



EMPLOYEE RELATIONS PRACTICES AND PERFORMANCE OF NURSES IN NATIONAL REFERRAL HOSPITALS IN NAIROBI, KENYA

¹ Kiema Jeniffer Kalunda, ² Dr. Kwasira Josphat, (PhD)

¹Masters Student, Jomo Kenyatta University of Agriculture and Technology

²Lecturer, Jomo Kenyatta University of Agriculture and Technology

ABSTRACT

Employee relations practices are about an organization's efforts to create and maintain a positive relationship with its employees. It is an aspect of human resource management that has an impact on the employee's performance and productivity of an organization. Contributors to poor employee relations include, inadequate human resource capacity, unfair compensation practices, employee-employer battles, lack of employee engagement, industrial unrest, inadequate proper working equipments and infrastructure weak leadership and governance and out migration of health workers among other challenges and these have threatened the service delivery. Health referral hospitals in Nairobi are called upon to build a health employee relations pactions with their employees so that to motivate health workforce for lesser turnover and high productivity. This study aims to shed light on employee relations practices and the performance of Nurses, a subject that has not been well addressed in human resource management. Aspects of employee relations practices that affect the performance of nurses include compensation and employee safety in national referral hospitals in Nairobi, Kenya. The study is guided by two theories namely, equity theory and human relation theory. The study will adopt a descriptive research design targeting a total of 240 respondents selected using stratified random sampling technique from the national referral hospitals sampled which include Mathare National Teaching and Referrals National Hospital, National Spinal Injury referral hospital, Kenyatta National Hospital, and Kenyatta National Teaching and Referrals National Hospital. Data will be collected by the use of structured questionnaires which will be divided into two types, hardcopy and online through Google form Kenya. Data collected was analyzed with the aid of the Statistical Package for Social Sciences (SPSS v26). The results found that the questionnaire was valid and reliable for actual data collection. The study concludes that employee compensation influences nurses performance in referral hospitals in Nairobi County. The study also concludes that employee safety influences nurses performance in referral hospitals in Nairobi. Based on the findings, the study recommends that the management of national referral hospitals in Kenya should enhance workplace safety protocols and provide adequate safety training. Ensuring that nurses have access to proper protective equipment, training on handling hazardous materials, and clear emergency procedures can significantly reduce workplace accidents and injuries.

Key Words: Employee Relations Practices, compensation, employee safety, Performance of Nurses in National Referral Hospitals in Nairobi, Kenya

Background of the Study

A good relationship between employer and employees impacts positively workforce performance. Hence, employee relations involve the creation of a working environment that motivates employees toward the realization of organizational goals. The objective of employee relations is to achieve harmonious employee relations and minimize grievances (Raneen Jamaledine, 2017).

Good employer-employee relations are indispensable to the organization because it motivates employees to work better and yield more results (Burns, 2018). Employee relations form the basis of trust between an organization and its employees since having competent, qualified, and motivated employees without a good relationship at the workplace can bring disharmony leading to poor performance. Employee relations practices are key components for the success of the organization. (Zewdie, 2018) suggests that the advancement of any organization is anchored on the input made by the employees in the performance of their duties. Employees who are engaged by their supervisors, contribute enormously to the growth and development of the organization by reciprocating with hard work and loyalty towards the organizational goals hence good performance is evident.

A pleasant work relationship among employees makes it easier for employers to mobilize their energies to achieve results (Galer et al., 2017). This good relationship with employees can be created by motivating and maintaining the human potential that serves as the backbone of the organization. This can be recognized by having good employee engagement, communication systems, fair compensation, health, and safety frameworks, and established conflict resolution mechanisms. Maintaining positive employee relations is the critical aspect that determines organizational performance (Armstrong, 2018) However, organizations cannot perform better and achieve their objectives if there is a bad relationship between employees and employers, therefore managers need to create and maintain a good working relationship with their employees. Employees carry out functions in organizations, therefore there is a need for interaction to take place between employees and their employers to get their job done.

