EFFECT OF STRATEGIC HUMAN RESOURCE PLANNING ON EMPLOYEE RETENTION AT MATER MISERICORDIAE HOSPITAL IN NAIROBI KENYA

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DECLARATION

I declare that this project report is my original work and has not been presented for an award of a degree in any other university.

Signature, [signature]   Date

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D61/71140/2008

This research project report has been submitted for examination with my approval as the University supervisor.

Signature ....   Date: \l   H   ^
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PROF. PETER K'OBONYO

DEDICATION

This research project is dedicated to the most important people in my life: My late Dad John Mutwota, My Mum Monica Mutwota, Sr. Theresa Fabian, My Brothers and Sisters for encouraging me to forge on with my studies despite the challenges that abound.

ACKNOWLEDGEMENT

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A Strategic Human Resource Plan is essential for aligning an organization's resources to its mission, vision, values and strategies. The Strategic Human Resource Plan details the role that Human Resources play in supporting the goals and strategies of the organization. It ensures that all aspects of Human Resources are focused towards obtaining the success of the Corporation's Long-Term Strategy and Key Performance Indicators. It ensures that the organization has the right people, with the right skills, in the right place, at the right time to carry out the strategy. It is against this background that this study was done to assess the effect of strategic human resource planning on the employee retention at the Mater Misericordiae Hospital in Nairobi.

The objectives of this study were met by conducting a descriptive research design. The data was collected using questionnaires and exit interviews. The collected data was checked for completeness, edited and then entered into a computer software program (SPSS version 17) for analysis. The data was analyzed using descriptive statistics. Qualitative data was analyzed using content analysis.

The study noted a moderate turnover trend of the general, paramedical and non-medical staff. This could be attributed by the hospital efforts of putting up of some strategic human resource policies such as setting strategic direction, planning of workforce, investing in human resource development and performance and in assessment and sustainability of the competencies and performance. The findings of this study provide knowledge on the relationship between strategic human resource planning and employee retention which management at the hospital will use as a basis for formulation of policies on areas that need implementation of alternative strategies to retain employees.

CHAPTER ONE: INTRODUCTION

1.1 Background of the study

The field of strategic human resource management particularity human resource plannii
is still evolving and there is little agreement among scholars regarding an acceptab
definition. Broadly speaking, strategic human resource management is abo
systematically linking people with the organization; more specifically, it is about tl
integration of HRM strategies into corporate strategies. HR strategies are essential
plans and programmes that address and solve fundamental strategic issues related to tl
management of human resources in an organization (Schuler, 1992). They focus is c
alignment of the organization's HR practices, policies and programmes with corpora
and strategic business unit plans (Greer, 1995).

Strategic human resource planning links corporate strategy and HRM, and emphasiz*
the integration of HR with the business and its environment. It is believed that integratic
between HRM and business strategy contributes to effective management of humc
resources, improvement in organizational performance and finally the success of
particular business (Holbeche, 1999). It can also help organizations achieve competith
advantage by creating unique HRM systems that cannot be imitated by others (Huselid
al., 1997). In line with this importance of Strategic human resource planning, this stuc
seeks to find the effect of strategic human resource planning on employee retention. Th
chapter entails strategic human resource planning, employee retention, strategic hums
resource planning and employee retention and background information on Mat<
Misericordiae Hospital where the study will be carried out.

1.1.1. Strategic Human Resource Planning

A Strategic Human Resource Plan is essential to align an organization's resources to i
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It ensures that all aspects of Human Resources are focused towards obtaining the success of the Corporation's Long-Term Strategy and Key Performance Indicators. A Strategic Human Resource Plan is also necessary to meet the expectations and requirements of corporate governance, transparency, work ethics, corporate values and profitability through the definition of the various functions, processes and procedures needed to execute the strategy. Strategic human resource plan enables the organization to identify °aps in the Human Resources between present capabilities and the future capability requirements and how they will be achieved. It ensures that the organization has the right people, with the right skills, in the right place, at the right time to carry out the strategy. Organization have deep realization that their enduring source of competitive advantage rests within their human capital (Heil *et al.*, 2000) and the knowledge, experience, skills and energy of their people (O' Reilly & Pfeffer, 2000).

In contemplating the future prospects of human resource management, it is worthwhile to examine the developments and directions of human resource policies in terms of their relevance to the contemporary workforce especially in the area of attraction and retention of employees. Researchers on attraction and retention of employees have defined attraction and retention management as a strategic, coherent process that starts with an examination of the reasons why employees join an organization (Davies 2001). Successful organizations share a fundamental commitment to investing in the human capitals. Human resource management is a tool for achieving competitive advantage. This, however, is only possible when skills and capabilities are rare and difficult to imamate, (Walker 2001). Most organizations are now realizing that recruiting and retaining qualified employees are essentially a strategic matter because it represents a competitive advantage (Walker 2001).

1.1.2 Employee Retention

Employee retention is defined by Finnegan et al., (2004) as the effort by an employer to keep desirable workers in order to meet business objectives. According to Finnegan *et al,* (2004), the term employee retention describes the unplanned loss of workers who voluntarily leave and who employers would prefer to keep. The employee retention

processes must focus on what the employee gets out of the job. The process must be a benefits-based. Gerson (2002J pointed out that the best way to retain the employees is to treat them like customers. And, there is a service/satisfaction link between employee retention and higher levels of customer satisfaction.

Customers prefer dealing with the same employees over and over again. Employee turnover destroys a customer's confidence in the company. So, the key is to keep employees so they in turn help in keeping the customers. Hiltrop and Jean-Marie (1999) observed that high performance organizations are consistently outperforming their competitors 011 a number of human resource factors, including the level of teamwork and openness between co-workers, the training and development opportunities they offer to employees and the degree of pro-activity in human resource planning. Developing this capability begins with the realization that effective human resource management underpins the competitiveness of organizations.

1.1.3 Strategic Human Resource Planning and Employee Retention

Basically, core employees perform the essential tasks within the organization, and organizational human resource systems are designed to support and manage this human capital (Gramm and Schnell 2001).Current human resource management thinking emphasizes the benefits of meeting employee needs and enabling them to have control over their work lives. Many firms recognize the necessity to provide the information, flexibility and voice that employees require to contribute to organizational success (Capeili 2000). Ostroff and Bowen (2000) found that human resource practices shape work force attitudes by molding employees' perceptions of what the organization is like and influencing their expectations of the nature and depth of their relationship with the organization.

It is important to note that employees today realize that they have to take the initiative in job resiliency, developing the skills and flexibility needed to quickly respond to shifting employer requirements (Beck, 2001). High talent personnel see the greatest opportunities by moving from one company to another. Increasingly, organizations will have to

compete for the best talent (Porter 2001). Whitener (2001) indicates that employees interpret organizational actions such as Human Resource practices and the trustworthiness of management as indicative of the personified organization's commitment to them. They reciprocate their perceptions accordingly in their own commitment to the organization. A company should invest in qualified employees in terms of training and development, compensation and benefits and other self development human Resource programs that will protect their investment (Entrekin and Court 2001).

1.1.4 Mater Misericordiae Hospital

The Mater Misericordiae Hospital Nairobi first opened its doors in 1962 as a 60 bed unit. That was the culmination of six difficult years of negotiation, fundraising and hard work on the part of Sr. Dolorosa and her companions from the Diocese of Dublin. Gradually over the years the Hospital grew - significant additions being a maternity extension in 1970, the paramedical building in 1987, a consultants clinic and family life centre in 1988. additional operating theatres, Accident and Emergency and ICU block in 1994, a separate chapel in 1997, and a School of Nursing in 2004 (Mater Misericordiae Hospital Nairobi, 2011a).

