

**EMPLOYEE RETENTION STRATEGIES AND PERFORMANCE OF SELECTED
COMMERCIAL BANKS IN GARISSA COUNTY, KENYA**

ABDINOOR BASHIR

**A PROPOSAL SUBMITTED TO THE SCHOOL OF BUSINESS IN PARTIAL
FULFILLMENT OF THE REQUIREMENTS FOR THE AWARD OF THE DEGREE OF
MASTER OF BUSINESS ADMINISTRATION (STRATEGIC MANAGEMENT) OF
KENYATTA UNIVERSITY**

MARCH, 2018

DECLARATION

I declare that this research project is my original work and to the best of my knowledge it has not been submitted for the award of any degree or diploma in any other institution. No part of the project should be reproduced without the authority of the author and/or Kenyatta University.

Signature _____

Date _____

ABDINOOR BASHIR

D53/0L/GAR/26520/2015

This research project is submitted for examination with my approval as the university supervisor.

Signature _____

Date _____

DR. HANNAH BULA

Department of Business Administration

School of Business

Kenyatta University

DEDICATION

I dedicate this research project to my family through whose sacrifice, support and encouragement

I have come this far.

ACKNOWLEDGEMENT

I would like to express my gratitude to all those who gave me the possibility to complete this research project. I owe sincere and earnest thankfulness to my supervisor Dr. Hannah Bula of the department of Business Management, School of business, for her valuable suggestions and constructive criticisms of the content, structure and preparation of this research project.

My heartfelt gratitude also goes to my classmates for their help, support, interest and valuable suggestions. This would not have been possible without you. Thank you for always being there for me. I am truly grateful for your readiness to offer help and promptly attending to any enquiries.

TABLE OF CONTENTS

DECLARATION	ii
DEDICATION	iii
ACKNOWLEDGEMENT	iv
LIST OF TABLES	viii
LIST OF FIGURES	ix
ABBREVIATIONS AND ACRONYMS	x
OPERATIONAL DEFINITION OF TERMS	xi
ABSTRACT	xii
CHAPTER ONE: INTRODUCTION	1
1.1 Background to the Study.....	1
1.1.1 Organizational Performance.....	1
1.1.2 Employee Retention Strategies	3
1.1.3 Commercial Banks in Kenya.....	5
1.2 Statement of the Problem.....	6
1.3 Objectives of the Study.....	8
1.3.1 General Objective.....	8
1.3.2 Specific Objectives.....	8
1.4 Research Questions	8
1.5 Significance of the Study.....	9
1.6 Scope of the Study	10
1.7 Limitations of the Study.....	10
CHAPTER TWO: LITERATURE REVIEW	11
2.1 Introduction.....	11
2.2 Theoretical Review	11
2.2.1 Two Factor Theory of Motivation.....	11
2.2.2 The Decision Making Theory	12
2.3 Empirical Literature	13
2.3.1 Work Environment and Performance.....	13
2.3.2 Reward and Performance	15
2.3.3 Training and Performance.....	17

2.3.4	Recruitment and Selection on Performance	19
2.4	Summary of the Reviewed Literature and Research Gaps	21
2.5	Conceptual Framework	22
CHAPTER THREE: RESEARCH METHODOLOGY		23
3.1	Introduction.....	23
3.2	Research Design.....	23
3.3	Target Population.....	23
3.4	Sampling Design and Sample Size	24
3.4.1	Sampling Design	24
3.4.2	Sample Size	24
3.5	Data Collection Instruments	25
3.6	Pilot Study.....	25
3.6.1	Validity of Instruments.....	26
3.6.2	Reliability of Instruments.....	26
3.7	Data Collection Techniques.....	27
3.8	Data Analysis and Presentation	27
3.9	Ethical Consideration.....	28
CHAPTER FOUR: RESEARCH FINDINGS AND DISCUSSION		29
4.1	Introduction.....	29
4.2	Response Rate	29
4.3	Demographic Data	30
4.3.1	Gender	30
4.3.2	Age	30
4.3.3	Length of Work	31
4.3.4	Level of Education	31
4.4	Descriptive Statistics.....	32
4.4.1	Work Environment and Performance of Commercial Banks.....	32
4.4.2	Reward and Performance of Commercial Banks	34
4.4.3	Training and Performance of Commercial Banks.....	35
4.4.4	Recruitment and Performance of Commercial Banks.....	36
4.5	Performance of Commercial Banks	38

4.6	Regression Analysis.....	39
4.6.1	Work Environment.....	42
4.6.2	Reward	42
4.6.3	Training	42
4.6.4	Recruitment and Selection	42
CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS.....		44
5.1	Introduction.....	44
5.2	Summary of the Findings.....	44
5.2.1	Work Environment.....	44
5.2.2	Reward	44
5.2.3	Training	45
5.2.4	Recruitment	45
5.3	Conclusions.....	46
5.4	Recommendations.....	47
5.5	Recommendations for Further Studies.....	48
REFERENCES.....		49
APPENDICES		54
Appendix I: Letter of Introduction.....		54
Appendix II: Questionnaire for the Employees		55
Appendix III: University Authorization Letter		60
Appendix IV: Research Authorization.....		61
Appendix V: Research Permit		62

LIST OF TABLES

Table 2.1: Summary of Reviewed Literature and Research Gaps	21
Table 3.1: Target Population.....	24
Table 3.2: Sample Size Table	25
Table 4.1: Response Rate.....	29
Table 4.2: Respondents' Age.....	30
Table 4.3: Level of Education.....	31
Table 4.4: Work Environment and Performance of Commercial Banks	32
Table 4.5: Reward and Performance of Commercial Banks.....	34
Table 4.6: Training and Performance of Commercial Banks	35
Table 4.7: Recruitment and Performance of Commercial Banks	37
Table 4.8: Performance of Commercial Banks.....	38
Table 4.9: Model Summary	39
Table 4.10: Analysis of Variance.....	40
Table 4.11: Coefficients.....	41

LIST OF FIGURES

Figure 2.1: Conceptual Framework	22
Figure 4.1: Length of work in the organization	31

ABBREVIATIONS AND ACRONYMS

ANOVA	Analysis of Variance
CBK	Central Bank of Kenya
HRM	Human Resource Management
KCB	Kenya Commercial Bank
KU	Kenyatta University
NACOSTI	National Commission for Science, Technology and Innovation
PWC	PricewaterhouseCoopers
SPSS	Statistical Package for Social Sciences
WHO	World Health Organization

OPERATIONAL DEFINITION OF TERMS

Retention Strategy	Policies and plans that organisations follow to reduce employee turnover and attrition and ensure employees are engaged and productive long-term.
Performance	The accomplishment of a given task measured against preset known standards of accuracy, completeness
Commercial Bank	Refers to a financial institution that is authorized by law to receive money from businesses and individuals and lend money to them
Work Environment	The surrounding conditions in which an employee operates.
Reward	A thing given in recognition of service, effort, or achievement.
Training	The process of learning the skills you need to do a particular job or activity
Recruitment	Refer to the process of attracting and choosing candidates for employment

ABSTRACT

Employee retention is vital in all the commercial banks in Kenya. This is because of the fact that worker turnover is high as employees search for jobs somewhere else which have better packages or personnel are head-hunted by rival companies which end up in making the company free professional personnel. Lack of gifted employees effects to a drop in performance therefore companies have to employ better employees retention strategies. The general objective of this study was to investigate the influence of employee retention strategies on the performance of selected commercial banks in Garissa County, Kenya. This study was guided by the following specific objectives: To examine the influence of work environment, reward, recruitment and selection and training on the performance commercial banks in Garissa County, Kenya. The study was anchored by two factor theory of motivation and the decision making theory. This study employed a descriptive design. The target population was 4 commercial banks in Kenya namely; Kenya Commercial Bank, Equity Bank, National Bank and Cooperative Bank. The targeted respondents were 149 respondents comprising of 4 branch managers and 145 employees from the four Banks in Garissa County, Kenya. Purposive sampling was used to identify the respondents from each bank and census of 49 respondents comprising of 4 managers and 45 employees was carried out. Questionnaires were administered to employees and interviews for the branch managers. Content analysis technique was used to analyze qualitative data collected using interview schedules and reported in narrative form. Quantitative data was analyzed using descriptive statistics such as mean and standard deviation and presented using charts, graphs and tables. The study concludes that work environment performs an essential role in motivating employees to carry out their assigned task and making a work environment wherein personnel are productive is essential to multiplied earnings for commercial banks. Reward systems carried out by commercial banks have an impact on personnel' conduct and mindset towards their task and Implementation of extrinsic rewards is proved to have a favorable association with organizational performance. Training is very critical for commercial banks in Kenya to compete with this unpredictable and dynamic world. The focus of recruitment and selection in commercial banks in Kenya is to fit the competencies of prospective candidates against the demands and rewards inherent in a given job. For this reason, commercial banks in Kenya dedicate considerable sources and authority to creating high first-rate selection systems. The study recommends that management of commercial banks in Kenya ought to attempt as a great deal as possible to build a work environment that attracts, preserve and encourage its employees so that it will help them work in a conducive environment and growth enterprise performance. Commercial banks in Kenya ought to provide greater emphasis on intrinsic rewards so that it will encourage and improve personnel's task performance. Commercial banks in Kenya should provide training to their personnel. This is because training and development have benefits not only for the employee however the last advantage is for the organization itself. The study also recommends that commercial banks in Kenya should deal with their candidates fairly, issues of favouritism have to be avoided when choosing candidates, jobs have to be properly described and analyzed to chose applicants to aid performance, the human resource department need to appraise employees to help them deliver off their high-quality and help improve overall performance of personnel.

