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Establish the Influence of Competitive Remuneration on Organizational Efficiency at Sugar Companies in Western Circuit, Kenya

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Abstract:- Globally, employee retention has taken a center stage in various organizations which value skilled labor, knowledgeable and experienced staffs so as to remain efficient. These organizations prioritize talent retention strategies to enhance their efficiency in production. A survey by Kenya Sugar Board (KSB) in 2018 revealed that the staff productivity ratio in Kenya private sugar companies was at 46.2%. The employees attribute turnover to low staff morale, job dissatisfaction and lack of promotion, poor remuneration and poor working conditions. The general objective for the study was to determine the influence of competitive remuneration, on organizational efficiency at Sugar Companies in Western Kenya. The present study is anchored on Social Exchange Theory, Expectancy Theory and Efficiency Theory. The researcher has adopted a correlational research methodology to provide empirical data that helps addressing existing knowledge gap. Target population for the research consisted of 728 employees drawn from the three sugar companies. Stratified random technique was employed to arrive at 364 respondents from the population. Primary data was collected with the aid of structured questionnaire. The reliability instrument was determined by Cronbach Alpha method whereby results from Cronbach Alpha above 0.7 were deduced as acceptable degree thus confirming the internal validity while validity was ascertained through expert review. The primary data collected was analyzed using regression analysis. From the findings, competitive remuneration accounted for 29.2% variance in organizational efficiency (R Square=.292,p<.05), findings that are significant, F(1,350)=144.04, p<.05. This means that competitive remuneration has a significant effect on organizational efficiency. Further examination of the model coefficient results shows that competitive remuneration has a positive and significant effect on organizational efficiency (β=.540, p<.05). Therefore improvement in employee remuneration improves organizational efficiency by a magnitude of 0.540 units based on the scales used. It was concluded that competitive remuneration has a significant influence on organizational efficiency. It was recommended that the sugar industry should improve employees' remuneration. The study may enable the management of the companies to appreciate the significant roles played by employees to improve a company's efficiency thus creating the need to retain and reward them. Human capital department will use the findings of this study to influence their decision making concerning employees. The study may contribute to academia and research field by acting as literature for other researchers who may advance their research in the same field in continental Africa. The study findings will also provide the employees of the sugar companies with an insight of the need to improve on their efficiency and full production capacity in their duty.

***Keywords**:- Competitive, Remuneration, Organizational Efficiency.*

I. INTRODUCTION

Economic recession has made companies report a downward trajectory in their production coupled with reduction in the size of labor force. Moreover, where the workforce is inefficient and employees opt out of employment voluntarily increasing the rate of turnovers among companies. These necessitate the need to look at employee retention strategies at sugar companies. Globally, employees are the most useful and valuable assets an organization must treasure in order to gain competitive edge in the market. However, employee retention in the current world is challenging, complex and unbearable to many organizations. Therefore, employee retention through financial and non-financial strategies that steer work efficiency and performance of an organization must be prioritized with the sole aim of employee development and retention (Cascio, 2014).

Talent retention is the process through which resourceful employees are managed making them not to quit the positions which they hold in the organization. It involves the procedure followed in motivating and encouraging employees to maintain their usefulness, functionality and productivity in a company for a long time period. Many a times, companies never pay attention to costs incurred with the replacement of the employees (Dhanraj & Parumasur, 2014). These may be training cost, employee induction expenses and temporary work cost. The hidden cost may include customer dissatisfaction, loss of publicity, unmet deadlines and unmotivated employees. According to Aruna and Anitha (2015), employee retention minimizes costs associated with recruitment and training of new employees enhancing performance of current employees and lastly efficiency of the company. It is these reason that companies strive to retain their existing workforce to avoid inefficiency and ineffectiveness of companies. Retention process has impact on profits and subsequently organizational goals and objectives. Good managers are pillar which anchor the organizations and thus effective when they create good rapport with employees by building confidence, friendship, career development and personal development in employees (Chiamaka et al., 2020).

Organizational efficiency through performance metrics is usually linked to the talent management process. Additionally, firms which maximize talent retention strategies which includes retaining with longer work experience, competitive remuneration and employee competency training are usually more efficient and successful in production (Nyang'or & Mwamba, 2022). The longer the employee stays in a work station, the more efficient an organization is in terms of stable workforce, expertise and experience. Mwanzo (2017) asserts that organizations with loyal, valued and consistent employees tend to be efficient in production, service delivery and customer satisfaction. Companies should therefore give weight to candidates' suitability for a given job and work life, how they are managed and compensation structure.