Today the Hospital has 137 beds, a 9 bedded ICU/HDU, a Renal Dialysis Unit, four operating theatres, a Cardiac Unit, a 24-hour A & E service, a School of Nursing and numerous outpatient services including a very busy Comprehensive Care Clinic (CCC) for HIV/ AIDS clients. There are plans to upgrade many areas in the next two to three years - one of the most significant being to create twenty seven doctor's offices. The upgrading of the hospital infrastructure and acquisition of additional equipment, which is ongoing, has brought Mater in line with the best in Nairobi (Mater Misericordiae Hospital Nairobi, 2011).

Throughout the years the Congregation has kept a significant presence of Mercy Sisters in the Hospital. The Catholic ethos is very much in evidence. There is a full time hospital chaplain and daily Mass is piped to the wards. The hospital has over eighty visiting

Medical Consultants in the various specialties who cover the hospital round the clock. There are over thirty hospital doctors employed between Theatre, A & E, ICU, Maternity and X-ray. All major specialties are catered for i.e. Medicine, Surgery, Pediatrics and Obs/Gynae. Practically, all the subspecialties are also represented (Mater Misericordiae Hospital Nairobi, 201 lb).

The Hospital is particularly active in reaching out to the neediest through the Cardiac Program and the CCC. The Cardiac Program addresses the needs of children with congenital and rheumatic heart ailments through cardiac cathedrisation (both diagnostic and interventional) and cardiac surgeries. The CCC reaches out to the nearby slum of Mukuru to offer free and comprehensive care to people suffering from HIV/ AIDS. Both of the above programs are free to the clients with the help of financial support from the US Government (for HIV/AIDS) and local funding efforts and Terre des Hommes for the Cardiac Program. Mater has a School of Midwifery since 1972, but in 2004 additional facilities were added and this enabled the Hospital to widen the curriculum to General Nursing at Diploma level (Mater Misericordiae Hospital Nairobi, 201 la).

1.2 Statement of the problem

Raudenbush and Bryk (2002) noted that employee retention is very important for every organization. According Cole (2000), employees 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. Essentially, more organizations are now realizing that retention is a strategic issue and represents a competitive advantage (Walker 2001). Strategic human resource planning ensures that the organization has the right people, with the right skills, in the right place, at the right time to carry out the strategy. Organizations strive to outperform their competitors in the attraction, development and retention of people with business-required aptitude, often through innovative and compelling human resource programs (Dessler, 2005). By adopting an effective total retention strategy with the support of relevant human resource programs, businesses may successfully keep critical employees.

Kenya's health system, in which Mater Misericordiae Hospital operates, faces a variety of human resource problems, primarily an overall lack of personnel in key areas, which is worsened by high numbers of trained personnel leaving the health sector to work overseas. This study will therefore, provide an insight into strategic human resource planning on employee retention at Mater Misericordiae Hospital in Nairobi.

Previous studies on human resource management and employee retention in Kenya have not focused on the effects of strategic human resource planning 0ll employee retention, for example, Omoro (2008) studied strategic human resource management practices and firm performance through a survey of the banking sector in Nairobi. He found that strategic human resource management practices are positively related to performance. Njoroge (2007) carried out a survey of factors that influence employee retention in manufacturing firms in Nairobi. He concluded that organizational culture and job satisfaction have the greatest influence on employee retention among manufacturing firms whereas lack of career growth and development were the most turnover factors. Nguku (2008) investigated strategic human resources management practices among classified hotels in Kenya. He found that most human resources management practices are linked to corporate strategies and there were communication channels for strategic issues. However, he found that heads of human resource departments in many hotels are left out in strategic decisions. Chumo (2007) investigated human resource challenges arising from use of temporary employee and found that no single perspective, company policy or strategy fits all situations in relation to temporary work and human resource management. He attributed his findings to differences in skills, demographic characteristics, levels of commitments to work, identity with the organization and purpose of employment.

None of the studies mentioned above considered the effect of human resource planning on employee retention. Therefore, this study sought to fill this knowledge gap through determination of the effect of strategic human resource planning on employee retention at Mater Misericordiae Hospital in Nairobi, Kenya.

1.3 Research objective

To establish the effect of strategic human resource planning on employee retention at Mater Misericordiae Hospital in Nairobi. Kenya.

1.4 Importance of the study

Stakeholders: The study will provide knowledge on relationship between the effects of strategic human resource planning on employee retention which management at the hospital will use as a basis of formulation of policies on areas that needs implementation of alternative strategies to retain employees.

Government: The findings of the study will provide valuable information on strategic human resource planning practices in the healthcare sector and whether the strategies adopted lead to employee retention. The result of the study would, therefore, assist the government of Kenya in formulating policies that guide stakeholders in the in the health sector and parastatals to adopt strategic human resource planning practices that enhances retention of employee.

Academics: The study findings will greatly contribute to the existing body of knowledge on strategic human resource planning and employee retention. Future researchers and academicians will, therefore, use the study findings as a reference point for studies on strategic human resource management and employee retention.

C HAPTER TWO: LITERATURE REVIEW

This chapter presents review of literature related to strategic human resource planning and employee retention. The chapter is broadly divided into theoretical literature review, empirical literature review and summary of the chapter.

2.1 Concept of Strategy

Strategy refers to a plan of action designed to achieve a particular goal (Mintzberg, 11 & Quinn 1993). The word is of military origin. In military usage strategy is distinct from tactics, which are concerned with the conduct of an engagement, while strategy is concerned with how different engagements are linked. How a battle is fought is a matter of tactics: the terms and conditions that it is fought on and whether it should be fought at all is a matter of strategy, which is part of the lour levels of warfare: political goals or grand strategy, strategy, operations, and tactics. Strategic decisions determine the grand direction upon which an entity will embark. Always, strategy precedes action. The object of strategy is to bring about advantageous conditions within which action will occur. In the military context, this means positioning forces for best advantage and judging precisely the right moment to attack or withdraw.

The strategy concept has developed as an important aspect of managing as the dynamics and complexity of the world and business environment have increased. The term strategy is used to explain both the processes (e.g. organizational restructuring) and the outcomes (market position) of chosen long-term directions. It can be either a conscious, planned activity or a scries of events, which lead to a desirable objective. It necessarily involves an evaluation of the likely impacts of both the external and internal organizational environment, the long-term goals of the organization (Kankervis, Compton & Baird **2000).**

2.2 Strategic Planning

Despite several studies on strategic planning there is no commonly accepted and universal definition (Quinn, 1980). As a matter of fact, the term "strategy" is often used

in a contradictory manner because up to date, the definitions of strategic planning encompass terms such as strategic force, corporate focus or strategic intent. Generally, common aspects of most definitions are concerned with the long-term direction of the organization, defining what business the organization should engage in, matching the activities of the business to the environment in order to minimize the threats and maximize opportunities, as well as matching the organization's activities to the resources available (McDonald, 1996).Despite the fluctuating popularity of strategic planning in its various guises since the 1960s, strategic planning has been perceived to be of benefit to organizations (Glaister and Falshaw, 1999). It has been associated with the field of strategic management from its earliest foundations.

Strategic planning has also been known under various labels such as "long range planning", "corporate planning", "strategic management" in addition to "strategic planning" (Ansoff, Declerck and Hayes, 1976). From the perspective of classical strategic management theory, strategy is considered a deliberate planning process (formal), initiated by top management (top-down), based on an elaborate industry analysis (rational) and aimed at designing a cohesive grand strategy for the corporation (consistency) (Volberda, 2004). These authors and others (Mintzberg and Lampel, 1999) point out that when the term strategic planning is used the intent is to convey that a firm's strategic planning process involves explicit systematic procedures used to gain the involvement and commitment of those principal stakeholders affected by the plan.

