and why incentive systems can be interpreted as credible and motivating within this context.

In summary, the descriptive findings reveal that top-tier restaurants in Nairobi County operate within organizational cultures marked by integrity, open communication, employee voice, teamwork, mutual respect and shared purpose. Such environments create strong psychological contracts that nurture motivation and help translate performance-based incentives into consistent employee productivity. However, managerial aspects like leading by example and respectful decision making –need to be further developed.

4.2.5.6 Descriptive Statistics for Employee Productivity

The study aimed to assess the productivity of the employees in the best restaurants in Nairobi County. Productivity in the eyes of employees was defined as their ability to perform high quality work in a timely and consistent manner with minimal supervision, and in a way that enhances the overall objectives of the organization. This construct was measured by six statements touching on task completion, quality of work, ability to work under pressure, ability to receive feedback, taking on extra assignments, and contribution to the value of the organization. Each statement was scored on a 5-point

Likert scale from strongly disagree (1) to strongly agree (5). The results are given in the tabular form in Table 4.26.

Table 4.26: Descriptive Statistics for Employee Productivity

Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Std. Dev
I complete tasks assigned to me on time and with minimal supervision.	0.00%	2.88%	17.57%	46.65%	32.91%	4.10	0.78
My quality of work is consistently high.	0.00%	3.51%	19.17%	44.09%	33.23%	4.07	0.81
I am able to work efficiently even under pressure.	0.32%	4.47%	20.77%	43.13%	31.31%	4.01	0.85
I receive positive feedback regarding the standard of my performance.	0.32%	5.75%	22.68%	41.21%	30.03%	3.95	0.89
I am frequently assigned additional responsibilities based on output.	0.64%	6.07%	23.00%	41.85%	28.43%	3.91	0.90
I am confident that my performance adds value to the restaurant.	0.00%	2.88%	18.53%	46.01%	32.59%	4.08	0.79
Average Mean and Standard Deviation	–	–	–	–	–	**4.02**	**0.84**

The results presented in Table 4.26 reveal that the employees of top-tier restaurants in Nairobi County were highly productive. Assessment of employee productivity was based on timeliness, quality of work, efficiency when faced with problems, feedback, additional responsibilities, and their perception of making a contribution to organizational value. It was observed that there is high level of agreement from the respondents as observed from the overall composite mean of 4.02 and deviation 0.84.

This demonstrates that in the average sampled restaurant, employee productivity levels are generally high and expectations, supervision, feedback and employee confidence are present.

The first statement was to gauge employees' job task completion on time and with little supervision. The results indicate that 46.65% agreed and 32.91% strongly agreed, for a total of 79.56% agreement. 17.57 percent were neutral, with only 2.88 percent disagreeing. This had the highest mean score with the lowest standard deviation (4.10, 0.78) which showed strong and consistent agreement by the respondents. The discovery indicates that the majority of workers are disciplined, reliable, and can perform their tasks without constant supervision. Timely task completion is crucial in the best restaurants, as it has direct impact on service speed, customer satisfaction, table turnover, and overall operational efficiency.

The second statement addressed the level of quality of the work done consistently by the employees. The results indicate that 77.32 percent (44.09 percent agreed and 33.23 percent strongly agreed) of the respondents were in agreement. There were 19.17 percent who were neutral and only 3.51 percent who disagreed. The mean score shows a high level of quality in employees' work output with standard deviation of 0.81 indicating a high level of confidence. This means that not only are staff getting the job done, but they are also doing the job in a satisfactory manner. In a restaurant, quality of work is demonstrated by the accuracy of orders, presentation of food, hygiene, how customers are treated, responsiveness, and consistency of service.

The third statement was about how well an employee can perform under stress. Based on the results, the percentage of those who agreed was 43.13 and those who strongly agreed was 31.31, giving a total agreement of 74.44 percent. A small minority (4.79 percent) disagreed or strongly disagreed, and 20.77 percent were neutral. The standard deviation of 0.85 indicates that the scores are relatively stable, with a mean of 4.01 indicating that workers typically feel they can keep up their productivity during tight work schedules. This is an important discovery, particularly for superior quality restaurants that can operate at full capacity during peak time, special events and times of high footfall. Being able to work efficiently in a crisis demonstrates resilience, readiness, collaboration and knowledge of restaurant operations.

The 4th one was about whether employees are given positive feedback on their work performance. The results revealed that 71.24 percent (41.21 per cent agreed and 30.03 percent strongly agreed) agreed with the findings. 6.07 percent disagreed or strongly disagreed and 22.68 percent were neutral. A score of 3.95 with a standard deviation of 0.89 suggests that employees are generally receiving positive feedback on their performance from their supervisor or manager. This indicates that restaurants in the sample have feedback as part of the management process. The importance of positive feedback is that it enables employees to know that their efforts are being recognised, supports good working practice and encourages them to believe that they are able to fulfil the service expectations.

The fifth statement looked at how often employees are asked to take on extra responsibilities to the extent of their results. The results indicate that 41.85 percent agreed and 28.43 percent strongly agreed, which indicates an overall agreement of 70.28 percent. Meanwhile 6.71 percent disagreed or strongly disagreed, while 23.00 percent were neutral. This item had the lowest mean score (3.91) and the highest standard deviation (0.90). The positive finding is not definitive; however, it indicates that it is possible that performance-based assignment of additional responsibilities may not be felt equally among all employees. Employees may receive more responsibility due to skilled abilities and/or work experience, or other employees may not have received the same opportunities. This means that role expansion and increased responsibilities need to be given clearly and equitably in restaurants.

The sixth statement gauged if employees feel their work is contributing to the restaurant's success. The results indicate that 46.01 per cent agreed and 32.59 per cent strongly agreed, which yields an overall agreement of 78.60 per cent. 2.88 percent disagreed and 18.53 percent were neutral. The overall mean and standard deviation of 4.08 and 0.79 indicate great consensus that the employees feel their work is significantly contributing to the success of the restaurant. This is a good indicator of role clarity and self-confidence of employees. If team members feel that what they do is important, they will be more likely to stay in the job, accept responsibility and work with greater vigor.

Across all six indicators, mean scores ranged from 3.91 to 4.10, with a composite mean of 4.02 and a standard deviation of 0.84. The high means indicate strong productivity across the workforce, while the low variability shows consistent perceptions across

kitchen, service, HR, and management staff. This suggests that productivity standards are well communicated and evenly enforced across departments.

Further, the results show that individual and organizational factors contribute to employee productivity in high-end restaurants. Employees exhibited confidence, discipline, efficiency and commitment to quality individually. Organizationally, productivity seems to be enhanced by supervision, feedback, task organization and clear performance expectations. The two dimensions are significant because restaurant productivity can be enhanced not only with employee speed and service quality but also coordination, customer satisfaction, and being able to maintain standards during peak periods.

These outcomes are consistent with Goal-Setting Theory by Locke and Latham which posits that when employees have a clear goal, feedback, and understanding of the expected standards, they will perform more effectively. Consistent agreement on the completion of tasks, work quality and feedback indicate that work is conducted under structured performance systems. Results also concur with Social Cognitivism that states the importance of self-efficacy. The high levels of agreement for employees being able to work under pressure, and for their performance having an impact on the restaurant's success, indicates that employees feel they are able to contribute to the success of the restaurant. Overall, the findings indicate that high quality restaurants are well staffed and able to provide excellent service to customers, be efficient in their operations and employ productive employees.

