

## The Moderating Effect of Organizational Culture on the Relationship Between Reward System and Retention of Teachers in Public Secondary Schools in Kenya



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### Abstract

**Aim:** The Kenyan government has been losing secondary school teachers to other sectors for reasons related to reward systems. This study aimed to examine how organizational culture moderates the relationship between reward systems and teacher retention in public secondary schools in Kenya.

**Methods:** The study was a cross-sectional survey. Targeting teachers employed by the Teachers' Service Commission in sub-county schools in five purposively selected counties. A probabilistic sampling technique was used to select a sample size of 384 teachers using the Cochran equation for choosing a sample from a large population. Self-administered semi-structured questionnaires were used to collect data from teachers while an interview guide was used for principals. A pilot study was conducted to ensure the reliability and validity of the research instruments. Reliability was determined using Cronbach's alpha to measure internal consistency across the questions while content validity was used to ensure that items in the questionnaires were sufficient to answer the research questions. Data analysis was performed using SPSS version 24 software.

**Results:** The study findings revealed that teacher retention was influenced by the type of reward system in a school with a Beta value of 0.66 and  $p=0.000$ . Schools that had a strong emphasis on teamwork and collaboration amongst staff and where an open, honest dialogue between teachers and management was encouraged besides having a reward had higher retention rates. While reward systems play an important role in teacher retention, their effectiveness is significantly moderated by organizational culture. The study found that organizational culture had a significant influence on the relationship between reward system and teacher retention in public secondary schools in Kenya with a Beta value of 0.506 and  $p=0.000$ .

**Conclusions:** Teacher retention is driven by a combination of effective reward systems and a supportive organizational culture. Teacher retention is shaped by the balance between tangible rewards and the school's cultural environment. Prioritizing competitive benefits alongside fostering a supportive, inclusive, and empowering culture is key to retaining educators.

**Recommendations:** School management should promote a strong positive culture by celebrating teacher achievements through initiatives such as annual award ceremonies or hosting appreciation events. Additionally, recognizing the value of teachers could include providing personalized thank-you notes from leadership, creating mentorship opportunities to highlight expertise, or establishing professional development funds to invest in their growth. Such efforts foster a sense of belonging and appreciation, improving teacher retention. A longitudinal study to explore how changes in organizational culture over time could impact the effectiveness of reward systems in teacher retention is hereby recommended. Geographical locations such as urban vis-a-vis rural settings in which schools are located would be an area worth exploring due to the different contexts found there.

**Keywords:** *Reward system, organizational culture, teacher retention, secondary schools.*

## INTRODUCTION

Employee retention is a critical issue facing several organizations across the globe, and the challenge for most organizations is how best to retain their employees for the long term (Chanana, 2021). According to Martinr and Uribe (2021), effective reward systems are perceived as consistent in enhancing employees' motivation, job satisfaction, and engagement and can significantly influence employee retention. Similarly, Ayi (2023) posits that reward systems are frameworks that are put in place by organizations to acknowledge and promote desired employee contributions, behaviors, or accomplishments. Reward systems that are in line with suitable management strategies have been known to contribute to success in the education sector (Shields *et al.*, 2020); and one of the main reasons for recompensing teachers is to raise their job satisfaction which transforms into improved status, excellence in teaching and retention (Toropova *et al.*, 2021). As such, teachers' remuneration systems are not only a respectable example of managerial methods that easily motivate teaching but also can increase retention in secondary school education (Amadi *et al.*, 2021).

Organizational culture is most frequently referred to as how things are done, or the values and the set of principles that all employees and staff members adhere to; based on a system of values of the organization (Lubis & Hanum, 2020). As Reeves (2019) enlightens, culture is replicated in the conduct, attitudes, and beliefs of persons and groups. An organization that can create a trusting atmosphere and build a sense of cooperation will eventually reduce uncertainty. Positive school cultures are generally believed to be closely associated with improved student accomplishment, enhanced teacher alliance, and greater teacher self-determination (Nguyen, Pietsch & Gümüş, 2021). Moreover, the subsequent dimensions of school values, precisely, professional advancement and learning prospects have a substantial relationship with student accomplishment and also encourage teacher retention (Liu & Phelps, 2020).