Johnson and Scholes (1993) broke down strategic planning into planning, incremental, cultural, political and visionary views (Johnson and Scholes, 1993). According to Bailey and Johnson (1996), rather than adopting a single style of strategy development, organizations mix six elements of planning, incremental, cultural, political, command (or vision) and enforced choice in different combinations. They suggest that in organizational environment which are simple but turbulent, a mix of incrementalism and visionary approaches should be taken while in environments which are both complex and turbulent, a sufficient degree of each of the three primary elements of planning, vision and incrementalism is needed.

2.2.1 Formal Strategic Planning Model

The basic strategic planning model suggests that a company's strategies are as a result of a plan hence the planning process itself is rational, highly structured and that the process itself is orchestrated by top management (Hill and Jones, 2008). The organizations engage in strategic planning practices so as to clearly define their goals and objectives. The strategic planning model assesses both the internal and external environments to formulate strategy, implement the strategy, and evaluate the success of strategy.

Johnson and Scholes (2005) stated that strategic planning involves objective setting, analysis of environmental trends and resource capabilities, evaluation of different options and careful planning and implementation of strategies. The formulation of the mission statement is the first activity of the strategic planning process. Grant (1998) stated that the firm's statement of the mission and vision provides a foundation and guiding light for the strategy making process. The mission statement as explained by Hill and Jones (2008) has four main components: a statement of the organization's reason for existence, that is the mission; a statement of some desired future state, the vision; a statement of the key values the organization is committed to; and a statement of its major goals.

Pearce and Robinson (2004) explain that a good mission statement provides managers with a unity of direction and a sense of shared expectations among all levels and generation of employees. The mission statement and a business vision will enable organizational leaders to define and measure the firm's financial and strategic objectives. The mission statement also projects a sense of worth and intent that can be assimilated by stakeholders and affirms the company commitment to responsibility and preserve the company's need for sustained survival, growth and profitability. The mission statement consolidates values over time and across individuals and interest groups Pierce and Robinson (2004).

Environmental process is a strategic planning process scan which includes an internal analysis of the firm (SWOT analysis), an analysis of the firm's industry (task environment) and finally an analysis of the external environment (PESTEL analysis). Organizations analyze three different types of external environment as explained by Hill

and Jones (2008); the industry environment, the national environment and the socioeconomic environment. Analyzing the industry environment encompasses and assessment of the competitive structure of the company's industry, an analysis of the competitive position of the company and its rivals, analyzing the nature, stage, dynamics and history of the industry and assessing the impact of globalization on competition within the industry. Another process in the strategic planning process is strategy formulation. Hill and Jones (2008) explained that strategy formulation is the task of analyzing the organization's external and internal environment and then selecting the appropriate strategies.

The selected strategy is another process implemented by means of programs, budgets and procedures. Hills and Jones (2008) stated that strategy implementation involves putting strategy into action those strategies selected to achieve competitive advantage and increased performance. Implementation of strategy entails taking actions consistent with the selected strategies of the company at the corporate, business and functional levels (Hill and Jones 2008). Implementation of strategy also entails designing the best organizational structure, culture and control systems that put a chosen strategy in action (Hill and Jones 2008), allocating roles and responsibilities among managers, allocating resources including people and capital, setting short term objectives, and designing the organization's control and reward system.

Evaluation and control is another process in the strategic planning process. Strategic planning is an on going process (Hill and Jones 2008). The implemented strategy must be monitored and evaluated to determine the extent to which strategic goals and objectives are actually being achieved and to what degree competitive advantage is being created and sustained. Managers are hence able to reaffirm the existing strategies or take any corrective action as needed. Strategy evaluation enables the corporate or top management to evaluate the success or failure of the chosen strategies and hence recommend corrective action (Hill and Jones 2008).

Pierce and Robinson (2004) explained four types of strategic control namely: premise control, implementation controls, strategic surveillance and special alerts which are designed to meet the top management's need to track the strategy as it is being
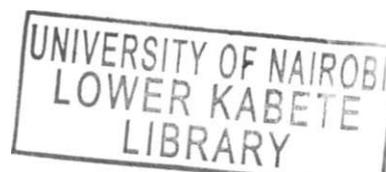
implemented and detect any underlying problems as well as make the necessary adjustments. Evaluation and control consists of defining the parameters to be measured, defining the target values for those parameters, performing measurements, comparing the measured results to the pre-defined standard and finally making the necessary changes.

2.3 Strategic Human Resource Planning (SHRP)

Strategic human resource planning (SHRP) is part of the wider strategic human resource management (SHRM) which refers to the policies, practices and systems that influence employees' behavior, attitudes and performance (De Cieri et al., 2008). Strategic human resources management (SHRM) is the pattern of the planned HR deployments and activities intended to enable an organization to achieve its goal (Wright and Mc Mahan, 1992). In other words SHRM is the organizational system designed to achieve sustainable competitive advantage through people. SHRM involves the development of a consistent, aligned collection of practices, programs and policies to facilitate the achievement of the organization's strategic objectives (Mello, 2002). The central idea behind SHRM is that all initiatives involving how people are managed need to be aligned with and in support of the organization's overall strategy (Mello, 2002). Vertical integration of HRM strategy with the strategic management process of the organization and the horizontal coordination" among various HRM practices are the dimensions which make the difference between SHRM and the traditional HRM.

Strategic human resource planning practices include determining human resource needs, recruiting, screening, training, rewarding, appraising and also attending to labor relations, health and safety and fairness concerns (De Cieri et al., 2008). The effective implementation of SHRP practices in organizations is a key source of competitive advantage and has been shown to have a positive relationship with company performance (see, for example, Ordonez de Pablos and Lytras, 2008; Collins, 2007). In many companies, SHRP has become a crucial issue because the ability to keep highly talented qualified employees can be important to future sustain progress (Whitener 2001). The loss of talented workers is costly because of market salaries for accumulations in experienced hires to replace them; the costs of attracting and retaining new talent; the lost

investment in talent development; and the hidden costs of lost productivity; lost sales opportunities; and strained customer relationships (Eskildsen and Nussler 2000). Ostroff and Bowen (2000) depicted relationships suggesting that human resource activities are significantly associated with employee perceptions and employee attitudes.

HR strategies set out what the organization intends to do about its human resource management policies and practices, and how they should be integrated with the business strategy and each other (Armstrong 2006). Grundy defines, human resources (HR) strategy as: The plans, programs and intentions to develop the human capability of an organization to meet the future needs of its external and internal environment. Bamberger and Meshoulam (2000) define HR strategy as the pattern of decisions regarding the policies and practices associated with the HR.system (Bamberger and Meshoulam, 2000). Dessler defines HR strategy as the courses of action HR uses to help the company achieve its strategic aims (Dessler, 2003). HR strategies can be either deliberate or emergent and they may arise from current constraints and deficiencies or from the difficulty of meeting external or future needs. Specific HR strategies which can be only a general declaration of intention or more specific and detailed, have to be created for each organization as culture and environment of each organization is different than each other.

Different types of corporate strategies such as growth, stability and turnaround require different types of HR strategies to be applied. During economic downturn there may be fewer opportunities for upward mobility, employees may decide to leave and pursue opportunities with other employers. It is critical for employers to identify key employees and develop a specific retention strategy to assist in keeping them (Mello, 2002). Application of appropriate performance management strategies is very important during that period. On the other hand in a retrenchment strategy, reduction of expenditures and cost cutting in order to become financially stable is the key issue and in many organizations, particularly service organizations, payroll is the main expense. As the employees demoralized, depressed, significantly stressed and less loyal to their employer, boosting the morale of the employees is a significant HR challenge, during application of this strategy (Mello, 2002).