4.2.6 Inferential Statistics

The study conducted inferential analysis to determine the underlying relationships among variables. This included correlation and regression analysis. Pearson correlation analysis was employed to determine the strength and direction of the linear relationship between employee productivity and the key performance-based incentive variables: learning, recognition awards, merit-based salaries, and bonus payments. The analysis also examined the association between organizational culture and employee productivity to assess its moderating potential. The correlation coefficients and significance levels are summarized in Table 4.27

Table 4.27: Correlation Analysis

Variable	Employee Productivity

Learning Incentives	.511**
	0.000
Recognition Awards	.411**
	0.000
Merit Based Salaries	.349**
	0.000
Bonus Payments	.401**
	0.000
Organizational Culture	0.078
	0.171

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

The results indicate that there is moderate positive and significant relationship between Learning incentives and employee productivity ($r = 0.511$, $p < 0.01$). This means that the output and efficiency of the employees has a significant positive effect from the provision of better training opportunities, the appropriateness of learning programs and equity in accessing learning. This relationship strength is such that the more employees undergo organized learning processes, the more productive, creative, and competent they would be in carrying out their work. These results are congruent with the Human Capital Theory according to which investment in the skills of employees directly and proportionately impacts positive performance outcomes.

There was also a positive and significant correlation between recognition awards and productivity of employees ($r = 0.411$, $p<0.01$), meaning that the rewarding of employees based on their performance motivates as well as helps in creating a stronger sense of commitment to work. employees would be proud to be working for their organizations and deliver high standards of service, as they are recognized – either publicly or privately. The recognition factor is a motivating factor at the workplace and it is this relationship that demonstrates that recognition can be a tool to shape productive behaviours at work, particularly in the hospitality sector.

The correlation between merit-based salaries and employee productivity is positive and significant ($r = 0.349$, $p < 0.01$). This suggests that when pay increments are pegged on performance appraisals it increases motivation and responsibility among the employees. If employees think any pay rise is fair and merited, they will strive to attain quantifiable outcomes. This association endorses the principles of Equity and Expectancy Theories which emphasize that rewarding systems based on performance lead to an increase in satisfaction and motivation that leads to improved productivity.

Similarly, moderate positive and significant correlation between the bonus payments and productivity of the employees ($r = 0.401$, $p < 0.01$) was observed. The implication is that monetary incentives on the accomplishment of performance goals will motivate employees to be efficient and perform better than expected. Bonuses are physical rewards to hard work, which result in loftier morale and long-lasting involvement. The correlation reveals the special role of regular and open bonus systems in performance motivation in service organizations, such as high-end restaurants.

Finally, there was a positive but not statistically significant correlation between organizational culture and employee productivity ($r = 0.078$, $p>0.05$). While the correlation is weak, it does suggest that a positive work culture, one that is fair, team-oriented and open, can still have an impact on productivity, but cannot be directly attributed to this data set. This suggests that organisational culture may play a more indirect or moderating role, enhancing the impact of performance-based incentives on productivity rather than influencing it independently.

The overall correlation findings indicate that there are significant positive relationships between the learning incentives, recognition awards, merit-based salaries, and bonuses with employee productivity. This means that when these incentive programs are implemented, they increase staff motivation, quality of their work and attachment to the goals of the organization. In addition, the positive – though weak – relationship with organizational culture further underscores the role it could play as a moderator in determining why incentives lead to higher productivity in top-tier restaurants within Nairobi's ambience.

The study performed a multiple linear regression analysis to establish the combined and individual effect of performance- based incentives namely; learning awards, recognition awards, merit-based salaries and bonus payments on the productivity of employees in the top tier restaurants in Nairobi County. Productivity of employees was considered as dependent variable and the four components of incentive were considered as independent variables.

It can be seen from the model summary in Table 4.28 below that the four predictors together accounted for a significant proportion of the variance in employee productivity with R value of 0.840 and R Square (R^2) of 0.706.

Table 4.28: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.840[a]	.706	.702	.09900

a. Predictors: (Constant), Bonus Payments, Recognition Awards, Merit-Based Salaries, Learning Incentives.

This suggests that 70.6 of the productivity variance of employees is explained by the changes in learning incentives, recognition awards, merit-based salaries and bonus payments. Other factors not accounted for in the model such as leadership style, job designs, or work environment account for the remaining 29.4% of the variation. The adjusted R^2 of 0.702 is also quite good, which further supports the model's robustness – little shrinkage and high explanatory power. The low standard error of the estimate (0.099) also indicates how precise and reliable are the predictions of the regression. The results of ANOVA are presented in Table 4.29.

Table 4.29: ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	7.248	4	1.812	184.859	.000[b]
	Residual	3.019	308	.010		
	Total	10.267	312			

a. Dependent Variable: Employee Productivity

b. Predictors: (Constant), Bonus Payments, Recognition Awards, Merit-Based Salaries, Learning Incentives.

This confirms that the independent variables collectively have a significant combined effect on employee productivity. In other words, the model provides a good fit for explaining productivity variations among employees in top tier restaurants. The significant F ratio implies that the relationships established by the regression coefficients are not due to random chance, validating the suitability of the model for predictive and inferential analysis.

The coefficient estimates presented in Table 4.30 further detail the specific contribution of each independent variable to employee productivity. The regression equation can be expressed as:

Table 4.30: Coefficient of Regression

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	**Std. Error**	**Beta**	**t**	**Sig.**
1	(Constant)	**.135**	.140		.961	.337
	Learning Incentives	**.284**	.018	.497	16.023	.000
	Recognition Awards	**.228**	.016	.428	13.860	.000
	Merit-Based Salaries	**.203**	.019	.323	10.426	.000
	Bonus Payments	**.249**	.019	.407	13.164	.000

a. Dependent Variable: Employee Productivity

The coefficient estimates presented in Table 4.30 further detail the individual contribution of each independent variable to employee productivity. The regression equation derived from the unstandardized coefficients is expressed as:

Employee Productivity = *0.135 + 0.284 (Learning Incentives) + 0.228 (Recognition Awards) + 0.203 (Merit-Based Salaries) + 0.249 (Bonus Payments)*

The unstandardized coefficient of the four independent variables of learning incentives, recognition awards, merit-based salary, and bonus payment, were then reviewed and it was found that all of the four variables had positive values of the B which indicate that a one-unit increase in the factors of performance incentive will lead to a corresponding increase in the productivity of the employees when the other variables are not changed.

Incentives on learning was the most significant predictor ($B = 0.284$, $p < 0.001$) and it suggests that a one unit increase in the employee productivity based on incentives on learning is accompanied by a change of 0.284 unit. This observation suggests that well organised training programs, skill enhancement and career development are found to have a direct and significant impact on the efficiency, flexibility and quality of service delivery of the employees, which confirms that investment in the capacity building of employees impacts directly and significantly on outcomes of performance in the Nairobi top-tier restaurants.

Bonus payments were placed on the second position of influence ($B = 0.249$, $p < 0.001$) which means that an increase of bonus payment by one unit leads to the gain of

employee productivity by a 0.249 unit, which proves that financial rewards based on the achievement of performance goals marks the motivation of employees to remain efficient and committed. The next important item was recognition awards ($B = 0.228$, $p < 0.001$), where a one-unit rise in recognition practices led to productivity improvement of 0.228 units, which indicated that frequent recognition of employee achievements can lead to morale, and thus high performance in the long run. Although slightly less important in magnitude ($B = 0.203$, $p < 0.001$), the impact of merit-based salaries was still significant as a unit of merit-based salary practices increase in productivity by 0.203 units, which suggests that reasonable and transparent salary changes on the basis of appraisal reports make accountability and motivation important.

In summary, the regression analysis proves that overall, performance-based incentives have a significant positive effect on the productivity of employees in the best performing restaurants in Nairobi County both individually and collectively. The largest determinant was learning incentives ($B = 0.284$), followed by bonus payments ($B = 0.249$), recognition awards ($B = 0.228$), and merit-based salaries ($B = 0.203$). The results indicate that the double stimulus of financial and non-financial rewards is important in a well-designed system of performance management. The findings indicate that with the training of employees, acknowledging their work, offering fair compensation, and rewarding them for their best efforts, they are more likely to demonstrate high levels of performance, efficiency, and commitment, which are essential for competitiveness in the hospitality industry.