CHAPTER ONE: INTRODUCTION

1.1 Background to the Study

Today's business environment considers the role of human resource as a strategic partner instead of supporting administrative tasks because greatest assets of the organization are its people. It is an organization's responsibility to effectively manage the talent of its workforce to achieve business objectives. Talent management is of core to the vitality of the business to meet and exceed current as well as future business strategies and goals (Gupta et al., 2011). Employees have been important resources to any organization. Based on their critical character, they can be termed the life-blood of an organization. The need for organizations to retain their talents is crucial for their ability to remain in business depends on it.

Samuel and Chipunza (2009) assert that the need to take into account adequate staff retention strategies as basis for organizational performance is equally important. This is because it is possible that even where competent employees are employed into an organization and adequate strategies to retain them are not put in place, the organization is likely to experience frequent labour turnover resulting from staff de-motivation. This means that lack of adequate employee retention strategies is more likely to affect negatively organizational performance whether in the public or private sector.

1.1.1 Organizational Performance

Organizational performance is the final achievement of an organization and contains a few things, such as the existence of certain targets are achieved, has a period of time in achieving the targets and the realization of efficiency and effectiveness (Gibson et al., 2010). On the other hand, organizational performance refers to ability of an enterprise to achieve such objectives as

high profit, quality product, large market share, good financial results, and survival at pre-determined time using relevant strategy for action (Koontz & Donnell, 2013).

Organizational performance can also be used to view how an enterprise is doing in terms of level of profit, market share and product quality in relation to other enterprises in the same industry. Consequently, it is a reflection of productivity of members of an enterprise measured in terms of revenue, profit, growth, development and expansion of the organization. Organizational performance lies at the heart of any managerial process and organizational construct and is therefore considered as a critical concept in the strategic management field (Kalleberg & Moody, 2008).

Organizational performance includes multiple activities that help in establishing the goals of the organization, and monitor the progress towards the target (Johnson *et al.*, 2010). It is used to make adjustments to accomplish goals more efficiently and effectively. Organization performance is what business executives and owners are usually frustrated about. This is so, because even though the employees of the company are hard-working and are busy doing their tasks, their companies are unable to achieve the planned results. However, for any business to be successful, functions must be defined and accomplished. It is important for an organization to develop strategies that are designed around the skills that would enhance the performance of the organization (Becker & Gerhart, 2009).

Managing performance requires organizations to reconcile caring for and developing their people with ensuring that departmental and organizational aims are achieved. This involves judging each different situation on merit and deciding a course of action and management style that is right for the situation (Dess & Robinson, 2014). For instance, we need to be caring and

compassionate if, for example, an employee needs help and encouragement to get through difficulties or challenges. Being able to assess situations and adapt our management response is vital to managing people. Managing people well, will ensure managing performance well too. It's important to recognize a fundamental fact: that organisation performance determine its existence in the competitive world of business.

1.1.2 Employee Retention Strategies

Employee retention strategies refer to the means, plan or set of decision-making behaviour put in place by organizations to retain their competent workforce for performance (Gberevbie, 2008). Researchers have found that employees are more likely to remain and work for the successful achievement of organizational goals when appropriate employee retention strategies are adopted and implemented by organizations (Chaminade, 2009; Willis, 2010).

According to Madiha et al (2009) a worker's view of the organization is strongly influenced by their relationship with their supervisor. By having support, workers are less likely to leave an organization and be more engaged by having good relationship and open communication with the supervisor. Supervisors interact as a link to practice applications among stated goals and expectations. By harmonizing the competing demands, they support in managing both inside and outside the work environment. If the relationship is not pleasant, then employees will seek other opportunity for new employment and vice versa.

The commitment of the employees can be developed when the work climate is harmonious and it would never make the employees to feel stressed. Companies that actively promote a positive work environment and who also value employee contributions while achieving a true work-life balance have been found to be more successful at communicating the idea that their employees are one of their most valuable resources (Hom & Kinicki, 2011). Hom and Kinicki (2011) further

argue that good work climate involves the aspects of the workplace as being enjoyable or fun, the organization being a special place to work, and the firm regarded as an employer of choice. These dynamics, when positively applied, portray a workplace that values its people and their talent.

Hytter (2012) reached the conclusion that there is correlation between retention and reward. They viewed monetary pay among all kinds of compensation as the most relevant factor in maintain employee. Performance related pay has been identified as retention facilitator. Hayes *et al* (2013) noted that reward on its own does not constitute an important retention factor. Improved compensation can only increase retention capability in a short-term. For organizations to be more efficient in their attempt to make more employees stay in the organization for a long period improved compensation should be coupled with quality of work life which this group of researchers identified as a long-term factor.

Etomi (2010) see staff recruitment as a crucial personnel function that requires careful execution, if competent staff is to be employed into an organization. The goal of any organization irrespective of the sector it belongs to is to achieve positive results in terms of what the organization is set out to achieve. As a result, the need to employ competent staff is very crucial to its business success. Lack of proper staff recruitment strategies that emphasize appropriate educational qualifications, skills and experience for staff employment is capable of bringing about poor performance of an organization. However, the need to take into account adequate staff retention strategies as basis for staff performance is equally important (Etomi, 2010).

Investment on employee Training and career development is considered important factor in employee retention. Organization has the incentive to make investment in form of training &

development only on those workers, from whom organization expect to return and give output on its investment. According to Clark (2011), organizations are intensification development for talented employees, through proficiency analysis, input on employee interests, need development and multisource appraisal of capabilities and formulate plans for action. Scullion and Collings (2010) suggested that firms and individual made investment on human capital in the form of training. Training enhances the skills of employees. When employees are hired to enhance the skill, organization needs to start training program.

One major concern of any organisation in a highly competitive industry is employee retention. This is because human resources are the most valued asset in any organization (Ejiofor & Mbachu, 2011). Retention of employees can be a vital source of competitive advantage for any organization since humans are the active factors who work to bring about certain ends in organisations. Many organizations are faced with the important task of retaining their employees as well as making sure that their employees remain loyal and committed to their organizations. Employee retention is primarily concerned with reasons why employees prefer to remain with their current organizations (Ejiofor & Mbachu, 2011).

1.1.3 Commercial Banks in Kenya

The banking sector in Kenya is governed by the companies Act, the Banking Act, the central bank of Kenya act and the various guidelines issued by the Central Bank of Kenya (CBK). The central bank of Kenya which falls under the Ministry of finance docket is responsible for formulating and implementing monitoring policy and fostering the liquidity, solvency and proper functioning of the financial system. The banks have come together in Kenya under the Kenya bankers association which serves as a lobby for the banking sector interests. This forms a forum to address issues affecting the members (Central Bank report, 2008).

Over the last few years, the Banking sector in Kenya has continued to grow in assets, deposits, profitability and products offering. The growth has been mainly underpinned by an industry wide branch network expansion strategy both in Kenya and in the East African community region. Automation of a large number of services and a move towards emphasis on the complex customer needs rather than traditional „off-the-shelf“ banking products (PWC, 2012). Players in this sector have experienced increased competition over the last few years resulting from increased innovations among the players and new entrants into the market. Among these innovations include moving from the traditional decentralized banking to one branch banking that has been enabled by integration of various business functions (PWC, 2012). In order for commercial banks in Kenya to maintain brand leadership and customer loyalty, they employ various strategies such as introduction of unique products and instating on good customer relations management.

