FACTORS PERCEIVED TO INFLUENCE EMPLOYEE RETENTION
AT KENYA PIPELINE COMPANY

WANGAI MADELINE KATHONI

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DECLARATION

This research study is my original work and has not been presented to any other examination body. No part of this research should be reproduced without my consent or that of University of Nairobi.

Signed ………………….. Date …………………

Wangai Madeline Kathoni

D61/72984/2012

This project has been submitted for examination with my approval as the University of Nairobi Supervisor

Signature ……………..Date …………………

Dr.S.N.M NZUVE

Department of Business Administration

School of Business

University of Nairobi
DEDICATION

I dedicate this study to my Late Parents
ACKNOWLEDGEMENT

I wish to extend my gratitude to my supervisor Dr Nzuve whose counsel, patience and academic guidance are immensely appreciated. In the same breadth, gratitude is accorded to Prof. K’ Obonyo and the members and staff of the University of Nairobi for the various roles they played throughout my learning experience. I wish also to extend my gratitude to my family and friends for all their support.
ABSTRACT

It is the responsibility of every organization to attract and retain well motivated workers in order to ensure maximum productivity and in return create employee satisfaction which leads to employee retention. This study aim was to assess the factors perceived to influence employee retention. The variables under investigation included work expectation, organizational culture, work environment, leadership styles, compensation, training and career development, career advancement and work life balance. The research used descriptive cross-sectional survey design. Stratified sampling procedure was applied to the study where 5% of the population was selected. Data was collected using questionnaires. The data was analysed by generating descriptive statistics using tables and charts.

The research questions have proven besides work environment and work life balance that seem to be improving, the other key factors attributable to high retention rates at the company as per the study received mixed reaction from the respondent sample leading to the conclusion that there could be other reasons other than what was tested in the study that influence the high retention of employees at the company.
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CHAPTER ONE: INTRODUCTION

1.1 Background of the study

Retaining of top talent remains a main concern for many companies today. The current era is highly competitive and organizations regardless of size, technology and market focus are facing employee retention challenges. The analysis of workforce trends show an impending shortage of highly-skilled employees who possess the required knowledge and ability to perform at high levels, meaning that organizations that are failing to retain high performers will be left with an understaffed, less qualified workforce that will ultimately hinders their ability to remain competitive (Rappaport, Bancroft, & Okum, 2003). To overcome these restraints a strong and positive relationship and bonding should be created and maintained between employees and their organizations.

Despite the vast literature on employee turnover, which is aimed at identifying factors that cause employees to quit (Griffeth, Hom, & Gaertner, 2000), much less is known about the factors that compel employees to stay. Maertz and Campion noted “relatively less turnover research has focused specifically on how an employee decides to remain with an organization and what determines this attachment retention processes should be studied along with quitting processes” (Steel, Griffeth, and Hom 2002) added “the fact is often overlooked, but the reasons people stay are not always the same as the reasons people leave”.

Three theories of retention were used in this study and these are equity theory, Hertzberg two factor Theory and expectancy theory. There are various factors that have been discussed by different authors of factors that influence employee retention. These include work life balance, compensation programs, management styles, work environment, opportunities for training and
development, career progression, autonomy, leadership styles used, the organisation culture among others to enhance employee’s satisfaction and hence retain them (Risher, 2008). Retention of employees has become very important. Research pertaining to retaining employees is relatively new and additional research and literature continues to be discovered.

Kenya Pipeline Company has high retention rates where a lot of employees tend to remain with the organization for long. This study wanted to establish what reasons make employees stay in the organization for longer.

1.1.0 Concept of Perception

Perception can be defined as the act of being aware of one’s environment through physical sensation which denotes an individual’s ability to understand (Laurie 2010). This is the fact that accounts for the difference in the opinions and actions of individual or groups that are exposed to the same social phenomenon. In perception it is sometimes difficult to separate the information from the action and it is basically a process of gaining mental understanding and it guides the perceiver in harnessing, processing and channelling relevant information towards fulfilling the perceiver’s requirement

Perception is influenced by various factors. These include both the internal and external factors. Internal factors include individual needs and desire, where people at different levels of needs and desire perceive the same thing differently: A person’s personality will have a strong influence on what you perceive about an individual or a situation. Also the experience one has will also have a contribution. Other factors which are external will include the size of the situation, the intensity of the situation, frequency of the situation, the status of the situation and also the contrast of the situation (Laurie 2010).
1.1.1 Concept of Retention

Retention is defined as the ability to hold onto those employees you want to keep, for longer than your competitors (Johnson 2000). The analysis of retention should be considered at more than just a single level because the influences of retention can arise at multiple levels (Klein et al., 1994; Klein and Kozlowski, 2000; Raudenbush and Bryk, 2002; Yammarino and Dansereau, 2004). Retention involves five major things; Compensation, Support, Relationship, Environment and Growth. The process of employee retention will benefit an organization in the following ways: The cost of turnover: The cost of employee turnover adds hundreds of thousands of money to a company’s expenses. While it is difficult to fully calculate the cost of turnover (including hiring costs, training costs and productivity loss), industry experts often quote 25% of the average employee salary as a conservative estimate (Johnson, 2000).

Loss of company’s knowledge: When an employee leaves, he takes with him valuable knowledge about the company, customers, current projects and past history (sometimes to competitors). A lot of time and money has been spent on the employee in expectation of future return. When the employee leaves, the investment is not realized. Interruption of customer service: Customers and clients do business with a company in part because of the people. Relationships are developed that encourage continued sponsorship of the business. When an employee leaves, the relationships that employee built for the company are served, which could lead to potential customer loss (Raikes, 2004). Turnover leads to more turnovers: When an employee terminates, the effect is felt throughout the organization. The unspoken negativity often intensifies for the remaining staff. Goodwill of the company:

The goodwill of a company is maintained when the attrition rates are low. Higher retention rates motivate potential employees to join the organization. Regaining efficiency: If an employee
resigns, the good amount of time is lost in hiring a new employee and then training an employee and this goes to the loss of the company directly which many a times goes unnoticed. And even after this companies cannot assure us of the same efficiency from the new employee. Employees retention strategies include hire the right person in right place, empower the employee, make them realize that Kenya Pipeline valuable for organization. Have faith in them, trust and respect them, provide information and knowledge, give feedback on performance, recognize and appreciate their achievements, keep their morale high and create healthy environment (Lockwood, 2006).

1.1.2 Factors influencing Retention of employees

With today's high employment levels, organizations find out that balance of power has shifted from the employer to the employee since the turn over impact have not be administered well. Excessive turnover is often a symptom of fundamental problems within the business. It’s important to retain employees and to do this; one must know how an employee can remain in the particular company. A recent study by Raikes &Vernier (2004) analysed that retaining employees is considered as a key strategy to achieve financial success. The challenge might well be increasing day by day. Morgan (2008) advises, not to make the head hunters’ job easy. Recent evidence by Raudenbush&Bryk (2002) suggests that retention is very important for every organization, whereas it has nested relationship within them, and is part of external environment.