Research has shown that schools that come up with progressive school cultures encourage an effective teaching and learning environment (Darling-Hammond & DePaoli, 2020), and usually benefit the students. When individuals work together in an organization, and share mutual values and customs, it influences how they work together; hence the worth of school values directly affects how teachers and managers work in giving students learning opportunities (Kalkan *et al.*, 2020). Studies across many organizations have revealed that when workers are requested to evaluate different aspects of their work such as compensation, promotion opportunities, appreciation, and so on, the nature of the work itself normally appears as the most important job aspect (Levi, 2023). However, this is not to say that well-made compensation programs and other kinds of remuneration are insignificant; rather, that a lot can be done to encourage job satisfaction and employee retention by making sure work is interesting and is being accomplished in a given culture.

In the Kenyan context, the issue of teacher retention has been of paramount importance and has attracted many scholars (Chabari, 2019; Smollin, 2020; Mabeya *et al.*, 2019) who have cited poor working conditions, and low salaries, job insecurity and political interference, as contributing factors. However, despite government efforts to deal with retention problems by increasing retention strategies such as attractive compensation, appropriate working environment, and effective leadership, teachers turnover persists, with an average of 45 teachers exiting the service daily (Sakwa, 2022). This was echoed by UNESCO which indicated that despite all efforts to improve teacher retention, Kenya continues to face a significant challenge in the secondary school sector. It highlighted several key factors such as inadequate salaries, lack of professional development opportunities, and inadequate recognition of the profession as reasons why teachers leave the profession (UNESCO, 2022).

A high teacher attrition of 40 percent presents a major problem as it has led to a decrease in the quality of education; and also hindered the ability of the country to meet the demands of its education system. Although some substantial research has been done on the influence of the reward system on the retention of teachers in Kenya (Manundu *et al.*, 2021; Ogada *et al.*, 2020), there's little evidence of the role of organizational culture in this relationship. It is against this background that the current study endeavored to assess the role of promotion, recognition, remuneration, and other performance-based initiatives on teacher retention; and the moderating effect of organizational culture on this relationship.

### **Objectives of the Study**

The study sought to address the following objectives:

- i. To assess the influence of reward systems on retention of teachers in public secondary schools in Kenya.
- ii. To examine the moderating effect of organizational culture on the relationship between rewards systems and retention of teachers in public secondary schools in Kenya.

### **Research Hypothesis**

**H01:** Reward systems do not have a significant influence on the retention of teachers in public secondary schools in selected counties in Kenya.

**H02:** Organizational culture does not have a significant moderating effect on the relationship between the reward system and retention of teachers in public secondary schools in selected counties in Kenya.

### **THEORETICAL REVIEW**

The study was anchored on three theories. Firstly, Herzberg's two-factor model of dissatisfiers and satisfiers undertakes that employees can communicate the working circumstances that make them dissatisfied or satisfied with their work. Motivators like meaningful work, achievement, appreciation, and challenging responsibilities foster psychological development (Skiadas, 2020). As such, teachers feel accomplished when their work is impactful; when their students succeed, and when their hard work is acknowledged. Similarly, offering them opportunities for professional development and career progression is likely to increase their motivation, thereby improving retention. On the other hand, extrinsic (hygiene) factors may not necessarily lead to job satisfaction but are crucial in preventing dissatisfaction. They include reward structures, organizational policies, administrative support, and job security (Baroudi *et al.*, 2020). To inspire teachers and retain them, it would be worthwhile to provide competitive pay and benefits, transparent policies, and supportive leadership and ensure their job security for their peace of mind.

Secondly, equity theory by John Stacey Adams (1963) whose main proposal is the assessment of an individual's contributions and results to others' inputs and results; as an outcome of this comparison, a person might experience equity and/or inequality. The conviction in equity theory is that individuals value being handled justly, which causes them to be inspired to maintain the fairness kept within the relationships of their workmates and the institution (Mulgund, 2022). The theory helps to enlighten why salary and environment alone do not define motivation, and why promoting a person or increasing their pay can have a demoralizing effect on others. This theory deals with our emotions toward justice and fairness, which are very significant matters to individuals (Kollmann *et al.*, 2020). In the context of the teaching profession, teachers are likely to compare their inputs such as time, effort, experience, and

extracurricular involvement with not only outcomes such as salary, recognition, and growth opportunities; but also, with the input-outcome ratio of their colleagues. Depending on this comparison, their perceptions of equity or inequity will most likely determine their intentions to leave or stay.