Studies show that employees in an organization with a strong positive relationship are more engaged, efficient in the performance of their work, and have less turnover (Stallard, 2018). Organizations with a healthy employee relations framework create a bond that promotes trust, cooperation, and team spirit between employers and employees. Poor employee relations practices result in workplace grievances and increased rates of turnover, theft, and safety violations. Unhappy employees can lead to high rates of absenteeism, high turnover, and lower productivity. Human Resource acuity estimates that it takes approximately forty-five (45) days for new employees to become acclimated to their new job. Negative employee relations issues that work their way into the news and other social sites can damage the organizational reputation. It is therefore against this background that this proposal seeks to assess employee relations practices and the performance of Nurses in National referral hospitals in Nairobi, Kenya.

In Hungary, the primary criteria are the obligation of the employee to perform the work in person and the employer to offer employment, integrate and arrange into the business. The secondary criteria are the right to direct, determination of duration of work and the schedule of working time, determination of place of employment, protection of wages, the performance of work within the employer's infrastructure, ensuring the conditions for occupational safety and health; and contract in writing. The new Labour Code, which came into force on 1st July 2018 sets out under Section 34 that: "Employee means any natural person who works under an employment contract". Section 42(2) 2 states that: "Under an employment contract a) the employee is required to work as instructed by the employer; b) the employer is required to provide work for the employee and to pay salary which is the main principles remain applicable.

In South Africa, the Labour Relations Act 66 of 1995, employment protection legislation applies to all employees who ordinarily work in the country. Therefore, the legislation also covers employees who work outside and inside South Africa. It also applies regardless of the stated governing law of any employment contract or the nationalities of either the employee or the employer. An employee can't contract out of statutory employment protection unless the legislation specifically permits it and then, only to the extent permissible in terms of the legislation. In many cases, the legislation is supported by codes of practice drawn up by the National Economic Development and Labour Council or non-statutory of practice issued by the Commission for Conciliation, Mediation, and Arbitration (CCMA). These codes of practice, although often merely provide guidelines, and accordingly not always being of direct legal effect, are taken into account by the Labour Courts in deciding whether or not an employer has breached statutory employment regulations.

The Labour Relations Act, 2007, prejudicial trade dispute resolution machinery and stipulates specific time-frames for dispute disposal, and provides for alternative dispute resolution machinery. It also sets out clear procedures and guidelines for protection of industrial actions which represents the main legal foundation for collective bargaining and labour relations. Further, the law creates a more efficient and responsive operational procedure to promote employment relations and labour peace in the country.

The Right to compensation is provided for in the Work Injury Benefits Act, 2007 part 111 and ensures adequate compensation for injury and work-related diseases regardless of the employer's insolvency and provides for payment of injury benefits depending on the severity and/or length of the disability.

Health service provision falls within the "essential services" category. Section 81 (1) of the Labour Relations Act, 2007, defines essential service as, "A service the interruption of which would endanger the life of a person or health of the population or any part of the population." Section 78(1) of the Labour Relations Act, 2007, states that no person should take part in a strike or lockout if the employee and employer were engaged in an essential service. Section 81(3) provides that there shall be no strike or lockout for an essential service, and Section 81(4) provides that any trade dispute in a service listed as essential shall be adjudicated upon by the Industrial Court.

Statement of the Problem

The National referral hospitals in Nairobi are still struggling to establish and maintain effective human resource management relations practices and as a result, this has negatively affected organizational performance. Poor employee relations practices have been witnessed including an unsafe work environment due to a lack of proper equipment and infrastructure, and inadequate human resource capacity leading to staff burnout (Agbozo, Owusu, & Atakorah, 2017). Unfair compensation practices and delayed payment of salaries, employee-employer battles, lack of employee engagement, and inadequate infrastructure remain a constant source of frustration in the Public Health Sector in Kenya and have caused unnecessary differences among employers, employees, and trade unions (Ngui, 2018). Other challenges cited in the Kenya Health Workforce Report (2017) include industrial unrest and go-slows have been a threat affecting service delivery to the public health facilities. International migration, weak leadership and governance of health work force, career changes, and poor retention of health workers (Investing in the health workforce Report, 2022).