Agriculture dominates the list of the sectors contributing to the Gross Domestic Product (GDP) of Kenya with sugar cane being one of the cash crops. According to Mati & Michael (2019), the growth of sugarcane faced expansion across the years to area coverage of 220,000ha but sugar production is still low at 55tonnes/hectares. Surprisingly, production cost has been increasing with average production of Us 1,007/tons in 2018.This numbers when compared to global arena are poorly constituted. Locally, small scale farmers grown over 80% of sugar with very low input and are majorly domiciled in Western Kenya and consequently low production. Sugarcane is a cash crop whose growth is majorly practiced in the western circuit but also grown in the region of Rift Valley; Nandi county, Kericho county, Narok county and in Coastal Region of Kwale & Tana River. The majority of companies producing sugar under operations are under private ownership and they include: Kibos Sugar and Allied, Sukari Industries Ltd, Transmara Sugar, West Kenya Sugar, Butali Sugar, Busia Sugar Industries, West Kenya-Olepito Sugar Units, Kwale International and Soin Sugar Factory. The public sugar companies operate under receivership with a good of example being Muhoroni Sugar Company (Saratuki, 2017). The industry has continued to struggle reporting downward trend in production per units. The decelerating performance of the sugar companies has jeopardized the livelihood of over 250,000 small scale farmers and thousands of employees, putting them at uncertainty since they rely on the industry as means of livelihood. The dismal performance of the industry is brought by insufficient supply of sugarcane to milling companies, poaching of cane, factory capacity under-utilized, and poor organization policies and techniques that touches on technology and management (KSB, 2018).

Numerous global research investigating the impact of employee retention on organizational efficiency have yielded varied findings. Singh (2022) conducted a study to examine the influence of several factors on talent retention in the context of Pakistan. The study employed a descriptive research methodology, utilizing secondary data that was subjected to content analysis for analysis. The findings of the study indicate that factors such as work-life balance, organizational culture, compensation, training and development, and job satisfaction have a statistically significant and beneficial impact on employee retention when implemented effectively. The exploratory aspect of Savov et al's (2022) study focused on staff retention inside Slovak enterprises. The research conducted a sample of 381 enterprises that are based in Slovakia. The data was obtained by the utilization of the survey method, in conjunction with the random sample technique. The study employed a qualitative research design, specifically utilizing a focus group methodology. The elements that contributed to talent retention included competent leadership, appealing employment opportunities, a supportive work environment, a favorable company culture, and flexible work arrangements. The impact of organizational support on turnover intention was investigated by Albanchez et al. (2022) within the context of a Spanish IT consultant firm. The study's target audience consisted of 1,000 professionals. Out of this population, a total of 458 responses were received and subsequently processed. From the studied responses, a final list was compiled, consisting of 273 full responses. The study utilized the PLS-SEM approach for validating the quantitative methodology, employing the Smart PLS 3 software. The results indicated a negative correlation between employees' impression of organizational support and their intention to leave the company. In a study conducted by Flegl et al. (2020), the researchers investigated the influence of employee training on the enhancement of their performance. The study focused on a sample of 839 individuals employed in public financial institutions in Mexico. The study was conducted over a span of two years. The results indicate that there is a negligible or nonexistent effect on performance when training hours are either low or exceed 160 hours per year. Training that is both moderate and helpful has a discernible influence on the performance of employees. In a study conducted by Akter (2022), the focus was on examining the impact of talent management techniques on employee engagement within the Telecommunication Sector in Malaysia. Data collection was facilitated through the utilization of purposive sampling methodology by means of an online survey. The survey yielded a total of 242 replies, which were subsequently subjected to analysis using Partial Least Squares-Structural Equation Modelling (PLS-SEM). The results of the study indicated that factors such as career growth, awards, recognition, and training and development had a positive and statistically significant impact on employee engagement, as measured by the proxy variable of psychological empowerment. Ahmed (2022) conducted a study on the topics of employee training, staff retention, professionalism, and self-efficacy. The study was done on personnel affiliated with the National Bank of Pakistan. The collection of secondary data was derived from previous studies, research journals, and newspapers. The collection of primary data was facilitated through the utilization of questionnaires. Research has demonstrated that the implementation of training programs has a beneficial effect on staff retention.