1.2 Statement of the Problem

Commercial banks workplaces are experiencing colossal changes that are challenging traditional ways of working and workforce expectations. The economic realities of ongoing fiscal constraints, reductions in headcount, and increasing public expectations are creating a demanding environment where employees are expected to deliver more with fewer resources. In addition, the working styles of a new generation and new technologies have created a hyper-connected workforce. Therefore commercial banks have to adapt global best practices on employee retention and at the same time adapt the local requirements and local labor market (Stahl et al., 2007).

Commercial banks in Kenya have launched employee retention strategies such as management trainee programmes, employee recognition practices, career development process, compensation

and rewards etc to enable them attract qualified human capital. However, after attraction and developing the human capital, employees have continued to leave the Bank for other commercial banks and other organization within the Country and the whole East African region. Ernst & Young (2014) report show that fierce competition and talent wars has resulted to pay rise as companies poach for staff rather than, train, motivate, retain skilled and highly performing employees. In Kenya the report named professional services, banking, insurance and media in Kenya as the most widely affected.

Studies have been undertaken in the area of employee retention. For instance, Lepilale (2009) study on the relationship between employee retention management practices and voluntary labour turnover in five star hotels in Nairobi and found out that employee retention management practices employed by the hotels had a great impact on the employee turnover rates in those hotels. Thiriku (2013) researched on the perceived factors affecting employee retention in Safaricom Limited and found out that performance management practices were not transparent and unfair hence low retention and performance management practices are by objective, attainable and realistic, systematic, participative and regular. Bula (2012) carried out a study on labor turnover in the Sugar industry in Kenya and revealed that labor turnover is widespread in the sugar firms and that it affects all categories of staff in these firms. Bula (2012) suggested that similar research should also be undertaken to investigate the causes of other types of labor turnover other than labor turnover by resignation. This study will therefore, sought to investigate on the influence of employee retention strategies on the performance of commercial banks in Kenya.

1.3 Objectives of the Study

1.3.1 General Objective

The general objective of this study was to investigate the influence of employee retention strategies on the performance of selected commercial banks in Garissa County, Kenya.

1.3.2 Specific Objectives

This study was guided by the following specific objectives:

- i. To examine the influence of work environment on the performance of selected commercial banks in Garissa County, Kenya
- ii. To establish the influence of reward on the performance of selected commercial banks in Garissa County, Kenya
- iii. To determine the influence of recruitment and selection on the performance of selected commercial banks in Garissa County, Kenya
- iv. To investigate the influence of training on the performance of selected commercial banks in Garissa County, Kenya

1.4 Research Questions

This study was based on the following research questions:

- i. What is the influence of work environment on the performance of selected commercial banks in Garissa County, Kenya?
- ii. What is the influence of reward on the performance of selected commercial banks in Garissa County, Kenya?
- iii. What is the influence of recruitment and selection on the performance of selected commercial banks in Garissa County, Kenya?

- iv. What is the influence of training on the performance of selected commercial banks in Garissa County, Kenya?

1.5 Significance of the Study

The outcome of such a study would help commercial banks management have a better understanding about the reasons why employees want to leave and help them to formulate policies and strategies to arrest such intentions. The management would be able to know the effects of employee benefits on employee retention and to identify various forms of employee benefits to individual employees. This would reduce the employee turnover and hence improve the organizations image and performance in the competitive environment they are operating in. The study would inform public and private sector workers about the importance of providing appropriate employee retention strategies that are capable of retaining their competent workforce for enhanced performance.

The study would be of great interest to the researcher and the Human Resource and Administration Division. It would improve the administration of various forms of benefits to employees and also link the employee benefit with staff retention which ultimately results to increased organizational productivity. In addition, it would enable other organizations to know which retention practices motivate employees to remain with the organization and improve performance.

For academicians, this study would form the foundation upon which other related and replicated studies can be based on. The study would increase the body of knowledge in this area. The research would provide an insight into the effectiveness of employee retention through retention practices. The findings would bring forth knowledge on which retention practices are best suited and whether retaining employees has any impact on organizational performance.

1.6 Scope of the Study

This study was carried out in 4 commercial banks in Garissa County, Kenya namely; Kenya Commercial Bank (KCB), Equity Bank, National Bank and Cooperative Bank. The study looked at the influence of work environment, reward, recruitment and training on the performance of commercial banks in Kenya. The targeted respondents were managers and employees. Questionnaires and interview schedules were used as data collection instruments. The study covered a period of 2012 – 2016.

1.7 Limitations of the Study

Human Resource Management (HRM) is a very sensitive issue since it touches on the organization management and administration. Therefore the study faced a limitation of non response since participants feared victimization by the management. To overcome this, researcher assured the respondents of their privacy and confidentiality of the collected data. Also the respondent's names were not indicated for the purposes of confidentiality. The study was conducted using predetermined questionnaires. This could stop the respondents from expressing their views freely and widely. However, the researcher overcame this by designing a questionnaire with both open and closed ended questions.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter deals with the theoretical review, empirical review guided by the study specific objectives, summary and knowledge gaps and conceptual framework.

2.2 Theoretical Review

2.2.1 Two Factor Theory of Motivation

The study was guided by Two Factor Theory of Motivation by the Herzberg's, (1968). Herzberg (1968) believes that every worker has two sets of needs (motivational and hygiene needs). Herzberg (1968) contends that employees in this respect 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. Herzberg (1968) 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).

Organisation attractiveness lies in its potential to provide high benefits for employees who in turn facilitates higher productivity to achieve higher flexibility and competitive advantage while remaining cost efficient and competitive (Bauer, 2004). Guest (2006) is of the view that organisation would do better to increase their focus on intrinsic satisfaction rather than extrinsic rewards if they are to improve commitment and motivation as key ingredients for high performance. This means redesigning jobs to provide workers with the challenge and opportunity for learning and a sense of fulfillment. Retention means the long-term relationship between

employee and the organization. Effective implementation of Employee retention strategies increase employee loyalty and minimize employee turnover cost.

Two-Factor theory was relevant to the study because it implies that the commercial banks' managers must stress upon guaranteeing the adequacy of the hygiene factors to avoid employee dissatisfaction. Also, these managers must make sure that the work is stimulating and rewarding so that the employees are motivated to work and perform harder and better. This theory also emphasize upon job-enrichment so as to motivate the employees. The job must utilize the employee's skills and competencies to the maximum. Focusing on the motivational factors can improve work-quality hence better performance in commercial banks.

2.2.2 The Decision Making Theory

The decision-making theory finds its early manifestation in the works of some scholars like Simon (1945; 1960); Weber (1947); Mintzberg (1973); Mintzberg and Waters (1990) and more recent that of Iyayi (2002) and Miller, Hickson and Wilson (2003) in their studies on decision-making in organizations. One of the major assumptions of decision-making in an organization according to these scholars is that organizational decisions are rational, and that these rational decisions are necessary to facilitate the smooth running of organizations in their quest to achieve enhanced performance (Miller et al., 2003). According to decision making theorists, decisions are the selection of a proposed course of action (Iyayi, 2002; Butler, 1992; and Simon, 1960). The course of action is to realize the purposes for which the organizations are established to achieve. As observed by Iyayi (2002), a central idea in decision-making is that the process is triggered off by a felt need by decision makers to solve a problem or take advantage of an opportunity.

Another major assumption of the decision-making in an organization is that the whole concept and purpose of organizations whether in the public or private sector revolve around decision-making (Tonwe, 1994). This means that decision-making is at the very heart of business success of any organization whether in the public or private sector. Furthermore, it implies that the success and failure of any organization at any point in time is considered to be a function of the decisions taken by the management team as it affects a particular or whole aspect of that organization.

This theory was relevant to the study because the decisions on who to recruit, when to carry out the recruitment, the recruitment strategies to be adopted to enable competent staff to be employed into an organization and the strategies to be adopted to retain these employed competent staff of an organization for the realization of its goals is a crucial decisions an organization would have to make if it must achieve its goals and objectives. In a bid for organizations to achieve their goals of enhanced service delivery, decision-making is viewed as a continuous task of those saddled with the responsibility to manage the organization – management team. As a result, it is therefore considered correct to argue that the success of an organization to a large extent is the function of decisions taken by the management team on behalf of the organization in a particular aspect of its operation per time.

2.3 Empirical Literature

2.3.1 Work Environment and Performance

Hameed and Amjad (2012) in a survey of 31 bank branches showed that comfortable and ergonomic office design motivates the employees and increased their performance substantially. Aisha et al. (2013) in their study “Effects of Working Ability, Working Condition, Motivation and Incentive on Employees Multi-Dimensional Performance” found that the variables

incentives, motivation and working conditions have a significant effect on employee performance in an Indonesian university. It is evident from these studies that a good workplace environment plays a very vital role towards increasing performance of employees in general.

