MOTIVATIONAL FACTORS INFLUENCING EMPLOYEE RETENTION IN MULTI PURPOSES TRAINING INSTITUTIONS: A SURVEY OF SELECTED INSTITUTIONS IN KENYA

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DECLARATION

This research project is my original work and has not been presented for the award of post graduate diploma in any other university or institution for any other purpose.

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L42/9007/06

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

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DEDICATION

I dedicate this work to my family who has been my pillars during this journey for they kept on encouraging me to move on even when it seemed hard.
ACKNOWLEDGEMENT

I thank the Almighty God for enabling me get this far. This research project would not have been possible without the guidance and the help of several individuals who in one way or another contributed and extended their valuable assistance in the preparation of this study. First and foremost, my utmost gratitude goes to my supervisor Dr. John Mbugua for his guidance and support. Further, I thank the University of Nairobi administration and my classmates for their support. Secondly I owe my deepest gratitude to my family for their moral and material support. Lastly, I offer my regards and blessings to all those who supported me in any respect during the completion of this research project.
Successful organizations share a fundamental philosophy of valuing and investing in their employees. Lack of employee retention implies that those with the acquired skills will inevitably take business experience, technical secrets, and customer relations away to other organizations. The main objective of this study was to determine motivational factors influencing employee retention in multi purposes training institutions a survey of selected institutions in Kenya. It focused on effect of employee compensation, influence of training, impact of management, and the extent career advancement opportunities influence employee retention in Multi Purposes Training Institutions in Kenya. This study was based on descriptive study and targeted 94 respondents. The study used questionnaires as an instrument for data collection. Pre-testing was carried out to ensure that the questions are relevant and, clearly understandable. Moreover, statistical package for social sciences version 21 was employed for coding and analyzing the data. Content validity and reliability of the questionnaires was carried out. The findings of the study established that an organization main concern is its capacity to attract, engage and retain the right employee some crucial factors influencing the employees’ decision to either leave or remain in an organization. The importance of other factors should not be miscalculated when formulating a retention policy. Organization should provide with a number of strategies to increase employee retention such as: design an interesting employee value proposition; develop a total reward system that contains more than compensation; give constructive point of view on employee performance on regular basis; implement flexibility programs in terms of work-life balance; build a culture of engagement, develop and refine management skills to be effective, as it engages employees while driving improved performance at the same time. From the findings of the study it was recommended that training program should be established as a regular practice for provision of training and retraining. This would not only satisfy employees’ growth need but also enhance employee retention. Exist interview system should be introduced to help management in answering the question why employees leave them, and then work on those areas which influence employees to leave their organization, and also reward should be awarded on merit and promotion should be on seniority and merit both, which help in production and retention.
# TABLE OF CONTENTS

DECLARATION .......................................................................................................................... ii  
DEDICATION ............................................................................................................................ iii  
ACKNOWLEDGEMENT ............................................................................................................. iv  
ABSTRACT ................................................................................................................................ v  
TABLE OF CONTENTS .......................................................................................................... vi  
LIST OF FIGURES ................................................................................................................... ix  
LIST OF TABLES ..................................................................................................................... x  

## CHAPTER ONE .................................................................................................................. 1  
INTRODUCTION ..................................................................................................................... 1  
1.1 Background of the Study ................................................................................................. 1  
1.1.1 Employee Retention .................................................................................................. 2  
1.1.2 Factors Affecting Employee Retention ...................................................................... 3  
1.1.3 Multi Purposes Training Institutions ......................................................................... 5  
1.2 Statement of the Problem .............................................................................................. 6  
1.3 Research Problem ......................................................................................................... 7  
1.4 Research Objectives ..................................................................................................... 7  
1.5 Research Questions ...................................................................................................... 8  
1.6 Significance of the Study .............................................................................................. 8  

## CHAPTER TWO ................................................................................................................ 9  
LITERATURE REVIEW .......................................................................................................... 9  
2.1 Introduction ..................................................................................................................... 9  
2.2 Theoretical Orientation ................................................................................................. 9
4.4 Motivational Factors Influencing Employee Retention in Multi-Purpose Training Institutions

4.4.1 Influence of compensation on Employee Retention ................................................... 29
4.4.2 Influence of Training on Employee Retention ................................................... 30
4.4.3 Management Support and Employee Retention ................................................... 31
4.4.4 Career Advancement and Employee Retention ................................................... 32

4.5 Employee Retention ......................................................................................... 33

CHAPTER FIVE ...................................... ................................................... 35

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS 35

5.1 Introduction ...................................................................................................... 35
5.2 Summary of the findings ................................................................................ 35
5.3 Conclusion ....................................................................................................... 35
5.4 Recommendations .......................................................................................... 36
5.5 Limitations of the study ................................................................................ 37
5.6 Suggestions for future study .......................................................................... 37
REFERENCES ..................................................................................................... 38
APPENDICES ...................................................................................................... 43
Appendix I: Questionnaire ................................................................................ 43
LIST OF FIGURES

Figure 1: Conceptual Framework .................................................................................. 20

Figure 4.1: Respondents’ Gender ............................................................................... 26
LIST OF TABLES

Table 3.1: Target Population................................................................. 23
Table 4.1: Length of service with multipurpose training institutions............ 26
Table 4.2: Respondents’ level of education............................................. 27
Table 4.3: Respondents age bracket...................................................... 28
Table 4.4: Influence of compensation on Employee Retention..................... 29
Table 4.5: Influence of Training on Employee Retention............................ 30
Table 4.6: Management Support and Employee Retention.......................... 31
Table 4.7: Career Advancement and Employee Retention........................... 32
Table 4.8: Employee Retention............................................................. 33
CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Successful organizations share a fundamental philosophy of valuing and investing in their employees (Armstrong 2006). The issue of retention therefore is paramount. Retention is the process of physically keeping employees in an organization (Armstrong 2009). Retention is one of the key fundamentals that are necessary for organizational success. In a globalized environment, retention of high prospective employees is a huge challenge to organizations especially in times of high turnover rates. In many cases, even engaged employees are sometimes dissatisfied with the outcomes of organizational performance which may lead them to search for employment elsewhere. Thus, organizations should formulate appropriate retention strategies in a holistic manner to reduce turnover rates. Managing retention of promising employees is considered as fundamental in achieving competitive advantage amongst organization (Amah, 2009). Finding and hiring competent, capable and quality staff and retaining them is a constant challenge in many organizations. Although at times advertisement and interviews are carried out as expected, the hired individuals may be unable to perform and have to undergo further training or may stay for a very brief period before moving on (Cole 2002).

Many organizations at times find it very challenging to retain staff in a competitive work environment. This has resulted in many hiring new staff quickly just to have somebody fill a vacancy. This often leads to the expensive consequences of a bad hire, which may include workplace disruption, lost productivity, increased stress, and decreased morale. In addition, firing a "bad hire" creates workplace anxiety and legal and personal complications and expenses. Retention and staff turnover are issues of importance because they impact on an organization in several ways. The visible turnover costs are items such as leave capitalization, recruitment costs, training costs and induction expenses. Invisible costs include increased human resource and payroll administration, loss of productivity, transition meetings and informal training. Hidden
costs such as missed deadlines, lower morale due to overwork, clients’ impact and chain reaction turnover (Armstrong 2006).

Employee retention lends itself as a potential source of competitive advantage to a firm (Amah, 2009). An effective approach to retention can help a company successfully compete for limited human resources. Minimum employee turnover in organizations help attract qualified and competent people, and creates employee loyalty. The failure to sustain staff can prove costly in several ways. It can greatly affect the image of the organization. It can also lead to haphazard and poor selection of employees. Poor quality of selection means extra cost on training and supervision (Kahnweiler, 2006).

1.1.1 Employee Retention

Employee retention refers to policies and practices companies use to prevent valuable employees from leaving their jobs (Glen, 2006). How to retain valuable employees is one of the biggest problems that plague companies in the competitive marketplace. Not too long ago, companies accepted the “revolving door policy” as part of doing. Nowadays, businesses often find that they spend considerable time, effort and money to train an employee only to have them develop into a valuable commodity and leave the company for greener pastures. In order to create a successful company, employers should consider as many options as possible when it comes to retaining employees, while at the same time securing their trust and loyalty so they have less of a desire to leave in the future (Deros et al., 2009).