Singh (2022) employed a descriptive research approach in their study, utilizing secondary data that was subjected to content analysis for analysis. Savov et al. (2022) conducted an exploratory study to investigate talent retention in 381 enterprises located in Slovakia, specifically focusing on the context of Slovakian organizations. In their study, Albanchez et al. (2022) employed a quantitative model and conducted validation using the Partial Least Squares Structural Equation Modeling (PLS-SEM) approach with the aid of Smart PLS 3 software. The research focused on investigating the impact of organizational support on turnover intention within Spanish IT consultant firms, utilizing a sample population of 273 participants. Akter (2022) did a study focused on the Telecom Sector in Malaysia. The researcher employed an online survey as a means of data gathering, utilizing purposive sampling approach. The survey yielded a total of 242 replies, which were subsequently subjected to analysis using Partial Least Squares-Structural Equation Modelling (PLS-SEM). In their study, Flegl et al. (2020) focused on a sample of 839 personnel working in Mexican public financial institutions. The research was conducted over a duration of two years. In contrast, Albanchez et al. (2022) conducted their study using a sample size of 273 individuals in Spain, whilst Akter (2022) focused on a sample of 242 personnel within the Telecom Sector in Malaysia. Ahmed (2022) did a study utilizing secondary data to examine the personnel of the National Bank of Pakistan. The research conducted by Ahmed (2022) and Singh (2022) employed secondary data as their primary source of information, albeit in distinct geographical contexts. However, there is limited knowledge regarding competitive remuneration, competency training, years of work experience, stratified sample, and correlational research methods in sugar enterprises located in Western Kenya.

- *Statement of the problem*

A survey by Kenya Sugar Board (KSB) in 2018 revealed that the staff productivity ratio in Kenya private sugar companies was at 46.2%. This showed that the employee productivity and firm efficiency at the said firms was not at it full capacity. The firms have been registering low tones produced a downward trend which has been influenced by high employee turnover that impact negatively on the organizations' efficiency. The Managing Director for Nzoia Sugar Company reported to parliamentary Committee of Agriculture, Livestock and Co-operatives in 2015 that West Kenya sugar was poaching its cane and employees. The firms lose the most experienced and skilled staffs whom the organization had invested heavily on in terms of resource mobilization and later incur huge financial costs and more time to train newly recruited staffs in order to make them adapt effectively to the working culture and demonstrate the required skills and experience. The quality of service delivery diminishes, low level of customers' satisfaction is revealed, organizations' sales revenue decreases and this lowers the level of efficiency in the said firms. To curb this trend many companies have turned on the application of various employees retention strategies such as employees' benefits, competitive remuneration and offering of various employee rewards. Reviewed literature links talent retention and performance, but no known study reviewed were done in private sugar companies using organizational efficiency as the dependent variable. The studies done continentally in Africa and locally reported divergent results in underpinning the effects of talent retention and organizational efficiency justifying the need for further study. Moreover, the reviewed studies revealed mixed conceptual and contextual framework with different methodologies. The studies done in sugar companies, none adopted competitive remuneration as the independent variables. Locally, the studies were carried out in national government, banking sector and learning institutions while majority of those studies were done in other countries using descriptive research design which tend to describe the state of affair. The strength of association between the variables; talent retention and organizational efficiency in sugar companies in Western Kenya which other firms did not consider, was studied.

- *Purpose of the study*

The study sought to analyze the influence of competitive remuneration on organizational efficiency at sugar companies in Western circuit, Kenya. Study Hypothesis was $H_{01:}$ Competitive remuneration does not have a significant influence on organizational efficiency at sugar companies in Western circuit, Kenya.