Research Objectives

This study was guided by general and two specific research objectives.

General Research Objective

The general objective of the study is to examine employee relations practices and the performance of nurses in national referral hospitals in Nairobi.

Specific Research Objectives

The study was guided by the following specific objectives:

- i. To identify the effects of employee compensation on the performance of nurses in national referral hospitals in Nairobi.
- ii. To assess the effects of employee safety on the performance of nurses in national referral hospitals in Nairobi.

Theoretical Review

Equity Theory

Adams' (1963) Equity theory clarifies why pay and conditions alone do not guarantee employee satisfaction. It goes further to demonstrate why giving one employee a pay rise or promotion may have a demotivating effect on the rest. People tend to feel satisfied when they have a sense of fair treatment; whenever they feel any unfairness, they tend to be dissatisfied and demotivated as well. Employees want to always maintain equity between what they bring to the job as inputs and outcomes they receive from the organization viz-a-viz what they receive in return from the organization. The central idea in the equity theory is that employees value fair treatment. Fair treatment motivates employees, and maintaining that sense of fairness amongst co-workers guarantees reciprocity from them to the organization. The structure of equity in the workplace is based on the ratio of inputs to outcomes. Inputs are the contributions made by the employee to the organization. According to (Meyer, 1997), Equity theory concerns the perception of (cognitive process) how employees are being treated. It's the assessment process workers use to evaluate fairness, and justice of organizational outcomes and the adjustments process used to maintain the perception of fairness i.e. during the rewarding process the scales and measures must be clearly understood by all employees. And employees should participate in the structuring of the reward systems. It focuses on distributive justice. This theory is concerned with the fairness of procedures used to make decisions to reward or prompt certain outcomes. It deals with how levels of performance are evaluated and how disputes are handled.

This theory is relevant to this study for the referral hospitals when negotiating employee compensation to the relevant bodies to ensure that staff are compensated within the prevailing market rates that conform to a better economic state so that they can improve their living standards.

Human Relations Theory

In 1924 - 1932, Elton Mayo, along with Fritz Roethlisberger, T.N. Whitehead, and William Dickson, conducted the Hawthorne studies. In these experiments, Mayo evaluated the attitudes and psychological reactions of workers in on-the-job situations. It began by examining the impact of illumination levels on worker productivity. Eventually, the study was extended through the early 1930s and addressed a broader range of workplace conditions. The results, however, identified a unique identifier of group performance - attention. The control and experimental groups' performance improved irrespective of the environmental conditions. The theory became known as the Hawthorne effect individuals perform better when given special attention. Despite the favorable pay package, the firm had one of the most discontented workforces, with high levels of absenteeism and low productivity

In the Human Relations Theory, Employees prefer a cooperative attitude from superiors, rather than command and control, and emphasizes on the productivity of workers is directly related to the job satisfaction that drives employee performance. Public referral hospitals are known to have weak employee relations practices compared to their private sector players and thus there is a need to embrace a good relationship that facilitates a change of attitude towards productivity.

In labour management, interactions involve the ongoing relationship between employees and managers at the workplace and a must work together to produce profitable goods or services if the firm is to be successful (Alan, 2017). If the organization unduly oppresses the employees or if the organization treats its workers badly, morale will suffer, and good workers may seek employment elsewhere (Alan, 2017). Employees may also be less committed to firm success, causing a decrease in productivity or a reduction in work quality. This theory is relevant to this study and links well with the objective of employee safety since employees are not solely motivated by being engaged, well compensated, or having an amicable conflict resolution mechanism but also having a safe work environment. Understanding the theory is useful in assisting organizations, especially referral public hospitals to develop employee relations policies, strategies; employment guidelines, and regulations that guide how employee safety measures will be put in place hence realization of good performance

Conceptual Framework

In this study, compensation and employee safety constitute the independent variables while performance of nurses is the dependent variable as illustrated in Figure 2.1, below.