Retention of employees is critical to preserving skills of such employees. By so doing, a business can avoid losing customers so that they maintain high quality products that are marked by high sales. Employees who work together for a long time will enjoy a healthy working atmosphere, good relations with managers, effective succession planning and deeply embedded organizational knowledge and learning. Failing to retain key employee’s especially new graduates is costly for any business. Mendez and Stander (2011) further emphasizes that a company needs to invest in employee retention in order to be successful. Competition and the lack of availability of highly talented skilled employees make finding and retaining talented
employees a major priority for organizations. Flegley (2006) posit that in cultivating a high-performance workforce, both assessment of employees to ensure the best match to the job and the company and assimilating them to ensure successful integration into the workplace, the culture of the organization and specific roles and responsibilities are equally important.

Retention of key employees is important in that it fosters customer satisfaction, increases sales, promotes working relationships, improves employee-manager relationships and enables valuable succession planning. In such a system, organizational knowledge and learning is successfully preserved and advanced. Failing to retain key employees’ especially new graduates is costly for any business. Gordon and Meredith (2001) further emphasizes that a company needs to invest in employee retention in order to be successful. In addition, creation and preservation of knowledge has become a key tool in accelerating competitiveness and enhancing organizational capabilities to respond to market changes. Retaining these experts should be marked by motivating them, and allowing them to apply their knowledge. Utilizing them has become critical for firms as they seek to adapt to the volatile commercial atmosphere (Mutsuddi and Mutsuddi, 2007).

Retaining employees for longer periods of time helps to attract and retain the right caliber of staff to meet organizations evolving needs (Armstrong, 2009). This contributes to the employment of highly qualified staff that will enable organizations achieve set objectives and deliver outstanding results. The positive image created helps in ensuring that the organizations hire people with the highest relevant technical and behavioral competencies. It assists to get the right people in the right work positions. It helps in ensuring a clear, transparent and fair recruitment and selection processes. However although the employee retention is encouraged in many organizations as far as possible, cases of employee turnover are on the rise. This study therefore attempts to analyze the motivational factors that may influence employee retention.

1.1.2 Factors Affecting Employee Retention

In today’s business environment clearly the long-term winners will be the companies that provide a flexible and challenging work environment along with employee recognition and rewards (Verma and Shekhar, 2009). If employees are asked to share the risks then they have to share the rewards as well. Due to growing expectations among employees at all levels, a majority of employees at all levels want to have an improved quality of work life. As per the growth projections of the Indian pharmaceuticals sector, companies are required to retain their human
resources. No doubt, soaring attrition levels are proving to be a serious problem for organizations. Concerted efforts to keep retention on a tight leash will definitely help. High retention level will lead to fewer operational problems, greater productivity and soaring morale and huge cost-saving to the organization.

Organizations have realized that leaders and leadership skills in creating a culture of employee retention are emerging as the key to why people in the organization stay and what usually drives them away. Diane (2011) underscores the importance of leaders in employee retention. She observes that, hiring practices, rewards and performance management play an important role in retention but it is the leader who makes the difference. Agrela, et al (2008) states the need to focus on the factors that affects retention leading to growth and success of organizations. Studies suggests that retention strategies, which effectively satisfy the needs of all employees consequently enhances the ability for companies to adapt more effectively to ongoing organizational change (Mendez and Stander 2011). According to Rawat (2013) organizations face a lot of problems when they have a high turnover rate due to employees leaving the organization for reasons such as job dissatisfaction, poor working conditions, not having a decent salary packages and if there are no advancements in career.

Taplin & Winterton (2010) posit that having self managed teams that makes employees solve problems and experience greater autonomy reduces turnover as employees are challenged and get to make decisions. Having training and development programmes which will increase employee’s skills and knowledge and this in turn makes the individual to be committed to the organization. Having promotion policies whereby employees are promoted thus providing a sense of fairness in the company compared to when the company just brings in outsiders. Managers should establish an effective two way communication with operatives as this result in employees to remain in the organization. In organizations where there is no career growth employees tend to leave and work elsewhere. Therefore, having in place promotion opportunities is essential in retaining staff as they are looking in advancing their career goals. Providing employees with career paths and steps on how they can reach their goals and achieve them will ensure that they stay in the organization and stay loyal (Rawat, 2013).
New paradigm organizations recognize that an important element in HR management practices is the need to successfully motivate and retain high talent employees who are capable of surviving organizational restructuring, downsizing, consolidation, reorganizing and re-engineering initiatives. Gowry (2011) posits that performance appraisal was strongest retainer followed by training and development, financial and health benefits while selection and recruitment was the least significant factor influencing. According to a study by Coff (2007) the loss of talented employees may be very detrimental to the company’s future success. Outstanding employees may leave the organization because they become dissatisfied, underpaid or unmotivated and while trying to retain such employees may present other challenges as well as they may demand higher wages, not comply with organizational practices, and not interact well with other co-workers or comply with their manager’s directions.

1.1.3 Multi Purposes Training Institutions

The Multipurpose training institutions target an estimated 4.2 million illiterate adults and another 2.2 million out of school youth (Population and Housing Census, 2009). Facilitators are trained in the institutions and posted to different counties where adult Basic education is taught. These institutions have over the years been acknowledged as an important element in the country’s development process. The aim is to raise the standards of education among the masses particularly those who had missed the opportunity to go through the normal school situation. They emphasize that older people cannot be written off as far as education is concerned and further asserted that the society should contain within itself at all times the means to educate the older generations in line with the changing requirements and values of the society.

The institutions offer post literacy programmes aimed at helping the new literates to engage in productive learning activities in order to retain improve upon and apply their literacy, numeracy and communication skills. The programme has adopted a multi-disciplinary, multi-sectoral and integrative approach. The institutions targets respondents who have no or limited access to primary education and those who have dropped out of primary schools before acquiring sustainable literacy levels, while community training and development programme targets local leaders for training in rural development through integrated approach. The institutions include Ahero, Kakamega, Isinya, Kitui and Meru training institutes.
1.2 Statement of the Problem

Many organizations are faced with the problem of retaining employees and according to Amstrong (2001), it is expensive to replace employees who leave for greener pastures or are lured away by other organizations. With the exit of an employee, new employees have to be recruited, selected, oriented and trained. In fact, it is estimated that it costs an organization approximately 1½ times the salary of the vacated position to replace an employee (Lips-Wiersma & Hall 2007). Employee turnover can have a demoralizing effect on an organization, and it may also severely impact the overall efficiency of the organization. This becomes even more critical in organizations which are service-oriented, for example law enforcement and firefighters, and require highly developed skills and competencies. Traditionally, it has been assumed that every employee wants, or should want, the same thing in a career, usually a direct path up the organizational ladder (Fink, 2012). Lack of retention has contributed to direct costs such as recruitment and training of new employees and indirect costs such as poor performance due to the disruption of existing routines. Following the departure of key employees or the loss of the social capital embedded in workers’ relationships to each other and the organization.

The illiteracy level in Kenya has been in an increase in the recent past despite the introduction of free primary education by the government. This has been attributed to various communities’ culture, negligence by the parents, poverty and conflicts among different communities. In order to improve the literacy levels in the country the government incorporated the Multi Purposes Training Institutions to assist in raising the standards of education among the masses particularly those who had missed the opportunity to go through the normal school situation. The training of facilitators in the institutions has however been hampered by high turnover of trainers and this have resulted in low number of facilitators being trained which have a great effect on measures put in place to tackle illiteracy level. The turnover of employees in search of more opportunities and higher rewards has affected the morale of remaining staff due to overworking. The turnover of employees can be attributed to unmet expectations thus the study is being undertaken in order to establish the factors that contribute to retention of employees in Multi Purposes Training Institutions.
A number of studies have been undertaken in order to determine motivational factors affecting employee retention. This includes Cappelli (2010) who established that the factors which are considered and have direct affect are: career opportunities, work environment, work life balance, organizational justice, and existing leave policy and organization image. Fitz-enz (2005), recognized that only one factor is not responsible in management of employee’s retention, but there are several factors that influence employee’s retention which need to manage congruently i.e. compensation & rewards, job security, training & developments, supervisor support culture, work environment and organization justice. Glen (2006), described another framework that manager can use when communicating with its employees to know that the cause of retention consist of nine different predictors: organizational processes, role challenge, values, work, life balance, information, stake/leverage/recognition, management, work environment and product or service. From the studies, there are various factors that have been highlighted as affecting retention of employees in organizations and therefore the study seek to identify the motivational factors employee retention in training institutions.