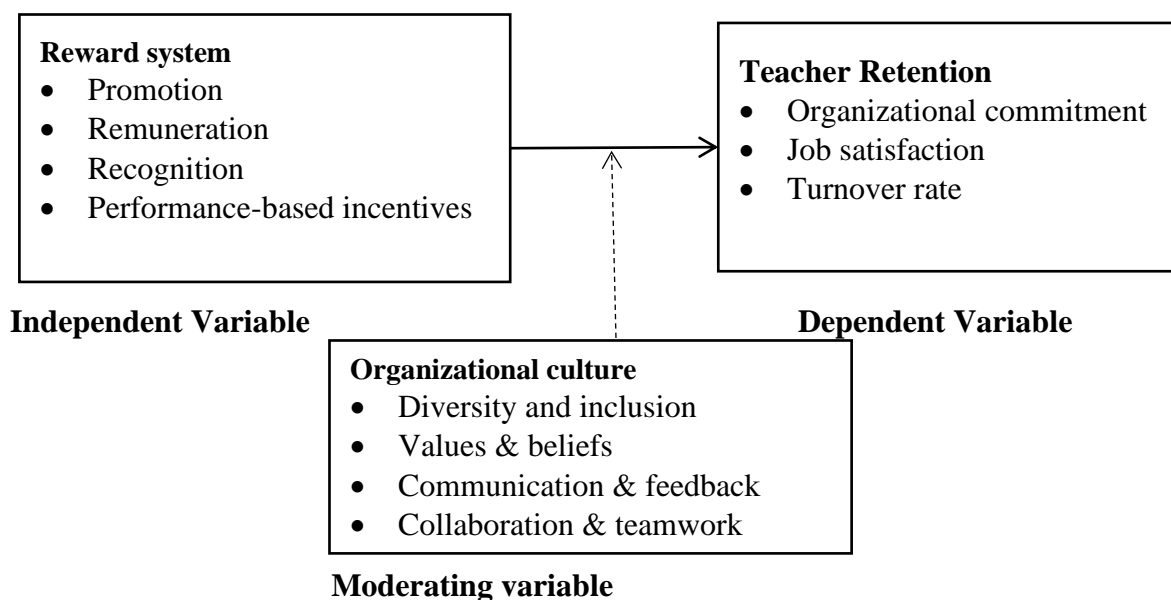
For instance, Odima *et al.* (2014) highlighted perceptions of unfairness in how rewards such as promotions, recognition, and professional opportunities were distributed among secondary school teachers in Nyamira County, Kenya. Teachers cited favoritism in promotions and unequal workload distribution. Such scenarios significantly demotivated teachers and reduced their commitment to the profession. It can therefore be concluded that teachers who feel treated fairly in comparison with others may be more satisfied and are likely to stay. On the contrary, teachers who perceive inequity may become demotivated, reduce their efforts, or leave the profession entirely. Equity theory therefore underscores the importance of fairness in addressing both inputs and outcomes; ensuring transparency so that schools can foster a culture where all teachers feel respected and valued.

Finally, Schein's theory defines organizational culture as a set of standards, beliefs, and patterns of behavior that distinguishes one institution from other institutions; and which silently motivate people to make every decision and choice in the organization. Schein's theory focuses on three interrelated levels: the simple fundamental assumptions, espoused values, and artifacts (Schein, 2020). Schein emphasizes the importance of shared underlying assumptions, which are deeply embedded, unconscious, and lightly taken and are commonly shared with others. For example, where school cultures value transparency, inclusivity, and recognition, teachers are more likely to perceive reward systems as equitable, thereby strengthening their retention.

Espoused values and norms represent the company's mission statement, shared perceptions, and codes of conduct which give formal guidelines and ethical standards for employee behavior. As such, when reward systems are aligned with these values (e.g., promoting collaboration or providing growth opportunities for teachers), they resonate more deeply with them, enhancing satisfaction and commitment. Artifacts are at the external level of an organizational culture and can be seen easily, such as products, physical surroundings, technology, attire, folklore and stories, published morals, ceremonies, and rituals (Nguyen *et al.*, 2017). Therefore, visible elements of school culture such as recognition ceremonies can serve as tangible expressions of the reward system. This theory moderates the relationship between reward systems and teacher retention by shaping the context in which rewards are delivered and perceived. A strong, positive culture amplifies the effectiveness of rewards, and therefore schools that aim at improving retention must integrate reward systems into a supportive organizational culture to achieve the desired outcomes. When teachers feel valued by respecting their diversity, beliefs, values, and norms; giving them timely communication and feedback; or when there's a culture of collaboration and teamwork, they are more likely to stay rather than seek opportunities elsewhere.