Gitahi (2014) study looked at the Effect of Workplace Environment on Performance of Commercial Banks Employees in Nakuru Town and the findings showed that psychosocial aspects are an important factor in boosting the performance of employees than the physical workplace factors and work life factors. Naharuddin and Sadegi (2013) did a study on Factors of Workplace Environment that Affect Employees' Performance: A case of Miyazu Malaysia. The findings showed that only supervisor support is not significant towards the employees' performance while job aid and physical workplace environment had a significant relationship towards employees' performance. Amusa et al. (2013) studied Work Environments and Job Performance of Librarians in Public Universities in South-West Nigeria. The findings revealed that there is significant correlation between work environment and job performance in libraries.

Tamessek (2009) analyzed the extent to which employees perceive their workplace environment as fulfilling their intrinsic, extrinsic, and social needs and their need to stay in the organization. The author also analyzed the impact of perception of workplace environments on employee commitment and turnover in the organization, he concluded that if the employees are provided with enabling workplace environmental support, they will be highly satisfied and show high level of commitment towards their organization and hence low turnover rate.

A study done by Chevalier (2014) revealed that when environmental supports are sound, employees are better equipped to do what is expected of them. Chandrasekar (2013) in a study found out that workplace environment plays a big role in increasing employees' performance.

Findings by Ajala (2012) indicated that workplace environmental elements such as sufficient light, absence of noise, proper ventilation and layout arrangement substantially increase employees' productivity. Khan et al. (2011) investigated the impact of workplace environment and infrastructure on employees' performance from the education in Pakistan and concluded that incentives at workplace had a positive impact on employees' performance.

2.3.2 Reward and Performance

Ajila and Abiola (2014) in their study revealed that reward package can influence on employee performance. Base on their findings they concluded that reward system helps to increase employee performance by enhancing employee skills, knowledge and abilities in order to achieve organizational objectives. According to the Allen and Kilmann (2001), reward practices play a vital role in improving employee performance and to achieve organizational goals. As mentioned earlier, many researchers have identified that employee rewards directly attach to employee performance. According to the available literature (Eisenberger, 2011; Heng, 2012), they identify, if organization fails to reward employees, it will directly affect to decrease employee performance and an efficient reward system can be a good motivator but an inefficient reward system can lead to de-motivate the employees in terms of low productivity, internal conflicts, absenteeism, high turnover, lack of commitment and loyalty, lateness and felling grievances.

In the study carried out by Jibowo (2011) on the effect of motivators and hygiene on job performance among a group of 75 agricultural extension workers in Nigeria. The study basically adopted the same method as Herzberg et al. (2009) and it supports the influence of motivators on job performance. Egwuridi (2011) also investigated motivation among Nigerian workers using a sample of workers of high and low occupational levels. The hypothesis that low income workers

will be intrinsically motivated was not confirmed, and the expectation that higher income worker will place a greater value on intrinsic job-factors than low income workers was also not confirmed. This shows clearly the extent of value placed on extrinsic job factors.

Nwachukwu (2014) found the productivity of Nigerian workers depend on several factors, among them is employer's failure to provide adequate compensation and the indiscipline of the privileged class that arrogantly displays their wealth, which is very demoralizing to working class and consequently reduced their productivity. Judging from all these empirical research and findings, one may generally conclude that a good remuneration package, which ties financial rewards to individual performance, can be expected to result in higher productivity.

Aktar, Sachu and Ali (2012) examined the impact of intrinsic rewards (recognition, Learning opportunities, challenging work and career advancement, and extrinsic rewards (basic salary and performance bonus) on employee performance in twelve commercial banks of Bangladesh as is in this study. The study found that each factor within both extrinsic and intrinsic reward was a highly significant factor which affects employees' performance. In contrast, the study conducted by Yasmeen, Farooq and Asghar (2013) on the impact of rewards on organizational performance in Pakistan revealed that there exists insignificant and weak relationship between salary, bonus and organization performance. However it found that there exists moderate to strong relationship between promotion and organization performance.

Kramar and Syed (2012) has identified that group rewards or incentives are more likely to yield a collaborative approach to performance and thus be more effective in reaching your shared goals. They also argue that collective incentive schemes may encourage more organisational buy in from employees compared to those schemes of an individual nature. However, this does not

mean that team based rewards are not compatible with individual performance related pay schemes as both can be combined with careful attention. As Kerrin's and Oliver (2012) comment in their research on collective and individual improvement activities, the effectiveness of collective or team based rewards can be directly related to the culture of the organisation.

Yousaf et al (2015) in their research in a non-western culture found that employees with different work motivations had different levels of work performance. They looked at the effects of intrinsic and extrinsic motivation on different types of performance (task and contextual) and found a stronger relationship between intrinsic motivation and task performance compared to extrinsic motivation and contextual performance. In other words, a total rewards approach can have a very positive effect on activities related to the social and inner core of the organisation.

2.3.3 Training and Performance

A study by Mia (2009) on measuring the impact of training on the performance of workers: An Empirical Study of the Directorate of Education in Al Buraimi Governorate in the Sultanate of Oman. Results of the study, showed an impact of training on the performance of teachers, and it increased their productivity. The researchers recommended giving more attention to the quality of the training programs offered to teachers. Another study by Jalal (2010) on the effect of training technical programs on efficiency of workers in the Palestinian financial market. The study found that the technical training leads to stability in the work, and increases the efficiency of workers in the Palestinian financial market.

Tarawneh (2009) Study on the obligation to apply the stages of training and its impact in the field of performance of employees, the study found that the existence of an obligation to apply the stages of training with an effect of this commitment on the performance of employees, the

researcher provided some recommendations as, the need to take into account the diversity of training programs and encouraging employees to comply with all phases of training. Ghannam (2010) study on the impact of training on the performance of the employees in the Palestinian insurance sector, the study found that there is a relationship between the training and performance improvement, and the external training is the best training procedure, the study also found that there are effect of the training on the organizational commitment of employees in the insurance sector in Palestine.

Daniels (2013) study on employee training: a strategic approach to better returned on investment a study on British banks, the study found that training contributes significantly to the development of the skills and learning of employees and achieve a high level of quality, and create an organizational culture supportive of the goals of the organization. Sezar (2009) study on an analysis on relations between implementation of training activities and human resources management organizations in service businesses: A sample in hotels. The study concluded that in the hotels, where they have a manager of human resources and training, the workers have outstanding performance; in addition to that there is a close relationship between training programs offered and management of human resources.

Dysvik and Kuvaas (2008) based their study which explored alternative relationships between training opportunities and employee outcomes in the Norwegian service organizations. The study showed that the relationship between perceived training opportunities, and both task performance and citizenship behaviours were fully mediated, and that the relationship between perceived training opportunities and turnover intention was partially mediated by employee intrinsic motivation.

Sahinidis and Bouris (2007) based their study which aimed to investigate the relationship between perceived employee training effectiveness and job satisfaction, motivation and commitment on employees and lower managers, on five large Greek organizations. The study indicated that there is a significant correlation between the employee perceived training effectiveness and their commitment, job satisfaction and motivation and high correlations were found between the latter three variables. To develop the desired knowledge, skills and abilities of the employees and to perform well on their job, an organization requires effective training programs that may also effect employee motivation and commitment towards a specific organizational goal.

2.3.4 Recruitment and Selection on Performance

Barber et al (2009) in their research of 171 U.S firms found that most of the recruitment practices rely on referrals and advertising. They found that there were few organizations which had formal brochures available for applicants. Cassell et al (2012) found that the referrals played effective role in hiring employees. They already had some dedication to the organization and the manager/owner was able to discover some information before the new employee started. Word of mouth has no financial outlay which is very beneficial for firms as they often suffer from resource scarcity and is also considered as an effective method of recruitment (Greenidge et al., 2012).

Omolo et al. (2012) investigated the influence recruitment and election had on the performance of SMEs in Kisumu Municipality in Kenya. The study found that the overall average performance of SMEs in Kisumu Municipality was 60.71%. There was a significant positive correlation between recruitment and selection, and performance of SMEs at $\alpha = .01$. The average performance of SMEs with good recruitment and selection was

81.90%; with moderate at 67.94% and poor at 53.90%. Recruitment and selection account for 40.8% of the total variance in performance of SMEs. The study concludes that recruitment and selection have a significant influence on the performance of SMEs in Kisumu Municipality.

Terpstra and Rozell (2013) have found a positive relationship between the extensiveness of recruiting, selection test validation and the use of formal selection procedures and firm profits. Other studies have shown that implementing an influence staffing process is positively related to organizational performance (Syed, 2012). Rauf (2007) also found that sophisticated recruitment and selection procedures are positively related to labour productivity.