1.3 Research Problem

The study seeks to investigate the influence of motivational factors on employee retention in organizations.

1.4 Research Objectives

The objectives of the study are:

i. To establish the influence of employee compensation on employee retention in Multi Purposes Training Institutions

ii. To determine the influence of training on employee retention in Multi Purposes Training Institutions

iii. To assess the influence of management support on employee retention in Multi Purposes Training Institutions
iv. To determine the influence of career advancement opportunities on employee retention in Multi Purposes Training Institutions

1.5 Research Questions
The following research questions guided the researcher in the study:

i. How does compensation influence employee retention in Multi Purposes Training Institutions?

ii. How does training influence employee retention in Multi Purposes Training Institutions?

iii. How does management support influence employee retention in Multi Purposes Training Institutions?

iv. To what extent does career advancement opportunities influence employee retention in Multi Purposes Training Institutions?

1.6 Significance of the Study
The study may help organizations particularly those dealing with the training of adult learners to understand the salient factors revolving around employee retention. This may enable them implement competitive strategy in the retention of employees.

The study may benefit other researchers in carrying out further empirical research studies on employee retention. Suggestions and recommendations from this study will be very useful in improving services rendered in multipurpose training institutions. The study may enable researchers to find out how various factors affect employee retention. It will also help the researcher to understand and find out the loopholes that can be sealed as far as staff retention in multipurpose institutions is concerned.
CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter gives a review of related literature on employee retention. It involves a systematic identification; location and analysis of documents containing information related to the research. The chapter highlights prevailing theory, employee retention, the factors influencing employee retention, conceptual framework and the summary of the chapter.

2.2 Theoretical Orientation

Hertzberg (1968) believes that every worker has two sets of needs (motivational and hygiene needs). He contends that employees in this respect, employees will stay in their work place so long as their needs are satisfied and they are motivated. Failure to meet their needs would automatically call for departure hence employee turnover. People are satisfied at their work by factors related to content of that work. Those factors are called intrinsic motivators and contain achievement, recognition, interesting work, responsibility, advancement and growth. Factors that make people unhappy with their work are called dissatisfies or hygiene factors. Herzberg found the following dissatisfies: company policy, supervision, working conditions, interpersonal relationships, salary, status, security. What makes them different from motivators is the fact that they are not related to the content of the work but to the context of the job (Armstrong, 2007).

Mitchell et al., (2001) noted that job embeddedness theorizes that employees remain in the organization as long as the inducements to stay there match or exceed their expectations. Job embeddedness influences employee’s decision to whether remain in the company or leave. By being embedded in a job, the individual will be less likely to leave the organization thus having a positive impact on their performance. Organizations should ensure that their employees are job embedded as this will keep the individual from leaving the company hence resulting to employee retention. Human resource practitioners should try and ensure that employees are embedded to their jobs through the three dimensions of job embeddedness; links, fit and sacrifice.
2.3 Employee Retention

Retention of employees is critical to preserving skills of such employees. By so doing, a business can avoid losing customers so that they maintain high quality products that are marked by high sales. Employees who work together for a long time will enjoy a healthy working atmosphere, good relations with managers, effective succession planning and deeply embedded organizational knowledge and learning. Failing to retain key employee’s especially new graduates is costly for any business. Mendez and Stander (2011) further emphasizes that a company needs to invest in employee retention in order to be successful. Competition and the lack of availability of highly talented skilled employees make finding and retaining talented employees a major priority for organizations. Flegley (2006) posit that in cultivating a high-performance workforce, both assessment of employees to ensure the best match to the job and the company and assimilating them to ensure successful integration into the workplace, the culture of the organization and specific roles and responsibilities are equally important.

Schuler and Jackson (2006) state that recruiting people to meet the organization’s human resource needs is only half the battle in the war for talent, rather the other half is keeping these people. Organizations that keep their employee turnover rates lower gain an advantage against their competitors by reducing overall labour costs and improving productivity. Retention of key employees is important in that it fosters clients satisfaction, increases sales, promotes working relationships, improves employee-manager relationships and enables valuable succession planning. In such a system, Institutional knowledge and learning is successfully preserved and advanced. Failing to retain key employees’ especially new graduates is costly for any business. Gordon and Meredith (2001) further emphasizes that a company needs to invest in employee retention in order to be successful.

2.4 Factors Influencing Employee Retention

In order to retain employees, the organization need to gain information about the dynamics that characterized the motivation to work. There are many issues related to the effectiveness of employee retention within the human resource management field. With the development of the knowledge economy, employee motivation has already become an important tool to retain employees. Bartol and Martin (2008) discuss the causal relationship between employee retention
and motivation. These authors believe that motivation is a power that energizes employee’s behavior, satisfies their needs and retains employees at their workplace. Lord (2012) states that motivation serves an important function in retaining employees and improving their productivity. Employee retention is very important for the functioning and competitiveness of an organization. Hill and Jones (2001) noted that employees today are different. As soon as they feel dissatisfied with the current employer or the job, they switch over to look for another job. It is the responsibility of employers to retain their best employees. A good employer should know how to attract and retain its employees.

2.4.1 Compensation and employee retention

Employee compensation is one of the major contributors to the retention of employees (Chang & Lu, 2007). Compensation plays significant role in attracting and retaining good employees specially those employees who give outstanding performance or unique skill which is indispensable to the organization. Compensation systems that organizations offer to the employees play a key role in increasing employee motivation; performance and productivity (Mutsuddi and Mutsuddi, 2007). Hence, most of the organizations are very much concerned about establishing and maintaining the optimal compensation systems. According to expectancy theory (Vroom, 1964), when pay is tied to some measure of individual or group performance, employees are more likely to work harder to increase the individual's, the group's or the organization's performance and an increase in performance in any of these areas will lead to an overall improvement in the organization’s performance. Based on expectancy theory (Vroom, 1964), it can be expected that, if the organization provides rewards desired by the employee in question, this employee is more likely to perform in a way that will bring him/her the reward. Garibaldi (2006) opines that choosing an appropriate compensation mechanism is probably the core problem of human resource managers, and represents the heart of personnel economics. Further he stated that compensation packages must be consistent with profit maximization on the part of firms, but they should also provide workers with the incentives to do as well as possible.

Greller (2006) states that people always work for a reason and the cause should be provided by work, organization, co-workers or from within. Findings showed 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. Rewards are substantially related to turnover as employees who are satisfied with organizational rewards will believe losing such a competitive reward to be costly and would not find such compensation elsewhere, and therefore they choose to stay. Rewards effectively form a calculative and psychological attachment with an organization. Rhoades et al., (2001) argue that organizational rewards reflect appreciation and recognition of individual performance. As pay increases with tenure, skills and work experience, satisfaction with rewards implies willingness of both parties to invest time and effort in the continuation of the employment relationship.

Many organization implement very good employees retention strategy without offering high compensation or pay based retention strategy (Pfeffer, 2008). An employee reward program is one method of motivating employees to change work routines and key behaviors to benefit an organization (Armstrong 2009). Reward programs are frequently used by organization to try to retain employees. Most studies noted that financial reward is one of the basic types of extrinsic monetary rewards which cover the basic needs of income to survive; a feeling of stability and consistency and recognition in today’s economic times. Compensation is considered an important factor for attracting and retaining talented employees. According to Zeytinoglu & Denton (2005), compensation offer recognition, but non-monetary forms of recognition are also not ignored and important. Research studies highlighted the linkage between rewards and employee retention and give insights into what workers want to do, their words about the rewards and their feeling regarding the work and reward matters.