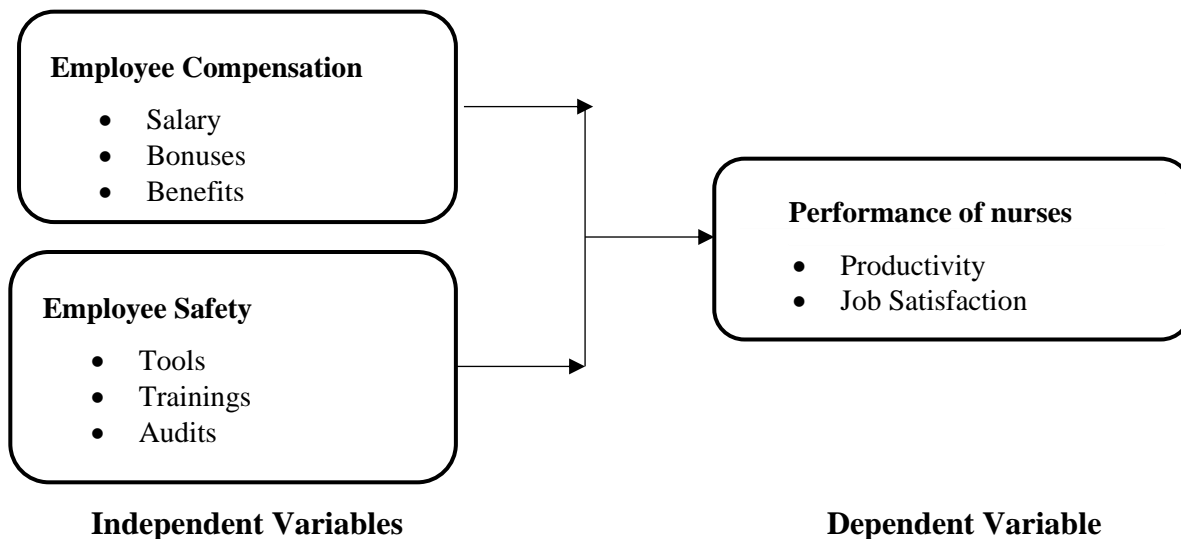


Figure 2.1: Conceptual Framework

Employee Compensation

Compensation is defined as the ability and responsibility of the organization to contribute to its employees for their achievement of the task and to appreciate their performance. Nawab (2017) explains that employee compensation influences organizational commitment and job satisfaction. Njoroge et al. (2017) show a positive correlation between employee compensation and performance. Yaseen (2017) explains that physician satisfaction can be improved by providing a good compensation system such as payment, recognition, promotional opportunities, and

meaningful employment. These factors have a positive relationship with physicians' job satisfaction.

Employee compensation consists of a variety of both financial and non-financial rewards to employees for their service to the organization, it is usually paid in form of salaries, wages, allowances, and employee benefits which include medical cover, pension, and retirement benefits among others (Caillier, 2019). Monetary payments are a direct form of compensating employees and contribute greatly to motivating the employees. Employee compensation is the heart of employee relations and plays a key role for both employees and employers it is defined as a systematic approach to providing monetary and non-monetary value to employees in exchange for work performed (Cole, & Kelly 2017).

Employee compensation is concerned with both financial and non-financial rewards and also abides by the policies, plans, strategies, and processes applied by organizations to develop and maintain reward systems (Spencer, 2018). Any organization needs to have a good compensation package for it to motivate its employees and increase organizational productivity. Today, human resource is regarded as the most important asset to any organization hence need to be managed efficiently and effectively for the business to achieve its long-term goals. Organizations, therefore, are constantly competing and strategizing against each other to attract, retain and motivate their employees through compensation management (Kraizberg, Tziner, & Weisberg, 2018).