Katou and Budhwar (2012) in a study on the Greek manufacturing firms found that recruitment and selection was positively related to all organizational performance variables, such as efficiency, innovation and quality. Simmons (2013) in his paper presented in Vancouver asserts that companies can only succeed in the long-term if they recruit and motivate people who are able to respond to and shape the challenges of the future. These are the individuals with the capacity to create competitive advantage from the opportunities presented by changing markets, with the desire to learn from customers, consumers, suppliers and colleagues, and who possess the ability to build and influence long-lasting and influence partnerships.

Kepha et al. (2012) sought to establish the influence of recruitment and selection on the performance of employees in research institutes in Kenya. The study adopted descriptive and correlation research designs. Its results revealed that the correlation between employee performance and recruitment and selection were highly significant, at 0.374 ($P=0.000$). The study recommended that research institutes strictly adhere to job specifications when filling vacant positions.

2.4 Summary of the Reviewed Literature and Research Gaps

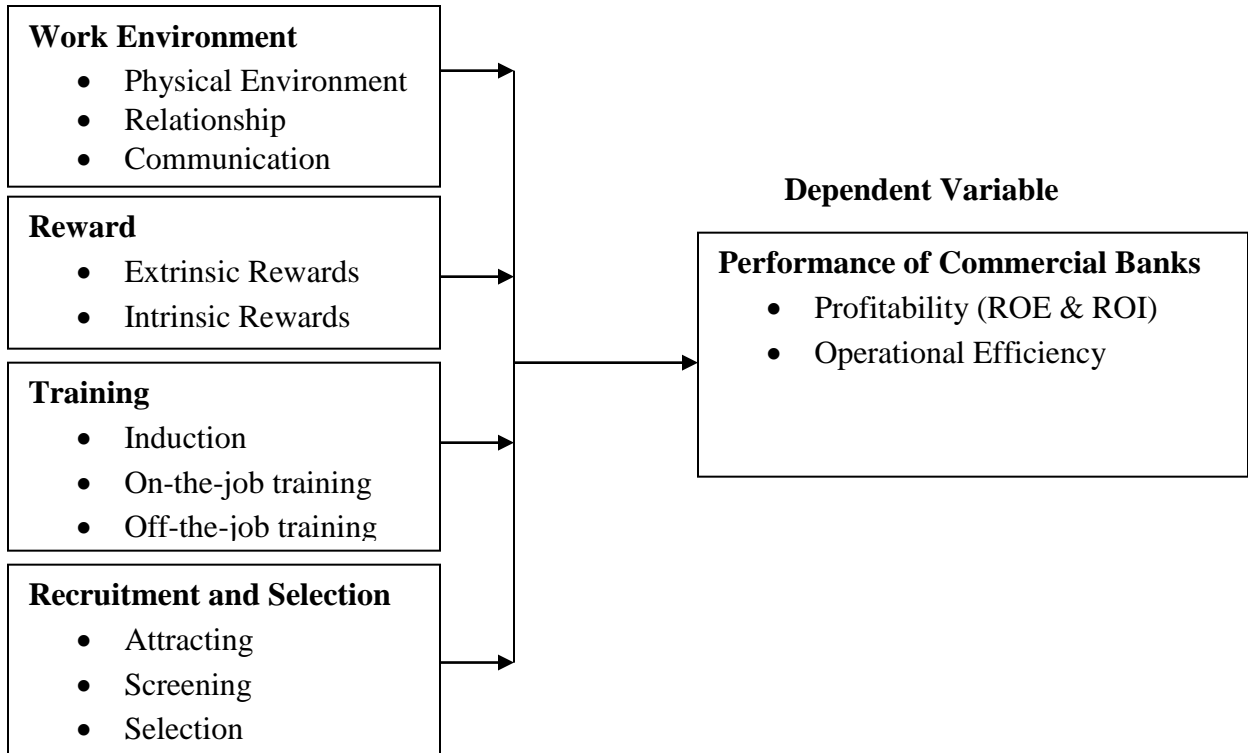
Table 2.1: Summary of Reviewed Literature and Research Gaps

Author	Focus of the Study	Findings	Knowledge gap	Focus of the current study
Bana and Kessy (2007)	Relationship between staff management and organizational performance	Reward is an important factor in staff management	Did not examine in detail the impact of different extrinsic and intrinsic rewards on organization performance	Rewards and performance of commercial banks
Agyemang and Ofei (2013)	Employee engagement and employee commitment	Positive association between training and organizational performance	Training and how it impacts on employee and organizational performance	Training and performance of commercial banks
Bula (2012)	Establishing the reasons why workers leave Kenya's sugar industry	Labor turnover is widespread in the sugar firms	Lack of employee commitment and motivation	Recruitment and performance of commercial banks
Quresh (2010)	Relationship between extrinsic rewards, intrinsic rewards and the employees' performance	Recognition techniques (approaches) used in cement factories are good for the maximum performance of employee's	The study did not focus on work environment on organizational performance	Work environment and performance of commercial banks

2.5 Conceptual Framework

Independent Variables

Employee Retention Strategies



Source: Researcher (2017)

Figure 2.1: Conceptual Framework

Figure 2.1 shows the relationship between the independent variables and dependent variable. The independent variables are the work environment, rewards, training and recruitment and the dependent variable is the performance of commercial banks in Kenya.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter comprises of the research design, target population, sampling procedure and sample size, research instruments, pilot study, data collection techniques, data analysis and ethical issues.

3.2 Research Design

This study employed a descriptive design. Descriptive research designs are used in preliminary and exploratory studies to allow researchers to gather information, summarize, present and interpret for the purpose of clarification (Orodho, 2003). Mugenda and Mugenda (2003) on the other hand give the purpose of descriptive research as determining and reporting the way things are. Borg & Gall (1989) noted that descriptive survey research is intended to produce statistical information about aspects of education that interest policy makers and educators. The study could suit within the provisions of descriptive survey research design because the researcher collected data and reported the way things were given by respondents without manipulating any variables.

3.3 Target Population

The target population for this study included 4 commercial banks in Kenya namely; Kenya Commercial Bank, Equity Bank, National Bank and Cooperative Bank. The targeted respondents were 149 respondents comprising of 4 branch managers and 145 employees from the four Banks in Garissa County, Kenya.

Table 3.1: Target Population

Bank	Managers	Employees	Population
Kenya Commercial Bank	1	35	36
Equity Bank	1	40	41
National Bank	1	25	26
Cooperative Bank	1	45	46
Total	4	145	149

Source: HRM Department (2017)

3.4 Sampling Design and Sample Size

3.4.1 Sampling Design

According to Gay (2002), a researcher selects a sample due to various limitations that may not allow researching the whole population. Purposive sampling and stratified sampling was used to identify the respondents from each bank and census method was used to select the respondents from the sample.

3.4.2 Sample Size

According to Mugenda and Mugenda (2003), a sample is a small group obtained from the accessible population. In a descriptive research, a sample size of 10-50% is accepted (Mugenda & Mugenda, 2003). The researcher obtained a sample size of 30% from the accessible population. Therefore, the sample size was 49 respondents comprising of 4 managers and 45 employees.

Table 3.2: Sample Size Table

Bank	Managers	Employees	Sample Size (30%)
Kenya Commercial Bank	1	11	13
Equity Bank	1	12	13
National Bank	1	8	9
Cooperative Bank	1	14	15
Total	4	45	49

Source: Researcher (2017)

3.5 Data Collection Instruments

The study used questionnaires to collect primary data. The questionnaire was preferred over other methods of collecting data because of its ability to extract information from the respondents as well as giving a better understanding and a more insightful interpretation of the results from the study (Creswell, 2003). Questionnaires were also preferred because they enabled the study obtain more up to date information as well as elicit information which might not be captured in the other data collection techniques (Marshall & Rossman, 2005). This study used a questionnaire containing both open and close-ended questions so as to be able to capture more information from the respondents. The close-ended question were on 5-point likert scale. Likert scale is the most widely used approach to scaling responses in survey research (Borg & Gall, 1989).

3.6 Pilot Study

Pilot study is an activity that assists the research in determining if there are flaws, limitations, or other weaknesses within the research instrument design and allows him or her to make necessary revisions prior to the implementation of the study (Orodho, 2005). Mugenda and Mugenda (2003) recommended that a small number of cases can be used to pre-test data collection tools.

In this regard, a pilot study was carried out in standard chartered bank comprising of 10 respondents.