Anderfuhren-Biget et al., (2010) stated that fair salaries in an organization showed a strong correlation with intention to remain indicating that as long as the compensation is competitive, financial rewards are not the primary factor in retention support this testimonial, which indicated that the actual level of pay is less important than feelings about pay raises and the process used to administer them. Employees want to understand how the pay system works, and want to know how they can earn pay increases. Once the pay level has been reached, employee turnover is minimized.
2.4.2 Training and Employee Retention

Investment on employee training is considered an important factor in employee retention (Hsu et al., 2003). Organization has the incentive to make investment in form of training and development only on those workers, from whom organization expect return and give output on its investment. They suggest that firms and individual made investment on human capital in the form of training. Beardwell and Claydon (2007) mentioned that all employees want to be valuable and remain competitive in the labor market at all times. This can only be achieved through employee training and development. Employees will always want to develop career-enhancing skills, which will always lead to employee motivation and retention. There is no doubt that a well trained and developed staff will be a valuable asset to the company and thereby increasing the chances of his efficiency in discharging his or her duties. Training and development are activities that are used to maintain and promote the competencies and talents of employees in relation to the developments inside and outside the organization.

When employees are hired to enhance the skill, organization needs to start training program (Goldstein, 2001). According to Noe et al., (2008) 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. A well-planned training programme should result in reduction in waste and spoilage, improvement in methods of work, reduction of learning time, and reduction in supervisory burden, improvement in quality of products, improvement of production rate, improvement of morale and reduction in grievances, improvement in efficiency and productivity. Armstrong (2009) observed that like any other business process, training can be very wasteful if is not carefully planned and supervised. Without a logical systematic approach, some training may be given which is not necessary, and vice versa, or the extent of the training may be too small or too great.

Saxena (2010) explains 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. This will therefore minimize the intention to leave. According to Armstrong (2009) 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.

Bishop (2008) noted 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. It was noted that those organizations which spend more physical resources were usually more probably to retain their talent (Saxena, 2010), recommend that training is sign of organization commitment to employees. Training also reflects organization strategy that is based on value adding rather than cost lowering. Leading firms of the industry recognize that comprehensive range of training, skill and career development is the key factor of attraction and retention the form of flexible, sophisticated and technological employees that firms strategy to succeed in the computerized economy.

Organizations with greater productivity are likely to increase employee’s wages beyond their expectation, thus help in employee retention. Training help to lower turnover rate and is considered as important factor in employee retention. Training is a process that attempts to provide an employee with information, skills and an understanding of the organization and its goals (Wetland, 2003). In addition, training is designed to help a person continue to make positive contributions in the form of good performance. Before training occurs an employee proceeds through an orientation to learn what the organization stands for and the type of work he or she is supposed to perform. Orientation introduces new employees to the new tasks, managers and work groups. Walking into a new job is often a confusing and lonely event.

### 2.4.3 Management Support and Employee Retention

The leadership style consider affective factor in employee retention. The relationship between supervisor and worker play pivotal role in employees’ turnover intention. Leaders are the human face of the firm. Greenhaus (2004) suggested that employees’ views regarding organization are strongly concerned to their relationship with supervisor. If supervisor support, open communication and have good relationship with employees, the employee’s turnover intentions are likely less and more engaged with organization. Leaders interact as a bond to perform
application between expectations and stated goals. By harmonizing the rivaling demands supervisor support and manage the inside and outside work environment. If the relationship among workers and supervisors are exceeding and strong the workers will never seek to any other new employment opportunity rather than stay in the organization and vice versa. Managers can help promote an organization and make it attractive to employees, or they can be the cause of high turnover. Managers often are less directly involved in the early recruiting stages, and they usually become more actively involved at the selection stage. Then, once the employees are on board, the manager plays a key role in determining whether good employees stay with the organization or leave for something better (Schuler and Jackson, 2006).

Heathfield (2008) postulates that employees leave managers and supervisors more often than they leave organizations or jobs. In other words, the most common cause of employee turnover is the lack of a positive relationship between the employee and the manager or supervisor. He further argues that it is not enough that management is liked by the employees. Starting with clear expectations of the employee, management has a critical role to play in retention. Anything that management does to make the employee feel unvalued will contribute to turnover. According to Hildebrand (2008) the employee’s relationship with the supervisor has the greatest impact on whether to stay or go, because a supervisor has control over the core elements that create job satisfaction i.e. compensation, opportunity, recognition and environment. It is therefore important to hold management accountable for retaining a thriving workforce. This means that not only do organizations need a performance management system that recognizes and rewards management for meeting objectives that reduce employee turnover; managers need to understand what steps they can take to meet their responsibility in employee retention.

Thompson & Prottas (2005) recommended that organization must groom leader to support the employees and to well build the work environment where workers want to stay. Providing opportunities test their abilities and providing level of performance can enhance employees” capabilities and want to stay in the organization. Employees who feel valued will take active part in the organization goals, show productive behavior, workplace and increased job involvements, which decrease absenteeism and turnover intention rates (Masaiti & Naluye, 2011). The effective leadership style can be revealed by formal and informal acknowledgment. In
organization employees responds to admire, support and encouragement, no matter the environment is profession or personal (Silbert, 2005). To ensure accurate performance appraisal management leader must discusses the progress with employees.

The degree of autonomy in organizations and its relationship to responsibility enhances an employees' feeling of job satisfaction hence retention (Steel, Griffeth, & Horn 2002). They suggest that when workers have less autonomy, worker performance is likely to decline due to task monotony or a perceived lack of skills. Similarly, a large degree of autonomy and responsibility creates motivation less autonomy may result in employees feeling more stifled in their actions and options. Differences in supervision in terms of interpersonal skills and levels of autonomy can affect the employees’ turnover intention.

2.4.4 Career Advancement and Employee Retention

Growth and development are the integral part of every individual’s career. If employees cannot foresee their path of career development in their current organization, there are chances that they will leave the organization as soon as they get an opportunity (Bratton and Gold, 2003). The important factors in employee growth that an employee looks for himself are work profile, personal growth and dreams, and training and development. Career development is vital for both the employees and employers. Career development is mutual beneficial process because it gives imperative outcomes to employer and employees. To gain and maintain competitive advantage organizations required talented and productive employees and these employees need career development to enhance and cultivate their competencies. Price (2007) indicates career development programmes are important in ensuring continuous updating and upgrading of employees knowledge, skills, attitudes and competence. It ensures that employees are well developed before they move up the next higher ladder in the hierarchy. Investing in the development of the careers of employees is central in the maintenance and development of skills, knowledge and abilities of both individual employees and the organization as a whole.

Career development aims at making employees use fullest potential, face expanded challenges, and have greater responsibilities and increased autonomy. The availability of career development opportunities illustrates the willingness and effort of the organization to cherish employees.
Generally, organizations that provide relevant quantity and quality development schemes are signaling to employees their likeliness to develop a cadre of skillful employees to grow together with the business. Huselid (1995) suggested that progressive human resource practices that embrace career-related practices could improve knowledge, skills and the abilities of an organization’s current and potential employees, and enhance the retention of quality employees. Organizations were able to improve their employees' retention rate by adopting job enrichment programs and enhancing their advancement opportunities. Besides promotion opportunities, the evaluation criteria used in the promotion and reward system also had significant effects on employees’ turnover intentions (Quarles, 2004). Ineffective performance appraisal and planning systems contributed to employees' perceptions of unfairness and they were more likely to consider leaving the organization.

Career development is about the development of employees that is beneficial for both the individual and the organization. Effective career development programs enhance individual work performance by continuously learning and adapting, while the organization offers favorable developmental relationships with their employees. It is a complex process that shapes the career of any given individuals over their lifespan. Lips-Wiersma and Hall (2007) suggested career development as the outcome of interaction between individual career planning and institutional career management processes. By offering career development opportunities, employers help employees to develop their own personal competitive advantage and ensure their long-term employability. Many employees seek out employers who provide training and development activities that facilitate career advancement. When they receive such opportunities, employees are likely to commit to the organization.