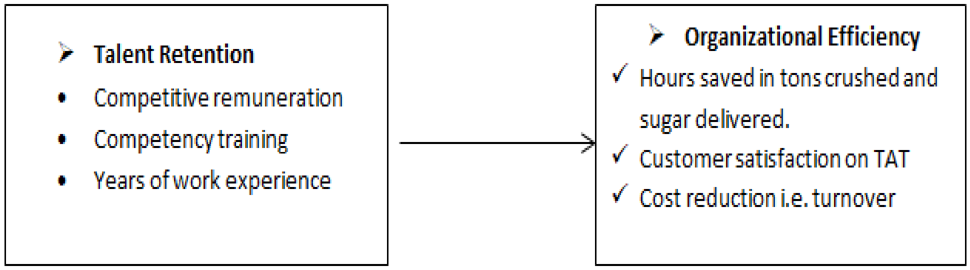

Fig 1 Conceptual Framework

➢ *Social Exchange Theory*

The theory was created by George Homans in 1958. The theory emphasizes that individuals assess the anticipated advantages and risks associated with social connections, and when the risks surpass the benefits, individuals are inclined to terminate or discontinue the relationship. The behavior exhibited by employees can be influenced by the manner in which they are handled by their employers, resulting in either positive or negative outcomes. The objective of this transaction is to optimize advantages while minimizing expenses. Hence, the presence of a concentrated social connection between individual employees inside an organization enhances the cohesion of a productive working relationship, ultimately fostering positive outcomes such as employee satisfaction, dedication, and trust. These factors collectively contribute to the optimization of workforce productivity. According to social exchange theory, individuals strategically select and establish relationships that offer the greatest benefits while minimizing associated costs. Nevertheless, it is commonly seen that both employers and employees tend to exhibit self-centered tendencies and often fail to prioritize the principle of equality. This implies that both parties will prioritize the cultivation of relationships that result in optimal outcomes with minimal exertion. It is imperative for employers to provide favorable treatment to their employees in order to elicit exceptional performance and foster dedication towards the attainment of the organization's objectives. According to Burgess and Huston (2013), the theory posits that human interaction is primarily driven by rational processes stemming from economic necessities. The prioritization of openness was a key characteristic throughout the development of this concept in the 1970s, a time when the values of freedom and openness were highly favored. However, it is worth noting that in certain instances, openness may not always be the first priority within a partnership. The social exchange theory serves as a theoretical framework for understanding how several independent variables, such as competitive remuneration, employee management style, and years of work experience, influence the success of an organization. The aforementioned analysis highlights the significance of the theory as it underscores the positive correlation between employers and employees, as well as their demonstration of commitment towards organizational goals.

II. EMPIRICAL REVIEW

Waititu (2017) examined the influence of employee welfare programs on performance of Kenya Railways Corporation. The independent variable of the study included; occupational health, succession plan, training and remuneration policies. The researcher adopted descriptive survey methodology where the population targeted were 1,720 staffs. Population targeted for the study were stratified into two; administrative and academic staffs where sample size of 172 respondents were identified. The primary data collection was made possible through semi-structured questionnaires. Analysis of data Descriptive statistics was aided by Statistical Package of Social Science. Analyzed results revealed a relationship existing between remuneration and employee performance. It was concluded that remuneration policies had a strong positive impact on employee performance at Kenya Railways Corporation. However, the researcher only prioritized competitive policies but did not compare the remuneration package offered to those other players in the country.

The study conducted by Susanti et al. (2021) investigated the relationship between remuneration, motivation, and employee performance. The research employed a census method. The selection of the census method was based on the small and controllable size of the population. The study's sample consisted of 40 employees from PT in Pekanbara. The data analysis was conducted using version 23 of the Statistical Package for the Social Sciences (SPSS). The utilization of multiple linear regression analysis facilitated the examination of the relationship between independent and dependent variables. Based on the results obtained, it was determined that employee performance was significantly influenced by salary. The theory of compensation posits that establishing appropriate standards for each compensation package is crucial for ensuring that performance aligns with expectations during implementation. In contrast, the research was conducted in Pakistan, while there is limited knowledge regarding the competitive compensation provided by sugar firms in the Western Circuit of Kenya.

The study conducted by Oluoch (2015) focused on the analysis of pay techniques and their impact on the performance of Sugar Industries in the Western region of Kenya. The study employed a descriptive survey

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methodology. The population under study consisted of full-time employees from the four Sugar Industries located in Western Kenya. The study encompassed a total population of 1,318 individuals. The researchers employed a stratified random sampling procedure, which yielded a sample size of 274. The reliability of research instruments was assessed through the utilization of the test-retest approach, while the validity of the instruments was established by conducting a pilot test and obtaining expert reviews. The data analysis involved the utilization of both descriptive and inferential statistical methods. The results of the study indicated that employees in sugar enterprises exhibited a preference for money benefits over non-financial rewards. There exists a robust and statistically significant correlation between remuneration techniques, encompassing basic salary, leave allowance, and pension allowance, and performance. Nevertheless, the research did not include those who were employed on a contractual basis or engaged in short-term assignments, such as expatriates. Furthermore, the present study sought to examine remuneration techniques, specifically focusing on the absence of analysis of the competitive nature of the remuneration package.