3.6.1 Validity of Instruments

Validity is the degree to which the research instruments will appropriately and accurately measure what they are supposed to measure (Orodho, 2005). Based on the analysis of the piloting, modification and removal of ambiguous or unclear items such as questions, inaccurate responses or indicated weaknesses was done to attract appropriate responses from the respondents. Borg and Gall (1989) assert that content validity of an instrument is improved through expert judgment and as such the researcher sought assistance of the university supervisors to find out whether the instruments could measure what it intends to measure.

3.6.2 Reliability of Instruments

Mugenda and Mugenda (2003) define reliability as a measure of the degree to which a research instrument yields consistent results or data after repeated trial. The pilot study enabled the researcher to assess the clarity of the questionnaire items so that those items found to be inadequate or vague was modified to improve the quality of the research instrument thus increasing its reliability. Split-Half technique of reliability testing was employed, whereby the pilot questionnaires were divided into two equivalent halves and then a correlation coefficient for the two halves was computed using the Pearson correlation formula.

$$r = 1 - \frac{6\Sigma(D)^2}{N(N^2-1)}$$

Where

- r = Correlation coefficient
- N = Sample
- Σ = Summation of scores
- D = Deviation

The coefficient indicates the degree to which the two halves of the test provide the same results and hence describe the internal consistency of the test. According to Orodho (2005) a minimum correlation coefficient of 0.65 is recommended as indicating that an instrument is reliable, and therefore the coefficient equal or above this but less than 1 was obtained to ensure that the data obtained is reliable. This study obtained a correlation coefficient of 0.65.

3.7 Data Collection Techniques

The researcher personally administered the questionnaire and conducted interviews to the respondents. This enabled the researcher to clarify issues or respond to questions from the respondents. The respondents were given two weeks of filling in the questionnaires. The respondents were given about one week to fill in the questionnaires after which the filled-in questionnaires were collected.

3.8 Data Analysis and Presentation

Primary data from the field was edited to eliminate errors that may be made by the respondents. Coding was done to translate question responses into specific categories so as to organize and reduce research data into manageable summaries. Content analysis technique was used to analyze qualitative data collected using interview schedules and reported in narrative form along with quantitative presentation. Quantitative data was analyzed using descriptive statistics such as mean and standard deviation and presented using charts, graphs and tables. Statistical Package for Social Sciences (SPSS) version 20.0 was used to analyze the quantitative data.

The study used Analysis of Variance (ANOVA) to test the level of significance of the model on the dependent variable at 95% confidence level. In addition, the study conducted a multiple

regression analysis to test the relationship between the study variables. The regression equation was: $Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \varepsilon$

Whereby Y = Performance of Commercial Banks

X_1 = Work Environment

X_2 = Reward

X_3 = Training

X_4 = Recruitment and Selection

while β_1 , β_2 , β_3 , β_4 and β_5 are coefficients of determination

ε is the error term.

3.9 Ethical Consideration

Prior to the commencement of data collection, the researcher obtained all the necessary documents, including an introduction letter from the school of Business, Kenyatta University (KU) and a research permit from National Commission for Science, Technology and Innovation (NACOSTI). Thereafter, the management of each bank was contacted before the start of the study. The researcher assured the respondents that strict confidentiality was maintained in dealing with the responses.

CHAPTER FOUR: RESEARCH FINDINGS AND DISCUSSION

4.1 Introduction

This chapter discusses the research findings obtained from the field. The general objective of this study was to investigate the influence of employee retention strategies on the performance of commercial banks in Garissa County, Kenya and the specific objectives of the study were to examine the influence of work environment, reward, recruitment and training on the performance commercial banks in Garissa County, Kenya.

The chapter presents the background information of the respondents, findings of the analysis based on the research objectives of the study. Descriptive and inferential statistics have been used to discuss the findings of the study. Quantitative data was analysed using descriptive statistics such as, frequency, mean and standard deviation and presented in tables, figures, graphs and charts. The response rate is given first, followed by demographic data of the respondents, descriptive statistics and inferential statistics.

4.2 Response Rate

The study targeted a sample size of 49 respondents comprising of 4 managers and 5 employees from four commercial banks namely Kenya Commercial Bank, Cooperative Bank, National Bank and Equity Bank. Their response rate is shown in Table 4.1.

Table 4.1: Response Rate

Respondents	Responded	Percentage
Managers	4	100
Employees	42	93.3
Total	46	93.9

Source: Survey Data (2017)

Table 4.1 shows that all the managers were interviewed and out of 45 questionnaires administered to the employees, 42 were return forming a response rate of 93.3. The overall response rate was 93.9%. Mugenda and Mugenda (2003) show that a response rate of 50% is adequate for analysis and reporting, a response rate of 60% is good and that of 70% and above is very good. This therefore meant that the overall response rate of 93.9% was appropriate for the study.

4.3 Demographic Data

4.3.1 Gender

The study established that male respondents accounted for 56.52% and female respondents 43.48%. This shows that all the genders were well represented.

4.3.2 Age

Table 4.2: Respondents' Age

		Respondnts' Age			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than 25 years	7	15.2	15.2	15.2
	25 - 35 Years	21	45.7	45.7	60.9
	36 - 45 years	6	13.0	13.0	73.9
	Over 45 years	12	26.1	26.1	100.0
	Total	46	100.0	100.0	

Source: Survey Data (2017)

The results in Table 4.2 indicates that 15.2% of the respondents were aged less than 25 years, 45.7% between the age bracket of 25 to 35 years, 13.0% fell between the age bracket of 36 to 45 years and 26.1% aged over 45 years. The study revealed that majority of the employees were between the age bracket of 25 to 35 years. The cumulative frequency of 60.9% indicated that majority of the respondents were aged 25 years and above.

4.3.3 Length of Work

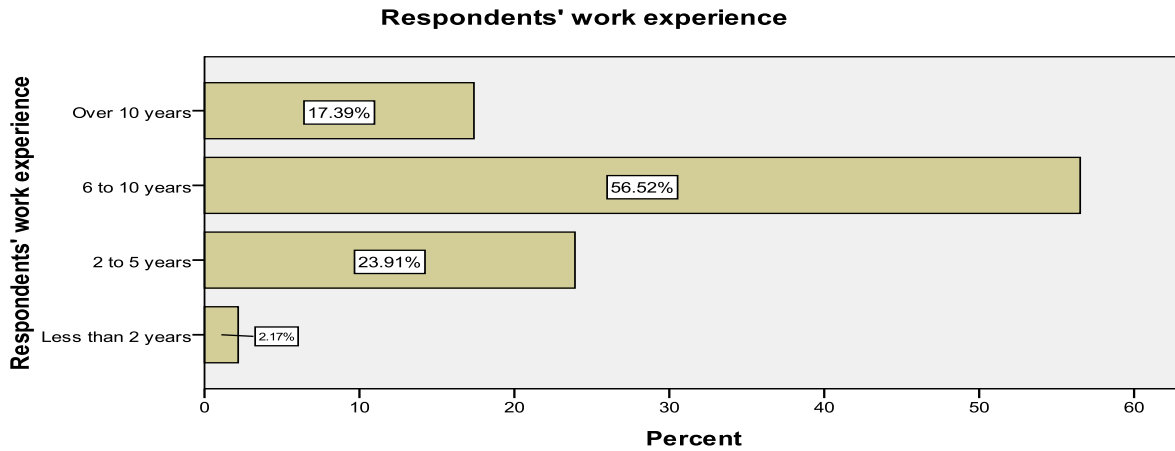


Figure 4.1: Length of work in the organization

Source: Survey Data (2017)

The results in Figure 4.2 show that 17.39% of the respondents had worked in the organization for over 10 years, 55.52% had worked in the organization between 6 and 10 years, 23.91% had worked for 2 to 5 years and 2.17% had worked for less than 2 years. The study further revealed that majority (55.52%) of the respondents had worked in the organization for 6 to 10 years. Result also reveals that a relatively small percentage of the employees (26.1%) had worked for less than 5 years in the current organizations.

4.3.4 Level of Education

Table 4.3: Level of Education

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Diploma/College	8	17.4	17.4	17.4
Post Graduate Diploma	5	10.9	10.9	28.3
University Degree	19	41.3	41.3	69.6
MBA/MA	14	30.4	30.4	100.0
Total	46	100.0	100.0	

Source: Survey Data (2017)

The results in Table 4.3 indicated that 17.4% of the respondents had Diploma/College level of education, 10.9% Post Graduate Diploma, 41.3% University Degree and 30.4% MBA/MA. The study further revealed that majority (41.3%) of the respondents had attained a university degree level of education. The study also revealed that majority of the respondents had attained a university degree level of education and above as shown by the cumulative frequency of 69.6%.