Career development is mutual benefited process because it gives imperative outcomes to employer and employees (Clarke, 2001). To gain and maintain competitive advantage organizations required talented & productive employees and these employees need career development to enhance and cultivate their competencies (Burke, 2006). Employees benefit by experiencing greater satisfaction about their ability to achieve results on the job and by taking responsibility for their career; the organization benefits by having employees with more skills who are more productive. If an organization does not recognize the individual’s need and desire
to grow, then ‘development’ becomes a primary reason for resignation (Griffin 2006). Development opportunities offered by employers reduced turnover intentions. An organization that wants to strengthen its bond with its employees must invest in the development of these employees. By offering career development opportunities, employers can help employees enhance their employability in the internal and external labor market and develop their own personal competitive advantage (Steel et al., 2012). Many employees look out for employers who provide training and skill development activities that facilitate career improvement. When they receive such opportunities, employees are likely to commit to the organization.

### 2.5 Conceptual Framework

Compensation plays a major role in employee motivation. It boosts employee motivation and helps in attracting and retaining efficient and effective employees. It enhances job satisfaction and therefore creates a culture of excellence. Employees are proud to be associated with the organization. This minimizes employee turnover. The expectancy theory, suggests that employees are more likely to be motivated to perform and remain in an organization when they perceive that there is a strong link between their performance and the reward they receive (Mendonca, 2002). The perceptions that employees have with regards to their reward climate influences their attitudes towards their employees.

Training is an essential component in employee retention. The acquisition of knowledge and skills related to one’s job creates confidence at the workplace. This helps in minimizing stress levels. Training results in effective time management and the reduction of learning time. It also helps to minimize supervisory burden. It improves the quality in performance and motivation. This creates fewer conflicts at the workplace. Human capital theory and the March and Simon (1958) ease-of-movement framework suggest that training improve the knowledge, skills, and abilities of the employees flowing into and within the organization would result in increased retention (Benson, et al. 2004).

Management support is essential in employee retention. When the employees feel that the management values their ideas and incorporates some of the suggestions made, they feel part of the organization. This boosts their motivation and minimizes employee turnover. From the
perspective of the employee-employer relationship, social exchange theory suggests that employees respond to perceived favourable working conditions by behaving in ways that benefit the organization and/or other employees. Equally, employees retaliate against dissatisfying conditions by engaging in negative work attitudes, such as absenteeism, lateness, tardiness or preparing to quit the organization (Crede et al., 2007).

The opportunities for career advancement are a motivating factor for many employees. By giving employees the opportunities to climb the promotion ladder or to further training, employees feel valued and there are increased job involvements, which decrease absenteeism and turnover. The theory on needs theory notes that employees of an organization need self actualization where personal fulfillment to growth and development are realized. This is the desire for a person to become what is capable of becoming and maximize his potentials. The theory relates the study variables in the way that if the lecturers are rewarded they are in position to satisfy their needs from the bottom level to the highest level leading to high job retention in multipurpose training institutions.
Figure 1: Conceptual Framework

Independent Variable

**Compensation**
- Appreciation
- Fair treatment
- Valued
- Payment

**Training**
- Empowerment
- Skills
- Problem solving
- Motivation

**Management support**
- Communication
- Support system
- Involvement in decision making
- Job description

**Career Advancement**
- Promotions
- Talent management
- Career development

Dependent variable

**Employee Retention**
- Number of years worked
- Number of employees leaving the institutions
- Sense of belonging
- Punctuality at work
- Regularity at work
2.6 Summary of Literature Review

This chapter has discussed the employee retention overview, factors influencing employee retention in line with the variables, theoretical framework, and finally the conceptual framework of the research. In a nutshell, from the above discussions and contributions by various authors and researchers, it is clearly evident that managing a successful enterprise involves acquiring, developing and maintaining a wide range of resources i.e. materials, buildings, land, equipment, technology and above all crucially the employees since they control all the other factors of production in addition to being rational beings. Any organization needs loyal employees who have the right skills, knowledge and attitudes to achieve the company’s objectives. Understanding the potential of an organization’s resources and optimizing their output given the technological changes, globalization and balancing work-life issues provides the impetus for human resource management of being the key source of creating the needed competitive advantage. In this section, we critically looked into the commonalties, points of difference and implications of the present study. The literatures reviewed outline the basic understanding of employee retention and the influencing factors. Researchers have identified many different factors affecting employee retention and they all seem to justify themselves as critical.
CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter discussed the research design, target population, data collection methods, procedures and instruments that was used in data collection as well as analysis and presentation of the collected data.

3.2 Research Design

A research design is the arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose with economy in procedure. It constitutes the blueprint for collection, measurement and analysis of data (Kothari, 2004). This study was based on descriptive study primarily using questionnaires to determine motivational factors affecting employee retention. The advantages of descriptive studies were that it’s a quick and inexpensive method of study and the researcher has control over selection of subjects. It is a scientific method of investigation where data was collected and analyzed to describe the current conditions, terms or relationships concerning a problem.

Descriptive design method provided quantitative data from cross section of the chosen population. This design provided further insight into research problem by describing the variables of interest. The method does not require variables under study to be manipulated. The method was preferred in this study because it provides an in depth analysis.

3.3 Target Population

A population is a group of individuals, objects or items from which samples are taken for measurement. It is the entire group or elements that have at least one thing in common (Kombo & Tromp, 2006). The target population consisted of the principals and lecturers of the training institutions and since the population of the study was small, the respondents were all of them thus the study was a survey.
Table 3.1: Target Population

<table>
<thead>
<tr>
<th>Multi-Purpose training Institutes</th>
<th>Principal</th>
<th>Lecturers</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ahero MTI</td>
<td>1</td>
<td>17</td>
<td>18</td>
</tr>
<tr>
<td>Kakamega MTI</td>
<td>1</td>
<td>15</td>
<td>16</td>
</tr>
<tr>
<td>Isinya MTI</td>
<td>1</td>
<td>12</td>
<td>13</td>
</tr>
<tr>
<td>Kitui MTI</td>
<td>1</td>
<td>16</td>
<td>17</td>
</tr>
<tr>
<td>Meru MTI</td>
<td>1</td>
<td>19</td>
<td>20</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>5</strong></td>
<td><strong>79</strong></td>
<td><strong>84</strong></td>
</tr>
</tbody>
</table>

Source: MTI Newsletter (2014)

3.4 Data Collection

The study used both primary data. Primary data was collected using self-administered questionnaires. A questionnaire is a useful tool for collecting data from respondents because of the need to provide a means of expressing their views more openly and clearly. The structured questionnaire consisted of open ended and closed ended questions designed to elicit specific responses for qualitative and quantitative analysis respectively. Likert scale was chosen since these types of questions are easiest for respondents to answer and for researchers to analyze the data resulting.

The questionnaires were distributed through ‘drop and pick’ method and in some cases by email. There was follow-up to ensure that questionnaires were collected on time and assistance to the respondents having difficulty in completing the questionnaires was offered. A questionnaire is considered ideal for collecting data because the respondents individually record and interpret the instruments (Kerlinger 2004). It consisted of both structured and semi structured questions. Before the research tool is administered to participants, pre-testing was carried out to ensure that the questions are relevant and, clearly understandable.
3.5 Data Analysis

Before final analysis was undertaken the data collected was checked for completeness and consistency. In order to ensure logical completeness and consistency of responses, data editing will be carried out by the researcher. Identified mistakes and data gaps were rectified as soon as possible. Once editing was done with, data was analyzed qualitatively and quantitatively.

The data from the questionnaires was screened and entered in readiness for analysis using statistical package for social sciences based on the questionnaires. This was analyzed using both descriptive (measures of central tendency and measures of variations) and inferential statistics. Descriptive studies according to McBurney (2007) involved the process of transforming a mass of raw data into tables, charts, frequency distribution and percentages which are a vital part of making the data have sense to the researcher.
CHAPTER FOUR

DATA PRESENTATION AND ANALYSIS

4.1 Introduction

This chapter covers data presentation and analysis. The main objective was to establish motivational factors influencing employee retention in multi purposes training institutions a survey of selected institutions in Kenya. This chapter presents the analysis, findings and discussion. The findings were presented in percentages and frequency distributions, mean and standard deviations.

4.2 Response Rate

The study targeted 84 respondents in collecting data with regard the motivational factors influencing employee retention in multi purposes training institutions. From the study, 74 respondents out of the 84 filled-in and returned the questionnaires making a response rate of 88.1%. According to Mugenda and Mugenda (2003) a 50% response rate is adequate, 60% good and above 70% rated very good. This also concurs with Kothari (2004) assertion that a response rate of 50% is adequate, while a response rate greater than 70% is very good. This implies that based on this assertions; the response rate in this case of 88.1% is very good. This reasonable response rate was achieved after the researcher made personal calls and physical visits to remind the respondent to fill-in and return the questionnaires.