Chebet (2019) investigated Nyandarua County's personnel retention policies and employee performance in sanctioned services. The study was guided by the Two Factor Theory and Job Embeddness Theory. The population under consideration consists of 673 administration police officers. The study employed a stratified random sampling procedure to gather a sample of 67 respondents. Questionnaires facilitate the gathering of data. The use of both descriptive statistics and inferential statistics was important in the analysis of data, facilitated by the employment of SPSS version 21. The findings of the study led to the conclusion, compensation practices had a significant positive effect on employee performance. The study was centered in disciplined services but little is known in sugar companies in western circuit.

Okello et al., (2020) studied selected human resource practices and employee job performance in selected sugar companies in Western, Kenya. The research sought to investigate the effects of work training practices, recruitment practices and employee compensation practices on job performance. The following theories guided the study; human capital, expectancy theory, equity and goal theory. Research methodology adopted was descriptive in nature. Population targeted in the study was made up of 5000 employees with 357 staffs as the sample size. Data collection was aided by questionnaire and analyzed using SPSS. Test for reliability of the instruments was done with the help of Cronbach alpha coefficient while validity, tested using test-retest technique. The results led to the conclusion that compensation practices significantly affect employee performance and they are positive related. However, the present study will use a study relationship between the variables while the former only attempted to describe the current affair between the variables.

The studies reviewed adopted different methodology, population size and mixed contextual background where the research was done. The studies by Okello et al., (2020), Waititu (2017), Susanti et al., (2021), Oluoch (2015) and Chebet (2018) shown positive significant relationships between independent and dependent variables. However, Waititu (2017) used a population of 172 employees who were stratified into two; administrative and academic staffs. Okello et al., (2020) used the variables; job training practices, employee recruitment practices and employee compensation practices on job performance. The sampled a population of 357 employees.Susanti et al., (2021) adopted census method and sampled population of 40 employees of PT in Pekanbara. Oluoch (2015) employed stratified random sampling technique resulting into 274 staffs. Chebet (2018) sampled 67 respondents selected through stratified random sampling technique from disciplined services at Nyandarua County. However, none of the studies reviewed used correlational methodology with respondents of 364 employees to study effects of talents retention and organizational efficiency among sugar companies in Western Kenya. Majority of these studies were done in other sectors.

III. RESEARCH METHODOLOGY

The study adopted a correlational research methodology; was carried out in Western Kenya Region specifically the county governments of Busia, Bung'oma and Kakamega. The targeted populations was 728 employees out of which 364 employees drawn from the three sugar companies were considered. The employees from West Kenya, Butali Sugar and Busia Sugar Companies were drawn from management and expatriates. The unit of observation was chosen and justified since they were directly affected by talent retention practices by the sugar companies. The study adopted stratified random sampling technique and every unit can be randomly selected from population and its attributes taken care of (Kothari, 2004). Purposive sampling method was employed in selecting management who are involved directly in making policies and decision making and expatriates who are skilled employees with expertise needed in production. The three sugar companies were purposively selected because they are operational in full capacity. From the three departments, the researcher took samples from each department.

The researcher adopted Yamane's formula (cited in Njugi & Muna, 2021) as follow:

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

Where n is the sample size, N is the population size and e is the margin of error

$n= 728/1+728(0.05)^2$

$n=364$

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The research involved primary data from the managers, operational managers involved in decision making and supervision and expatriates who have the expertise needed in production. This was collected using questionnaires structured on a five Likert scale. The reliability was determined by Cronbach's Alpha method. The findings on reliability of the research instrument revealed that organizational efficiency (ɤ=.78) and competitive remuneration (ɤ=..81 had reliable Cronbach's alpha coefficient thus implying that he instrument was reliable. The instrument's face validity was established by experts from the Department of Business Administration at Maseno University Data was analysed both descriptively using means and standard deviation as well as inferentially using

Simple linear regression model: **$Y= \beta_0+\beta_1X_1 +\varepsilon$. Where** Y= Dependent Variable (Organizational Efficiency), $X_{1=}$ Competitive Remuneration (CR), β_0 =Y intercept in the equation

β_1 =Size and direction of causal effect of X_1, the independent variable (Competitive Remuneration) on Y, and ε = Residual in the equation

IV. FINDINGS AND DISCUSSIONS

The study targeted three sugar companies which were wet Kenya sugar, Butali Sugar and Busia Sugar companies. Out of these companies, the study also targeted the senior managers, operational managers and expatriates. The response return and percentages are presented as shown in Table 1 below.