Previous studies indicate Cappelli (2000) that several factors are considered important in a well-functioning of employee retention. The determinants that are considered to have a direct affect are career opportunities, work environment and work-life balance. Cole (2000) suggests that people stay at such companies where there is a sense of pride and will work to their fullest
potential. The reasons to stay are work environment, rewards, growth and development and work-life balance.

1.2 Kenya Pipeline Company Limited

The Kenya Pipeline Company (KPC) Limited is a State Corporation established on 6th September, 1973 under the companies Act (CAP 486) of the laws of Kenya and started commercial operations in 1978. The Company is fully owned by the government and complies with the provisions of the State Corporations Act (Cap 446) of 1986. The company operations are also governed by relevant legislations and regulations such as the Finance Act, the Public Procurement Regulations, and Performance Contracting. The main objective of setting up the company was to provide efficient, reliable, safe and cost effective means of transporting petroleum products from Mombasa to hinterland.

In pursuit of this objective, the company constructed pipeline network, storage and distribution of petroleum products. The company other mandates include to build a pipeline for the conveyance of petroleum or petroleum products from Mombasa to Nairobi, own and manage or operate such pipelines and any other pipelines and associated ancillary facilities. To market, process, treat, deal in petroleum products and other products and goods and provide transport and other distributive facilities, outlets and services in connection therewith. Kenya Pipeline Company has high retention rates and that’s why this study wanted to establish the reasons as to what makes employees stay in the organization.

1.3 Research Problem

Employee retention is concerned with a situation whereby employees stay with the employer for the maximum period of time or until the completion of the project or assignment. Employee retention is often beneficial for the organization as well as the employee. Employees today are
different. They are ready to change jobs as soon as they feel dissatisfied with the current employer or depending on opportunities. It is the responsibility of the employer to retain their best employees. If they do not, they would be left with no good employees. A good employer should know how to attract and retain its employees. Some of the factors influencing employee retention are career opportunities, organizational culture, work environment, work life balance, compensation, leadership styles, (Cappelli, 2000)

It is evident that employee retention is critically important because the excellence of the energy industry is a function of the people it is able to enlist and retain in its organization. At Kenya Pipeline Company, it employs technical staff whose skills are very important for the smooth running of the organization and if these employees leave they would impact negatively on the organization. The organization should therefore ensure that the employees stay with the organization because training more employees would be costly. If organizations identified the causes of turnover that they can control, then they could target those areas for change. There is a significant correlation between an employee’s job satisfaction and intent to leave.

Previous studies are inclined towards staff turnover (Rosser, 2004; Johnshrud et al, 2002), as opposed to staff retention. Studies that have been undertaken on retention include Mulwa (2010) who carried out a research on benefits as a factor that affect employee turnover in world vision and recommended that a review of existing benefits plan is needed to address the staff expectation. Otieno (2010) studied employee compensation as a cause of staff turnover in private schools and recommended that employees should be well compensated as an indicator for the management appreciation of employees contribution and abilities. Ferreira (2012) focused on psychological career profile for staff retention but failed to look at the other influencing factors of retention. Omondi (2013) studied talent management practices at CFC bank and found out that
the bank has fully embraced talent management practices. Contrary, a clear picture of critical factors influencing employee retention has not emerged from previous studies Therefore, this study sought to answer the following question what are the factors perceived to influence the retention of the employees in Kenya Pipeline Company.

1.4 Objective of the study
To determine the factors perceived to influence employee retention at Kenya Pipeline Company.

1.5 Value of the study
This study adds value to policy makers’ especially human resource managers in an organization because it would help to determine whether the correct retention strategies are being employed. The study provided information to managers and enable them apply lessons to find ways of using this tools to optimizing their management efficiency.

The study contributed to the existing literature. It is helpful the researchers who are working on related studies as they will use or cite the outcomes of this study as reference material or may use the findings for further research.

To seek a deep and comprehensive understanding of the role of retention as a strong pillar of economic future of the country. Employee retention is of paramount importance and is critical to any organisation and it is through retention that an organisation is able to contribute well to the economy of the country.
CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

Literature review refers to a systematic identification, location and analysis of previous research documents that has information related to the research problem being investigated. This chapter reviews relevant literature to this research. It comprises of the theoretical review, and the factors that influence employee retention which include employee work expectation, the influence of organizational culture, work environment, leadership styles, compensation, training and career development, career advancement opportunities and work life balance.

2.2 Theoretical Foundation of the Study

Various theories address employee needs and have been advanced by a number of authors as basis of retention and motivation strategies in organizations. Most notable are; Equity theory (1965) Expectancy theory (1964); Hertzberg (1959) two factor theory all of which are all relevant to this study.

2.2.1 Equity Theory

Equity theory as expounded by (Adams, 1965) is concerned with the perceptions people have about how Kenya Pipeline treated as compared with others. The theory states that employees seek to maintain equity between the input they bring into a job (education, time, experience, commitment and effort) and the outcome they receive from it (promotion, recognition and increased pay) against the perceived inputs and outcomes of other employees. Failure to find equity leads to various actions one of which may be to leave the organization. The major strength of this theory is that, it recognizes that individual inputs such as education, experience, effort should be recognized in such a way that equity is experienced. It also shows
that individual employees are part of the larger system. This theory therefore guides in understanding what may influence employees to leave in that they keep on comparing what employees earn in other companies and other comparable organizations in order to realize a balanced state between the inputs-outcome ratios. In turn this contributes to labour mobility within and outside the organization. The major weakness in this theory is subjectivity of the comparison process. There is a tendency in human nature to distort their inputs especially in regard to effort and hence becomes subjective when comparing (Beardwell et al, 2007).

2.2.2 Expectancy Theory

Expectancy theory is widely used in turnover intentions (Vroom 1964, Porte& Lawler 1968, Lawler 1994). Basic to the idea of expectancy theory is the notion that people join organisations with expectations and if these expectations are met they will remain members of the organisation (Daly et al, 2006). According to turnover and retentions frameworks developed from this theory decisions to stay or leave an organization can be explained by examining relationships between structural, psychological, and environmental variables. Empirical studies (Johnsrud& Rosser, 2002; Daly& Dee, 2006) employ the model of employee intent to stay that is grounded on expectancy theory which includes structural, psychological and environmental variables. Structural variables include, work environment, autonomy, communication, distributive justice and workload. Psychological variables include job satisfaction and organizational commitment and the environmental variables include availability of job opportunities. However, Sutherland (2004) established that job satisfaction and organizational commitment do not necessarily lead to loyalty, long defined as the intention to remain with the employer.
2.2.3 Two Factor Theory

Herzberg (1959) two factor theory argue that employees are motivated by internal values rather than values that are external to the work. In other words, motivation to work is internally generated and is propelled by variables that are intrinsic to the work which include achievement, recognition, the work itself, responsibility, advancement, and growth. Conversely certain factors induce dissatisfying experiences to employees and these factors largely result from non-job related variables also called extrinsic variables. These are company policies, salary, co-worker relationships and supervisory or management styles, work environment (Armstrong, 2009).