HR strategic issues comprise of skills shortage, employee attraction and retention, flexible workplace practices, indigenous employment opportunities and community-regional services. Companies, therefore, must initiate competitive strategies to attract and retain the talent they will need for the future. Hathaway-Smith (2009) notes that a key priority for employees is to develop internal talent and aid staff retention. Furthermore, Hathaway-Smith (2009) noted that employers must recognize that up-skilling the workforce is now more important than ever for industries to remain competitive. Syed (2007) discussed workforce diversity, the ageing workforce, generational differences, talent identification and retention in an era of skills shortage. He noted the need to motivate the workforce and increase the skills base in the organization for it to successfully compete globally. To be truly strategic, HR needs to understand the business strategy and its implications for the function (Polyhart, 2006), as well as knowing the strengths and weaknesses of the people and leaders who are delivering that strategy (Hills, 2008). Strategic human resource management (SHRM) emphasizes the need for HR plans and strategies to be formulated within the context of overall organizational strategies and objectives, and to be responsive to the challenging nature of the organization's external environment (Nankervis et al., 2008).

In the current economic environment, it is argued that a strategic approach to the management of an organization's human capital is required more than ever. Therefore, as proposed by Uysal (2008), HR professionals should have three major content areas to effectively implement SHRM and these are traditional HR functional content (staffing, compensation, etc.), change management or leadership skills (communication, negotiation, etc.) and business skills (ability to understand business language and function effectively as a business partner). Alignment between the organizational and human resource management (HRM) strategy is the key factor of success for organizations Wylie (2005). When the HRM strategy and organizational strategy are aligned, the effectiveness of HR practices and organizational performance are better than in those organizations that are not aligned.

There is a general notion that human resource practices interact with perceptions of organizational support to affect employee commitment. More specifically, systems of

"high commitment" human resource practices increase organizational effectiveness by creating conditions where employees become highly involved in the organization and work hard to accomplish the organization's goals (Bishop 1998). Many managers recognize the benefits of "high commitment" human resource management practices that respond to employees' needs, encourage employees to take responsibility for their work lives, and motivate employees to behave in ways that benefit the organization (Baron and Kreps 1999). Information sharing, open channels of communication, extensive training, and incentive compensation are some of the practices consistently found in this "high commitment" category. HR practices have an impact on firm performance and significant and positive relationships among HR practices and firm performance. Staffing, training, compensation and promotion are found to be significantly and positively related to both the organizational and market performances of firms.

Human capital can create competitive advantage as it improves learning through doing and thereby reduces firm's costs (Uysal, 2008). Therefore, HR plays a significant role in managing a firm's human capital, which is their employees' collective knowledge, skills and abilities. Other kinds of capital are generally readily accessible and technology is easily copied. Therefore, for all intents and purposes, in today's knowledge-based economy, how a company manages its human capital is the remaining source of enduring competitive advantage (Hebert. 2004).

An individual's suitability to particular job is the single most important factor in performance and retention. Essentially more organizations are now realizing that retention is a strategic issue and represents a competitive advantage (Walker 2001). As the retention of talent with critical skill sets is acknowledged by organizations as vital for the achievement of business growth and

The building of organizational competencies, some organizations strive to be the 'employer of choice' by creating a positive environment and offering challenging assignments that foster continued personal growth. An 'employer of choice' is an organization that outperforms its competition in the attraction, development and retention of people with business-required aptitude, often through innovative and compelling

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human resource programs (Dessler 2005). By adopting an effective total retention strategy with the support of relevant Human Resource programs, businesses mav successfully keep critical employees.

2.4 Employee Retention

Dalton & Mesch (1990) argued that employee turnover may be a reaction to work content as well as to elements in the work environment. However, employee turnover is probably less a function of conflicting demands but of a more long-term interests and a motivation to change jobs. It is useful to consider employee turnover from these four separate perspectives because it is safe to assume that anyone with any significant work experience has likely encountered them from time to time; although understanding why an employee has quit is helpful in formulating initiatives that can help prevent other employees from quitting for comparable reasons if they are within the company's control, such insights are of little use in identifying employees who have become sufficiently dissatisfied with their jobs that they take any of the latter three steps due to accumulated job dissatisfaction (Dalton & Mesch, 1990).

Employees may move to another job for better compensation or in search of a growing, successful organizations which provide an employee friendly environment where they can participate in the decision-making and be part of the team. Some organizations have found creative rewards, such as providing breakfast, food or fruit in the kitchen oifree soft drinks, not just coffee or tea (Bassam & Abu, 2010). Other designate employee committees to plan social functions or they take the office trips when organization pals are achieved in respect of attraction of desired talents. The key here is to have a positive work environment where employees are recognized and reward for good performance, where there is good communication, and where every one shares in the excitement to being part of a successful organization. Attracting and retaining qualified people has major implications for customer satisfaction, revenues and profits. Obviously, at tines it is difficult to attract and retain enough qualified candidates for open positions. Virtually all organizations experience difficulty-hiring employees, especially top talent. Uany organizations do not hire employees who are less competent. All of them strive to hire

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performers, not just filling positions. There is high cost associated with hiring marginal performers, not the least of which is turnover costs (Bassam & Abu, 2010).

Because employee turnover is assuredly inevitable in any type of business setting and its impact and costs are well established, identifying the most effective leadership methods to reduce it to the extent possible readily translates into money saved for a company as well as improved morale and effectiveness among employees (Koestenbaum, 2002). This approach represents a "win-win" approach for both employees and employers. According to Lamb and McKee (2005), everyone, individuals and the organization, will get the most from an enterprise when all commit as much human and hard capital to the endeavor as they can. Accumulated job dissatisfaction results in employees searching for alternatives, comparing the costs and benefits of these alternatives relative to their current jobs and then deciding to quit (Brett & Drasgow, 2002).

Gerson (2002j revealed that staff shortages is as a result of few people entering a profession but due to too many people leaving a profession for retirement, higher-paying jobs or jobs with less stress; and insufficient opportunities for career advancement. Gerson (2002,) also found that much of the work has been focused on recruitment and getting more people in the front door, but he suggested that the bulk of the efforts should be focused on employee retention and "closing the back door. Employee retention must be an ongoing process, not a program.

Employee commitment to an organization is viewed as a critical success factor in today's corporate environment. The focus directed at employees by an organization is demonstrated by the monetary and non-monetary benefits they receive and the service that is devoted to them (Payne 2000). If employees believe the organization is less committed to them, they may respond by feeling less committed to the organization. This lack of employee commitment to the organization will be reflected in their intention to stay or leave (Meyer and Allen 1997). Employees leave for many reasons, some of which organizations have no control over, such as retirement, a family member being transferred or the desire to stay home to start a family. Some of the most common reasons employee leave include: employees perception of poor leadership or supervision,

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unchallenging positions, limited opportunity for advancement, no recognition for good performance, limited control over the work and customer, salary benefits are not commensurate with job requirements; and the opportunity for a better compensation package elsewhere (Accenture 2001).

2.5 Strategic Human Resource Planning and Employee Retention

Strategic human resource function entails policies, practices and systems that influence employees' behaviour, attitudes and performance (De Cieri et al., 2008). Employee retention can be achieved through strategic human resource practices such as determining human resource needs, recruiting qualified staff, training, rewarding, appraising employees and also attending to labour relations, health and safety and fairness concerns (De Cieri et al., 2008; Dessler, 2007). Adherence to activities such as equal employment opportunity, implementation of affirmative action policies, expanding employee benefit systems and promoting creativity in job designs and processes can lead to retention of good employees (Oakland and Oakland 2001).

Basic microeconomics suggests that investments in human capital (employees) are justified when such investments are more than offset by future returns in the form of increased productivity. Thus, firms will make greater use of such practices when employees are viewed as particularly vital to firm success (MacDuffie 1995). With respect to retaining these critical human assets, greater use of high-involvement work practices is likely to have two broad implications. The greater use of high-involvement work practices will increase the cost of employee departures. This is consistent with the resource based view of the firm. From this perspective, firms can achieve sustainable competitive advantage by creating value in a rare and inimitable manner (Barney 1991). However, because the use of these practices increases the uniqueness and value of employees, it will also increase the costs associated with the loss of these employees.