## Conceptual Framework

Figure 1 shows a conceptual framework that was used as a guide to this study.



*Figure 1: Conceptual Framework*

## RESEARCH METHODOLOGY

### Population and Sampling

This study adopted a cross-sectional survey design and a positivist philosophy. The population of the study was public secondary school teachers in the 47 Counties employed by the Teachers' Service Commission (TSC); targeting five purposively selected counties. Out of 11,859 teachers in all the public secondary schools in the five counties; a sample of 384 teachers were randomly selected from sub-county schools using the Cochran (1963) equation. Other respondents included twenty-eight (28) randomly selected principals and five TSC county directors.

### Data Collection Instruments and Procedures

Primary data was collected using self-administered semi-structured questionnaires from teachers and interview guides from principals. TSC County directors provided secondary data. The validity and reliability of research instruments were tested through a pilot study on 38 randomly selected respondents from a county other than those in the main study.

### Ethical Considerations

Ethical approval was sought from the university, National Commission of Science, Technology, and Innovation (NACOSTI), Ministry of Education (MOE), TSC, and county commissioners. Approval was also sought from school principals to give access to teachers, from whom informed consent was also sought.

### Data Analysis

Descriptive and inferential data analysis were conducted using SPSS version 24 software. Descriptive data was presented in tables, charts, and figures. Qualitative data was transcribed,



classified, and analyzed according to themes that emerged from the open-ended questions and presented in narrative and verbatim forms.

## RESULTS AND DISCUSSION

The study achieved an overall successful response rate of 87%. The first objective of the study was to assess the influence of a reward system on the retention of teachers in public secondary schools in Kenya. Using a Likert scale of one (1) to five (5); where 1 represented strongly disagree and 5 for strongly agree. Thirteen questions were posed to the respondents who were required to provide feedback. The results are presented in Table 1.

The respondents agreed that they had received promotions based on merit in their schools which was supported by the statement that the employer has clear guidelines on the promotion of teachers, and it had the highest mean score. Respondents agreed that their schools recognize and reward their achievement efforts; and that they do attend retreats and team bonding trips organized by their schools. This influenced their retention. The results are consistent with Manundu, Mwanza, and Mulwa (2021) who found that reward systems were critical for motivating teacher retention in Kamukunji Sub-County, Kenya. The conclusion was that reward systems foster positive school cultures by putting teachers in a position to do more and hence improve their performance.

The respondents were non-committal on the statements on remuneration, concerning whether the government pays a satisfactory salary, and if the government regularly reviews its remuneration system. This may be interpreted to mean that they were not satisfied. This can lower their motivation, affect their job satisfaction and eventually affect their retention negatively. The results are consistent with those of Kiven, Nsaiboti, and Ateka (2018) who revealed that teacher attrition was caused by low salaries. Many teachers chose to leave the teaching profession because of the low salary scales they were earning.

The respondents agreed that they received recognition for completing tasks and reaching expected goals in their schools; they were accorded equal recognition with other teachers in the school based on their performance and that their schools provided them with incentives for innovation and creativity. In addition, the respondents agreed that their schools recognized them when they went beyond the call of duty. The results are consistent with those of Okello (2018) who indicated that availability of teachers' promotional opportunities was a significant predictor of teacher retention. However, the study findings are in contrast with those of Yego (2017), who noted that both promotion and recognition had adverse influence on employee output because besides these two practices being favored by the teachers, they were hardly employed in the schools.

Finally, regarding performance-based rewards, the respondents felt that they were not adequately rewarded for the services they provided, and their schools rarely compensated them with a bonus for good performance. This implies that if only teachers were adequately remunerated for the services they provide and if they were well compensated for good performance, then they would be greatly motivated to work hard; experience higher levels of job satisfaction; improve teachers' productivity and efficiency and therefore lead to higher retention rates. The aggregate mean score for the reward system was 3.43 which implies that respondents agreed that reward systems greatly influenced their retention. These findings indicate that the provision of incentives and appropriate remuneration motivate teachers to be committed to their schools, which leads to their retention and vice versa can also be true. It is therefore clear that a reward system is very crucial for motivating teachers and can be instrumental in increasing their retention levels.