This theory was relevant to this study in that it recognizes that employees have two categories of needs that operate in them and that both should be addressed. Studies such as Ssesanga, (2005) used a model developed from Herzberg theory to establish factors influencing job satisfaction of organizations in Uganda. Michael (2008) and Samuel, (2009) used the theory to establish motivational variables influencing staff retention in private and public organizations in South Africa. Radivoev (2005) used the theory to study factor influencing retention of Sales Consultant in South Africa. This theory therefore can guide a researcher in establishing determinants of staff retention in Kenya

2.3 Factors Influencing Retention

From literature review it is recognized that human resource management play pivotal role in employee’s retention. Researcher’s finds that human resource management practices in work expectations, organisational culture, work environment, leadership styles, compensation, training and career development, career advancement and work life balance can help to reduce absenteeism, employee retention and better quality work (Meyer and Allen, (1991) et al.
While salaries and traditional benefits are important, organizations must create a culture that caters to employees values (BSGConcours ,2007). When recruiting, organization leaders must connect their organizational goals with their employees’ sense of purpose or meaning. These future employees desire an organizational culture where they can constantly learn and be challenged; thus, organizations must provide that culture. In addition, employees desire a stake in the crucial decisions of an organization soon after entering the agency; they do not desire to wait for important duties (BSGConcours ,2007).

The culture allows the adaptive behaviour by the organization necessary for strategy implementation. The cultural analysis allows us to identify the subculture dynamics, and by doing this we can identify the strategy-critical elements that need to be dealt with for a successful implementation. One of the major challenges in strategy implementation appears to be more cultural and behavioural in nature, including the impact of poor integration of activities and diminished feelings of ownership and commitment according to Aaltonen and Ikåvalko, (2009); Corboy and O'Corrbui (2009), meanwhile, identify the deadly sins of strategy implementation which involve: a lack of understanding of how the strategy should be implemented; customers and staff not fully appreciating the strategy; difficulties and obstacles not acknowledged, recognized or acted upon; and ignoring the day-to-day business imperatives. Marginson, (2010) contend that strategy implementation evolves either from a process of winning group commitment through a coalitional form of decision-making, or as a result of complete coalitional involvement of implementation staff through a strong corporate culture.

Organizational culture refers to the leadership style of managers how they spend their time, what they focus attention on, what questions they ask of employees, how they make decisions; also the organizational culture (the dominant values and beliefs, the norms, the conscious and
unconscious symbolic acts taken by leaders (job titles, dress codes, executive dining rooms, corporate jets, informal meetings with employees). In the Model of strategy implementation, organizations have both a strong culture and deep-rooted traditions. The challenges of successful implementation results from lack of cultivation of strong cultural values to meet the changing organizational needs.

The distinction between thinker and doers begins to blur but does not totally disappear (Marginson, 2010). In organizations adopting the cultural model that emphasizes a lower level employee participation in both strategy formulation and implementation there is separation of thinkers and doers. It seeks to implement strategy through the infusion of corporate culture throughout the firm. The cultural model contradicts and challenges the basic objectives from the economic perspective of a firm (Aaltonen and Ikaâvalko, 2009).

The environment of a workplace is made up of two elements – the physical and the social environment. The physical environment contains for example the architecture of the work place, the sound and light levels, and the furniture. The social environment contains the atmosphere, and conditions for social interaction at a work place. It is sometimes also referred to as the psychosocial environment. The physical and the social working environments are interconnected. Work environment is one of the factors that affect employee’s decision to stay with the organization.

Productivity and efficiency are directly affected by how people work, and this equally is affected by their work environment. This may include issues such as office space, equipment, air conditioning, comfortable chairs just to mention but a few. Many people are dissatisfied if working conditions are poor (George and Jones, 1999). Working environment that is comfortable, relatively low in physical psychological stress, facilities and attainment of work goals will tend to produce high levels of satisfaction among employees. In contrast, stressful
working environment result to low level of satisfaction. Kenya Pipeline Company staff also requires office space, research and book support to be able to access latest information for their work.

Ramlall, (2003), people strive to work and to stay in those corporation that provide good and positive work environment, where employee feel that Kenya Pipeline valued and making difference. Proficient employees of such organizations are dragging together to push the organization forward. Research conducted find that physical & work environment play pivotal role in employee’s decision whether to leave the job or stay and consider as a major factor in employee retention. Light has been identified as a casual factor of job performance, sometime noise disturb the working environments and create a hitch in office which is harmful to employees psychological & physical welfare, encouragement and at times productivity. The most plentiful audio grievances are, short of speech isolation, such as eavesdrop people discussion and receiving the same feeling as well. It is beneficial for office environment as well as for health to reduce apprehension and stress.

In the literature, leadership has been identified as an important subject in the field of organizational behaviour. Leadership is one with the most dynamic effects during individual and organizational interaction. In other words, ability of management to execute “collaborated effort” depends on leadership capability. Lee and Chuang (2009), explain that the excellent leader not only inspires subordinate’s potential to enhance efficiency but also meets their requirements in the process of achieving organizational goals.

Leadership has many definitions but no real consensus; essentially it is a relationship through which one person influences the behaviour or actions of other people. One of the critical roles of management is to create a work environment that will endear the organization to employees. It
also includes influencing this employees’ decision to be committed and remain with the organization even when other job opportunities exist outside the organization (Michael, 2008). Beardwell (2007) observes that the role of leadership and a supervisor is crucial in staff retention, and argues that employees leave managers not companies. Employees are more likely to remain with an organization if they believe that their managers show interest and concern for them, if they know what is expected of them, if Kenya Pipeline given a role that fits their capabilities and if they receive regular positive feedback and recognition. The quality of relationship an employee has with his or her immediate managers elongates employee stay in an organization (Ferreira, 2007; Michael, 2008).

The literature considered that compensation is one of the largest factors for the retention of employees. Compensation plays significant role in attracting and retaining good employees specially those employees whose gives outstanding performance or unique skill which is indispensable to the organization because company invest more amounts on their training and orientation. According to Lawler (1990) company adopt the strategy of low wages if the work is simple and requires little training and companies compete in high labour markets adopt the high wages strategy. Some researchers argue that on the company side competitive compensation package is the only strong commitment and also build strong commitment on the workers side. However, the contribution of compensation towards retention, help in retention of employee irrespective of their skill and contribution to the company and it likely affect both turnovers desirable and undesirable.