4.4 Descriptive Statistics

Descriptive statistics such as means and standard deviations were used to present that quantitative data with the use of Statistical Package for Social Sciences (SPSS) version 17.0.

These were presented as per the study objectives as follows

4.4.1 Work Environment and Performance of Commercial Banks

The first research objective sought to examine the influence of work environment on the performance of commercial banks in Garissa County, Kenya. The findings are shown in Table 4.4.

Table 4.4: Work Environment and Performance of Commercial Banks

Statement	M	SD
Critical records flows effectively from senior leadership to workforce	3.80	1.025
Employees acquire beneficial feedback from my manager or manager on my job overall performance	4.09	0.890
The workplaces wherein employees work have mild room temperature /air flow	4.13	0.542
The business enterprise has ensured that personnel work in a smooth and ornamental office.	3.70	1.051
The personnel workplace without noise within the office	2.89	1.354
Personnel are concerned in placing meaningful desires and overall performance measures for their work	3.07	1.181
Professional and respected people are to be had to personnel to help them carry out better of their contemporary function and to assist them develop further into a future function	3.24	1.158
Aggregate	3.56	1.03

Key: M – Mean; SD – Standard Deviation

Source: Survey Data (2017)

The results in Table 4.3 indicate that majority of the respondents strongly agreed on the statements that the workplaces wherein employees work have mild room temperature/air flow as indicated by a mean of 4.13 and a significance variance of 0.542 and that employees acquire beneficial feedback from my manager or manager on my job overall performance as indicated by a mean of 4.09 which varied significantly as indicated by standard deviation of 0.890. These were followed by the statements that critical records flow effectively from senior leadership to workforce (M=3.80, SD=1.025), the business enterprise has ensured that personnel work in a smooth and ornamental office (M=3.70, SD=1.051), professional and respected people are to be had to personnel to help them carry out better of their contemporary function and to assist them develop further into a future function (M=3.24, SD=1.158), personnel are concerned in placing meaningful desires and overall performance measures for their work (M=3.07, SD=1.181) and the personnel workplace without noise within the office (M=2.89, SD=1.354).

These findings concur with the findings of Tamessek (2009) who analyzed the quantity to which personnel understand their place of business surroundings as fulfilling their intrinsic, extrinsic, and social wishes and their want to stay in the organisation. The writer additionally analyzed the impact of notion of place of job environments on employee dedication and turnover in the employer, he concluded that if the personnel are furnished with permitting administrative center environmental help, they may be exceptionally glad and display immoderate diploma of commitment towards their corporation and therefore low turnover rate.

Chevalier (2014) study revealed that if environment is sound, personnel are better geared up to do what is anticipated of them. Chandrasekar (2013) discovered that place of work environment plays a massive position in increasing employees' performance. The findings by Ajala (2012)

indicated that place of job environmental factors such as enough mild, absence of noise, right air flow and format association extensively growth employees' productivity.

4.4.2 Reward and Performance of Commercial Banks

The second research objective sought to establish the influence of reward on the performance of commercial banks in Garissa County, Kenya. The findings are shown in Table 4.5.

Table 4.5: Reward and Performance of Commercial Banks

Statement	M	SD
High performing personnel are rewarded to inspire others to hence improved overall performance within the employer	4.48	0.888
Employees are given fine reputation when they produce high excellent work	4.11	0.674
The enterprise offers an excellent pension scheme and other fringe advantages for its employees	4.39	0.649
There exist a device in the corporation of compensating employees in the event that they reap their targets.	3.63	1.323
The advantages I receive motivates me to do properly at my work	3.04	1.173
The company ensures the wellness of an worker with the aid of providing them holidays with pay	3.96	1.192
Aggregate	3.94	0.983

Key: **M** – Mean; **SD** – Standard Deviation

Source: Survey Data (2017)

The results in Table 4.4 indicates that majority of the respondents strongly agreed on the statements that high performing personnel are rewarded to inspire others to hence improved overall performance within the employer as indicated by a mean of 4.48 with a significance variance of 0.888, the enterprise offers an excellent pension scheme and other fringe advantages for its employees as indicated by mean of 4.39 and a significance variance of 0.649 and Employees are given fine reputation when they produce high excellent work as indicated by a mean of 4.11 and a standard deviation of 0.674. These were followed by the statements that the

company ensures the wellness of an worker with the aid of providing them holidays with pay (M=3.96, SD=1.192), there exist a device in the corporation of compensating employees in the event that they reap their targets (M=3.63, SD=1.323) and the advantages I receive motivates me to do properly at my work (M=3.04, SD=1.173).

These findings agree with the findings of Kramar and Syed (2012) who observed that institution rewards or incentives are more likely to yield a collaborative approach to overall performance and as a consequence be extra powerful in attaining your shared dreams. They also argue that collective incentive schemes might also inspire extra organizational purchase in from employees as compared to the ones schemes of a person nature. But, this does not suggest that team based rewards aren't compatible with character overall performance associated pay schemes as both may be combined with careful attention.

4.4.3 Training and Performance of Commercial Banks

The third research objective sought to establish the influence of training on the performance of commercial banks in Garissa County, Kenya. The findings are shown in Table 4.6.

Table 4.6: Training and Performance of Commercial Banks

Statement	M	SD
Education needs assessment is executed continuously within the organization to enhance overall performance	4.43	0.655
Education programmes are evaluated to gauge their effectiveness in improving performance	3.85	0.942
Understanding received through continuous schooling has an instantaneous influence on my paintings overall performance	3.91	1.279
The corporation has a complete coverage on education which hyperlinks education to performance.	4.17	0.825
Personnel training at my paintings vicinity has improved my relationship with my supervisors at work	3.20	1.360
Team of workers trainings allow personnel to proactively discover future challenges and opportunities	3.37	1.339
Aggregate	3.82	1.067

Key: M – Mean; SD – Standard Deviation

Source: Survey Data (2017)

The results in Table 4.5 show that majority of the respondents strongly agreed on the statements that education needs assessment is executed continuously within the organization to enhance overall performance as indicated by mean of 4.43 with a significance variance of 0.655 and the corporation has a complete coverage on education which hyperlinks education to performance as indicated by mean of 4.17 and a standard deviation of 0.825. These were followed by the statements that understanding received through continuous schooling has an instantaneous influence on my paintings overall performance (M=3.91, SD=1.279), education programmes are evaluated to gauge their effectiveness in improving performance (M=3.85, SD=0.942), team of workers trainings allow personnel to proactively discover future challenges and opportunities (M=3.37, SD=1.339) and personnel training at my paintings vicinity has improved my relationship with my supervisors at work (M=3.20, SD=1.360).

These findings are in line with the findings of Mia (2009) who on measuring the effect of training on the overall performance of employees: an empirical look at of the directorate of education in al Buraimi governorate in the sultanate of Oman. Outcomes of the study, confirmed an impact of schooling on the overall performance of teachers, and it elevated their productiveness. The researchers advocated giving greater attention to the quality of the schooling applications provided to teachers.

4.4.4 Recruitment and Performance of Commercial Banks

The fourth research objective sought to establish the influence of recruitment on the performance of commercial banks in Garissa County, Kenya. The findings are shown in Table 4.7.

Table 4.7: Recruitment and Selection on Performance of Commercial Banks

Statement	M	SD
Hiring gadgets at enterprise make sure that the relevant task standards are blanketed inside the assessments and interviews on the layout degree which result in choosing candidates who fit the needs of the process in terms in their talents, attitudes and behaviours	3.96	1.192
The business enterprise makes use of established interviews to beautify reliability and validity of the interview. Those hired are therefore matched to key process criteria ensuing to superior overall performance which allows company reap its dreams	3.04	1.173
Every time the employer embarks on the hiring process, it tries to look and secure the fine viable candidate	3.63	1.323
The employer encourages and promotes internal promotions	4.39	0.649
The employees whole the search method by selecting amongst process gives	4.11	0.674
Employee recruitment and selection is executed fairly within the organization	4.48	0.888
Aggregate	3.94	0.983

Key: M – Mean; SD – Standard Deviation

Source: Survey Data (2017)

The results in Table 4.6 indicate that majority of the respondents strongly agreed on the statements that employee recruitment and selection is executed fairly within the organization as indicated by a mean of 4.48 and a standard deviation of 0.888 and the employer encourages and promotes internal promotions as indicated by a mean of 4.39 with a significance variance of 0.649. These were followed by the statements that the employees whole the search method by selecting amongst process gives (M=4.11, SD=0.674), hiring gadgets at enterprise make sure that the relevant task standards are blanketed inside the assessments and interviews on the layout degree which result in choosing candidates who fit the needs of the process in terms in their talents, attitudes and behaviours (M=3.96, SD=1.192), every time the employer embarks on the hiring process, it tries to look and secure the fine viable candidate (M=3.63, SD=1.323) and the

business enterprise makes use of established interviews to beautify reliability and validity of the interview. Those hired are therefore matched to key process criteria ensuing to superior overall performance which allows company reap its dreams (M=3.04, SD=1.173).