A moderated multiple regression analysis was undertaken to explore the interaction between incentives and employee productivity moderated by organizational culture. This model used employee productivity as the dependent variable, and learning incentives, recognition awards, merit-based salaries and bonus payments were included as independent predictors. Organizational culture was introduced as the moderating variable. Interaction terms were then created by multiplying each incentive variable with organizational culture (Learning × Organizational Culture, Recognition × Organizational Culture, Merit-Based Salaries × Organizational Culture, and Bonus Payments × Organizational Culture). These interaction terms allowed the study to determine if the impact of each incentive component on employee productivity is different with respect to the different organizational cultures in the restaurants.

To investigate the moderating role of organizational culture between incentives and employee productivity, a multiple regression analysis was performed after the mean centering procedure suggested by Aiken and West (1991) and Cohen et al. (2003). Each of the continuous predictor variables (learning incentives, recognition awards, merit-based salaries, bonus payments, and organizational culture) was mean centered by subtracting the grand mean from each score. Four multiplicative interaction terms were then calculated; these were the mean centered organizational culture scores multiplied with each of the four mean centered incentive variables: LI × OC (Learning Incentives × Organizational Culture), RA × OC (Recognition Awards × Organizational Culture), MBS × OC (Merit Based Salaries × Organizational Culture), and BP × OC (Bonus Payments × Organizational Culture). The four interaction terms and the mean centered main effects were then entered together into a single moderated regression model, with Employee Productivity as the dependent variable.

Table 4.31: Model Summary for Moderated Regression of Organizational Culture

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.854a	.729	.721	.09581

a. Predictors: (Constant), Learning Incentives (mean-centered), Recognition Awards (mean-centered), Merit-Based Salaries (mean-centered), Bonus Payments (mean-centered), Organizational Culture (mean-centered), LD × OC, RA × OC, MBS × OC, BP × OC. Dependent Variable: Employee Productivity Mean.

As shown in Table 4.31, the moderated regression model explained 72.9 percent of the variance in employee productivity ($R = .854$, $R^2 = .729$, Adjusted $R^2 = .721$, Std. Error = .09581). Compared to the baseline regression model without interaction terms ($R^2 = .706$), the inclusion of organizational culture and its interaction terms resulted in an increment of $\Delta R^2 = .023$, indicating a meaningful improvement in the explanatory power of the model. These results confirm that the moderated model, incorporating both the direct effects of the incentive variables and their interaction with organizational culture, explains a substantially greater portion of the variability in employee productivity.

Table 4.32: ANOVA for Moderated Regression of Organizational Culture

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	7.485	9	.832	90.591	.000[b]

Residual	2.782	303	.009
Total	10.267	312	

b. Dependent Variable: Employee Productivity Mean.

The ANOVA results in Table 4.32 confirm that the overall moderated regression model is statistically significant ($F(9, 303) = 90.591$, $p < .001$), indicating that the combined model; comprising the four incentive variables, organizational culture, and the four interaction terms, significantly predicts employee productivity in top-tier restaurants in Nairobi County. The model's residual mean square of .009 reflects a low level of unexplained variance, further attesting to the model's goodness of fit.

Table 4.33: Regression Coefficients for Moderated Effect of Organizational Culture

Variable	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	-.485	.189		-2.559	.011
Learning Incentives	.258	.018	.451	14.345	.000
Recognition Awards	.205	.017	.386	12.251	.000
Merit-Based Salaries	.178	.019	.284	9.137	.000
Bonus Payments	-.142	.326	-.232	-.436	.663
Organizational Culture	.008	.016	.015	.484	.629
LD × OC (Learning Incentives × Org. Culture)	.142	.037	.133	3.889	.000
RA × OC (Recognition Awards × Org. Culture)	.018	.009	.061	1.994	.047
MBS × OC (Merit-Based Salaries × Org. Culture)	.013	.009	.043	1.402	.162
BP × OC (Bonus Payments × Org. Culture)	.412	.362	.606	1.137	.257

*Note: All predictor variables were mean-centered prior to analysis to reduce multicollinearity. Interaction terms (×) represent products of mean-centered scores. LD = Learning Incentives; RA = Recognition Awards; MBS = Merit-Based Salaries; BP = Bonus Payments; OC = Organizational Culture. *p < .05; **p < .01; ***p < .001. Dependent Variable: Employee Productivity Mean.*

Table 4.33 presents the regression coefficients of the moderated model. Regarding the main effects, learning incentives ($B = 0.258$, $t = 14.345$, $p < 0.001$), recognition awards

(B = 0.205, t = 12.251, p < 0.001), and merit-based salaries (B = 0.178, t = 9.137, p < 0.001) all demonstrated strong, positive, and statistically significant direct impacts on employees' productivity. A one-unit increase in Learning incentives is associated with a 0.258-unit improvement in employee productivity, while recognition awards and merit-based salaries contribute 0.205 and 0.178 units respectively. The main effects of bonus payments (B = -0.142, t = -0.436, p = .663) and organizational culture (B = 0.008, t = 0.484, p = .629) were not statistically significant in this moderated specification, which corresponds to the suppression of direct effects that commonly occurs when interaction terms involving the same variables are introduced into the model (Aiken & West, 1991).

Turning to the interaction terms, the analysis reveals a nuanced pattern. The interaction between Learning incentives and organizational culture (LD × OC) was positive and statistically significant (B = 0.142, SE = 0.037, t = 3.889, p < .001). This finding indicates that organizational culture meaningfully moderates the relationship between Learning incentives and employee productivity: the positive impact of training and development on productivity is intensified in restaurant settings characterized by stronger and more supportive organizational cultures. Restaurants where values of fairness, open communication, and collaborative norms are well entrenched therefore accrue greater productivity benefits from investments made in learning.

Similarly, the interaction between recognition awards and organizational culture (RA × OC) was positive and statistically significant (B = 0.018, SE = 0.009, t = 1.994, p = .047). This indicates that organizational culture also moderates the recognition awards–productivity relationship: the motivational impact of recognition programs is amplified in organizations with cohesive, value-aligned cultures. Recognition extended within an environment where employees share workplace values is perceived as more authentic and credible, thereby generating a larger productivity gain.

Conversely, the interaction between merit-based salaries and organizational culture (MBS × OC) was positive but not statistically significant (B = 0.013, SE = 0.009, t = 1.402, p = .162). Likewise, the interaction between bonus payments and organizational culture (BP × OC) was also non-significant (B = 0.412, SE = 0.362, t = 1.137, p = .257). These findings indicate that the productivity effects of merit-based salaries and bonus payments operate largely independently of organizational culture: the influence of these

transactional incentives on employee productivity does not differ meaningfully across the varied cultural settings of the sampled restaurants.

4.2.7 Hypothesis Testing

Hypothesis testing was conducted to determine whether the null hypotheses formulated in Chapter One could be rejected based on the empirical evidence gathered. Pearson correlation analysis was used to establish the strength and direction of each incentive–productivity relationship, while multiple linear regression was used to assess the individual predictive contribution of each incentive variable. Moderated regression was utilized to test the moderating role of organizational culture. All tests were conducted at a 95 per cent confidence level ($\alpha = 0.05$). Table 4.34 below presents a summary of the hypothesis testing results.

Table 4.34: Summary of Hypothesis Testing Results

#	Objective	Null Hypothesis (H_0)	r	β	p-value	Decision
1	To evaluate the influence of learning incentives on employee productivity	H_{01}: Learning incentives have no statistically significant influence on employee productivity	0.511**	0.284	< 0.001	Reject H_{01}
2	To assess the effect of recognition awards on employee productivity	H_{02}: Recognition awards have no statistically significant effect on employee productivity	0.411**	0.228	< 0.001	Reject H_{02}
3	To determine the role of merit-based salaries on employee productivity	H_{03}: Merit-based salaries have no statistically significant impact on employee productivity	0.349**	0.203	< 0.001	Reject H_{03}
4	To examine the influence of bonus payments on employee productivity	H_{04}: Bonus payments have no statistically significant effect on employee productivity	0.401**	0.249	< 0.001	Reject H_{04}
5	To investigate the moderating effect of organizational culture	H_{05}: Organizational culture has no statistically significant moderating effect on the relationship between performance-based incentives and employee productivity	—	Partial	Mixed	Partially Reject H_{05}

H_{01}: Learning Incentives and Employee Productivity

The first null hypothesis was that learning incentives have no statistically significantly influence the productivity of the employees in the top restaurants in Nairobi County. The Pearson correlation analysis gave $r = 0.511$ ($p < 0.01$) which showed that there was a positive, moderate and statistically significant relationship between learning incentives and employee productivity. Regression further showed that learning incentives is the greatest predictor of employee productivity among the four incentive variables with $\beta = 0.284$ and $p < 0.001$, which implies that a unit increase in learning incentives improves employee productivity by 0.284 unit. Based on this evidence, the null hypothesis H_{01} is rejected. Learning incentives significantly and positively affect employee productivity.