The total amount of compensation offered by other companies also affects the turnover. Organization offered high compensation package is compared to others a large numbers of candidates applying for induction and have lower turnover rate. Moreover high compensation
package organizations also create culture of excellence (Lawler 1990). From literatures study relived that it is much important to separate normal and standard compensation i.e. salaries, wages and benefits etc. and what are normally referred to as compensation on performance based or performance pay. Company have objective to retain their valuable employee performance pay is considered important factor for it.

Investment on employee Training and career development is considered important factor in employee retention. Organization has the incentive to make investment in form of training & development only on those workers, from whom organization expect to return and give output on its investment (Messmer, 2000). Clark (2001), organizations are intensification development for talented employees, through proficiency analysis, input on employee interests, need development and multisource appraisal of capabilities and formulate plans for action. Wetland (2003) suggest that firms and individual made investment on human capital in the form of training. Training enhances the skills of employees.

When employees are hired to enhance the skill, organization needs to start training program (Goldstein, 1991). Noe (1999), employees have perception to acquire new knowledge & skills which they apply on the job and also share with other employees. Research studies found that organization often delay employee training program to determine that workers personal value good matches with organization culture or otherwise, therefore to peter out the employee turnover intention (Lauri, Benson & Cheney, 1996).

Gomez, (1995), training provides specialized technique and skills to employee and also helps to rectify deficiencies in employee performance, while development provide the skills and abilities to employee which will need the organization in future. Development of skill consists of improving interpersonal communication, technological knowledge, problem solving and basic
literacy etc. Garg&Rastogi (2006) explain that in today’s competitive environment feedback is essential for organizations to give and receive from employees and the more knowledge the employee learn the more he or she will perform and meet the global challenges of the market place. Bishop (1998), survey on training found that established, larger, manufacturing and unionized firms have tend to provide training to employee as did multi established firms with flexible production approach or high performance. Research study finds that, larger companies, high performance establishment and those organizations which spend more physical resources were usually more probably to retain their talent (Black and Lynch, 1996). Firms in market with prompt technical advancement and output progress trained more and those firms which have not confronted any competitor in last decade. Fraziset at, (1998), firms that offer more benefits as compared to others and train their workers by adopting innovative job practices.

Employees career advancement is a phenomenon which is formalized, organized and it is planned effort to accomplish the balance between requirement of organization workforce and individual career needs. The rapidly rising awareness makes it evidence that employees can give leading edge to the organization in market place. It is challenge for today HR Managers to identify the organization developmental strategies which enthuses the employee commitment to the organization vision and values to motivate the employees and help the organization to gain and sustain the competitive advantage (Graddick, 1988). He states that people always work for a reason and the cause should be provided by work, organization, co-workers or from within. Findings show that when employees want to advance in their careers, a motivational factor, it does not matter how old one is, a lot of stay in the organization as a way to advance.

Research indicates that the existence of family support (such as alternative schedules, supervisor support, co-worker support, flex time, work-family culture and family benefits etc.) within the
organization helps a lot in the retention of talented employee (Gaun, 2008). Research also recognizes that organization whose support their employee in integrating between family responsibilities and work reduce the employee intention regarding leave the job (Allen, 2001). Wirth (2006), it is the women in the market place that have to stand behind all the changes that they want to be made, and this highly has to retain them, because otherwise no changes will be made. A turnover trend in developing countries is that women are leaving larger corporation for smaller companies because they want more flexibility and recognition. Studies have been done to investigate if women and men perceive their performance differently, results show that men are more ego and women are more modest with their own performance. Pasewark and Viator (2006) places flexible work arrangement as a very important part of work family support that plays pivotal role in the retention of employees. Thompson and Prittas (2005) examined the relationship between employee turnover intention and organization support such as supervisor support, flex time work family culture and co-worker support etc., and they conclude that organization support reduced the employee turnover intention. Yanadoria and Katob (2010) investigated the family support effects at workplace and concluded the statistical importance of relationship between work family support and employee retention, the recent research recognize that existence of family support within the organization reduce the turnover intention and help the retention of talented employees in the organization.
CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter sets out various stages and phases that will be followed in completing the study. Specifically the following subsections will be included; research design, target population, sampling design, data collection instruments, data collection procedures and finally data analysis.

3.2 Research Design

This study used a descriptive cross-sectional survey design. The choice of a descriptive study is appropriate for the study because different categories of employees will be used.

3.3 Population of the Study

The population of the study included the 4,000 employees of Kenya Pipeline Company but a sample was used in this study because of the large population. According to Mugenda and Mugenda (1999), 10% of the total population should be studied but in this case 5% was studied hence a total of 200 employees were used in the study by the use of sample design.

3.4 Sample Design

The researcher used stratified sampling procedure to select samples that are representative of the entire population. This procedure is preferred since the entire target population have an equal chance of being selected. Mugenda and Mugenda (1999) points out that stratified sampling method ensures inclusion of small groups which otherwise could have been omitted by other sampling methods, thus the population was divided into the following stratus and a 5% of the population was used.
<table>
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<th>Type</th>
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<td></td>
<td><strong>200</strong></td>
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</tbody>
</table>

### 3.5 Data Collection

The study used primary data. Primary data refers to the data collected first hand by the researcher in the population of Study. Primary data was collected by use of semi-structured questionnaires. The questionnaires were administered using the drop and pick method. The questionnaire contained two sections A and B. Section A contained the demographic data while section B consisted of the factors influencing retention.

### 3.6 Data Analysis

The data collected from the respondents was analysed both qualitatively and quantitatively. Descriptive statistics comprising of frequencies, mean scores, standard deviations and percentages was used to simplify and characterize data and determine the extent to which variables under investigations affect each other. The results were presented by use of pie charts, tables and graphs to provide a pictorial view.
CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSIONS

4.1 Introduction

In this chapter the results of administered questionnaires of the research are presented, analysed and interpreted. Care has been taken to ensure that identifying features have been removed. This chapter discusses these results in response to the research questions and considers to what extent the results answer the objective outlined in the introduction. The findings of the research are compared to good practice corporate governance standards as discussed in the literature review presented in chapter two and conclusions drawn.

4.2 Survey Sample – Responding Individuals

4.2.1 Part A: Demographic Data

A total of 200 individuals responded to the survey representing 5% of the total population of 4,000 employees of Kenya Pipeline Company (see table 1 above for the breakdown). Of all the responses, 82% were completed by operative staff and 3% of responses by management. However, 15% of the total respondents either did not complete or partly completed the questionnaire and their responses have been omitted from the results presented herein. Table 2 provides a breakdown of the respondents by their job category.
Table 4.1: Job Category of the Respondent

<table>
<thead>
<tr>
<th>Job Category</th>
<th>Total Responses</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management</td>
<td>6</td>
<td>3%</td>
</tr>
<tr>
<td>Operative staff</td>
<td>164</td>
<td>82%</td>
</tr>
<tr>
<td>Not completed</td>
<td>30</td>
<td>15%</td>
</tr>
<tr>
<td>Total Responses</td>
<td>200</td>
<td>100%</td>
</tr>
</tbody>
</table>

Gender distribution for the 170 respondents is presented in *Figure 4.1* below.