In conclusion, effective rewards cited for enabling retention included, but were not limited to: appropriate recognition from the supervisors; reward based on merit; good remuneration, and frequently rewarding good performance. The results are consistent with Kariuki (2020) who examined the influence of motivation on the retention of employees in secondary schools in Kenya using three constructs of motivation namely; compensation, supervision, and psychological contract. Regression results indicated that motivation caused a 7.0 percent variation in retention, implying a weak relationship. The weak relationship could be explained by poor salaries, authoritarian supervision, and breach of the psychological contract. Kamundi (2021) also found that more teachers were leaving schools than those being employed in secondary schools of the Seventh-day Adventist (SDA) Church in East Kenya Union Conference (EKUC). However, teachers intended to remain in their schools as long as the management was supportive, understanding, appreciative, and cognizant of their efforts; was caring, and ready to treat them with dignity.

**Table 1**  
**Descriptive Statistics on the Reward System**

Statement	Mean	Std. Deviation
I have received a promotion based on merit	3.57	1.135
I have never received a promotion based on merit in this school	2.94	1.467
My employer has clear guidelines on the promotion of teachers	3.97	1.079
The government pays me a satisfactory salary	2.91	1.594
I feel that I am not adequately remunerated	3.22	1.427
The government regularly reviews its remuneration system	2.90	1.413
My school compensates me with a bonus for good performance	3.12	1.473
My school recognizes and rewards my achievement efforts	3.87	1.112
I receive recognition for reaching expected goals in my school	3.43	1.288
The school recognizes me when I go beyond the call of duty	3.49	1.317
My school provides me with incentives for innovation and creativity	3.62	1.335
I am accorded equal recognition with other teachers	3.71	1.244
My school organizes retreats and team bonding trips	3.82	1.296
<b>Aggregate score</b>	<b>3.43</b>	<b>1.322</b>

The second objective sought to assess the moderating effect of organizational culture on the relationship between the reward system and retention of teachers in public secondary schools in selected counties in Kenya. Results are illustrated in Table 2. Respondents agreed that their schools actively promoted diversity and inclusion of all teachers irrespective of gender, tribe, culture, or religion and that diversity was considered a strength in the schools. Respondents agreed that they were expected to maintain high ethical standards and integrity in their schools, but were non-committal on whether they had experienced discrimination in their schools. Results are in support of Stauffer and Maxwell (2020) who argued that staff retention depends

on identifying and putting into practice effective ways for enhancing workplace culture and fostering both professional and personal growth.

Responses on whether ethical behavior and integrity were highly emphasized in the school culture; whether schools promoted open and transparent communication between management and staff; and whether one's values and beliefs were aligned with the values and beliefs promoted by their schools were highly rated. The study findings imply that the schools had embraced different organizational cultures that best suited them, thus promoting teachers' loyalty and commitment. This would easily improve teachers' retention rates as their values were well aligned with their schools' values and beliefs. Results are in tandem with those of Pearson (2015) who asserted that shared values and traditions enable people in an organization work to together, and it tends to positively influence their working relationships.

Further, the respondents agreed that information about organizational decisions and changes was readily shared with them; there were effective communication channels for sharing information in the schools, and they worked together as a team to achieve common goals and objectives in their schools. The study findings imply that the schools had effective communication channels in place, and promoted teamwork where teachers could freely share ideas and achieve common goals and objectives. Therefore, consistent with Karadag, Kilicoglu, and Yilmaz (2018), high-performing schools are linked with cultures that focus on perceptible indicators such as rituals, ceremonies, and traditions, and distinct indicators like beliefs, values, customs, vision, and goals and thus promote teacher retention. The findings are also in agreement with Dimmock *et al.* (2021) who argued that professional development programs within schools allow collaborative learning with colleagues and this influences their beliefs, attitudes, and practices, thereby shaping the school culture. Further results indicated that schools had a strong emphasis on teamwork and collaboration amongst staff and an open and honest dialogue between teachers and management was often encouraged.