Employee Safety

Employee safety Marc (2019) defines health and safety programs as demonstrating a model program that emphasizes management commitment and employee involvement. Management commitment provides the motivating force and the resources for organizing and controlling activities within an organization. The most important function of safety programs is to identify potential hazards, provide effective safety facilities and equipment, and take prompt remedial action.

Improving organizational performance involves applying a system thinking about the organization, its processes, and roles as well as supporting employees' well-being, which includes addressing both employee satisfaction and employee physical mental, and social health. Armstrong (2017) opines that the achievement of the highest standard of health and safety in the workplace is important because the elimination or at least the minimization of health and safety hazards and risks is the moral as well as the legal responsibility of employees which this call for managers to continuously monitor health hazards that can affect employees.

Angel, (2017) recommends that egoistic behavior relates positively to injuries and negatively to safety in the workplace. This suggests that the lifestyle of an individual significantly affects safety and health in the workplace. Accidents prevention is the responsibility of the management, particularly the Human Resource Manager.

Empirical Review

Employee Compensation and Performance

Employee compensation plays a critical role in the heart of the employment relationship, being key to both employees and employers. The concept of employee compensation is based on motivating the employees at the organization to improve their performance or better their performance (Wang & Lim, 2018). Rast (2018) studied the job characteristics that have a significant impact on job motivation among three private airline employees. The findings show that nature of the job, relationship, supervision pay, and promotion opportunities relate to job motivation and the overall performance of the employees. An organization that fully invests and

focuses on the welfare and the needs of its employees always has a competitive advantage over its competitors.

A study by Aduda (2017) examined the relationship between executive compensation and firm performance among the commercial banks listed on the Nairobi Stock Exchange. The study considered the functional form of relationship between the level of executive remuneration and accounting performance measures by using a regression model that relates pay and performance. The findings of the study suggested that accounting measures of performance are not key considerations in determining executive compensation among the large commercial banks in Kenya and that size is a key criterion in determining executive compensation as it was significantly but negatively related to compensation. The negative correlation suggests the capping of executive compensation to ensure the maximization of returns to shareholders.

In a study on the relationship between equity-based compensation and firm performance, Kalumba and K'Obonyo (2018) found that employee compensation practices including financial bonuses and allowances, or the opportunity for professional development influenced organizational financial performance in the banking Sector in Kenya. Howes & Cuthie (2019), Cuthie in their study found that improving employee performance for high organizational performance requires meaningful, rewards, fringe benefits, good working conditions, and quality of life. Further they argued that, for human capital-intensive institutions, compensation plays a crucial role in attracting and retaining highly skilled employees. Healthcare is largely delivered by a highly skilled workforce and as the healthcare sector is a human capital institution, compensation practices can be of great help in retaining highly skilled and competent employees.

Safety and Performance

Umugwaneza: Nkechi and Mugambe (2019) in their study on the effects of workplace safety and health practices on employee commitment and performance in Steel Manufacturing Companies in Rwanda established that employees are aware of the dangers of occupational health and safety in the workplace and thus occupational health and safety significantly affect employee commitment and performance.

Another study to investigate the influence of occupational safety and health on employee performance in the Penta flower industry in Kenya established that training of employees and employee attitudes influenced their performance since the firm lacked frequent training at different times convenient for them (Jane, 2018).

In Ghana, a study on the influence of occupational health and safety (OHS) on construction workers' performance established that OHS policies in the construction sector had a statistically significant effect on employee performance and related well with best international practices. However, the construction sector lacks regular health and safety induction, orientation, and refresher courses for construction workers. Hence there were still occupational accidents and diseases affecting workers in the sector. For fear of being sacked, workers hardly report pains and injuries suffered at the construction sites. Also, construction workers felt that the high cost of training could explain why employers were not providing regular refresher training and induction training on OHS in the workplace.