Wagar (2003) examined the relationship between an individual's intention to quit his job and the human resource management activities of the organization. The study revealed that employees of organizations with more sophisticated human resource systems were

significantly less likely to indicate they intended to quit. Wagar (2003) identified that it was not the presence or absence of anyone human resource practice which was considered the determining factor, but rather the "bundle" or system of practices that will affect the decision to quit. Moreover, older employees and individuals with more seniority within the organization were less likely to report they planned to resign.

According to Wager (2003), employees who did not intend to quit were more likely to be employed in organizations that adopted a certain set of Human Resource practices such as employee voice procedures, programs that recognize employee contributions (e.g. merit based promotion, individual merit pay and a formal employee recognition program), mechanisms for sharing information with employees, use of problem-solving groups and training in employee involvement. In addition, the employee perceptions regarding the organization's retention strategy were significant. For instance, employees who indicated they were not planning to quit also were more likely to report their organization was committed to retaining the best employees; saw the retention of top employees as very important; and has established programs designed to retain quality employees (Dobbs 2001). Employees with lower levels of commitment are less satisfied with their jobs and more likely to plan to leave the organization (Zangaro 2001).

CHAPTER THREE: RESEARCH METHODOLOGY

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This chapter presents research design, target population, sampling design, data collection and procedures for data analysis.

3.1 Research Design

The design of this research was a descriptive survey. A descriptive survey seeks to obtain information that describes existing phenomena by asking individuals about their perceptions, attitude, behavior or values (Mugenda and Mugenda 2003). A descriptive research design enable the study to access comprehensive information that enabled establishment of the link between strategic human resource planning and employee retention at Mater Misericodire Hospital in Nairobi. Kenya.

3.2 Data Collection

The study used primary and secondary data. Questionnaires were used to collect primary data which entailed questions that intended to establish the correlation between strategic human resource planning and employee retention over a period of five years starting from the year 2007 to the year 2011. In medicine, the design is used to uncover predictors of certain diseases. The questionnaires were used because they allow the respondents to give their responses in a free environment and help the researcher get information that would not have been given out had interviews been done. The questionnaires consisted of three parts namely: part A which collected information on personal profile of the respondents, part B which addressed strategic human resource planning and part C which dealt with employee retention.

The questionnaire comprise of both closed-ended and open ended questions. The closed-ended consisted of a list of possible alternatives from which respondents were required to select the answer that best described their situation. The main advantage of close ended questions was that they were easier to analyze since they were in an immediate usable form. They were also easy to administer because each item was followed by an

alternative answer and was economical to use in terms of time saving. Drop and pick method was used to administer the questionnaires. Secondary data was obtained from exit interviews collected when an employee leaves employment for whatever reason. Primary data was collected from two key informants, namely, head of human resource function at the hospital and the hospital administrator.

3.3 Data Analysis and Presentation

The collected data was examined for completeness and comprehensibility. The data was then coded and keyed into the Statistical Package for Social Sciences (SPSS) for analysis. Descriptive statistics such as means, standard deviations and frequency distribution generated from SPSS were used to analyze the data. Data presentation was done by the use of pie charts, bar charts and graphs, percentages and frequency tables. The data analysis considered time series in which the effect of strategic human resource planning on employee retention at Mater Misericodire Hospital in Nairobi was analyzed over a five year period ranging from the year 2007 to the year 2011.

CHAPTER FOUR: ANALYSIS AND PRESENTATION OF THE FINDINGS

4.1 Introduction

This chapter presents the findings and presentations of die findings. The chapter has been divided into several sections. These are demographic section of die respondents, strategic human resource planning and employee retention. The study achieved a response rate of 65%.

4.2 Respondents demographic.

The respondents were asked to react to number of issues on gender, age, and work experience. The findings are described below:

4.2.1 Gender

The respondents were requested to indicate their gender. The findings are shown in figure 4.1

Figure 4. 1 Distribution of Respondents by Gender
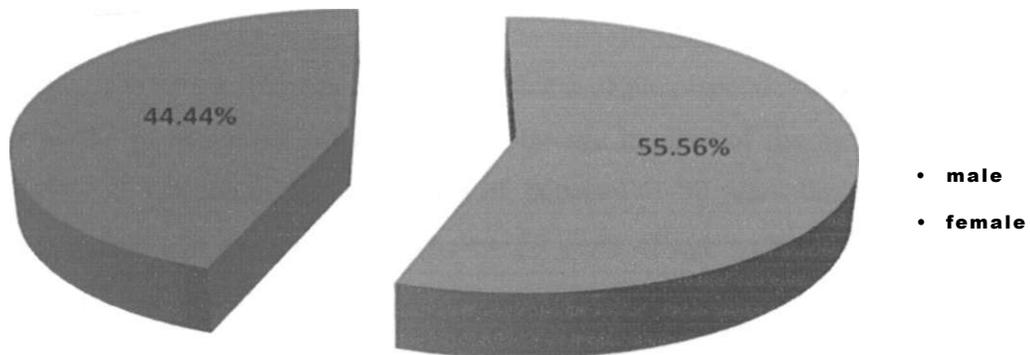
From the findings shown in figure 4.1, majority of the respondents who took part in the study were males who accounted for 56.56%. This implies that most of the employees in the hospital management are of musculine gender,

musculine gender.

4.2.2 Age bracket

The respondents indicated their age brackets. There results have been indicated in figure 4.2.

Figure 4. 2 Distribution of Respondents By Age
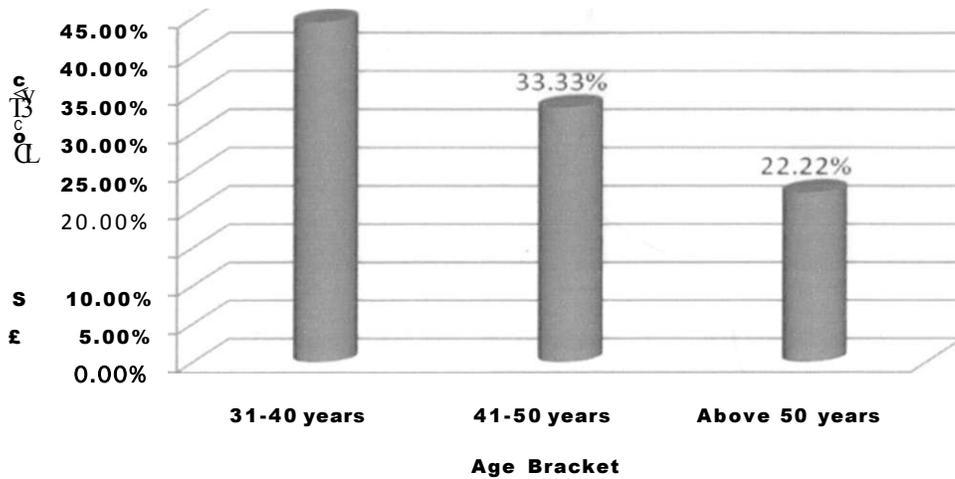
Figure 4.2 shows the findings on the age bracket of the respondents. From the findinings most of the management officials are of the age bracket of the between 31-40 years (44.44%). 33.33% are of the age bracket of between 41-50 years, this indicates that most of the managers in the hospital are below 50 years of age with majority under the age bracket of 31 -40 years.

4.2.3 Length of service

The respondents provided information on their duration of work (experienee). The findings are shown in figure 4.3.