In conclusion, the study findings revealed that teacher retention is highly determined by the type of organizational culture in the school, such that if there is a poor organizational culture, then there will be a negative effect of teacher retention and vice versa. This was supported by an aggregate mean score of 3.83. The results are consistent with King, Roed, and Wilson (2018) who posited that perceived insufficiencies in the support provided by managers to new teachers influence their immediate and efficient incorporation into their new roles in the school. This could breed negative emotional responses among staff members, which can result in adverse consequences with colleagues, students, and the entire organization. A tense workplace with poor organizational culture was found to hurt teacher retention, especially for the first-year teachers coming into the situation. Stauffer and Maxwell (2020) also found that there are significant factors that stimulate retention and require organizations to change.

**Table 2**  
**Descriptive Statistics on Organizational Culture**

Statement	Mean	Std. Deviation
My school actively promotes diversity and inclusion of all teachers	4.17	0.983
Diversity is considered a strength in my school	4.16	0.937
I have experienced discrimination in my school	2.75	1.503



Ethical behavior and integrity are emphasized in my school culture	3.95	1.144
I am expected to maintain high ethical standards and integrity in my school	4.27	0.861
My values and beliefs align with the cultural values and beliefs of my school	4.05	1.119
My school promotes open and transparent communication between management and staff	4.09	1.115
Information about organizational decisions and changes is readily shared	3.78	1.075
There are effective communication channels in place for sharing information	3.67	1.053
Teachers in my school do not exchange ideas freely and openly with each other.	2.62	1.432
We work together as a team to achieve common goals	4.07	0.996
There is a strong emphasis on teamwork and collaboration among staff	4.21	0.959
An open and honest dialogue between teachers and management is often encouraged	4.01	1.136
<b>Aggregate score</b>	<b>3.83</b>	<b>1.101</b>

### Test of Hypotheses

The first objective of this study was to assess the relationship between the reward system and retention of teachers in public secondary schools in Kenya. The model summary output indicates that the variables were significantly correlated where R (coefficient of correlation) was positive at 0.741; indicating that the reward system was strongly and positively related to teacher retention. From the model summary in Table 3a, the adjusted R<sup>2</sup> was 0.547 which indicates that the reward system explains 54.7% of variations in teacher retention. Therefore, the remaining percentage of 45.3% is explained by other variables such as job demands, job support, and working conditions.

**Table 3a**

**Linear Model Summary for Reward System**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
	.741a	0.548	0.547	0.39548

*a Predictors: (Constant), Reward System*

From the ANOVA table 3b of the stepwise linear regression analysis, the model achieved a high degree of fit as reflected by an R<sup>2</sup> of 0.548 (F = 404.283; P = 0.000 < 0.05). The relationship was significant at a critical value (0.05) at a p-value (0.000). This means that the measures of the reward system were significant at a 95% confidence level which supported previous findings from correlation analysis, which reported that there was a significant correlation among the variables (r = 0.741).

**Table 3b**  
**ANOVA for Reward System**

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	63.23	1	63.23	404.283	.000
Residual	52.082	333	0.156		
<b>Total</b>	<b>115.312</b>	<b>334</b>			

*a Dependent Variable: Teacher Retention*

*b Predictors: (Constant), Reward System*

The coefficient of determination was significant with a value of 0.66 and  $p = 0.000$  as shown in Table 3c. This shows that a unit increase in the reward system would result in a 66% increase in teacher retention value in a direct relationship between the reward system and teacher retention. The t-statistic and corresponding p-value were 20.107 and 0.000 respectively. Therefore, at  $P < 0.005$  level of significance, the null hypothesis ( $H_0$ ) was rejected and the alternate hypothesis ( $H_A$ ) implying that the reward system has a significant influence on teacher retention in public secondary schools in Kenya. The findings imply that with the appropriate kind of reward, teachers' retention rate would be high and vice versa is also true. The results are consistent with the findings of Manundu *et al.* (2021) and also agree with those of Ogada, Momanyi, and Mwalw'a (2020); previously mentioned under objective one.