RESEARCH METHODOLOGY

Research Design

This study adopted a descriptive research design because it strived to describe and portray characteristics of an event, situation, and population. This enabled the researcher to acquire in-

depth on employee relations practices and the performance of nurses in national referral hospitals in Nairobi, Kenya.

Target Population

he target population of this study will be 600 nurses drawn from national hospitals in Nairobi, Kenya.

Table 3.1: Target Population

National Referral Hospitals	Target Population	Percentage
Kenyatta National Hospital	200	33.3%
Mathare Teaching & Referral Hospital	100	16.7%
National Spinal Injury & Referral Hospital	100	16.7%
Kenyatta University Teaching & Referral Hospital	200	33.3%
Total	600	100

Sampling frame

A sampling frame is a list of all the elements in the population from which the sample is drawn (Cooper & Schindler, 2017). The sampling frame defines a set of elements from which a researcher can select a sample of a target population. A researcher relies upon a sampling frame to represent all elements of a population because he or she has direct access to the entire population in the study.

Sample size and Sampling Technique

The total number of sample size in this case is 240; which is arrived at using a 40% ratio of the target population. Stratified sampling will be used to divide the sample into various strata according to the nursing department. Random sampling was used in selecting the respondents randomly from each department. Slovin's formula to be used is:

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

Where:-

n = Number of samples,

N = Total population and

e = Error tolerance (level).

N=600

e = 0.05

$$600 / (1 + 600 * 0.05^2) = 240$$

Kenyatta National Hospital (0.4*200), Mathare Teaching & Referral Hospital (0.4*100) National Spinal Injury & Referral hospital (0.4*100) and Kenyatta University Teaching & Referral Hospital (0.4*200)

Table 3.2: Sample Size

National Referral Hospitals	Target Population	Ratio	Sample Size
Kenyatta National Hospital	200	(0.4*200)	80
Mathare Teaching & Referral Hospital	100	(0.4*100)	40
National Spinal Injury & Referral Hospital	100	(0.4*100)	40
Kenyatta University Teaching & Referral Hospital	200	(0.4*200)	80
Total	600		240

Research Instruments

The study used self-administered questionnaires composed close-ended questions for easier analysis and convenience for both the researcher and respondents of the study. The questionnaire were divided into two types, online and hardcopy, and will consist of Likert-scale; making it easier for the respondents to answer. The responses were measured on a 5-point Likert scale representing (5=Highly Satisfied, 4=Satisfied, 3=Somehow Satisfied, 2=Dissatisfied and 1=Highly Dissatisfied). A questionnaire is relatively economical, has the same questions for all subjects, and can ensure anonymity. The researcher pre-tested the questionnaire ensure face, content and cretria meets the validity of the questionnaire before use to mitigate the effect of the disadvantages by carrying out a pilot test to refine the final questionnaires.

Pilot Testing

A pilot study is described as an exercise that ensures that errors are restricted at very little cost. A pilot study will be conducted to establish the validity and reliability of the questionnaire. Mugenda and Mugenda (2019) proposed that a sample size of between 1% and 10% is appropriate for a pilot test. Therefore, this study used a pilot group of 24 nurses (10% of study sample) drawn from one of the national hospitals in Nairobi. The pilot group was drawn randomly from the target population and will be excluded from the final study.

Data processing and Analysis

The Statistical Package for Social Sciences (SPSS) computer software was used for analysis to generate a data array that was used for subsequent analysis of the data. SPSS is a descriptive statistics feature that assisted in variable response comparison and gives clear indications of response frequencies. The data was coded to enable the responses to be grouped into various categories. Descriptive statistics was used to summarize the data in percentages, means, and frequencies. Tables, charts, and other graphical presentations were used appropriately to present the data was collected for ease of understanding and analysis. Regression analysis will be used to predict the value of the dependent variable based on the independent variables.