H_{02}: Recognition Awards and Employee Productivity

The second null hypothesis was that in top-tier restaurants in Nairobi County, there was no significant difference in the productivity of employees who received recognition and those who did not. The Pearson correlation analysis result was $r = 0.411$ ($p<0.01$), confirming a positive and significant relationship. The regression analysis revealed that the third most significant predictor was recognition awards ($\beta = 0.228$, $p < 0.001$) meaning that for every unit increase in recognition awards, employee productivity increased on average, by 0.228 of a unit, holding other factors of the model constant. Hence, the null hypothesis H_{02} is rejected. The statistical evidence is not enough to support the hypothesis.

H_{03}: Merit-Based Salaries and Employee Productivity

The third null hypothesis stated that merit-based salaries have no statistically significant impact on employee productivity in top-tier restaurants in Nairobi. A positive and significant ($r = 0.349$, $p < 0.01$) association was observed, but the correlation was relatively small. The merit-based salary variable was still a statistically significant predictor ($\beta = 0.203$, $p < 0.001$) in the regression model once the other three incentive variables were controlled. This confirms that transparent, performance-linked salary structures are an independent contributor to improved employee output. Thus, the null hypothesis H_{03} is rejected. Merit-based salaries exert a significant positive influence on the productivity of employees.

H_{04}: Bonus Payments and Employees Employee Productivity.

The fourth null hypothesis was "Bonus payments have no statistically significant impact on the productivity of the employees in the top tier restaurants in Nairobi County. The correlation test gave a positive and significant correlation of $r = 0.401$ ($p < 0.01$). However, the second strongest predictor was bonus payments ($\beta = 0.249$; $p < 0.001$), indicating that bonuses based on performance result in a 0.249-unit gain in employee productivity for each unit increase in bonus. Hence, the null hypothesis, H_{04} is rejected. Bonus payments play a very significant positive role in the productivity of employees.

H_{05}: Moderating Effect of Organizational Culture

The 5th null hypothesis, organizational culture has no statistically significant moderation in the interaction between performance-based incentives and employees' productivity in top-tier restaurants in Nairobi County. All continuous variables were mean centered and then moderated regression analysis was applied. Table 4.22 below shows the results, which suggest a differentiated pattern of moderation.

Table 4.35: Moderated Regression Results, Interaction Effects of Organizational Culture

Interaction Term	B	SE	T	p-value	Decision
LI × Organizational Culture	0.142	0.037	3.889	< 0.001	Reject H_{05} for LI
RA × Organizational Culture	0.018	0.009	1.994	.047	Reject H_{05} for RA
MBS × Organizational Culture	0.013	0.009	1.402	.162	Do not reject H_{05} for MBS
BP × Organizational Culture	0.412	0.362	1.137	.257	Do not reject H_{05} for BP

The interaction between learning incentives and organizational culture (LI × OC) was positive and statistically significant ($B = 0.142$, $t = 3.889$, $p < 0.001$), showing that organizational culture significantly amplifies the positive effect of learning incentives on employee productivity. Similarly, the interaction between recognition awards and organizational culture (RA × OC) was significant ($B = 0.018$, $t = 1.994$, $p = .047$), confirming that a supportive cultural environment enhances the motivational impact of recognition awards.

Conversely, the interactions involving merit-based salaries (MBS × OC: $B = 0.013$, $p = .162$) and bonus payments (BP × OC: $B = 0.412$, $p = .257$) were not statistically

significant, indicating that the productivity effects of these transactional incentives operate largely independently of the prevailing organizational culture. On the basis of these mixed results, the null hypothesis H_{05} is partially rejected: organizational culture significantly moderates the learning incentives–employee productivity and recognition awards–employee productivity relationships, but does not significantly moderate the merit-based salaries–employee productivity or bonus payments–employee productivity relationships.

4.3 Discussion of Findings

This section presents a detailed discussion of the study findings based on the five specific objectives. The results are interpreted in relation to the descriptive, correlation, and regression analyses presented earlier and are further linked to relevant theories and empirical literature.

4.3.1 Influence of Learning Incentives on Employee Productivity

The first objective of the study was to assess the effects of learning incentives on employees' productivity in top restaurants in Nairobi County. The descriptive result indicated that the perception of learning incentive was very positive because most of them agreed that they are trained regularly (overall mean = 3.99), the program is relevant to their job (overall mean = 3.98), information about the program is clearly communicated (overall mean = 3.99), the program makes them feel motivated (overall mean = 3.99), and the program makes them feel their prospects are improved through coaching (overall mean = 3.98). This already implied that the highest level of restaurants have institutionalized learning incentives as part of their HR systems.

This descriptive pattern was verified by the correlation analysis, which showed a moderate, positive and statistically significant correlation between the factor 'learning incentives' and the factor 'employee productivity' ($r = 0.511$, $p < 0.01$). The moderate positive correlation between the two factors indicates that there is a positive relationship between learning incentives and employee productivity. This conclusion was further supported by regression results where other learning incentives were added to the multiple regression model, which showed learning incentives to be the most significant predictor of the employees' productivity ($B = 0.284$, $p < 0.001$). This suggests that, among all four predictors studied, the increase in employee productivity when the learning incentive increased by one unit accounted for the largest contribution, at 0.284,

even after making adjustments for recognition, merit-based salaries, and payment of bonuses.

In practical terms, this means that in Nairobi's top-tier restaurants, structured learning incentives such as job-relevant training, certification opportunities, coaching, and clear growth pathways yield the greatest productivity gains. These findings are consistent with Human Capital Theory and align with studies by Yoopetch et al. (2021), Ferdiansah (2024), and Gitongu (2021), which established that well-designed, context-specific learning incentives in the hospitality sector enhance task execution, service quality, and employee engagement. They also align with Han et al. (2023), who demonstrated that the effectiveness of learning incentives is amplified in organizations with supportive management practices and strong communication systems, helping explain why such incentives had a pronounced effect in the present study.

4.3.2 Effect of Recognition Awards on Employee Productivity

The second objective was to assess the effect of recognition awards on employee productivity in top-tier restaurants in Nairobi County. Descriptively, employees reported that recognition is widely practiced and generally meaningful (overall mean ≈ 3.90), with over two-thirds indicating that good performance is acknowledged, that recognition is often public, and that it contributes to a positive work environment. The only area that appeared slightly weaker was frequency, just under 60 percent said they had been recognized in the last quarter suggesting that recognition exists but is not perfectly consistent across departments.

The correlation analysis showed that recognition awards had a positive and significant relationship with employee productivity ($r = 0.411$, $p < 0.01$), indicating that as recognition practices improve, so does staff output. In the regression model, recognition awards remained a strong and significant predictor of productivity ($B = 0.228$, $p < 0.001$), third in magnitude after learning ($B = 0.284$) and bonus payments ($B = 0.249$). This means that, controlling for other incentives, a single unit increase in recognition practices results in a 0.228-unit improvement in employees' productivity, confirming that structured and consistent appreciation still explains a meaningful portion of productivity differences among employees.