**Table 3c**  
**Regression Coefficients for Reward System**

Model	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	T	Sig.
(Constant)	1.105	0.115		9.6	0.000
Reward System	0.66	0.033	0.741	20.107	0.000

*a Dependent Variable: Teacher Retention*

The second objective tested whether organizational culture had any moderating effect on the relationship between the reward system and retention of teachers in public secondary schools in Kenya. From Table 4a, the three regression models 1, 2 & 3 were all significant. The Coefficient of determination  $R^2$  for the first model was 0.548, which was significant. Upon the introduction of organizational culture, the coefficient of determination  $R^2$  changed to 0.576, and further to 0.702. This implied that 70.2% of the variance in retention of teachers can be explained by reward system and organizational culture. This 12.6% increase suggests that the interaction between the reward system and organizational culture is highly relevant for understanding retention.

This improvement implies that the effect of the reward system on retention is strongly influenced by the type of organizational culture, meaning that the relationship between rewards and retention is not straightforward but depends heavily on cultural factors. For instance, a positive reward system may only lead to high retention in a supportive, inclusive culture, while in a different cultural setting, rewards might have a much weaker or even negative effect on retention. This result highlights that organizational culture significantly shapes how effective

the reward system is in retaining teachers. Therefore, implementing rewards without considering the cultural context may be ineffective or even counterproductive.

**Table 4a**

**The moderating effect of Organizational Culture on the relationship between Reward System and Retention of teachers in public secondary schools in Kenya.**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.741a	0.548	0.547	0.39548	0.548	404.283	1	333	0.000
2	.759b	0.576	0.574	0.38367	0.028	21.806	1	332	0.000
3	.838c	0.702	0.699	0.32214	0.126	139.938	1	331	0.000

*a Predictors: (Constant), Reward System*

*b Predictors: (Constant), Reward System, Organizational Culture*

*c Predictors: (Constant), Reward System, Organizational Culture, Reward system\*Org Culture*

**Table 4b**

**ANOVA**

ANOVA <sup>a</sup>						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	63.23	1	63.23	404.283	.000b
	Residual	52.082	333	0.156		
	Total	115.312	334			
2	Regression	66.44	2	33.22	225.674	.000c
	Residual	48.872	332	0.147		
	Total	115.312	334			
3	Regression	80.962	3	26.987	260.057	.000d
	Residual	34.35	331	0.104		
	<b>Total</b>	<b>115.312</b>	<b>334</b>			

*a Dependent Variable: Teacher Retention*

*b Predictors: (Constant), Reward System*

*c Predictors: (Constant), Reward System, Organizational Culture*

*d Predictors: (Constant), Reward System, Organizational Culture, Reward system Org Culture*

Coefficient values in model 1 show that the reward system had a Beta of 0.66, which was statistically significant. However, when the organizational culture was introduced and combined with the reward system, the Beta significantly decreased from 0.66 to 0.547, which

was also significant. The Beta for organizational culture was 0.194, but when the interaction term ( $X_3 \times Z$ ) was introduced, the reward system presented a further drop, with a Beta of -1.361. This presented a notable shift in the relationship. Initially, a positive coefficient (0.194) indicated a direct relationship, meaning that as the reward system increased, the retention of teachers also tended to increase (albeit weakly). With a negative coefficient (-1.361), the relationship is now inverse, meaning that as the independent variable increases, the dependent variable is likely to decrease. The Beta for organizational culture was negative at -1.538. This suggests that, when organizational culture is included as a moderating variable, its effect is to weaken or reverse the positive relationship between the reward system and teacher retention.

**Table 4c**  
**Coefficients**

		Coefficients <sup>a</sup>			T	Sig.
Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta		
1	(Constant)	1.105	0.115		9.6	0.000
	Reward System	0.66	0.033	0.741	20.107	0.000
2	(Constant)	0.775	0.132		5.865	0.000
	Reward System	0.547	0.04	0.614	13.686	0.000
	Organizational Culture	0.194	0.041	0.209	4.67	0.000
3	(Constant)	7.183	0.553		12.991	0.000
	Reward System	-1.361	0.165	-1.527	-8.261	0.000
	Organizational Culture	-1.538	0.15	-1.664	-10.222	0.000
	Reward system Org Culture	0.506	0.043	3.615	11.83	0.000

*a Dependent Variable: Teacher Retention*

Overall, these results suggest that organizational culture significantly moderates the relationship between the reward system and teacher retention, but this moderation effect reduces or reverses the expected positive impact of the reward system on retention. This implies that certain types of organizational culture can potentially diminish the effectiveness of reward systems in retaining teachers. For example, if the organizational culture emphasizes non-monetary rewards (intrinsic motivation), other reward systems like financial incentives may become less important in determining retention. Each of the measures of organizational culture diversity and inclusion, values and beliefs, communication and feedback, and collaboration and teamwork can influence how the reward system impacts teacher retention by either enhancing or diminishing the reward system's effectiveness.