The multivariate regression equation is;

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \epsilon$$

Whereby Y= Employee Performance, X₁= Employee Compensation, X₂= Employee Safety, ε =Error term/Erroneous variables, β₀=is constant, and β₁- β₂=represents the outcomes.

DATA ANALYSIS AND FINDINGS

Descriptive Statistics

Employee Compensation

The first specific objective of the study was to identify the effects of employee compensation on the performance of nurses in national referral hospitals in Nairobi.

The respondents were requested to indicate their level of satisfaction with various statements relating to employee compensation on the performance of nurses in referral hospitals in Nairobi. From the study results, the respondents were satisfied with the salary paid by the hospital. ($M=4.377$, $SD=0.579$). In addition, the respondents were somehow satisfied with the bonuses granted by the hospital. ($M=4.368$, $SD=0.577$). Further, the respondents were dissatisfied with tuition payment plan for employees professional growth in this ($M=4.346$, $SD=0.549$). The respondents also agreed that employees have freedom to participate in strikes ($M=4.340$, $SD=0.592$). In addition, the respondents were highly dissatisfied with reward structure and that it was not competitive compared to other referral hospitals in the country. ($M=4.324$, $SD=0.582$). Besides, the respondents being highly dissatisfied by the reward system, they expressed some how dissatisfied with the overall compensation $M=4.206$, $SD=0.555$).

Table 4. 1: Employee Compensation

	Mean	Std. Deviation
As a Nurse I am satisfied with the salary paid by the hospital	4.206	0.555
I am satisfied with the bonuses granted by the hospital	4.340	0.592
I am satisfied with tuition payment plan for employees professional growth in this hospital	4.377	0.579
Reward structure is satisfying and competitive compared to other referral hospitals in the country	4.324	0.582
I am satisfied with my overall compensation	4.346	0.549
Aggregate	4.311	0.559

Employee Safety

The second specific objective of the study was to assess the effects of employee safety on the performance of nurses in national referral hospitals in Nairobi. The respondents were requested to indicate their level of satisfaction with various statements relating to employee safety on the performance of nurses in referral hospitals in Nairobi. From the study results, the respondents indicated they are satisfied with the Government is committed to in rewarding employee performance ($M=4.355$, $SD=0.580$). In addition, the respondents indicated they were highly satisfied with tools and resources availability needed in performing duties ($M=4.315$, $SD=0.605$). Further, the respondents were satisfied with hospital work environment safety and comfortable ($M=4.305$, $SD=0.576$). The respondents were satisfied and agreed that all nurses are trained in safety measures ($M=4.293$, $SD=0.566$). In addition, the respondents were highly satisfied with the personal protective equipment were of good quality ($M=4.355$, $SD=0.580$). The results were as presented in Table 4.2.

Table 4. 2: Employee Safety

	Mean	Std. Deviation
Government is committed to in rewarding employee performance	4.305	0.576
Tools and resources needed in performing duties are adequately provided	4.355	0.580
The hospital work environment is safe and comfortable	4.190	0.655
All nurses are trained in safety measures	4.315	0.605
Personal protective equipment are of good quality ($M=4.355,SD=0.580$)		
Aggregate	4.313	0.534

Correlation Analysis

The present study used Pearson correlation analysis to determine the strength of association between independent variables (compensation and employee safety) and (nurses performance in referral hospitals in Nairobi) dependent variable

Table 4. 3: Correlation Coefficients

		Nurses Performance	Compensation	Employee safety
Nurses Performance	Pearson Correlation	1		
	Sig. (2-tailed)			
	N	172		
Compensation	Pearson Correlation	.764**	1	
	Sig. (2-tailed)	.002		
	N	172	172	
Employee safety	Pearson Correlation	.867**	.246	1
	Sig. (2-tailed)	.000	.060	
	N	172	172	172

Moreover, findings revealed that there was a very strong relationship between compensation and nurses performance in referral hospitals in Nairobi ($r = 0.764, p \text{ value} = 0.002$). The relationship was significant since the p value 0.002 was less than 0.05 (significant level). The findings are in line with the results of Oden, (2017) that there is a very strong relationship between compensation and nurses performance.