Theoretically, this result supports Herzberg's Two-Factor Theory and Reinforcement Theory: when employees feel seen and valued, they sustain high performance and

repeat desired behaviors. Empirically, it aligns with Presslee et al. (2023), Uzochukwu et al. (2023), and Ampofo et al. (2023), who showed in hospitality and service settings that recognition strengthens engagement, knowledge-sharing, and service orientation. It also speaks directly to African evidence (Uzochukwu et al., 2023), which has shown that recognition can be just as motivating as pay, especially in service sectors where morale and dignity at work matter. Thus, this objective confirms that in Nairobi's top-tier restaurants context, recognition is not cosmetic, it is a performance tool.

4.3.3 Role of Merit-Based Salaries on Employee Productivity

The third objective was to determine the role of merit-based salaries on employee productivity. The descriptive results indicated that most respondents believed salary increments in their restaurants are tied to performance, that appraisals are conducted regularly, and that criteria for performance are clear and largely fair (overall mean ≈ 3.94). This suggests that employees generally trust the compensation process.

The correlation analysis showed a positive and significant association between merit-based salaries and employee productivity ($r = 0.349$, $p < 0.01$), which is slightly weaker than learning and recognition but still clearly meaningful. In the regression model, merit-based salaries remained statistically significant ($B = 0.203$, $p < 0.001$), even in the presence of the other three incentive variables. This means that a one-unit increase in merit-based salary practices is associated with a 0.203-unit improvement in employee productivity, confirming that performance-linked pay is independently useful in driving productivity: when employees know that strong appraisal outcomes translate into better pay, they are likely to work harder, retain the job, and maintain consistent service standards.

This supports Equity Theory and Expectancy Theory, since staffs are responding to a system they perceive as transparent and effort-contingent. At the same time, global studies such as Kim and Jang (2023) and Mun and Kodama (2022) warn that merit pay must be applied equitably to avoid perceptions of favoritism or widening gaps; the present findings suggest Nairobi top-tier restaurants are, for the most part, on the right side of that balance, since employees reported reasonably high levels of clarity and fairness.

4.3.4 Influence of Bonus Payments on Employee Productivity

The fourth research objective aimed at examining the influence of bonuses on employee productivity. Descriptive findings showed that staffs regard bonus systems as clear, target-based, and motivating (overall mean ≈ 3.96). Most employees agreed that bonuses are tied to performance targets, that they boost commitment, and that they help reduce idle time exactly the kind of operational discipline restaurants seek.

The correlation analysis confirmed a positive and significant relationship between bonus payments and employee productivity ($r = 0.401$, $p < 0.01$), very close in strength to recognition awards. In the regression model, bonus payments remained a strong and significant predictor of productivity ($B = 0.249$, $p < 0.001$), meaning that a unit increase in bonus payments results in a 0.249-unit improvement in employee productivity. This confirms that variable pay tied to output is doing what it is supposed to do: aligning employee effort with restaurant goals and reinforcing a culture of performance-driven accountability.

These results agree with Reinforcement Theory, which argues that contingent rewards make employees repeat high-performance behaviors and align their interests with those of the organization. They are also consistent with Noorazem et al. (2021), Njenga and Kamaara (2024), who found that transparent, timely, and performance-linked bonuses in service and hospitality settings significantly improve motivation, retention, and service quality. In other words, in Nairobi's top-tier restaurants, bonuses are not just extra pay; they are a performance signal.

4.3.5 Moderating Effect of Organizational Culture on the Relationship between Performance-Based Incentives and Employee Productivity

The fifth research objective aimed at investigating the moderating role of organizational culture on the relationship between performance-based incentives and employee productivity in the highest-ranking restaurants within Nairobi County. The moderated regression model, which included four mean-centered incentive variables, organizational culture as the moderator, and four multiplicative interaction terms, yielded an R^2 of .729, explaining 72.9 percent of the variance in employee productivity. The model showed a statistically significant increment of $\Delta R^2 = .023$ compared to the baseline model ($R^2 = .706$), confirming that the addition of organizational culture and

its interaction terms enhanced the overall explanatory power of the model. The model was statistically significant ($F(9, 303) = 90.591$, $p < .001$), attesting to its reliability.

The analysis revealed a differentiated pattern of moderation. Two out of four incentive-employee productivity relationships were significantly moderated by organizational culture. The interaction between learning incentives and organizational culture (LD × OC) was the stronger of the two significant interactions ($B = 0.142$, $t = 3.889$, $p < .001$), indicating that the productivity improvement associated with job-relevant training, certification programs, coaching, and clear growth pathways incentives is meaningfully enhanced in restaurants with strong, value-aligned organizational cultures. In environments where cultural expectations of teamwork, open communication, and mutual service commitment are deeply ingrained, employees appear to translate learning more readily into productive workplace behavior. This result is conceptually consistent with Human Capital Theory (Becker, 1964; Schultz, 1961), which argues that returns to training investment are not simply a function of program design but also of the organizational context within which learning takes place. Conditions such as psychological safety, managerial support, and peer reinforcement, more reliably present in culturally cohesive settings, facilitate the translation of training into tangible performance outcomes.

The second significant interaction was between recognition awards and organizational culture (RA × OC), which also confirmed the moderating role of culture ($B = 0.018$, $t = 1.994$, $p = .047$). This finding suggests that the motivational impact of recognition programs such as Employee of the Month awards, public praise, and certificates of excellence, is greater in organizations where values are congruent and norms are supportive. Herzberg et al. (1959) identify recognition as a hygiene-transcending motivator that satisfies intrinsic needs related to esteem and belonging; the present finding adds a conditional dimension to this argument by demonstrating that the motivational power of recognition is culturally contingent. In restaurants where the organizational culture supports the credibility and legitimacy of managerial acknowledgement, employees are more inclined to internalize recognition as meaningful and to sustain the high-performance behaviors it is intended to reinforce. This aligns with Lin et al. (2022), who found that the effectiveness of recognition practices in service organizations is substantially shaped by employees' perceptions of organizational justice, participation, and collaboration.

The interactions between organizational culture and merit-based salaries (MBS × OC: B = 0.013, p = .162) and bonus payments (BP × OC: B = 0.412, p = .257) were not statistically significant. These findings suggest that the productivity effects of performance-linked salary increments and bonus schemes operate largely independently of cultural differences across the sampled restaurants. This result is consistent with Reinforcement Theory (Skinner, 1953), which frames financial incentives as contingent motivators whose effectiveness is primarily determined by the clarity, timeliness, and immediacy of the performance-reward association rather than by broader cultural conditions. Merit-based salaries and bonus payments may therefore be regarded as more universally operative incentive mechanisms whose motivational effectiveness is sustained across varied cultural contexts, provided that performance evaluation systems are perceived as fair and transparent.

The finding that organizational culture moderates the learning-development-productivity and recognition-productivity relationships but not the merit-pay and bonus-productivity relationships points to a meaningful distinction between symbolic-relational and purely transactional incentives. Learning programs and recognition awards carry a relational and symbolic dimension signaling organizational investment in employees and publicly affirming their value the impact of which is shaped by prevailing cultural norms and patterns of workplace trust. Financial incentives such as merit pay and bonuses, by contrast, operate in a more transactional manner, where the visibility and consistency of the performance-reward link determines effectiveness irrespective of cultural variation.

Theoretically, these results offer partial support for Hofstede's Cultural Dimensions Theory (Hofstede, 1980; Hofstede & Minkov, 2010), which holds that cultural values shape how employees interpret and respond to managerial practices. The partial nature of the moderation observed, significant for two incentive types and non-significant for two others, indicates that the amplifying effects of culture are not uniform across all incentive mechanisms but are selectively operative among those with greater social and relational content. These findings also triangulate the conclusions of Daudi (2021) and Sutinga et al., (2024) who identified organizational culture as a contextual magnifier of incentive effectiveness in service-sector settings, while offering greater specificity by identifying which incentive mechanisms are statistically susceptible to cultural moderation.