These findings have several implications. First, a school culture that values diversity and inclusion can make teachers feel appreciated and respected for who they are and what they bring to the table. This can lead to greater job satisfaction and loyalty, thereby reducing

teachers' dependence on the reward system alone for motivation and retention as teachers are likely to place more value on being part of an inclusive, supportive culture than on extrinsic rewards. Contrary, if a school lacks diversity and inclusion, teachers might rely more on rewards as their main form of recognition. This could make the link between rewards and retention even stronger. Secondly, if a school's values and beliefs align with those of the teachers, it can foster a sense of belonging and purpose. Similarly, a strong shared set of values and beliefs between a school and its teachers can lessen the need for material or external rewards. Teachers might feel an intrinsic motivation to stay in schools that reflect their values. Therefore, such organizational cultures can contribute not only to commitment but also to individual decisions to stay. Thirdly, a school culture that promotes open communication and constructive feedback allows teachers to feel not only heard but also valued, thereby reducing the yearning for rewards as an incentive for staying. On the contrary, a lack of effective communication and feedback can make teachers depend on rewards as a necessary way of recognizing their efforts.

Finally, a culture of collaboration and teamwork can motivate teachers to stay because of the supportive relationships they have with colleagues and supervisors. Such an environment can enhance job satisfaction and commitment, hence reducing turnover tendencies. Consequently, it can make teachers less dependent on rewards as a way of getting satisfied in their roles. However, a culture that doesn't promote collaboration and teamwork can leave teachers feeling unsatisfied, making rewards a necessary tool for retention. From these insights, we concluded that organizational culture significantly affects the relationship between the reward system and retention of teachers in public secondary schools in Kenya. As a result, we rejected the null hypothesis ( $H_{02}$ ) that organizational culture has no moderating effect on the relationship between the reward system and retention of teachers in public secondary schools in Kenya.

## CONCLUSION

This study examined the relationship between the reward system and teacher retention, with a focus on how organizational culture moderates this relationship. The findings revealed that reward systems are critical for motivating teachers and increasing their retention. With the appropriate kind of remuneration, promotion, recognition, and performance-based incentives, teachers' retention rate would be high and the vice versa is also true. It can be concluded that reward systems on their own are critical and have a significant relationship with the retention of teachers in public secondary schools in Kenya. The null hypothesis stating that "Reward system does not have a significant influence on the retention of teachers in public secondary schools in Kenya" was rejected and the alternate hypothesis was accepted; implying that the reward system has a significant influence on teacher retention in public secondary schools in Kenya.

When organizational culture was introduced as a moderating variable, it added a new dimension to this relationship, thereby highlighting its role in shaping how rewards affect retention. Certain cultural elements such as diversity and inclusion, shared values and beliefs, communication and feedback, as well as collaboration and teamwork, can either enhance or diminish the effectiveness of the reward system in retaining teachers. The findings imply that an effective reward system will thrive in schools that have a well-defined organizational culture characterized by inclusivity and concrete beliefs and value systems. However, this study demonstrates that while reward systems play an important role in teacher retention, their effectiveness is significantly moderated by organizational culture. Teacher retention is shaped by the balance between tangible rewards and intangible organizational culture. Therefore, educational institutions that integrate effective reward strategies within a supportive culture are



likely to achieve higher retention rates, whereas those that overlook this interplay may experience challenges in their employee retention efforts.

The study recommends that school management encourage an inclusive and collaborative culture that aligns with the personal values of teachers. This can be achieved by creating a culture of diversity and inclusion; instituting regular performance reviews and constructive feedback sessions at least quarterly as well as collaboration and teamwork within the schools to facilitate not only relationship building but also a feeling of belonging. A strong school culture can be built through intentional actions such as establishing a school culture that takes recognizance of exceptional performance and celebrates every small achievement by teachers. While this study was cross-sectional, a longitudinal study to explore how changes in organizational culture over time could impact the effectiveness of reward systems in teacher retention could also suffice. Geographical locations such as urban vis-a-vis rural settings in which schools are located would be an area worth exploring due to the different contexts found there.

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