**Figure 4.1: Representation by Gender**

Respondents were asked the highest level of education. Of the valid respondents’ answer, the distribution is, Degree at 49%, Diploma at 29%, Postgraduate at 17% and others specified as Certificate at 5%. It is worth noting that the 15% of the respondent omitted from the analysis could have a big implication on this question outcome. *Figure 4.2* shows the distribution by education.
Respondents were asked to indicate the range in which their age fell. Of all the valid respondent answers, majority were ranging between 20 and 40 years representing 75% with 10% representing 41 years and above. The bar chart presented below in Figure 4.3 shows the age range of actual respondents.

**Figure 4.3: Representation by age**

Respondents were asked how long they had been in their current role. Of all the valid respondent answers, the most frequent response is 6-10 years. The doughnut chart presented below in Figure 4.4 shows the length of time respondents have been in their current roles in the company.
The figure is indicative of the high retention percentage of respondents in the company.

**Figure 4.4: Representation by employment duration**

<table>
<thead>
<tr>
<th>Employment Duration</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 1 year</td>
<td>4%</td>
</tr>
<tr>
<td>1-5 years</td>
<td>10%</td>
</tr>
<tr>
<td>6-10 years</td>
<td>29%</td>
</tr>
<tr>
<td>Over 10 years</td>
<td>57%</td>
</tr>
</tbody>
</table>

### 4.2.2 Part B: Factors That Influence Retention

In this session the survey wanted to rate the extent to which the stipulated factors herein contribute to retention of employees at the Kenya Pipeline Company. The scale was 1 to 5 where 1 represented very great extent and 5 represented to no extent.

**Work expectation**

Respondents were asked whether the Kenya Pipeline Company gives employees autonomy at the place of work. Of all the respondents, 38% responded to a great extent, with 34% indifferent and 28% stating to a very great extent. These responses are depicted in **table 4.3**.
Table 4.2: Autonomy at the work place

<table>
<thead>
<tr>
<th>Work expectation</th>
<th>No Extend</th>
<th>Minimal Extend</th>
<th>Average</th>
<th>Great Extend</th>
<th>Very Great Extend</th>
<th>Not Completed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kenya Pipeline Company gives employees autonomy at the place of work</td>
<td>0</td>
<td>0</td>
<td>57</td>
<td>65</td>
<td>48</td>
<td>30</td>
</tr>
</tbody>
</table>

Respondents were further asked whether the Kenya Pipeline Company gives employees challenges and opportunities to learn from. Of all the respondents, 70% responded to a great extent, with 23% indifferent and 7% stating to a very great extent. These responses are depicted in *table 4.3*. 

Table 4.3: Are employees given challenges and opportunities to learn

<table>
<thead>
<tr>
<th>Work expectation</th>
<th>No Extend</th>
<th>Minimal Extend</th>
<th>Average Extend</th>
<th>Great Extend</th>
<th>Very Great Extend</th>
<th>Not Completed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gives employees challenges and opportunities to learn in the company</td>
<td>0</td>
<td>0</td>
<td>39</td>
<td>119</td>
<td>12</td>
<td>30</td>
</tr>
</tbody>
</table>

Organizational Culture

The respondents were asked whether or not the Kenya Pipeline Company shares the vision, mission and values of the company with employees. Of the respondents, 25% responded to a great extent, with 68% indifferent and 7% stating to a very great extent. The responses are presented in table 4.4.
Table 4.4: Sharing of the vision, mission and values of the company

<table>
<thead>
<tr>
<th>Work expectation</th>
<th>No Extend</th>
<th>Minimal Extend</th>
<th>Average</th>
<th>Great Extend</th>
<th>Very Great Extend</th>
<th>Not Completed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kenya Pipeline Company share the vision, mission and values of the company with employees</td>
<td>0</td>
<td>0</td>
<td>116</td>
<td>43</td>
<td>11</td>
<td>30</td>
</tr>
</tbody>
</table>

Respondents were also asked whether or not Kenya Pipeline Company gives opportunity to contribute to the strategy implementation of the company. Of the respondents, 21% responded to a great extent, with 72% indifferent and 7% stating to a very great extent. Responses are presented in Table 4.5.

Table 4.5: Do employees get opportunity to contribute to the strategy implementation

<table>
<thead>
<tr>
<th>Work expectation</th>
<th>No Extend</th>
<th>Minimal Extend</th>
<th>Average</th>
<th>Great Extend</th>
<th>Very Great Extend</th>
<th>Not Completed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gives opportunity to contribute to the strategy implementation</td>
<td>0</td>
<td>0</td>
<td>122</td>
<td>36</td>
<td>12</td>
<td>30</td>
</tr>
</tbody>
</table>
Work Environment

The respondents were asked whether or not the Kenya Pipeline Company provides a safe and healthy workplace to its employees. Of all the respondents, 47% responded to a great extent, with 21% indifferent and 32% stating to a very great extent. The responses are presented in table 4.6.

Table 4.6: Provision of a safe and healthy workplace

<table>
<thead>
<tr>
<th>Work expectation</th>
<th>No Extend</th>
<th>Minimal Extend</th>
<th>Average</th>
<th>Great Extend</th>
<th>Very Great Extend</th>
<th>Not Completed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provides a safe and healthy workplace</td>
<td>0</td>
<td>0</td>
<td>36</td>
<td>80</td>
<td>54</td>
<td>30</td>
</tr>
</tbody>
</table>

Respondents were also asked whether or not Kenya Pipeline Company provides enough facilities that make job performance easier. Of all the respondents, 52% responded to a great extent, with 13% indifferent and 35% stating to a very great extent. Responses are presented in table 4.7.

Table 4.7: Provision of enough facilities that make job performance easier

<table>
<thead>
<tr>
<th>Work expectation</th>
<th>No Extend</th>
<th>Minimal Extend</th>
<th>Average</th>
<th>Great Extend</th>
<th>Very Great Extend</th>
<th>Not Completed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kenya Pipeline Company provides</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>enough facilities that</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>make job</td>
<td>0</td>
<td>0</td>
<td>22</td>
<td>89</td>
<td>59</td>
<td>30</td>
</tr>
<tr>
<td>performance easier</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Leadership Style

The respondents were asked whether or not the Kenya Pipeline Company recognize and reward employees’ contribution. Of all the respondents, 8% stated to a minimal extent, while 46% stated to a great extent, with 25% indifferent and 21% stating to a very great extent. The responses are presented in table 4.8.