Overall, the findings on Objective 5 partially support Hypothesis H05. The moderating effect of organizational culture is selective statistically significant for Learning incentives and recognition awards, but not for merit-based salaries and bonus payments. In practice, this means that restaurant managers seeking to maximize productivity returns from training investments and recognition programs must pay close attention to the quality and consistency of their organizational culture. Cultivating a culture of openness, fairness, ethical leadership, and commitment to service excellence creates the conditions under which these incentive mechanisms yield their greatest effect. At the same time, the finding that merit pay and bonus effects remain robust across diverse cultural settings reinforces the value of well-designed financial incentive structures that are applied transparently and consistently, regardless of cultural context.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter summarizes the research findings and reaches conclusions based on the evidence, offering recommendations to relevant stakeholders. It also outlines the study's contribution to existing knowledge, limitations, and suggestions for future studies.

5.2 Summary of Findings

This research work examined how four performance-based incentives namely learning incentives, recognition awards, merit-based salaries, and bonus payments affect the productivity of employees in the leading restaurants of the Nairobi County, Kenya with organizational culture as a moderating factor. Structured questionnaires were used to gather data on 313 valid respondents who were of four categories of employees, and descriptive statistics, correlation (Pearson), multiple regression and moderated regression were employed in analyzing data. The following are highlights of the results.

5.2.1 Learning Incentives and Employee Productivity

Descriptive findings showed that employees held highly positive perceptions of learning incentive practices, with an overall composite mean of 3.99. The majority of respondents agreed that they receive regular training, that learning programs are job-relevant and fairly accessible, and that participation in training is supported by management. Pearson correlation analysis established a moderate, positive, and statistically significant relationship between learning incentives and employee productivity ($r = 0.511$, $p < 0.01$). Multiple regression analysis confirmed learning incentives as the most influential predictor of employee productivity among all four incentive variables ($\beta = 0.284$, $p < 0.001$), meaning that a unit improvement in learning incentives corresponds to a 0.284-unit increase in productivity. The moderated regression further revealed that the relationship between learning incentives and employee productivity was significantly amplified by organizational culture ($B = 0.142$, $p < 0.001$).

5.2.2 Recognition Awards and Employee Productivity

Recognition awards registered an overall descriptive mean of 3.90, with most respondents affirming that good performance is acknowledged, that recognition is both meaningful and publicly administered, and that it contributes to a supportive work environment. The Pearson correlation coefficient of $r = 0.411$ ($p < 0.01$) confirmed a positive and significant association between recognition awards and employee productivity. In the regression model, recognition awards were the third strongest predictor of productivity ($\beta = 0.228$, $p < 0.001$). The moderated regression indicated that organizational culture significantly moderates the recognition–employee productivity relationship (RA × OC: B = 0.018, p = .047), confirming that the motivational power of recognition is enhanced in organizations with cohesive, value-aligned cultures.

5.2.3 Merit-Based Salaries and Employee Productivity

Descriptive results for merit-based salaries yielded a composite mean of 3.94, indicating strong employee agreement that salary increments are tied to performance evaluations, that appraisals are conducted regularly, and that the criteria for performance assessment are clear and fair. The Pearson correlation coefficient of $r = 0.349$ ($p < 0.01$) confirmed a positive, though comparatively modest, association between merit-based salaries and employee productivity. Regression analysis established that merit-based salaries were a statistically significant but least dominant predictor among the four incentive variables ($\beta = 0.203$, $p < 0.001$). The interaction between merit-based salaries and organizational culture was not statistically significant (MBS × OC: B = 0.013, p = .162), indicating that the productivity effects of salary incentives operate independently of cultural context.

5.2.4 Bonus Payments and Employee Productivity

Bonus payments recorded a descriptive composite mean of 3.96, with employees expressing strong agreement that bonuses are awarded on the basis of performance targets, that the criteria for bonus eligibility are clear, and that bonuses improve commitment and reduce idle time. The Pearson correlation analysis yielded $r = 0.401$ ($p < 0.01$), reflecting a positive and significant link to employee productivity. In the regression model, bonus payments materialized to be the second most influential predictor ($\beta = 0.249$, $p < 0.001$), surpassing both recognition and merit-based salaries

in magnitude. The interaction between bonus payments and organizational culture was not statistically significant (BP × OC: B = 0.412, p = .257), suggesting that bonuses exert a direct and culturally independent effect on employee productivity.

5.2.5 Moderating Effect of Organizational Culture

Organizational culture was highly rated across the sample (mean = 3.99), reflecting a workplace environment characterized by fairness, open communication, ethical leadership, and strong team cohesion. The combined regression model (four incentives, organizational culture, and four interaction terms) accounted for 72.9 per cent of the variance in employee productivity ($R^2 = 0.729$), an improvement of $\Delta R^2 = 0.023$ over the baseline model. Moderated regression revealed a differentiated pattern: organizational culture significantly moderated the relationship between learning incentives and employee productivity (LD × OC: B = 0.142, p < .001) and between recognition awards and employee productivity (RA × OC: B = 0.018, p = .047), but not the relationships involving merit-based salaries (p = .162) or bonus payments (p = .257). Overall, all four incentives jointly explained 70.6 per cent of the variance in employee productivity in the baseline model ($R^2 = 0.706$).

5.3 Conclusions

The findings draw the following conclusions:

To begin with, learning incentives are the most effective and strategically relevant productive force of employees in the top tier restaurants in the county of Nairobi. The data confirms that the most productive payoff of any incentive mechanism studied is the systematic investment in staff development, skills building, coaching and certification systems. This conclusion confirms the main thesis of the Human Capital Theory stating that it is the skills and knowledge of the employees in terms of their quality and depth that determines the productive potential of the organization in question essentially (Becker, 1964; Schultz, 1961).

Second, recognition awards are an irreplaceable non-financial motivator, the effectiveness of which is determined by its contextual specifics. The research concludes that recognition has a selective effect on productivity which is not constant across all organizations but selectively enhanced in organizations with strong and value-congruent cultures. This supports the fact that recognition is most effective as a relational and symbolic motivator and corroborates Herzberg's assertion that intrinsic

recognition satisfies more psychological needs that cannot be satisfied with the help of money only (Herzberg, 1968).

Third, that merit-based salary systems on their own encourage the productivity of employees because they institutionalize the concept of performance-equity. The research concludes that employee salary increases believed to be clear, criterion-based, and based on objective rewards reinforce the psychological commitment of employees to performance standards and diminish the feeling of randomly distributed rewards. This conclusion also aligns with Meritocracy Theory; (Young, 1958; Rawls, 1971), and Equity Theory; (Al-Zawahreh & Al-Madi, 2021), which both believe that notions of equity in the allocation of rewards are key determinants of long-term effort.

Fourth, the second most powerful motivator of employee productivity in Nairobi's high-end restaurant sub-sector is bonus payments. It concludes that target-based, well-designed bonus plans are efficient behavioral reinforcers that encourage employees to meet and surpass specified performance objectives. The productivity impact of bonuses, unlike recognition is direct and consistent and does not depend on the existing culture. This highlights the strength of the Reinforcement Theory in describing how reinforcement (through consequences) maintains high-performance behaviors (Skinner, 1953)**.**

Fifth, organizational culture acts as a selective, but not universal moderator of incentive effectiveness. The research finds that alignment to culture increases the productivity effect of relational and symbolic incentives- especially learning incentives and recognition awards- but has no significant effect on the effect of transactional incentives like salaries and bonuses. This difference between culturally contingent and culturally independent incentives has both theoretical and practical significance, drawing the conclusion that the role of culture in the effectiveness of incentives is not uniform but rather varies in a systematic way as the relational nature of the incentive.

Collectively, performance-based incentives jointly explain a significant share of the difference in the productivity of employees within the top tier restaurants in Nairobi ($R^2 = 0.706$), and their overall effectiveness is conditioned by the culture within which they are implemented. The most effective method of ensuring maximum productivity of employees in this sector is a multi-component, culturally contextualized incentive

strategy, which is initiated by learning investment and backed by recognition, merit pay and bonuses.

5.4 Recommendations

5.4.1 Recommendations for Restaurant Management

Learning should be institutionalized by the restaurant management as an ongoing operational focus and not a periodic activity. Annual performance plans should incorporate structured training programs, mentorship pathways and certification opportunities and ensure that there are clear connections between the involvement in learning activities and career advancement. Since the effects of incentives on productivity were found to be the most effective at the level of learning, the long-term commitment to human capital development is the most effective of the incentive mechanisms.