Figure 4. 3 Length of Service
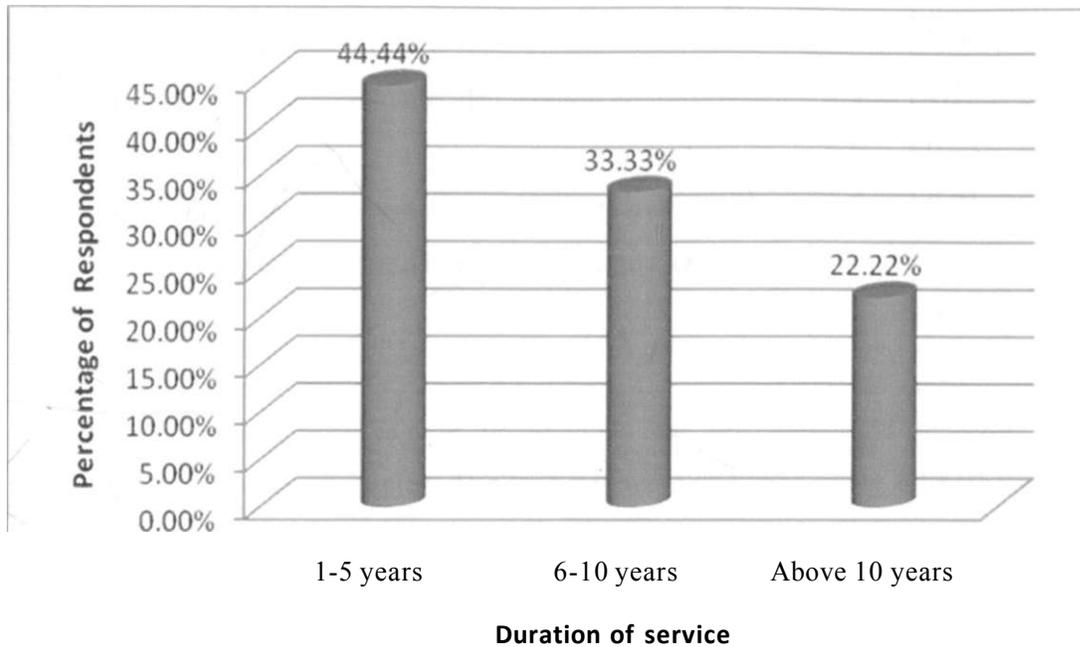
Figure 4.3 shows the length of service of the respondents. From the findings, most of the (44.44%) respondents had worked in the organization for a period of between 1-5 years. 33.33% had worked in the Hospital for 5-10 years. Therefore, most of the employees in senoir positions in the organization have a work experience of 1-5 years with the organization.

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4.3 Success of Implementing Human Resource Strategies in the Last five Years

The respondents provided information on the extent to which Mater Misericordiae Hospital has succeded in implementing the human resources strategies. The findings are shown in table 4.1.

Table 4. 1 Extent of success in the Implementation of Human Resource Strategies

	Mean	Std. Deviation
Setting the strategic direction	3.9	0.60
Designing the Human Resource Management System	3.4	1.13
Planning the total workforce	3.6	0.73
Investing in human resource development and performance	3.7	0.71
Assessing and sustaining organizational competence and employee performance	3.9	0.78

Table 4.1 shows the responses of the respondents on the extent of success in implementing human resource strategies. The findings were analyzed using a likert scale which had five calibrations ranging from 1-5, where 1 represented no extent at all and 5 represented very great extent. In the continuum 2 represented less extent, 3 moderate extents and 4 great extents. The findings were analyzed using descriptive statistics such as mean and standard deviation. In order interpret the findings, variables with a mean close to 4.0 were considered to have been perceived to apply to a great extent; those with a mean close to 3.0 were rated to a moderate extent. A variable with a mean below 2.0 were rated to a less extent or not considered at all; Standard deviation was used to indicate the extent of dispersion of the responses.

From table 4.1, the Hospital has succeeded in setting strategic direction to a great extent (M=3.9, SD=0.6). Designing the human resource management system has been successful to a moderate extent as rated by a mean of 3.4. Planning of the total work force was rated to a great extent with a mean of 3.6. Investment in human resource development and performance was rated to a great extent with a mean of 3.7. Lastly, the

respondents rated the extent of success of the assessments and sustainability of organizational competence and performance to a great extent with a mean of 3.9.

4.4 Satisfaction with the Strategic Human Resource Planning at Mater Misericordiae Hospital

The respondents were requested to indicate their satisfaction with the human resource planning. The findings are shown in table 4.2.

Table 4.2 Employees Satisfaction with Strategic Human Resource Planning

	Mean	Standard deviation
Workforce planning in terms of skills and competences	3.8	0.67
Succession planning	3.4	1.13
Employment equity plans	3.6	1.01
Economic empowerment initiatives	3.4	0.88
Motivation and fair treatment plans	3.7	0.87
Pay level plans designed to recruit, retain and motivate competent employees	3.2	0.44
A consistent performance management framework	4.0	0.50
Career development frameworks which enables employees to cope with increasing changes in employer and employment patterns	3.6	0.74

Table 4.2 shows the extent of satisfaction of the respondents with the human resource planning at Mater Misericordiae Hospital. The findings were analyzed using descriptive statistics such as the mean and the standard deviation. This was done using a Likert scale running from 1-5. According to the scale, 1 represents very dissatisfactory, 2 dissatisfactory, 3 moderately satisfactory, 4 satisfactory and 5 for very satisfactory.

According to the scale, those variables with a mean close to 4.0 were rated satisfactory-while those with a mean close to 3.0 were rated moderately satisfactory; Standard deviation was used to indicate the extent of dispersion among the responses.

From table 4.2, respondents were satisfied with work force planning (skills and competencies) (M=3.8). The extent of satisfaction of the employment equity plans was rated as being satisfactory with a mean of 3.6. The respondents are satisfied with the motivation and fair treatment plans initiated by the Hospital management (M=3.7). The findings indicated satisfaction of the with the Hospital's consistency performance management frame work (M=4.0). From the findings, the respondents are satisfied with career development frameworks rated with a mean of 3.6.

4.5 Benefits of the Strategic Human Resource Planning

The respondents provided information on the benefits associated with the strategic human resource planning. The findings are shown in table 4.3.

Table 4. 3 Benefits of the strategic human resource planning

	Mean	Standard deviation
Ensuring that the hospital has the right people in place	3.8	0.67
Ensuring that the hospital has the right mix of skills	3.9	0.78
Ensuring that employees display the right attitudes and behavior	3.8	0.67
Ensuring that employees are developed in the right way	3.6	0.73

Table 4.3 shows the respondents ratings of the benefits of the strategic human resource planning at Mater Hospital. The results were analyzed using descriptive statistics (mean and standard deviation). The responses were presented using a Likert scale with five calibrations. Where 1 represented no extent and 5 a very great extent.

To interpret the scale scores, those variables with a mean close to 4.0 were rated to a great extent and those with a mean close to 3.0 were rated to a moderate extent. At the same time, the standard deviation was used to indicate the extent of dispersion among the responses.

From the findings shown in table 4.3, strategic human resource planning has helped the Hospital to have the right people in place (M=3.8) and right mix of skills (M=3.9) to a great extent. The Hospital has benefited from strategic human planning to a great extent as the employees display the right attitudes and behaviors (M=3.8). The respondents also

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rated the benefits of strategic human planning to a great extent as it helped the employees develop in the right way (M=3.6).

4.6 Employee Retention

The respondents provided information about the situation of their work environment and experiences. The findings are shown in the table 4.4.