Table 4.8: Recognition and rewarding of employees contribution

<table>
<thead>
<tr>
<th>Work expectation</th>
<th>No Extend</th>
<th>Minimal Extend</th>
<th>Average</th>
<th>Great Extend</th>
<th>Very Great Extend</th>
<th>Not Completed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kenya Pipeline Company recognize and reward employees contribution</td>
<td>0</td>
<td>14</td>
<td>43</td>
<td>77</td>
<td>36</td>
<td>30</td>
</tr>
</tbody>
</table>

Respondents were also asked whether or not the Kenya Pipeline Company involve employees in decision making on matters that affect them. Of all the respondents, 5% stated to minimal extent, while 46% stated to a great extent, with 37% indifferent and 12% stating to a very great extent. Responses are presented in table 4.9.
Table 4.9: Involving employee in decision making on matters that affect them

<table>
<thead>
<tr>
<th>Work expectation</th>
<th>No Extend</th>
<th>Minimal Extend</th>
<th>Average</th>
<th>Great Extend</th>
<th>Very Great Extend</th>
<th>Not Completed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Involve employees in decision making on matters that affect them</td>
<td>0</td>
<td>8</td>
<td>63</td>
<td>78</td>
<td>21</td>
<td>30</td>
</tr>
</tbody>
</table>

**Compensation**

The respondents were asked whether or not the Kenya Pipeline Company employees’ rewards are sustainable. Of all the respondents, 21% responded to a great extent, with 52% indifferent and 15% stating to a very great extent. It is worth noting a sizable 12% stated either to a minimal extent or no extent. The responses are presented in *table 4.10*.

Table 4.10: Are employees’ rewards sustainable

<table>
<thead>
<tr>
<th>Work expectation</th>
<th>No Extend</th>
<th>Minimal Extend</th>
<th>Average</th>
<th>Great Extend</th>
<th>Very Great Extend</th>
<th>Not Completed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kenya Pipeline Company employees rewards are sustainable</td>
<td>4</td>
<td>17</td>
<td>88</td>
<td>35</td>
<td>26</td>
<td>30</td>
</tr>
</tbody>
</table>

Respondents were also asked whether or not Kenya Pipeline Company rewards system reflects the prevailing economic conditions. Of all the respondents, 35% responded to a great extent, with
38% indifferent and 8% stating to a very great extent. It is worth noting a sizable 19% stated either to a minimal extent or no extent. Responses are presented in table 4.11.

Table 4.11: Does the reward system reflect the prevailing economic conditions

<table>
<thead>
<tr>
<th>Work expectation</th>
<th>No Extend</th>
<th>Minimal Extend</th>
<th>Average Extend</th>
<th>Great Extend</th>
<th>Very Great Extend</th>
<th>Not Completed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kenya Pipeline company rewards</td>
<td>9</td>
<td>23</td>
<td>64</td>
<td>60</td>
<td>14</td>
<td>30</td>
</tr>
</tbody>
</table>

Training and career development

The respondents were asked whether or not the Kenya Pipeline Company allocates sufficient funds for training needs of employees. Of all the respondents, 26% responded to a great extent, with 46% indifferent and 3% stating to a very great extent. It is worth noting a sizable 25% stated either to a minimal extent or no extent. The responses are presented in table 4.12.
Table 4.12: Allocation of sufficient funds for training needs of employees

<table>
<thead>
<tr>
<th>Work expectation</th>
<th>No Extend</th>
<th>Minimal Extend</th>
<th>Average</th>
<th>Great Extend</th>
<th>Very Great Extend</th>
<th>Not Completed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kenya Pipeline Company allocates sufficient funds for</td>
<td>18</td>
<td>24</td>
<td>78</td>
<td>44</td>
<td>6</td>
<td>30</td>
</tr>
<tr>
<td>training needs of employees</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Respondents were also asked whether or not Kenya Pipeline Company encourage and provide support for employees to take educational programmes. Of all the respondents, 25% responded to a great extent, with 50% indifferent and 11% stating to a very great extent. It is worth noting a sizable 14% stated either to a minimal extent or no extent. Responses are presented in table 4.13.
Table 4.13: Does the company encourage and provide support for employees to take educational programmes

<table>
<thead>
<tr>
<th>Work expectation</th>
<th>No Extend</th>
<th>Minimal Extend</th>
<th>Average</th>
<th>Great Extend</th>
<th>Very Great Extend</th>
<th>Not Completed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Encourage and provide support for employees to take educational programmes</td>
<td>9</td>
<td>16</td>
<td>84</td>
<td>43</td>
<td>18</td>
<td>30</td>
</tr>
</tbody>
</table>

**Career advancement**

The respondents were asked whether or not the Kenya Pipeline Company gives employees opportunities for promotion when they arise. Of all the respondents, 7% stated to the minimal extent, while 17% responded to a great extent, with 69% indifferent and 7% stating to a very great extent. The responses are presented in *table 4.14*. 

32
Table 4.14: Gives employees opportunities for promotion when they arise

<table>
<thead>
<tr>
<th>Work expectation</th>
<th>No Extend</th>
<th>Minimal Extend</th>
<th>Average</th>
<th>Great Extend</th>
<th>Very Great Extend</th>
<th>Not Completed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kenya Pipeline Company gives employees opportunities for promotion when they arise</td>
<td>0</td>
<td>12</td>
<td>118</td>
<td>29</td>
<td>11</td>
<td>30</td>
</tr>
</tbody>
</table>

Respondents were also asked whether or not Kenya Pipeline Company Employees are recognized by the level of their academic achievements. Of all the respondents 5% responded to the minimal extent, while 33% responded to a great extent, with 54% indifferent and 8% stating to a very great extent. Responses are presented in table 4.15.
Table 4.15: Are employees recognized by the level of their academic achievements

<table>
<thead>
<tr>
<th>Work expectation</th>
<th>No Extend</th>
<th>Minimal Extend</th>
<th>Average</th>
<th>Great Extend</th>
<th>Very Great Extend</th>
<th>Not Completed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees are recognized by the</td>
<td>0</td>
<td>8</td>
<td>92</td>
<td>57</td>
<td>13</td>
<td>30</td>
</tr>
<tr>
<td>level of their academic achievements</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Work life Balance

The respondents were asked whether or not the Kenya Pipeline Company uses flexible work design to attract and retain employees. Of all the respondents, 60% responded to a great extent, with 32% indifferent and 8% stating to a very great extent. The responses are presented in *table 4.16.*
Table 4.16: Does company use flexible work design to attract and retain employees

<table>
<thead>
<tr>
<th>Work expectation</th>
<th>No Extend</th>
<th>Minimal Extend</th>
<th>Average</th>
<th>Great Extend</th>
<th>Very Great Extend</th>
<th>Not Completed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kenya Pipeline Company uses flexible work design to attract and retain employees</td>
<td>0</td>
<td>0</td>
<td>54</td>
<td>103</td>
<td>13</td>
<td>30</td>
</tr>
</tbody>
</table>

Respondents were also asked whether or not Kenya Pipeline Company gives family welfare programs to attract and retain employees. Of all the respondents, 55% responded to a great extent, with 28% indifferent and 16% stating to a very great extent. Responses are presented in table 4.17.
Table 4.17: Does the company give family welfare programs to attract and retain employees

<table>
<thead>
<tr>
<th>Work expectation</th>
<th>No Extend</th>
<th>Minimal Extend</th>
<th>Average</th>
<th>Great Extend</th>
<th>Very Great Extend</th>
<th>Not Completed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kenya Pipeline Company gives family welfare programs to attract and retain employees</td>
<td>0</td>
<td>0</td>
<td>49</td>
<td>93</td>
<td>28</td>
<td>30</td>
</tr>
</tbody>
</table>

4.2.3 Discussion – Analysis of Findings

From the results of the survey conducted as part of this study, this session discusses these results in response to the research question and considers to what extent the results answer the objective outlined in the introduction.