4.3 Demographic Profile

The demographic information considered in the study was respondents’ gender, length of service with the institution, level of education and the age bracket.

4.3.1 Respondents’ Gender

The respondents were asked to indicate their gender in order to ensure that the results obtained captures the views of both gender. The results were presented in figure 4.1.
The results indicate that 52.5% of the respondents were male while 47.5% of the respondents were female. The respondents were made up of more male than female. The findings indicate that the male and female difference was not significant and therefore this implies that the study was not influenced by gender imbalance.

### 4.3.2 Length of service with multipurpose training institutions

The respondents were requested to indicate the length of service with the training institutions. This was important in order to determine the respondents understanding of the multi-purpose training institutions and its effect on employee retention. The results were presented in table 4.1.

<table>
<thead>
<tr>
<th>Years</th>
<th>Percent</th>
<th>Cumulative percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 5</td>
<td>51.4</td>
<td>51.4</td>
</tr>
<tr>
<td>5 – 10</td>
<td>40.5</td>
<td>91.9</td>
</tr>
<tr>
<td>Over 10</td>
<td>8.1</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>100.0</td>
</tr>
</tbody>
</table>

The results show that 51.4% of the respondents have worked in the training institutions for a period of less than 5 years, 40.5% of the respondents indicated that they have worked in the training institutions for a period of between 5 and 10 years while 8.1% of the respondents said that they have worked in the training institutions for over 10 years. The results indicate that the respondents have worked in the training institutions on different period of time and therefore the results captures the views of respondents who have worked in the training institutions on different period of time.
4.3.3 Respondents’ level of education

The respondents were requested to indicate the highest level of education attained. The level of education was important in order for the respondent to indicate the motivational factors influencing employee retention in multi purposes training institutions. The results were presented in table 4.2.

Table 4.2: Respondents’ level of education

<table>
<thead>
<tr>
<th>Level of education</th>
<th>Frequency</th>
<th>Percent</th>
<th>Cumulative percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Certificate/diploma</td>
<td>32</td>
<td>78.1</td>
<td>78.1</td>
</tr>
<tr>
<td>Bachelors</td>
<td>5</td>
<td>12.2</td>
<td>90.3</td>
</tr>
<tr>
<td>Masters degree</td>
<td>4</td>
<td>9.7</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>41</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

The results on the level of education indicates that 78.1% of the respondents have certificate/diploma as their highest level of education, 12.2% of the respondents said that bachelors’ level of education was their highest while 9.7% of the respondents indicated that masters level was their highest level of education. The results indicate that majority of the respondents were certificate/diploma level holders although other respondents had attained different level of education and therefore the influence of various factors on retention varies.

4.3.4 Respondents age bracket

The respondents were asked to indicate their age bracket and this was important for the study in order to establish the influence of respondents’ age on retention. The results are presented in table 4.3.
Table 4.1: Respondents age bracket

<table>
<thead>
<tr>
<th>Years</th>
<th>Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 30</td>
<td>15.7</td>
<td>15.7</td>
</tr>
<tr>
<td>31-40</td>
<td>49.7</td>
<td>65.4</td>
</tr>
<tr>
<td>41-50</td>
<td>31.4</td>
<td>96.7</td>
</tr>
<tr>
<td>Over 50</td>
<td>3.3</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

The results on the respondents age bracket indicate that 49.7% of the respondents age bracket was between 31 and 40 years, 31.4% of the respondents indicated that their age bracket was 41 to 50 years, 15.7% of the respondents said that their age was less than 30 years while 3.3% of the respondents were over 50 years. The results indicate that majority of the respondents were over 30 years and therefore they still have many years to retirement thus they need to work in institutions that would ensure that their interest is taken care off. All ages were represented in the study.

4.4 Motivational Factors Influencing Employee Retention in Multi-Purpose Training Institutions

To retain talented employees, employers must seek strategies aimed at reducing both involuntary and voluntary separations. Companies need to understand what keeps their employees loyal and happy to be working with them over the years without falling to the temptation of switching to the competitor’s payroll and it’s as a result of this that the study sought to establish from the respondents the motivational factors influencing employee retention in multi purposes training institutions a survey of selected institutions in Kenya in a five point Likert scale in which the score of 3 and above was positive agreement while the score of 3 and below denoted negative respondents agreement.
4.4.1 Influence of compensation on Employee Retention

Compensation systems that organizations offer to the employees play a key role in increasing employee motivation, performance and productivity and thus the need to understand its influence on multipurpose training institutions. Respondents were asked to rate their responses in regard to some statements relating to compensation in regard to the retention of employees in multi purposes training institutions in Kenya.

Table 4.4: Influence of compensation on Employee Retention

<table>
<thead>
<tr>
<th>Influence of Compensation on Retention</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>My opinions and views on compensation are appreciated</td>
<td>2.03</td>
<td>0.603</td>
</tr>
<tr>
<td>Within my workplace all employees are treated fairly and equally on bonus</td>
<td>2.18</td>
<td>0.734</td>
</tr>
<tr>
<td>My input is recognised and valued in my organization</td>
<td>3.04</td>
<td>0.597</td>
</tr>
<tr>
<td>My pay is linked to my performance</td>
<td>2.09</td>
<td>0.802</td>
</tr>
</tbody>
</table>

From table 4.3, a majority of the respondents were in disagreement with the statements that their input was recognized and valued in the organization as shown by a mean of 3.04 and SD of 0.597; that within the workplace employees are treated fairly and equally on bonus as shown by a mean of 2.18 and SD of 0.734; that payment is linked to performance as shown by mean 2.09 and 0.802 and that their opinion and views on compensation were appreciated as shown by a mean of 2.03 and SD of 0.603.

All the cases were supported by a low mean which implies that majority of the respondents were of similar opinion. This result is consistent with findings by Armstrong (2009) that revealed that compensation is considered an important factor for attracting and retaining talented employees. Armstrong argued that fair wages are the foundation element of the implied and contractual bond between employers and employees, the underlying supposition being that monetary can persuade behavior. Also Williams and Dreher (2002) pointed out that wages are key factors influencing employee attraction and retention, and play important role in the recruitment process.
4.4.2 Influence of Training on Employee Retention

Training of employees enhances their skills and competence and this improves their overall performance. Respondents were requested to rate their responses in regard to some statements relating to training in regard to the retention of employees in multi purposes training institutions in Kenya.

Table 4.5: Influence of Training on Employee Retention

<table>
<thead>
<tr>
<th>Influence of Training on Employee Retention</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Training is frequently carried out in the organization</td>
<td>2.16</td>
<td>0.761</td>
</tr>
<tr>
<td>Training has empowered me to perform my role to the best of my ability</td>
<td>4.07</td>
<td>0.734</td>
</tr>
<tr>
<td>Through training I have acquired skills that have helped improve my performances</td>
<td>3.9</td>
<td>0.813</td>
</tr>
<tr>
<td>The training offered has enabled me to solve challenges at the workplace</td>
<td>4.0</td>
<td>1.040</td>
</tr>
<tr>
<td>I feel motivated to stay in the organization due to the training received</td>
<td>4.23</td>
<td>0.507</td>
</tr>
</tbody>
</table>

There were five levels of relevance with regard relating to training in regard to the retention of employees in multi purposes training institutions in Kenya. A mean and standard deviation were worked out for the analysis. Strongly agree was indicated on feeling motivated to stay in the organization due to the training received with a mean of 5.23 and a standard deviation of 0.507.

In addition, in agreement was indicated by training empowering to perform roles to the best of their ability with a mean of 4.07 and a standard deviation of 0.734, on training offered has enabled to solve challenges at the workplace with a mean of 4.0 and a standard deviation of 1.040, and also through training skills acquired have helped the respondents to improve performances with a mean of 3.9 and a standard deviation of 0.813. Moreover, majority of the respondents disagreed on training being frequently carried out in the organization with a mean of 2.16 and a standard deviation of 0.761. The study findings corresponds with the findings of Armstrong (2009) who argued that 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.
4.4.3 Management Support and Employee Retention

Leaders are the human face of the firm and therefore the style of the leadership have great effect on the performance of employees. The study therefore sought to establish the influence of management support on multipurpose institutions employee retention. The results were presented in table 4.5.