Table 4. 4 Employee Retention and Turnover

	Mean	Standard deviation
Turnover among the full-time general medical practitioners has increased in the last five years	3.1	0.60
Turn over among the full-time consultants has increased in the last five years	2.4	0.52
Turn over among the paramedical staff has increased in the last five years	3.3	0.71
Turn over among non-medical staff has increased in the last five years	3.1	0.78
The hospital has deep realization that their enduring source of competitive advantage sets within their human capital	3.9	0.35
The hospital keeps highly talented qualified employees through appropriate human resource management practices.	3.3	0.46
Human resource policies in the hospital are relevant to the contemporary workforce especially in the area of attraction and retention of employees	3.5	0.53

Table 4.4 shows the respondents views on the current situation at the hospital on the human resources. The responses were rated using a likert scale from 1-5. Where 1 represented 'no extent at all' and 5 represented 'very great extent'. The responses have been analyzed using descriptive statistics (mean and standard deviation).

To interpret the results, those variables with a mean close to 4.0 were rated to a 'great extent' and those with a mean close to 3.0 were rated to a 'moderate extent'. At the same time standard deviation was used to indicate the extent of dispersion.

From the findings, turnover among the full-time general medical practitioners was rated to a moderate extent with a mean score of 3.1. The respondents indicated turnover among paramedical staff was to a moderate extent with a mean score of 3.3. The turn over among non-medical staff was to a moderate extent (M=3.1). The findings indicates that the Hospital has to a great extent (M=3.9) deep realization that source of their competitiveness lies on their human capital. The respondents agreed to a moderate extent (M=3.3) that the hospital provided the highly talented qualified employees with appropriate human resource management practices. On the Hospitals human resource policies, the respondents indicated that it was to a great extent; (M=3.5) of the respondents further indicated that the hospital's human resources were relevant to the contemporary workforce especially in retaining and attracting employees.

4.7 Incorporation of Strategic Human Resource Planning in the Human Resource Practices

The researcher requested the respondents to indicate the level of success in incorporating the aspects of the human resource. The findings are shown in table 4.5.

Table 4. 5 Incorporation of Strategic Human Resource Planning in the Human Resource Practices

	Mean	Standard deviation
Determining human resource needs	3.6	0.53
Screening employees during recruitment	3.9	0.33
Training employees	3.4	0.53
Providing satisfactory remunerations to employees	2.9	0.33
Appraising performance of employees	3.9	0.60
Allowing workers to join labor unions	4.1	0.35
Providing good work environment that meet official health and safety standard	4.3	0.50
Adhering to affirmative action policies that minimize gender disparity	3.6	0.73
Clearly stipulating employees duties and roles in the hospital	4.2	0.67
Conduction wide consultations before decisions are made within the hospital management structures.	3.8	0.67
Upholding confidentiality on personal issued affecting employees	4.2	0.67
Encouraging teamwork, sufficient job orientation and on job training.	4.0	0.50

Table 4.5 shows the responses of the respondents on the incorporation of the aspects of strategic human resource in the Hospital. The responses were represented on a five unit likert scale. From the scale 1 represented no extent at all while 5 represented very great extent. The findings have been done using descriptive statistics such as the mean and standard deviation. A variable with a mean of 4.0 was rated to a 'great extent' while those with a mean close to 3.0 were rated to a moderate extent. Standard deviation was used to indicate the degree of dispersion among the responses.

From the findings shown in table 4.5, the management has succeeded in allowing workers to join labor unions to a great extent (M=4.1). The Hospital management has succeeded in providing good work environment that meets official health and safety standard to a great extent with a mean of 4.3. The extent to which the management has succeeded in stipulating employees duties and roles in the hospital was rated to a great extent (M=4.2). The respondents rated the

CHAPTER E1VE: DISCUSSION, CONCLUSION AND RECOMMENDATIONS

5.1 Summary of the findings

This study was motivated by the need to establish the effect of strategic human resource planning on employee retention at Mater Misericordiae Hospital in Nairobi, Kenya. This chapter has introduction section, respondents demographic, discussion section which has strategic human resources planning and employee retention sections, suggestions for further studies and recommendation. This study achieved a response rate of 62%. According to Mugenda (2003) a response rate of 50% is sufficient for a study, 60% is good and 70% is excellent. Hence, a response rate of 62% was reliable and enough for the study.

5.2 Demographic Information

Majority of the respondents who took part in this study were males who accounted for 56.56% of the total respondents. Therefore, majority of the managers at the Hospital are males. The findings indicate that most of the managers in the hospital are aged between 31-40 years (44.44%). The work experience with majority of the respondents is of 1-5 years with the hospital. The employees have different designation such as procurement and supply chain managers, marketing coordinators, financial controllers, IT specialists, finance managers, IT managers and others.

5.3 Discussion

5.3.1 Implementation of human resource planning

The study noted that the hospital had started to implement human resource strategies. From the findings the hospital management had succeeded to a great extent in setting strategic direction (M-=3.9). The management has also moderately succeeded in designing the human resource management system (M=3.4). The efforts directed at planning work force for increased productivity were rated to a great extent with a mean

of 3.6. The study noted that the management had succeeded in investing in human resource development and performance to a great extent (M=3.7). The findings of indicated that the hospital has started assessing and sustaining competencies and performance of the employees to a great extent (3.9).

5.3.2 Human Resource Planning

The study found that employees are satisfied with the work force planning (skills and competencies). The study has noted that employment equity plans are satisfactory (M=3.6.) and the employees are satisfied (M=3.7) with motivational fair plans which the Hospital has initiated. It was also revealed by the study that the management plans of initiating a consistent performance management framework were rated with a mean of 4.0 indicating they are satisfactory. The Hospital has also initiated satisfactory career development frameworks which are ideal for career advancement.

5.3.3 Benefits accrued from Strategic Human Resource Planning At Mater Hospital

This study established some key benefits from strategic human resource planning at Mater hospital. From the findings, the strategies in place on human resource has helped to a great extent (M=3.8] to ensure that the hospital has the right people in place. This increases efficiency of the employees. The Hospital has also benefited to a great extent (M=3.9) in having the right mix of skills in the Hospital. According to the findings, the hospital has benefited to a great extent by the display of the right attitudes and behaviors by the staff (M=3.8). The contribution of the strategic human resource planning has benefited the employees develop in the right way to a great extent (M=3.6)

5.3.4 Employee Retention and Turnover

The study has noted that rate of turnover among the fulltime general medical practitioners has been to a moderate extent (M=3.1). However, the other medical practitioners such as the paramedical staff are slightly higher though to a great extent with a mean of 3.3. The same trend was noted with the non-medical staff whose turnover was also to a great extent with a mean of 3.1. According to the findings, the Hospital management is aware

and deeply realizes that their competitive advantages lies on their human capital (M=3.9). The Hospital provides moderately highly talented qualified employees with appropriate human resource management practices (M=3.3) and their human resource policies are relevant to the contemporary workforce especially in retaining and attracting customers as rated with a mean of 3.5.

5.3.5 Incorporation of Strategic Human Resource Planning

The findings of this study shows that the management has succeeded to a great extent in allowing workers to join labor unions (M=4.1). Hence, the employees feel associated with the other employees doing the same type of job. The Hospital has also greatly succeeded in providing good work environment that meets official health and safety standards to a great extent with a mean of 4.3. The management has succeeded in stipulating employee's duties and roles in the hospital to a great extent with a mean of 4.2. The findings reveal that the management retains the confidentiality of the employees to a great extent (M=4.2). The study revealed that management has succeeded in other areas of human resource management such as the encouragement of the staff, teamwork, sufficient job orientation and job training (M=4.0) to a great extent.

5.4 Conclusion

The study concludes that the management of Mater Hospital has succeeded to a great extent in putting up of some strategic human resource policies such setting strategic direction, planning of   workforce, investing in human resource development and performance and in assessment and sustainability of the competencies and performance. The study concludes too that the Hospital management had succeeded in designing the human resource management system to a moderate extent. The study noted that management planning on the workforce, equity employment planning, motivational fair plans, consistent performance management frame work and career development frameworks plans are satisfactory.