The study findings also revealed that there was a very strong relationship between employee safety and nurses performance in referral hospitals in Nairobi ($r = 0.867, p \text{ value} = 0.000$). The relationship was significant since the p value 0.000 was less than 0.05 (significant level). The findings are in line with the findings of Maryan, (2017) that there is a very strong relationship between employee safety and nurses performance.

Regression Analysis

Multivariate regression analysis was used to assess the relationship between independent variables (compensation and employee safety) and (nurses performance in referral hospitals in Nairobi) dependent variable.

Table 4. 4: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.926	0.857	0.858	0.06184

The model summary was used to explain the variation in the dependent variable that could be explained by the independent variables. The r-squared for the relationship between the independent variables and the dependent variable was 0.857. This implied that 85.7% of the variation in the dependent variable (nurses performance in referral hospitals in Nairobi) could be explained by independent variables (compensation and employee safety)

Table 4. 5: Analysis of Variance

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	11.294	2	5.647	504.196	.000
Residual	.943	169	.0056		
Total	20.237	171			

The ANOVA was used to determine whether the model was a good fit for the data. F calculated was 504.196 while the F critical was 2.426. The p value was 0.000. Since the F-calculated was greater than the F-critical and the p value 0.000 was less than 0.05, the model was considered as a good fit for the data. Henceforth, it can be used to predict the influence of compensation and employee safety on nurses performance in referral hospitals in County.

Table 4. 6: Regression Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients Beta	t	Sig.
		B	Std. Error			
1	(Constant)	0.249	0.088		2.830	0.001
	Compensation	0.379	0.09	0.381	4.211	0.001
	Employee Safety	0.356	0.089	0.358	4.000	0.001

The regression model was as follows:

$$Y = 0.249 + 0.379X_1 + 0.356X_2 + \epsilon$$

The results also revealed that employee Compensation have significant effect on nurses performance in referral hospitals in Nairobi County ($\beta_1=0.379$, p value= 0.001). The relationship was considered significant since the p value 0.001 was less than the significant level of 0.05. The findings are in line with the results of Oden, (2017) that there is a very strong relationship between compensation and nurses performance.

In addition, the results revealed that employee safety has significant effect on nurses performance in referral hospitals in Nairobi County ($\beta_1=0.356$, p value= 0.001). The relationship was considered significant since the p value 0.001 was less than the significant level of 0.05. The findings are in line with the findings of Maryan, (2017) that there is a very strong relationship employee safety and nurses performance.

Conclusions

The study concludes that employee compensation influences nurses performance in referral hospitals in Nairobi County. Findings revealed that compensation (salary, bonuses, tuition payment plan, reward structure and overall compensation) influences nurses performance in referral hospitals in Nairobi County.

The study also concludes that employee safety influences nurses performance in referral hospitals in Nairobi County. Findings revealed that tools, training and audits influence nurses performance in referral hospitals in Nairobi County.

Recommendations

The study recommends that the management of national referral hospitals in Kenya should implement a comprehensive compensation package that includes both financial and non-financial incentives. While competitive salaries are essential to attract and retain skilled nursing professionals, additional benefits such as performance-based bonuses, opportunities for professional development, and recognition programs can significantly boost morale and motivation.

The study also recommends that the management of national referral hospitals in Kenya should enhance workplace safety protocols and provide adequate safety training. Ensuring that nurses have access to proper protective equipment, training on handling hazardous materials, and clear emergency procedures can significantly reduce workplace accidents and injuries. When nurses feel safe and supported in their work environment, they are more likely to focus on patient care and perform at their best.

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