4.2.3.1 Addressing the Research Questions

The outputs of the survey instrument in part B for this study returned a series of interesting observations which are discussed below in reference to the research questions. The research questions are posed and the research results discussed below

1. Kenya Pipeline Company gives employees autonomy at the place of work?

Whilst the survey indicated that there is a 34% respondent rate with indifferent opinion of either or not the company gives employee autonomy at the place of work, a combined response of 66% for those either of the opinion that to a greater extent or to a very great extent the company gives the autonomy leads to my conclusion that the Kenya Pipeline Company to a greater extent
has been providing its employees autonomy at the place of work.

2. **Kenya Pipeline Company gives employees challenges and opportunities to learn in the company**

A combined response of 77% for those either of the opinion that to a greater extent or to a very great extent the company gives employees challenges and opportunities to learn from leads to a conclusion that the Kenya Pipeline Company to a greater extent has been empowering its employees.

In conclusion basic to the idea of expectancy theory is the notion that people join organizations with expectations and if these expectations are met they will remain members of the organization (Daly et al, 2006). The high rate of respondent approval to the two questions set to test work expectancy using structural, psychological and environmental variables clearly are indicative of either high rates of satisfaction on the part of the respondents or due to other factors such as job specialization aspect experienced at Kenya Pipeline Company since majority of the jobs are technical in nature.

3. **Kenya Pipeline Company share the vision, mission and values of the company with employees**

The high response rate of 68% respondent with unconcern opinion about company sharing vision, mission and values with the employees leads to the conclusion that this aspect derives mixed reaction from the respondent and could either mean the sharing of the vision, mission and values of the company is not well articulated hence cannot be perceived as a factor contributing to the company retention of its employees.
4. **Kenya Pipeline Company gives opportunity to contribute to the strategy implementation of the company**

Again with the response rate of 72% respondent with indifferent opinion about company giving employees opportunity to contribute to the strategic implementation, leads to the conclusion that this aspect is averagely considered and cannot be perceived as a factor contributing to the company positive retention rates of its employees.

The statistics for the two questions are indicative of a staff that is either lacking the understanding of how the strategy should be implemented; or not fully appreciating the strategy; or the difficulties and obstacles experienced during implementation not acknowledged, recognized or acted upon; For the company this is a key intervention area moving forward for the organization culture to be perceived as a factor contributing positively to the company retention rates of its employees.

5. **Kenya Pipeline Company provides a safe and healthy workplace to its employees.**

A combined response of 79% for those either of the opinion that to a greater extent or to a very great extent the company provides a safe and healthy workplace to its employees leads to my conclusion that the company has provided this to its employees.

6. **Kenya Pipeline Company provides enough facilities that make job performance easier**

A combined response of 87% for those either of the opinion that to a greater extent or to a very great extent the company provides enough facilities that make job performance easier leads to my conclusion that the company has provided enough facilities that make job performance easier to its employees.

In conclusion the psychosocial environment (the physical and the social working environments) are interconnected. Work environment is one of the factors that affect employee’s decision to stay with the organization. The high rate of respondent approval to the two questions set to test
the psychosocial environment clearly indicates high rates of satisfaction on the part of the respondent hence could highly be perceived as a factor contributing positively to the company retention of its employees.

7. **Kenya Pipeline Company recognizes and rewards employees’ contribution.**

A combined response of 67% for those either of the opinion that to a greater extent or to a very great extent the company recognizes and rewards employees’ contribution leads to my conclusion that the company is somewhat striving to achieve this.

8. **Kenya Pipeline Company involve employees in decision making on matters that affect them**

A combined response of 58% for those either of the opinion that to a greater extent or to a very great extent the company involves employees in decision making on matters that affect them leads to a conclusion that the company is somewhat attempting to address the issue.

In conclusion as articulated in the literature review compensation plays significant role in attracting and retaining good employees. The response rate for the two questions seems balanced with those supporting the company and those somewhat indifferent of the situation. This clearly raises the question of involvement of the employees in decision making on matters that affect them Vis a Vis the company rewards system. This could easily be indicative of a sizable number of unsatisfied staff that can highly impact negatively on the company retention rates of its employees.

9. **Kenya Pipeline Company employees’ rewards are sustainable.**

A combined response rate of 36% for those in favour of the company is indicative of a company that in practice employs reward systems that is not fully appreciated by a sizable number of the respondents who were either indifferent at 52% and 12% stating either to a minimal extent or no extent.
10. **Kenya Pipeline Company rewards system reflects the prevailing economic conditions.**

A combined response rate of 43% in favour of the company efforts, against a combined response rate of 57% remaining indifferent or to a minimal extent or no extent is indicative of a sizable number of staff that may be disgruntled about the effort and that need intervention.

Again this clearly raises the question of reward systems against economic conditions; the sizable number of unsatisfied staff can highly impact negatively on the company retention rates of its employees.

11. **Kenya Pipeline Company allocates sufficient funds for training needs of employees.**

A combined response rate of 29% in favour of the company efforts, against a combined response rate of 71% remaining indifferent or to a minimal extent or no extent is indicative of a sizable number of staff feeling the company is not doing enough.

12. **Kenya Pipeline Company encourages and provides support for employees to take educational programmes.**

A combined response rate of 36% for those in favour of the company is indicative of a company that in practice provides and encourages employee to take educational programmes that is not fully appreciated by a sizable number of the respondents who were either indifferent at 50% and 14% stating either to a minimal extent or no extent.

Investing in employee training and career development is considered important factor in employee retention. Against this background it is clearly raises the question whether the company is doing enough with the higher percentage of unsatisfied staff disapproving the practice hence the need for the company to intervene.
13. **Kenya Pipeline Company gives employees opportunities for promotion when they arise.**
A combined response rate of 24% in favour of the company efforts, against a combined response rate of 77% remaining indifferent or to a minimal extent is indicative of majority of the employees feeling the company is not doing enough.

