



Career Planning and Employee Commitment: Does Rewards System Matter; A Reflection from Manufacturing Firms in Kenya

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Abstract

There is inadequate knowledge on rewards system as a potential moderator between career planning and employee commitment, thus the need to interrogate the link between these two variables. The aim of the study was to examine the moderating effect of rewards system on the relationship between career planning and employees' commitment in selected manufacturing firms. The objective of the study was to determine the effect of career planning on employee commitment; and the moderating effect of reward systems on this relationship. The study was underpinned on Greenhaus Model of Career Development. The explanatory research design was adopted for the study and the target population comprised of 3617 respondents. A sample size of 435 respondents was selected based on Slovin's formula of sample size determination where stratified, proportionate and simple random sampling techniques were applied in selecting respondents to be served with the structured questionnaires. Data was analysed quantitatively with the aid of the Statistical Package for Social Science (SPSS 23.0). Study hypotheses were tested using hierarchical regression at a 0.05 significance level. The findings of the study revealed that career planning has a positive and significant effect on employee commitment ($\beta_1=0.419$, p value is less than $\alpha=0.05$). The findings further revealed that there was a positive and significant moderating effect of rewards system on the relationship between career planning and employee commitment ($\beta_2=0.78$, p <0.05). The study concludes that career training has a positive and significant effect on employee commitment. Further, there is an enhancing moderating effect of rewards system on the relationship between career planning and employee commitment. The study recommends that the management of the manufacturing firms should encourage their employees to address the antecedents of career planning in pursuit of career goal setting, promotion speed and remuneration growth to increase their commitment levels. Also, both monetary and non-monetary rewards should be given to boost employee commitment.

Keywords; Manufacturing, Rewards System, Career Planning, Employees' Commitment

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