The recognition systems must be formalized and with clear and consistent criteria to be used across all categories of employees. The management ought to complement formal recognition programs (employee-of-the-month awards) with regular, informal recognition of excellent behavior. The results of the study show that the efficiency of recognition is enhanced in work environments that are culturally congruent; managers are thus advised to foster cultures of appreciation and psychological safety to realize the maximum motivational benefits of their recognition activities.

The performance appraisal systems should be objective, criteria-based and directly associated with salary increment. Employees should be informed about the appraisal criteria at the start of every appraisal period and the implications of salaries need to be made clear. This makes merit-based pay a mechanism that has an affirming effect on equity instead of being ambiguous or perceived as biased.

Bonus plans must indicate quantifiable performance levels, clear eligibility conditions and regular payouts. Since the second most powerful motivator of productivity is bonus payments, and these are independent of cultural considerations, it can be anticipated that well-designed bonus systems will produce identical motivational impacts in a variety of workgroups. The management is advised to revise bonus benchmarks regularly to ensure that they are relevant and motivational.

An organizational culture characterized by open communication, ethical behaviors and teamwork should be actively nurtured by leadership at all levels. As per the study

results, a supportive culture enhances the effects of relational incentives; hence, investment in culture should not be viewed as a soft by-product but a strategic productivity driver.

5.4.2 Recommendations for Policy and Industry Stakeholders

The Kenya Tourism Board and the Ministry of Tourism should develop and enforce sector-specific standards for learning and professional development in top-tier restaurants. Accredited training pathways and structured certification frameworks would professionalize the hospitality workforce while supporting the national tourism strategy.

The Tourism Regulatory Authority and the Kenya Association of Hotelkeepers and Caterers should establish minimum national benchmarks for performance appraisal systems, merit-based compensation structures, and bonus schemes in classified restaurants. Transparent compensation standards would protect employees from inequitable reward practices and encourage the adoption of evidence-based incentive models industry-wide.

5.5 Contribution to Existing Knowledge

This research contributes to the body of literature on performance-based incentives and employee productivity in the hospitality industry in a few ways. First, it offers sector-specific empirical data of the leading restaurants in Nairobi County, which has been extensively under-represented in the literature. The results allow the expansion of the knowledge base beyond hotels and informal facilities to a particular and economically important part of the Kenyan hospitality industry.

Second, the paper presents a conceptual contribution as it studies four performance-based incentive mechanisms in a single analytical framework. The study, by modelling learning incentives, recognition awards, merit-based salaries, and bonuses payments simultaneously and a cultural moderator provides a relative contribution and interaction of these two sets of incentives and interactions that cannot be represented in a single incentive study.

Third, the research expands the theoretical body of work by presenting empirical support of the selective moderating effect of organizational culture. Instead of assuming the form of a background variable, the results show that the moderating effect of culture is systematic with the relational nature of the incentive, providing a significant

improvement to Hofstede's Cultural Dimensions Theory when applied to organizational rewards systems.

Lastly, the research is methodologically sound, as it uses multiple regression and moderated regression and diagnostic validation procedures. The analysis method provides a viable and repeatable framework to be used in subsequent incentive studies in other similar hospitality settings.

5.6 Limitations of the Study

The study recognizes that there are some limitations. First, the cross-sectional design limits causal inference - the relationships observed at one point in time may determine the relationships one point in time but do not reveal the changes in incentive effects across time periods or organizational changes.

Secondly, data were gathered through the self-reports of structured questionnaires, which may be subject to social desirability bias -might have been subject to some self-censorship to give the impression that they would be expected to agree with the organization, thus inflating agreement scores.

Third, the study was limited to the top-tier restaurants in Nairobi County. The results might not be applicable in lower tier businesses, restaurants in other Kenyan counties, or in other sub-Saharan African settings in which the labor market and culture are different.

Fourth, organizational culture's moderation was explored, but this was measured at the aggregate level and did not address departmental subcultures and/or different cultural experiences among different groups of employees. These intra-organizational cultural differences can have an impact that goes beyond the scope of the current framework.

5.7 Areas for Further Research

Further research ought to cover more areas of interest than the top restaurants in Nairobi by incorporating mid-tier restaurants, hotels, catering companies and hospitality firms in other counties in Kenya. The comparative research would determine whether the relative impact of performance-based incentives is different across different sectors of the hospitality industry.

Longitudinal research designs would provide a better causal inference as they would follow the long-term impacts of incentive systems on employee productivity. These

designs would help to explain whether learning programs and bonus schemes lead to improvement in productivity, which is sustained, reduced, or increased with changing organizational and cultural environments.

Other mediating and moderating variables such as job satisfaction, employee engagement, perceived organizational justice, psychological contract fulfilment and leadership style should also be addressed in future studies. These considerations perhaps explain how incentives can be converted into productivity improvements and may unlock critical boundary conditions not reflected in the existing model.

Lastly, future researchers are encouraged to examine how performance-based incentives are related to the overall organizational performance like employee retention, customer satisfaction, quality of service and financial performance of the restaurant. The development of such linkages would give a more detailed evaluation of strategic worth of incentive systems in the hospitality industry.

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APPENDICES

Appendix I: Letter of Introduction

THE CATHOLIC UNIVERSITY OF EASTERN AFRICA
A.M.E.C.E.A
SCHOOL OF BUSINESS & ECONOMICS
Department of Graduate Business Studies

P.O. BOX 62157 00200 Nairobi – KEN
Tel: 020-2525811-5, 8890023-4,
Email: gbs@cuea.edu or hodgbs@cuea.edu
Website: www.cuea.edu

Our Ref: CUEA/SoBE/GBS/JM/mba.rec/402/2025

7th October 2025

TO WHOM IT MAY CONCERN

Dear Sir/Madam,

RE: DIANAH MUENI MULANDI – REG NO: 1032435

The above named is a student at The Catholic University of Eastern Africa, Nairobi—Kenya, in the School of Business & Economics, Department of Graduate Business Studies. She is pursuing a Master of Business Administration degree (Human Management Option).

As part of the MBA degree requirements, the University expects the student to write a research thesis. Dianah requires your assistance in carrying out her research study by providing her with a research permit and/or the necessary information. Her thesis is entitled; "***Performance Based-incentives and Employee Productivity in the Top-Tier Restaurants in Nairobi County, Kenya***".

Any assistance accorded to Dianah will be highly appreciated. All the information provided will be used purely for academic purposes and will be treated with utmost confidentiality.

Thank you.

Yours faithfully,

THE CATHOLIC UNIVERSITY OF EASTERN AFRICA
H.O.D.
07 OCT 2025
GRADUATE BUSINESS SCHOOL
P. O. BOX 62157 - 00200, NAIROBI

Sr. Dr. Blandina Kori
A.G HEAD OF DEPARTMENT – GRADUATE BUSINESS STUDIES

.....Page 1 of 2

Appendix II: Letter of Authorization

ABOUT THYME
Eat. Drink. Don't Think.

About Thyme Restaurant
Eldama Ravine Road
Nairobi, Kenya

08/10/2025

To Whom It May Concern,

RE: AUTHORISATION TO CONDUCT ACADEMIC RESEARCH WITHIN ABOUT THYME RESTAURANT

This letter serves to confirm that **Dianah Mueni Mulandi, Reg. No. 1032435**, an MBA student at the **Catholic University of Eastern Africa (CUEA)**, has been granted permission by the management of **About Thyme Restaurant** to conduct academic research within our establishment.

We understand that the research study, titled **"Performance-Based Incentives and Employee Productivity in the Top-Tier Restaurants in Nairobi County, Kenya,"** is being undertaken as part of the requirements for the award of the Master of Business Administration (Human Resource Management Option) degree at CUEA.