Table 1 Response Return Rate

Company	Role	Target	Frequency	Percentage Response
West Kenya	Senior Manager	12	10	83.3
	Operational Manager	80	78	97.5
	Expatriate	44	44	100.0
	Total	136	132	97.1
Butali Sugar	Senior Manager	10	10	100.0
	Operational Manager	70	68	97.1
	Expatriate	42	38	90.5
	Total	122	116	95.1
Busia Sugar	Senior Manager	6	6	100.0
	Operational Manager	60	58	96.7
	Expatriate	40	40	100.0
	Total	106	104	98.1
Overall Total		364	352	96.7

From the findings, the highest response return, 98.1% was received from Busia Sugar Company, followed by West Kenya, which had a response return of 97.1% and finally Butali Sugar company with response return of 95.1%.Expatriates from two companies had a response return of 100% as well as senior managers from one company. The overall response return rate was 96.7%, which was high and hence implying that the obtained data was sufficient for generalization of the findings.

- *Organization Efficiency*

To assess the organizational efficiency, the study came up with three sub scales or indicators of organizational efficiency. These entailed customer satisfaction, tons crushed and delivered and cost reduction. Respondents were therefore asked to rate the extent to which they agreed agree with statements on organizational efficiency. Each statement was assigned a range of values, with 1 representing "Strongly Disagree," 2 representing "Disagree," 3 representing "Neither," 4 representing "Agree," and 5 representing "Strongly Agree." The results are displayed in Table 2, utilizing frequency counts, percentages, averages, and standard deviations.

Table 2 Rating on Organizational Efficiency

Customer Satisfaction	1	2	3	4	5	M	STD
There are no many complains with our products.	224(63.6)	84(23.9)	4(1.1)	28(8)	12(3.4)	1.6	1.07
Our customers are loyal to our quality brand.	8(2.3)	8(2.3)	112(31.8)	140(39.8)	84(23.9)	3.8	0.90
The people we serve like our services	8(2.3)	8(2.3)	52(14.8)	200(56.8)	84(23.9)	4.0	0.83
We meet TAT requirements of customers.	8(2.3)	40(11.4)	244(69.3)	48(13.6)	12(3.4)	3.0	0.69
Production & delivery							
There are minimal accidental cases and incidences.	8(2.3)	12(3.4)	56(15.9)	136(38.6)	140(39.8)	4.1	.94
We save many tons per an hour of production	80(22.7)	140(39.8)	100(28.4)	20(5.7)	12(3.4)	2.3	.99
We are competitive in market	8(2.3)	140(39.8)	136(38.6)	60(17)	8(2.3)	2.8	.84
Company has ability to supply orders for customers in time and meet targets.	8(2.3)	84(23.9)	184(52.3)	60(17)	16(4.5)	3.0	.83
Cost Reduction							
Company reduces wage bill and maximizing income.	8(2.3)	12(3.4)	72(20.5)	112(31.8)	148(42.0)	4.1	.98
There has been reduced cost of production.	8(2.3)	40(11.4)	196(55.7)	100(28.4)	8(2.3)	3.2	.74
Company has been able to reduce costs associated with employee turnover.	36(10.2)	144(40.9)	104(29.5)	60(17)	8(2.3)	2.6	.96
Company enhances operational efficiency.	8(2.3)	0(0.0)	64(18.2)	168(47.7)	112(31.8)	4.1	.84

The first indicators of organizational efficiency were customer satisfaction which had several items. From the findings, majority, 224(63.6%) of the respondents strongly disagreed that there were no many complains with the company's products and this received a very low rating (M=1.6, STD=1.07). The findings however revealed a high rating (M=3.8, STD=.90) on loyalty of customers to the quality of brand and was affirmed by majority, 140(39.8%) of the respondents who agreed and 84(23.9%) who strongly agreed. There was also liking of services by the people they served (M=4.0, STD=.83), also indicated by majority, 200(56.8%) of the respondents. Sugar companies averagely met the TAT requirements of their customers.

