

ABSTRACT

Employee retention is critical in most organizations today. This is due to the fact that employee turnover is high as employees look for jobs elsewhere that have offer better packages or employees end up being head-hunted by rival companies which end in making the organization loose skilled employees. Loss of talented employees' results to a drop in performance therefore organizations need to have in place effective retention strategies. The aim of this study was to determine the retention strategies adopted at imperial Bank Limited in Kenya and to establish the relationship between the retention strategies and employee performance. A descriptive survey design was used where questionnaires were sent to the branches of the bank located throughout Kenya. The research used six (6) retention strategies and these are training and development, communication, compensation, working environment, career advancement and work life balance. Employee performance was measured by the use of performance indicators which are quality of work, quantity of work, cooperation, absenteeism and dependability. The outcome of the relationship between retention strategies (independent variable) and employee performance (dependent variable) was examined by using a regression model. The findings of the study revealed that there is a positive significant relationship between the two variables. Moreover, it was discovered that training and development strategy had the greatest significance on employees' performance. It is recommended that organizations develop retention strategies that will motivate employees to remain in the firm and increase their performance. The limitation of this study is the small sample size. It is therefore suggested that further research be done with a larger sample size. Furthermore, a different methodology design should be used in order to get a different perspective of the outcome.