Table 4.6: Management Support and Employee Retention

<table>
<thead>
<tr>
<th>Management Support and Employee Retention</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>I am satisfied with the organizations management style</td>
<td>2.11</td>
<td>0.816</td>
</tr>
<tr>
<td>I feel motivated to work due to the support from management</td>
<td>4.83</td>
<td>0.671</td>
</tr>
<tr>
<td>Information is communicated to me clearly and precisely</td>
<td>3.30</td>
<td>0.594</td>
</tr>
<tr>
<td>Rules and regulations are clearly stipulated</td>
<td>4.23</td>
<td>1.401</td>
</tr>
<tr>
<td>I am loyal to the values of the organization</td>
<td>4.78</td>
<td>0.604</td>
</tr>
<tr>
<td>My supervisor helps me set practical job objectives and realistic goals</td>
<td>4.16</td>
<td>0.774</td>
</tr>
<tr>
<td>My job description is clearly defined and my goals outlined so that I know what is expected of me at all times</td>
<td>3.94</td>
<td>0.810</td>
</tr>
<tr>
<td>The performance management cycle in my organization is managed fairly and professionally</td>
<td>4.12</td>
<td>0.629</td>
</tr>
<tr>
<td>Management style influences employee retention</td>
<td>4.71</td>
<td>1.010</td>
</tr>
</tbody>
</table>

The researcher also requested the respondents to indicate on management support can influence retention of employees in multi purposes training institutions. Those strongly agreed were indicated on feeling motivated to work due to the support from management with a mean of 4.93 and a standard deviation of 0.671, being loyal to the values of the organization with a mean of 4.78 and a standard deviation of 0.604 and on management style influences employee retention with a mean of 4.8 and a standard deviation of 1.010. In addition, those agreed were on rules and regulations are clearly stipulated with a mean of 4.23 and a standard deviation of 1.401, supervisors helping to set practical job objectives and realistic goals with a mean of 4.16 and a standard deviation of 0.774, performance management cycle in the organization is managed fairly and professionally with a mean of 4.12 and a standard deviation of 0.629, and the job
description being clearly defined and goals outlined so that there is knowledge on what is expected to be done at all times with a mean of 3.94 and a standard deviation of 0.810. Also, the findings revealed that to a neutral extent were revealed by on information communicated clearly and precisely with a mean of 3.30 and standard deviation of 0.594. The study results further revealed the majority disagreed on statements of being satisfied with the organizations management style with a mean of 2.11 and a standard deviation of 0.816. The findings of the study is inconsistent with the findings of Thompson & Prottas (2005) who recommended that organization must groom leader to support the employees and to well build the work environment where workers want to stay. Providing opportunities test their abilities and providing level of performance can enhance employees’ capabilities and want to stay in the organization.

4.4.4 Career Advancement and Employee Retention

The respondents were requested to indicate the influence of career advancement on their retention since when employees cannot foresee their path of career advancement in their current organization, there are chances that they will leave the organization as soon as they get an opportunity. The results were presented in table 4.6.

<table>
<thead>
<tr>
<th>Career Advancement and Employee Retention</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>I am familiar with the organization’s promotion guidelines</td>
<td>4.42</td>
<td>0.831</td>
</tr>
<tr>
<td>I fully understand the vision and mission of the organization</td>
<td>4.13</td>
<td>0.724</td>
</tr>
<tr>
<td>The organizations strategic plan is clear</td>
<td>4.00</td>
<td>0.717</td>
</tr>
<tr>
<td>The management is in support of career development</td>
<td>3.17</td>
<td>1.400</td>
</tr>
<tr>
<td>Creativity and innovation is encouraged</td>
<td>4.14</td>
<td>0.731</td>
</tr>
<tr>
<td>Career advancement influences employee retention</td>
<td>3.60</td>
<td>0.976</td>
</tr>
</tbody>
</table>

The respondents were also requested to indicate their respectful level of agreement pertaining to career advancement in regard to the retention of employees. Those on agreement were revealed by being familiar with the organization’s promotion guidelines with a mean of 4.42 and a standard deviation of 0.831, creativity and innovation being encouraged with a mean of 4.14 and
a standard deviation of 0.731, understanding the vision and mission of the organization with a mean of 4.13 and a standard deviation of 0.724, organizations strategic plan being clear with a mean of 4.00 and a standard deviation of 0.717, and career advancement influences employee retention with a mean of 3.60 and a standard deviation of 0.976. In addition, majority of the respondents were to a neutral extent with statement of management support of career development with a mean of 3.17 and a standard deviation of 1.400. The findings is inline Burke, & Ng, (2006) who pointed out that to gain and maintain competitive advantage organizations required talented & productive employees and these employees need career development to enhance and cultivate their competencies.

4.5 Employee Retention

Employee retention is vital in all organizations and therefore having in place employee retention strategies increases the chances of long term employees. As career development is at one’s control and responsibility, one should make choices, adapt to circumstances (such as organizational change), learn to grow, and control one’s own destiny. Further, the respondents were asked to rate their responses in regard to some statements relating to employee retention on a Likert scale of 1 to 5; where 1 represented Strong disagreement and 5 represented strong agreement. The results are as shown in table 4.7.

Table 4.8: Employee Retention

<table>
<thead>
<tr>
<th>Employee Retention</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>I am committed to the goals and objectives of my organization</td>
<td>4.02</td>
<td>0.945</td>
</tr>
<tr>
<td>I am involved in achieving the wider organization goals and objectives</td>
<td>2.03</td>
<td>1.071</td>
</tr>
<tr>
<td>My commitment affects the overall performance of the organization</td>
<td>4.82</td>
<td>0.739</td>
</tr>
<tr>
<td>I am involved in the activities of the organization</td>
<td>4.17</td>
<td>0.841</td>
</tr>
<tr>
<td>I am loyal to the values of the organization</td>
<td>4.84</td>
<td>1.047</td>
</tr>
<tr>
<td>If i got an offer to join another institution I would not take it</td>
<td>2.19</td>
<td>1.240</td>
</tr>
<tr>
<td></td>
<td>Mean</td>
<td>Standard Deviation</td>
</tr>
<tr>
<td>-----------------------------------------------------------------</td>
<td>------</td>
<td>--------------------</td>
</tr>
<tr>
<td>I am committed to the goals and objectives of my organization</td>
<td>4.02</td>
<td>0.945</td>
</tr>
<tr>
<td>I am involved in achieving the wider organization goals and objectives</td>
<td>2.03</td>
<td>1.071</td>
</tr>
<tr>
<td>My commitment affects the overall performance of the organization</td>
<td>4.81</td>
<td>0.739</td>
</tr>
<tr>
<td>I am involved in the activities of the organization</td>
<td>4.17</td>
<td>0.841</td>
</tr>
</tbody>
</table>

The researcher also taught of great importance in determining in importance of retaining employees in an institution. According to analysis of the findings, those who strongly agreed were on being loyal to the values of the organization with a mean 4.84 and a standard deviation of 1.047, and on commitment affecting the overall performance of the organization with a mean of 4.82 and a standard deviation of 0.739. In addition, those on agreement were on being involved in the activities of the organization with a mean of 4.17 and a standard deviation of 0.841, and on being committed to the goals and objectives of my organization with a mean of 4.02 and a standard deviation of 0.945. Further, the analysis of the findings indicate those who disagreed were on getting an offer to join another institution not taking it with a mean of 2.19 and a standard deviation of 1.240 and on being involved in achieving the wider organization goals and objectives with a mean of 2.03 and a standard deviation of 1.071.
CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction
This chapter presents the summary of the findings from chapter four, and also gives conclusions and recommendations of the study based on the objectives of the study.