14. **Kenya Pipeline Company Employees are recognized by the level of their academic achievements.**
A combined response rate of 59% in favour of the company efforts, against a combined response rate of 45% remaining indifferent or to a minimal extent is indicative of a sizable number of the employees feeling the company is not doing enough.

Career advancement is considered important factor in employee retention. Against this background the study has shown that even though the company has put mechanism to address the matter it is clearly indicative of unbalanced or skewed approach due to the numbers of disapproving staff.

15. **Kenya Pipeline Company uses flexible work design to attract and retain employees.**
A combined response rate of 68% in favour of the company, with a combined response rate of 32% remaining indifferent is indicative of satisfied employees in support of the company efforts.

16. **Kenya Pipeline Company gives family welfare programs to attract and retain employees.**
A combined response rate of 71% in favour of the company, with a combined response rate of 28% remaining indifferent is indicative of satisfied employees in support of the company efforts.

Work life balance is considered important factor in employee retention. Against this background the study has shown that the company has put mechanism to address the matter and results are indicative of favourable condition due to the numbers of approving staff.
CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

The purpose of this research has been to identify what factors are perceived to influence the retention of the employees in Kenya Pipeline Company. Though the findings of the research on the part of high retention at the company have been approved by the high percentage of respondent remaining with the company for more than five years (see figure 4.4), the findings on the factors perceived to influence the retention of employees at the company have raised more questions than answers. The research questions have proven besides work environment and work life balance that seem to be improving, the other key factors attributable to high retention rates at the company as per the study received mixed reaction from the respondent sample leading to the author conclusion that there could be other reasons other than what was tested in the study that influence the high retention of employees at the company.

By using a survey the author has explored issues of employee retention with a sample of current employees of Kenya Pipeline Company both in management and operative roles. The purpose of the survey was to answer the question what are the factors perceived to influence the retention of the employees in Kenya Pipeline Company? To achieve this, the validity of three theories was explored, through sixteen research questions aimed at addressing eight key factors that were perceived to influence the high retention rates at the Kenya Pipeline Company. The theories were: Equity Theory (1965), Expectancy Theory (1964), Two factor Theory (1959).

This research has demonstrated that there are some good practices and some challenges. However, its validity is limited by the strength and reach of the sample interviewed. Besides using approximately 5% of the population to respond to the survey instead of 10% which is ideal, table 4.1 demonstrates that 97% of the respondents generally came from operative quarter
of the company against 3% management quarter. The survey outputs are limited because of the small sample size and because their viewpoints are very personal with no checks applied to them. Whilst this research has identified that there are issues with organization culture and leadership style within Kenya Pipeline Company, it is not strictly possible to answer the question as to whether or not we should be concerned. This is because the survey does not clearly identify whether its lack of understanding or appreciation on the part of employees; or difficulties and obstacles in implementation not acknowledged, recognized or acted upon.

One of the key limitations of the research was that proving the tested factors were contributing to employee retention at Kenya Pipeline Company may not be truly reflective of practices hence the potential for some discrepancies. This however is indicative of the fact that the study objective was partly approved and demands for further studies to provide more highlights on the same.

5.2 Conclusion

This research has explored the surface layer of factors perceived to influence employees’ retention at Kenya Pipeline Company. The results of the research make apparent the differences between perceived and actual reasons influencing employee retention. However, a key finding of the research is that influences of retention can arise at multiple levels and not necessarily based on intrinsic factors but also extrinsic factors. However this study appears to raise more issues than it addresses. The author is satisfied that this study serves as a sound high level introduction to any further research.

5.3 Recommendations and Further Research

The author recommends that following the findings of this study, the organizations would benefit from additional research in the following areas:

The impact of organizational culture as a factor influencing employee retention.
The impact of leadership style as a factor influencing employee retention
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Lawler, Edward E. (1990), *Compensation management; Strategic planning; Pay-for-knowledge systems*, Jossey-Bass Publishers (San Francisco)

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APPENDIX: QUESTIONNAIRE

PART A: DEMOGRAPHIC DATA

1. Tick the category of respondent that you fall in.
   Management [ ]
   Operative staff [ ]

2. Which is your gender?
   Male ( ) Female ( )

3. What is your highest level of education?
   Diploma ( )
   Degree ( )
   Postgraduate ( )
   Others (specify) .

4. Please circle the number in the box best describes the range in which your age falls
   Range In Years Please tick One
   From 20 to 30 Years [ ]
   From 31 and 40 Years [ ]
   From 41 and 50 Years [ ]
   Over 50 Years [ ]

5. Please indicate the duration of time you have been at Kenya Pipeline Company.
   (Tick as applicable)
   Less than 1 year [ ] 6-10 years [ ]
   1-5 years [ ] Over 10 years [ ]
### PART B: FACTORS THAT INFLUENCE RETENTION.

Rate the extent to which the following factors contribute to retention of employees at the Kenya Pipeline Company? Use a scale of 1 to 5 where 1 is to a very great extent and 5 is to no extent.

<table>
<thead>
<tr>
<th>Work expectation</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kenya Pipeline Company gives employees autonomy at the place of work</td>
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<td></td>
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<tr>
<td>Gives employees challenges and opportunities to learn in the company</td>
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<table>
<thead>
<tr>
<th>Organisational Culture</th>
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<th>2</th>
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</thead>
<tbody>
<tr>
<td>Kenya Pipeline Company share the vision, mission and values of the company with employees</td>
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<tr>
<td>Gives opportunity to contribute to the strategy implementation</td>
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<table>
<thead>
<tr>
<th>Work Environment</th>
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</thead>
<tbody>
<tr>
<td>Provides a safe and healthy workplace</td>
<td></td>
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<tr>
<td>Kenya Pipeline Company provides enough facilities that make job performance easier</td>
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<tr>
<th>Leadership Style</th>
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</thead>
<tbody>
<tr>
<td>Kenya Pipeline Company recognize and reward employees contribution</td>
<td></td>
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<tr>
<td>Involve employees in decision making on matters that affect them</td>
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</table>
### Compensation

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<tbody>
<tr>
<td>Kenya Pipeline Company employees rewards are sustainable</td>
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<tr>
<td>Kenya Pipeline Company rewards system reflects the prevailing economic conditions</td>
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</table>

### Training and career development

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<tbody>
<tr>
<td>Kenya Pipeline Company allocates sufficient funds for training needs of employees</td>
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<tr>
<td>Encourage and provide support for employees to take educational programmes</td>
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</table>

### Career advancement

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<tbody>
<tr>
<td>Kenya Pipeline Company gives employees opportunities for promotion when they arise</td>
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<tr>
<td>Employees are recognized by the level of their academic achievements</td>
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### Work life Balance

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<tbody>
<tr>
<td>Kenya Pipeline Company uses flexible work design to attract and retain employees</td>
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<tr>
<td>Kenya Pipeline Company gives family welfare programs to attract and retain employees</td>
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THANK YOU.