The findings of this study point out that the Hospital has enjoyed the benefits accrued from the strategic human resource planning. The initiative has enabled the Hospital to

have the right people in place, have the right mix of skills, improved the attitudes and behavior of the staff and improved their general understanding and staff of the Hospital. The study revealed that there was a moderate turnover trend of the general, paramedical and non-medical staff. However, according 10 the findings, the Hospital management is aware and deeply realizes that their competitive advantage lies on their human capital. The Hospital provides moderately highly talented qualified employees with appropriate human resource management practices and their human resource policies are relevant to the contemporary workforce especially in retaining and attracting customers.

The study has found that the management of the Hospital has made some broad steps to incorporate human resource strategies in their Hospital. The findings indicate that the management now allows the workers to join labor unions, provides good work environment that meets official health and safety standard, stipulates employees duties and roles at the hospital, has improved on its confidentiality of the employees personal matters, encouragement of the staff, teamwork, sufficient job orientation and job training to a great extent in the hospital.

The study concludes that effective employee retention is affected by limited growth aspects and opportunities for career advancement, discrimination in promotions, low pays, job insecurity and lack of added benefits. Some of the ways of employee retention in the hospital can be through having benchmark salaries/ establishing a staff dismissal policy/creation of job groups and establishment of non salary benefits such as housing loan schemes.

5.5 Recommendation of the Study

The findings of this study highlights that the succession planning which is ideal for effective human resource management has not been so successful (M=3.4). It is therefore recommended that the management work on that to improve the succession planning of the hospital. The study has noted that pay level plans designed to recruit, retain and motivate competent employees are low and hardly satisfactory (M=3.2). It is therefore

recommended that the management reviews the payment mode to help improve on their employee retention efforts.

The study recommends the following on the incorporating the strategic human resource planning in the hospital; the management should effect and monitor screening of employees during recruitment. The management should initiate training employees' programmes to build the capacity of the staff and the employees. The management should review the remunerations rates and payment structure so as to accommodate the needs of the changing economic dynamics and escalating cost of living. The management should review their appraising performance methods so as to encourage and motivate their staff; this will in turn increase their productivity.

The management should re-adjust their recruitment procedures so as to reflect the demands of the new constitution by adhering to affirmative action policies that minimize gender disparity.

5.6 Limitation and Suggestions for Further Studies

This study was focused on establishing the effect of strategic human resource planning on the employee retention at Mater Misericordiae Hospital. The study covered Mater hospital. This could be different in other hospitals and organizations. Therefore it is recommended that further studies be done on other hospitals and organization so as to uncover more findings on the effect of strategic human resource planning and employee retention.

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APPENDIX I: Questionnaire.

RE: PARTICIPATION IN RESEARCH

I am a postgraduate student pursuing my master degree in Business Administration at the University of Nairobi and conducting a research entitled "Effects of Strategic Human Resource Planning on Employee Retention at Mater Misericordiae Hospital in Nairobi, Kenya." as one of the major requirements.

In this regard, you have been selected to take part in this study as a respondent. You will not be identified from the information you provide and no information about individuals will be given to any organization. The data collected will be used for this academic research only.

Kindly respond to all items to reflect your opinion and experience. Please answer all the questions freely. Your participation is important for the success of this project and I greatly appreciate your contribution.

Yours Faithfully,

Mutwota Nzuki Fidelis

PART A: RESPONDENTS' PROFILE

1. Please provide responses to the questions below.

a.	Sex:	Male [ ] Female [ ]
b.	Age bracket	18-30 yrs [ ] 31-40yrs [ ] 41-50yrs [ ] Above 50 yrs[ ]
c.	Designation in the organization:	
d.	Work duration:	Less than 1 yr [ ] 1-5 yrs [ ] 5-10yrs [ ] Above 10 years [ ]

PART B: STRATEGIC HUMAN RESOURCE PLANNING

2. Rate the extent to which Matter Hospital has succeeded in implementing the following approach to developing human resources strategies in the last five years. Tick appropriately using a likert scale of 5 where 5= Very great extent, 4= Great extent 3= Moderate extent and 2= Less extent and 1= No extent at all.

		Very great extent	Great extent	Moderate extent	Less extent	No extent at all
a.	Setting the strategic direction					
b.	Designing the Human Resource Management System					
d.	Planning the total workforce					
e.	Investing in human resource development and performance					

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f.	Assessing and sustaining organizational competence and employee performance					

3. Rare your level of satisfaction with the extents to which strategic human resource planning at Matter Hospital has clearly articulated the following plans. Tick appropriately using a likert scale of 5 where 5= Very satisfactory, 4 = Satisfactory 3= Moderately satisfactory 2= Dissatisfactory and 1= Very dissatisfactory

		r-u ◁ 1/3 1/3 r-9	C ơ a C/3 w çi /1	Moderately satisfactory	Ç .3 w (J Cl y. en Q	c (J a 1/3 -5 6
a.	Workforce planning in terms of skills and competences					
b.	Succession planning					
d.	Employment equity plans					
e.	Economic empowerment initiatives					
f.	Motivation and fair treatment plans					
g.	Pay level plans designed to recruit, retain and motivate competent employees					
h.	Employment equity plans					
i.	A consistent performance management framework					
j-	Career development frameworks which enables employees to cope with increasing changes in employer and employment patterns					

Rate the extent to which Matter Misericodire Hospital has benefited from strategic human resource planning in the following aspects. Tick appropriately using a likert scale of 5

4. where 5= Very great extent, 4= Great extent 3= Moderate extent and 2= Less extent and 1= No extent at all.

a.	Ensuring that the hospital has the right people in place					
b.	Ensuring that the hospital has the right mix of skills					
d.	Ensuring that employees display the right attitudes and behaviours					
e.	Ensuring that employees are developed in the right way					

PART C: EMPLOYEE RERTENTION

5. Rate the extent to which the following statements accurately describe the situation experienced at the hospital. Tick appropriately using a liken scale of 5 where 5= Very great extent, 4= Great extent 3= Moderate extent and 2= Less extent and 1= No extent at all.

		Very great extent	Great extent	Moderate extent	Less extent	No extent
a	Turnover among the full-time general medical practitioners has increased in the last five years					
b	Turn over among the full-time consultants has increased in the last five years					
c	Turn over among the paramedical staff has increased in the last five years					
d	Turn over among non-medical staff has increased in the last five years					
e	The hospital has deep realization that their enduring source of competitive advantage sets within their human capital					
f	The hospital keeps highly talented qualified employees through appropriate human resource management practices.					
g	Human resource policies in the hospital are relevant to the contemporary workforce especially in the area of attraction and retention of employees					

To what extent has management at Mater Misericodire Hospital succeeded in incorporating the following aspects of strategic human resource planning in their effort to retain employees? Tick appropriately using a likert scale of 5 where 5= Very great extent, 4= Great extent 3= Moderate extent and 2= Less extent and 1= No extent at all.

		Very great extent	Great extent	Moderate extent	Less extent	No extent
a.	Determining human resource needs					
b.	Screening employees during recruitment					
c.	Training employees					
d.	Providing satisfactory remunerations to employees					
e.	Appraising performance of employees					
f.	Allowing workers to join labor unions					
g.	Providing good wok environment that meet official health and safety standard					
h.	Adhering to affirmative action policies that minimise gender disparity					
i.	Clearly stipulating employees duties and roles in the hospital					
j-	Conduction wide consultations before decisions are made within the hospital management structures.					
k.	Upholding confidentiality on personal issued affecting employees					
l.	Encouraging teamwork, sufficient job orientation and on job training.					

6. Which challenges hinder effective employee retention at the hospital?

a)

b)

c)

d)

7. Which recommendations can you make to the hospital that can assist in employee retention?

a)

b)

c)

d)