5.2 Summary of the findings
The review of the literature finds compensation as the most important and valuable means that influence employee’s retention in any organization. Some of the specific findings in this regard are:
Compensation, reward and recognition play a key role in employee’s motivation which leads to employee’s retention in the organization.
Similarly Training and career development was found motivating factor which leads to retention and career development was also associated with employee retention and was found important influencing factor in employee retention in the organization. Employee career advance aspect or promotion opportunities have significant relation with employees’ retention and consider as important factor in employee retention. In the area of work environment found that it is key factor in employee retention, it is also found that employee leave the job due to work environment.

5.3 Conclusion
A main concern of any organization is its capacity to attract, engage, and retain the right employee. Certain factors are crucial in influencing the employees’ decision to either leave or remain in an organization. Nonetheless, the importance of other factors should not be miscalculated when formulating a retention policy. Organization should provide with a number of strategies to increase employee retention such as: design an interesting employee value proposition; develop a total reward system that contains more than compensation; give constructive point of view on employee performance on regular basis; implement flexibility programs in terms of work-life balance; build a culture of engagement, develop and refine management skills to be effective, as it engages employees while driving improved performance
at the same time. Also, employers should focus on issues and on the personal relationships they have with the employee to perform each function.

5.4 Recommendations

Some of the recommendations for the management tasked to manage employees towards successful retention of employees in multi purposes training institutions are: Multi purposes training institutions needs to further improve its culture as it has the potential to retain employees, which will help it to retain its valuable assets (employees). Exist interview system may be introduced which will help management in answering the question why employees leave them, and then work on those areas which influence employees to leave their organization.

Turnover rate should be monitor and consider it important in policy formulation regarding HR factors and organization factors; it will help management in retaining their employees. It is suggested that employees want fair treatment and fair appraisal regarding the HR practices, so organizations need to bring fair policy and communicate it to their employees. Recognition of the employees inputs and outcomes need further improvements. This concept may be improved if multi purposes training institutions introduced formal recognition system i.e. certificates, employee of the year etc. Reward should be awarded on merit and promotion should be on seniority and merit both, which help in production and retention.

The salary of employee need to be increased, which will not only retain the present employees but will attract employees of other organization as well. Multi purposes training institutions should identify those benefits which have more influence on employee retention. Furthermore, institutions need to revisit their present benefits package to identify those benefits which are not useful in order to replace them. A training program should be established as a regular practice for provision of training and retraining (refreshment courses) opportunities for their employees. This would not only satisfy employees growth need but also enhance employee retention.

A counseling system may be established regarding counseling employees for their career development, which will enhance employee loyalty with the institution. Employees need to understand that they are in the institution, where they are offered multi training and career
development opportunities so they should avail these opportunities to increase their marketability / employability.

5.5 Limitations of the study

The researcher encountered quite a number of challenges related to the research and most particularly during the process of data collection. Due to inadequate resources, the researcher conducted this research under constraints of finances and therefore collected data from one urban center. Some respondents were biased while giving information due to reasons such as victimization in the event the research findings turned sour. Lack of cooperation is undoubtedly the greatest challenge that was witnessed by the researcher. Respondents were naturally suspicious and uneasy when directed to cooperate in a study that they were not aware of its consequence. To further calm and set at ease the respondents, the researcher explained the nature of the study and its intended purpose and that it was purely an academic undertaking and that information divulged would be held in confidentiality by the researcher.

5.6 Suggestions for future study

The main objective of this study was motivational factors influencing employee retention in multi purposes training institutions: a survey of selected institutions in Kenya. Therefore the study suggests that: A similar study should be carried out with a large sample size to seek validity. In addition, this will enable organizations to benefit from knowing whether retention reasons differ even in similar contexts, thus, adding another perspective to the management literature on comparing the retention management practices.
REFERENCES


Chang, J. (2006). *Organizational commitment and turnover intention of Taiwanese Engineers in Hi-Tech Industry of Southern Taiwan: Examining the selected antecedents of organizational commitment.*


APPENDICES

Appendix I: Questionnaire

Please respond to each question by ticking or filling in the appropriate answer. Please tick as appropriate.

SECTION A: Background Information

1. Name of the Multipurpose training institute
   …………………………………………………………………………

2. Position in Organization
   …………………………………………………………………………

3. Gender? Female [ ]  Male [ ]

4. Length of service in institution
   0 – 1 year [ ]; 1 – 3 years [ ]; 3 – 5 years [ ]; Over 5 years [ ]

5. Highest level of Education attained?
   a) Primary ( )               b) Secondary ( )
   c) Certificate/Diploma ( )    d) Bachelors Degree ( )
   d) Masters Degree ( )        e) Others ( )

6. What is your age bracket? (Tick as applicable)
   a) Under 30 years ( )          b) 31 – 40 years ( )
   c) 41 – 50 years ( )           d) Over 50 years ( )
SECTION B: Factors Influencing Employee Retention in Multi-Purpose Training Institutions

a) Compensation

7. To what extent do you agree with the following statements regarding the influence of compensation on retention? Use the following key to answer:


<table>
<thead>
<tr>
<th>Statement</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>The organization offers incentives for outstanding performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>My opinions and views on compensation are appreciated</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Within my workplace all employees are treated fairly and equally on bonus</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>My input is recognised and valued in my organization</td>
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<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>My pay is linked to my performance</td>
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</tbody>
</table>

8. Training

5. To what extent do you agree with the following statements regarding the influence of training on employee retention in your institution? Use the following key to answer; 1. Strongly disagree  2. Disagree  3. Neutral  4. Agree  5. Strongly agree

<table>
<thead>
<tr>
<th>Statement</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Training is frequently carried out in the organization</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Training has empowered me to perform my role to the best of my ability</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Through training I have acquired skills that have helped improve my</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>performances</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The training offered has enabled me to solve challenges at the workplace</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I feel motivated to stay in the organization due to the training received</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

9. Management support
6. To what extent do you agree with the following statements on the influence of management support on employee retention in your training institution? Use the following key answer; 1. Strongly disagree  2. Disagree  3. Neutral  4. Agree  5. Strongly agree

<table>
<thead>
<tr>
<th>Statement</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>I am satisfied with the organization’s management style</td>
<td></td>
<td></td>
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<tr>
<td>I feel motivated to work due to the support from management</td>
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<td></td>
<td></td>
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</tr>
<tr>
<td>Information is communicated to me clearly and precisely</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rules and regulations are clearly stipulated</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>I am loyal to the values of the organization</td>
<td></td>
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<td></td>
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<td></td>
</tr>
<tr>
<td>My supervisor helps me set practical job objectives and realistic goals</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>My job description is clearly defined and my goals outlined so that I know what is expected of me at all times</td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>The performance management cycle in my organization is managed fairly and professionally</td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Management style influences employee retention</td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

10. Career Advancement

7. What extent do you agree with the following on the influence of career advancement on employee retention in multi-purpose training institution? Use the following key to answer; 1. Strongly disagree  2. Disagree  3. Neutral  4. Agree  5. Strongly agree

<table>
<thead>
<tr>
<th>Statement</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>I am familiar with the organization’s promotion guidelines</td>
<td></td>
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<tr>
<td>I fully understand the vision and mission of the organization</td>
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<tr>
<td>The organization’s strategic plan is clear</td>
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<tr>
<td>The management is in support of career development</td>
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<tr>
<td>Creativity and innovation is encouraged</td>
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<td></td>
<td></td>
<td></td>
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<tr>
<td>Career advancement influences employee retention</td>
<td></td>
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<td></td>
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</tr>
</tbody>
</table>
SECTION C: EMPLOYEE RETENTION

8. To what extent do you agree with the following statements on employee retention in multi-purpose training institutions? Use the following key to answer: 1. Strongly disagree  2. Disagree  3. Neutral  4. Agree  5. Strongly agree

<table>
<thead>
<tr>
<th>Statement</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>I am committed to the goals and objectives of my organization</td>
<td></td>
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</tr>
<tr>
<td>I am involved in achieving the wider organization goals and objectives</td>
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</tr>
<tr>
<td>My commitment affects the overall performance of the organization</td>
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<tr>
<td>I am involved in the activities of the organization</td>
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</tr>
<tr>
<td>I am loyal to the values of the organization</td>
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<td></td>
</tr>
<tr>
<td>If given an offer to join another institution i would not take it</td>
<td></td>
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</tbody>
</table>