The second indicators of organizational efficiency were production and delivery. Majority of the respondents, 140(39.8%) strongly agreed and 136(38.6%) agreed that there were minimal accidental cases and incidences, which received a high rating (=4.1, STD=.94). Averagely, (M=3.0, STD=.83) the companies had the ability to supply orders for customers in time and meet targets. The findings however shows that the companies were less competitive in the market, (M=2.8, STD=.84), which was also shown by majority, 140(39.8%) of the respondents who disagreed on the competitiveness of the companies in the market. Finally, majority of the respondents, 140(39.8%) disagreed and 80(22.7%) strongly disagreed that they saved many tons per an hour of production, which was also shown by a low rating (M=2.3, STD=.99). From these findings, it can be noted that sugar companies had put efforts in their efficiency through production and delivery.

The final indicator of organizational efficiency was cost reduction. From the first item, majority of the respondents, 148(42.0%) strongly agreed that company reduces wage bill and maximizes income, and were supported by 112(31.8%) respondents who agreed, and the mean was high (M=4.1, STD=.98). According to a high rating (M=3.2, STD=3.2), there has been reduced cost of production, although 196(55.7%) remained neutral on this and 100(28.4%) agreed. The findings also shows that the companies enhanced operational efficiency according to the high rating (M=4.1, STD=.84) and majority, 168(47.7%) of the respondents who agreed and 112(31.8%) who strongly agreed. However, majority of the respondents, 144(40.9%) disagreed that the company has been able to reduce costs associated with employee turnover, and were affirmed by 36(10.2%) who strongly disagreed. The mean was also low (M=2.6, STD=.96) implying that costs associated with employee turnover were not fully reduced by the company.

➢ *Competitive Remuneration and organizational Efficiency*

Participants were requested to express their level of agreement with the statements that comprised the competitive remuneration subscale. Each statement was assigned a numerical range, with 1 representing "Strongly Disagree," 2 representing "Disagree," 3 representing "Neither," 4 representing "Agree," and 5 representing "Strongly Agree." The results are displayed in Table 3 provided below..

Table 3 Rating on Competitive Remuneration

Competitive Remuneration	1	2	3	4	5	M	STD
My total financial reward is better compared to that of employees in other companies.	144(40.9)	116(33)	56(15.9)	28(8)	8(2.3)	2.0	1.05
My company's compensation system is competitive, with fair salaries and packages.	84(23.9)	148(42)	100(28.4)	12(3.4)	8(2.3)	2.2	0.91
Compensation and reward policy in my company comprises both financial and non-financial.	48(13.6)	176(50)	100(28.4)	4(1.1)	24(6.8)	2.4	0.97
An equitable system controls salaries and annual allowances.	84(23.9)	184(52.3)	48(13.6)	28(8)	8(2.3)	2.1	0.94
Employees are satisfied with the company's promotion and recognition programs.	16(4.5)	180(51.1)	96(27.3)	48(13.6)	12(3.4)	2.6	0.90
When workers produce high-quality work, they receive favorable recognition.	16(4.5)	184(52.3)	88(25)	56(15.9)	8(2.3)	2.6	0.89
I have security and stability at my work and not planning to leave any sooner.	12(3.4)	108(30.7)	176(50)	40(11.4)	16(4.5)	2.8	0.84
Promotions in my company are based on merit.	100(28.4)	136(38.6)	84(23.9)	28(8)	4(1.1)	2.1	0.96

From the findings, majority of employees, 144(40.9%) strongly disagreed that their total financial reward is better compared to that of employees in other companies, a statement that had a low man rating (M=2.0, STD=1.05) with large standard deviation. This implies that respondents disagreed on better reward, which is indicative of poor reward. One hundred and forty eight, that is 42.0% of the respondents disagreed that their company’s reward system is competitive, fair salary and equitable package. These were also supported by 84(23.9%) of the participants who strongly disagreed thus affirming that there was low rating (M=2.2, STD=.91) on competitiveness of company’s reward system, its fairness and equitability. The findings further revealed that majority, 176(50.0%) of the respondents disagreed that compensation and reward policy in their company included both financial and non-financial, with low mean and standard deviation (M=2.4, STD=.97). Control of salaries and allowances by fair system also received a low rating (M=2.1, STD=.94) with majority, 184(52.3%) confirming by disagreeing and 84(23.9%) strongly confirming as well. From the findings, it also emerged that employees were dissatisfied with promotion and recognition of the company as indicated by majority, 180(51.1%) and 16(4.5%) and a low mean and stndrd deviation (M=2.6, STD=0.90).