Accordingly, we authorize **Dianah Mueni Mulandi** to administer questionnaires and collect relevant data from our employees, including wait staff, kitchen staff, HR personnel, and members of our management team. We kindly request all staff to cooperate fully and offer the necessary assistance by providing accurate and honest responses to support this academic work.

This authorization is granted with the understanding that all information gathered will be used solely for academic purposes, handled with strict confidentiality, and reported only in aggregated form, ensuring that neither individual employees nor the organization is identifiable in the final research report.

We wish the researcher success in the completion of this study.

Sincerely,

LA KWANZA ENTERPRISES LTD.
08 OCT 2025
Tel: 0721 850026
Email: accounts@about-thyme.com

Deborah Swai
Managing Director
About Thyme Restaurant

Appendix III: Research Permit

REPUBLIC OF KENYA

NATIONAL COMMISSION FOR SCIENCE,TECHNOLOGY & INNOVATION

Ref No: **290253**

Date of Issue: **23/October/2025**

RESEARCH LICENSE



This is to Certify that Ms.. Dianah Mueni Mulandi of Catholic University of Eastern Africa, has been licensed to conduct research as per the provision of the Science, Technology and Innovation Act, 2013 (Rev.2014) in Nairobi on the topic: PERFORMANCE BASED INCENTIVES AND EMPLOYEE PRODUCTIVITY IN THE TOP-TIER RESTAURANTS IN NAIROBI COUNTY, KENYA for the period ending : 23/October/2026.

License No: **NACOSTI/P/25/4181240**

290253

Applicant Identification Number

Ag. Director General
NATIONAL COMMISSION FOR SCIENCE,TECHNOLOGY & INNOVATION

Verification QR Code

NOTE: This is a computer generated License. To verify the authenticity of this document, Scan the QR Code using QR scanner application.

See overleaf for conditions

Appendix IV: Data Collection Instruments

SECTION I

Please tick the appropriate response.

i. Gender

a) Male ( ) b) Female ( )

ii. Age

a) Below 25 years ( )

b) 25–34 years ( )

c) 35–44 years ( )

d) 45–54 years ( )

e) 55 years and above ( )

iii. How long have you worked in this restaurant?

a) Less than 2 years ( )

b) 2–5 years ( )

c) 6–10 years ( )

d) More than 10 years ( )

iv. Highest level of education

a) Certificate ( )

b) Diploma ( )

c) Degree ( )

d) Postgraduate ( )

e) Others (specify) _____

Section II: Performance-Based Incentives and Employee Productivity

This questionnaire is designed to assess the influence of performance-based incentives on employee productivity in top-tier restaurants in Nairobi County. Please respond to each statement based on your experience. Use the scale:

1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree.

A: Learning Incentives

Statement	**1**	**2**	**3**	**4**	**5**
I am provided with regular training incentives to improve my skills.					
Learning programs offered are relevant to my job.					
Access to certification programs is based on performance rather than favoritism.					
Information about available learning incentives is clearly communicated.					
Participation in training activities motivates me to improve my performance.					
Coaching programs enhance my career growth prospects.					

B: Recognition Awards

Statement	**1**	**2**	**3**	**4**	**5**
1. My good performance is acknowledged through recognition awards.					
2. Recognition awards motivate me to sustain high performance.					
3. Recognition is given publicly in a way that boosts morale.					
4. Management regularly acknowledges individual or team achievements.					
5. Recognition awards contribute to a positive and supportive work environment.					
6. I have received recognition in the last quarter					

C: Merit-Based Salaries

Statement	1	2	3	4	5
1. Salary increments are awarded based on employee performance.					
2. Performance appraisals are conducted regularly on an annual basis.					
3. Employees are rewarded with salary increments based on appraisal.					
4. Merit-based salary increases encourage employees to stay longer in the job.					
5. I clearly understand the criteria used for employee performance.					
6. Merit-based salary increases are transparent and fair.					

D: Bonus Payments

Statement	1	2	3	4	5
1. Bonuses are disbursed based on achievement of performance targets.					
2. I regularly receive bonuses for exceeding performance expectations.					
3. The organization has clear benchmarks for bonus eligibility.					

4. Bonus payments improve my commitment to performance.					
5. Managerial evaluations influence the amount of bonus I receive.					
6. Bonuses encourage employees to work efficiently and reduce idle time.					

E: Organizational Culture *(Moderating Variable)*

This section looks at the shared values and norms in your workplace that may influence how you respond to incentives.

Scale: 1 = Strongly Disagree | 2 = Disagree | 3 = Neutral | 4 = Agree | 5 = Strongly Agree

Statement	1	2	3	4	5
1. The values promoted by this restaurant align with what I believe is important at work.					
2. The leadership in this restaurant promotes fairness and ethical behavior.					
3. Managers lead by example and demonstrate respect in decision-making.					
4. Communication within the restaurant is open and timely.					
5. I feel comfortable expressing concerns or suggestions to my supervisors.					
6. There is a culture of shared purpose and mutual respect among employees.					

F: Employee Productivity *(Dependent Variable)*

This section evaluates how you perceive your own productivity in terms of efficiency, quality, and task performance.

Scale: 1 = Strongly Disagree | 2 = Disagree | 3 = Neutral | 4 = Agree | 5 = Strongly Agree

Statement	1	2	3	4	5
1. I complete tasks assigned to me on time and with minimal supervision.					
2. My quality of work is consistently high.					
3. I am able to work efficiently even under pressure.					
4. I receive positive feedback regarding the standard of my performance.					
5. I am frequently assigned additional responsibilities based on output.					
6. I am confident that my performance adds value to the restaurant.					

Appendix V: List of Top-Tier Restaurants

No.	Restaurant Name	Cuisine Type
1	Ezo Restaurant	Asian, Contemporary
2	Jiko	African, International
3	Tatu Restaurant by Fairmont	Seafood
4	Trunk & Tandoor	Indian
5	Copper The Urban Grill	International
6	Meso - Modern Asian Izakaya	Japanese
7	Mawimbi Seafood Restaurant	Seafood, Asian
8	INTI - A Nikkei Experience	Japanese, Peruvian
9	Botanica - Kitchen & Gin Bar	Contemporary
10	The Lord Erroll	Grill, Fusion
11	Tamarind Brasserie	International
12	The Larder	International
13	Chophouse Nairobi	Mediterranean, African
14	The Aviary	Thai
15	Sayari - All Day Dining	International, African
16	Seven Seafood & Grill	Seafood
17	Sikia Fine Dining Restaurant	International
18	Lucca	Italian
19	Ribs & Rhythm Restaurant	African, International
20	The View	European
21	Hemingway's Brasserie	European
22	Thai Chi Restaurant - The Stanley	Asian, Thai
23	Café Maghreb	International
24	45 Degrees Kitchen	Italian, French
25	Tambourin	Lebanese, Mediterranean
26	Embark Restaurant	African, International
27	Graze Stakehouse	Steakhouse
28	Mandhari Restaurant	European
29	Soko Restaurant	African
30	Argenti Restaurant and Lounge	Mediterranean
31	Nana Inkiri	Steakhouse
32	Harvest Restaurant	Chinese
33	Fifteen Rooftop	Contemporary, Fusion
34	Cafe Villa Rosa	European, Contemporary

35	La Villa Restaurant & Wine Bar	Italian
36	The Rooftop Lounge	International
37	About Thyme	European, Asian
38	Kahani	Indian
39	Eagle's The Steak House	Steakhouse
40	Ocean Basket Kenya	Mediterranean
41	Kiza Restaurant and Lounge	African
42	Samaki Samaki Seafood & Jazz	African, Bar
43	The Vanguard Lounge	Seafood, Bar
44	Gizani - Dinner in the Dark	International
45	Rudi's Al-Fresco	Swiss, European
46	La Casa di Nico Restaurant	Italian
47	Li's Chinese Restaurant	Chinese, Asian
48	The Wine Shop Kenya	Italian, Bar
49	Le Blossom Chinese Restaurant	Chinese
50	Five Senses Restaurant	French
51	Pete's Café	Italian, Mexican
52	Mezze on the Deck	African, Bar

Source: Research Data