Majority of the respondents, 184(52.3%) disagreed that employees are given positive recognition when they produce high quality work. This also received a low mean and standard deviation (M=2.6, STD=0.89). The findings also shows that majority, 136(38.6%) disagreed that promotion in their company was based on merit, and were supported by 100(28.4%) who strongly disagreed. The mean on this statement was also low (M=2.1, STD=.96). This means that the company based its promotion on many other factors. Finally, the findings shows that majority, 108(30.7%) disagreed that they have security and stability at their work and not planning to leave any sooner. However, the rating on this statement was slightly high (M=2.8, STD=.84) implying that they were somehow stable and not planning on leaving, perhaps because of failure to secure other jobs.

Further analysis was carried out to establish the individual influence of competitive remuneration on organizational efficiency at sugar companies in Western circuit, Kenya. The findings are presented as shown in Table 4

Table 4 Overall Model Summary on Effect of Talent Retention on Organizational Efficiency

Model Summary

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	.540[a]	.292	.290	.38219	.292	144.043	1	350	.000

a. Predictors: (Constant), mean competitive remuneration

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.486	.145		10.251	.000
	competitive remuneration	.549	.046	.540	12.002	.000

a. Dependent Variable: mean organizational efficiency

The findings shows that there is a significant multiple correlation between competitive remuneration and organizational efficiency (R=.540, p<.05). Squaring the R value, we obtain an R square value (Coefficient of determination). Therefore from the findings, competitive remuneration accounts for 29.2% variance in organizational efficiency (R Square=.292,p<.05), findings that are significant, F(1,350)=144.04, p<.05. This means that competitive remuneration has a significant effect on organizational efficiency. Further examination of the model coefficient results shows that competitive remuneration has a positive and significant effect on organizational efficiency (β=.540, p<.05). Therefore improvement in employee remuneration improves organizational efficiency by a magnitude of 0.540 units based on the scales used. It can thus be concluded that competitive remuneration has a positive and significant influence on organizational efficiency. These findings are in line with those of Okpara (2014) who asserts that remuneration package has a ripple effect on accelerated organizational efficiency in production lines among many companies. Kidagisa and Mukanzi, (2017) also attributed more efficient organizations to better employee remuneration, which could implies that the organization takes good care of their employees. Whereas this practice is important and also promising in the current study, there is still low employee remuneration, which implies that the organizational efficiency among sugar industries is low.

V. CONCLUSIONS AND RECOMMENDATIONS

➤ *Summary of Findings*

The study sought to establish the influence of competitive remuneration on organizational efficiency at sugar companies in Western circuit, Kenya. Competitive remuneration had a low rating, which meant that there was little remuneration for the employees in the sugar industry. Using simple linear regression model, the findings revealed that competitive remuneration had a positive and significant effect on organizational efficiency and accounted for a significant variance. Standard multiple regression model revealed that competitive remuneration had the least contribution as compared to other predictors.

➤ *Conclusions*

Competitive remuneration is important to the performance of employees as it stands out to be one of the motivating factors and a measure of their welfare. Consequently, it results to better organizational performance, which could be in terms of organizational efficiency. From the current findings, it can be concluded that there is low remuneration, however, competitive remuneration has a positive and significant effect on organizational efficiency . Competitive remuneration also accounts for a significant amount of variance in organizational efficiency. Therefore the null hypothesis that competitive remuneration does not have a significant influence on organizational efficiency is rejected. The study thus concludes that competitive remuneration has a positive and significant influence on organizational efficiency in the sugar industry.

➤ *Recommendations*

From the findings of the study, a few recommendations were made, regarding the specific objectives of the study. From the low influence of competitive remuneration on organizational efficiency, it can be recommended that sugar industry improves its employees remuneration so as to motivated them. This will enhance the efficiency or the sugar industry. Secondly, based on the low influence of competency training on organizational efficiency, the study recommends improvement of the training among the sugar industry. There should also be training in other sectors apart from production only as this will balance efficiency in all the organizational areas. Finally, the study recommends that the sugar industry should retain employees with more years of work experience or when hired, should improve their experience so as to be well experience for organizational efficiency. Extension of studies on effect of competitive remuneration on organizational efficiency to other sectors of production such as maize, wheat or bakery industry, hospitality among others.

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