These findings concur with the findings of Omolo et al. (2012) who investigated the impact on recruitment and selection had on the performance of SMEs in Kisumu municipality in Kenya. The study discovered that the overall average performance of SMEs in Kisumu municipality turned 60.71%. There has been a positive correlation among recruitment and selection, and performance of SMEs at $\alpha = .01$. The average performance of SMEs with top recruitment and selection was 81.90%; with moderate at 67.94% and terrible at 53.90%. Recruitment and selection account for 40.80% of the overall variance in performance of SMEs. The study concludes that recruitment and choice have a sizeable impact at the overall performance of SMEs in Kisumu municipality.

4.5 Performance of Commercial Banks

Table 4.8: Performance of Commercial Banks

Statement	M	SD
Employee retention services have led to industrial banks profitability	4.24	1.158
Employee retention services have better industrial banks operational performance	3.97	1.053
Worker retention offerings have decreased labour turnover to commercial banks	4.48	0.888
Employee retention offerings have superior efficiency in commercial banks	4.39	0.649
Aggregate	4.27	0.937

Key: M – Mean; SD – Standard Deviation

Source: Survey Data (2017)

The results in Table 4.7 indicates that majority of the respondents strongly agreed on the statement that worker retention offerings have decreased labour turnover to commercial banks as indicated by mean of 4.48 and a significance variance of 0.888. This was followed by the statements that employee retention offerings have superior efficiency in commercial banks (M=4.39, SD=0.649), employee retention services have led to industrial banks profitability (M=4.24, SD=1.158) and that employee retention services have better industrial banks operational performance (M=3.97, SD=1.053). Worker retention techniques are a plan or set of selection-making behaviour installed place with the aid of companies to hold their able personnel for overall performance (Gberevbie, 2008). Researchers have observed that employees are more likely to stay and paintings for the successful success of organizational dreams while appropriate employee retention strategies are adopted and applied by means of organizations (Chaminade, 2009; Willis, 2010).

4.6 Regression Analysis

Regression analysis was used to model, examine, and explore the relationships between the performance of commercial banks in Kenya against the four independent variables (work environment, reward, training and recruitment) used for the study.

Table 4.9: Model Summary

Model Summary									
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.850 ^a	.695	.722	.358	.722	26.661	4	41	.000

a. Predictors: (Constant), Recruitment and Selection, Training, Reward, Work Environment

Source: Survey Data (2017)

The four independent variables that were studied, explain 72.2% of the performance of commercial banks in Kenya as represented by the adjusted R square. This therefore means that other factors not studied in this research contribute 27.8% of the performance of commercial banks in Kenya. Therefore, further research should be conducted to investigate the other factors (27.8%) that affect the performance commercial banks in Kenya.

Table 4.10: Analysis of Variance

ANOVA ^b						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	13.692	4	3.423	26.661	.000 ^a
	Residual	5.264	41	.128		
	Total	18.957	45			

a. Predictors: (Constant), Recruitment and Selection, Training, Reward, Work Environment

b. Dependent Variable: Performance of Commercial Banks

Source: Survey Data (2017)

The significance value is 0.000 which is less than 0.05, thus the model is statistically significant in predicting how work environment, reward, training and recruitment influenced the performance commercial banks in Kenya. The F calculated at 5% level of significance was 26.661. Since F calculated is greater than the F critical (p value = 3.555), this shows that the overall model was significant

Table 4.11: Coefficients

		Coefficients ^a						
		Unstandardized Coefficients		Standardized Coefficients			95.0% Confidence Interval for B	
Model		B	Std. Error	Beta	t	Sig.	Lower Bound	Upper Bound
1	(Constant)	.525	.491		2.293	.027	.134	2.117
	Work Environment	.839	.138	2.708	2.817	.003	.110	.668
	Reward	.525	.109	4.455	2.345	.004	.475	-.035
	Training	.649	.110	1.067	1.446	.001	.271	.173
	Recruitment and Selection	.759	.082	3.789	9.210	.000	.593	.926

a. Dependent Variable: Performance of Commercial Banks

Source: Survey Data (2017)

The established regression equation by the study was $Y = 0.525 + 0.839X_1 + 0.525X_2 + 0.649X_3 + 0.759X_4$.

Where Y = Performance of Commercial Banks in Kenya

X_1 = Work Environment

X_2 = Reward

X_3 = Training

X_4 = Recruitment and Selection

From the above regression model, holding work environment, reward, training and recruitment constant, performance of commercial banks in Kenya would be 0.525. As shown in table 4.10 work environment, reward, training and recruitment had a positive and significant effect in performance of commercial banks in Kenya as indicated by their t-values.

4.6.1 Work Environment

Work environment had a positive and significant effect in performance of commercial banks in Kenya as indicated by their t-values ($t = 2.817, p < 0.05$). Work environment was found to have a greater (83.9 %) influence on the performance of commercial banks in Kenya. Naharuddin and Sadegi (2013) confirmed that most effective supervisor aid is not vast in the direction of the employees' performance at the same time as task aid and bodily place of work environment had a sizable relationship in the direction of employees' overall performance.

4.6.2 Reward

Reward had a positive and significant effect in performance of commercial banks in Kenya as indicated by their t-values ($t = 2.345, p < 0.05$). Kramar and Syed (2012) found that institution rewards or incentives are more likely to yield a collaborative approach to overall performance and as a consequence be extra powerful in attaining your shared dreams.

4.6.3 Training

Training had a positive and significant effect in performance of commercial banks in Kenya as indicated by their t-values ($t = 1.446, p < 0.05$). Ghannam (2010) looked at the impact of training at the overall performance of the employees in the Palestinian insurance region, the take study discovered that their a relationship between the education and performance improvement, and the external education is the fine training process, the study also discovered that there are effect of the education on the organizational dedication of employees inside the insurance location in Palestine.

4.6.4 Recruitment and Selection

Recruitment had a positive and significant effect in performance of commercial banks in Kenya as indicated by their t-values ($t = 9.210, p < 0.05$). Terpstra and Rozell (2013) found positive

association among the extensiveness of recruiting, preference take a look at validation and using formal choice methods and company earnings.

CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

The chapter provides the discussion of findings, gives the conclusions and recommendations of the study based on the objectives of the study.

5.2 Summary of the Findings

The general objective of this study was to investigate the influence of employee retention strategies on the performance of commercial banks in Garissa County, Kenya. 49 respondents participated in the study comprising of 4 managers and 5 employees from four commercial banks namely Kenya Commercial Bank, Cooperative Bank, National Bank and Equity Bank.

Given below is a summary of the key study findings:

5.2.1 Work Environment

The study revealed that work environment had a positive and significant effect in performance of commercial banks in Kenya as indicated by their t-values ($t = 2.817, p < 0.05$). The mean of 3.56 indicates that work environment highly influences the performance of commercial banks in Kenya with a significance variance of 1.03. Majority of the respondents strongly agreed on the statements that the workplaces wherein employees work have mild room temperature/air flow as indicated by a mean of 4.13 and a significance variance of 0.542 and that employees acquire beneficial feedback from my manager or manager on my job overall performance as indicated by a mean of 4.09 which varied significantly as indicated by standard deviation of 0.890.

5.2.2 Reward

The study established that reward had a positive and significant effect in performance of commercial banks in Kenya as indicated by their t-values ($t = 2.345, p < 0.05$). The mean of 3.94 indicates that reward influences the performance of commercial banks in Kenya to a great extent.

Majority of the respondents strongly agreed on the statements that high performing personnel are rewarded to inspire others to hence improved overall performance within the employer as indicated by a mean of 4.48 with a significance variance of 0.888, the enterprise offers an excellent pension scheme and other fringe advantages for its employees as indicated by mean of 4.39 and a significance variance of 0.649 and Employees are given fine reputation when they produce high excellent work as indicated by a mean of 4.11 and a standard deviation of 0.674

5.2.3 Training

The found that training had a positive and significant effect in performance of commercial banks in Kenya as indicated by their t-values ($t = 1.446, p < 0.05$). The mean of 3.82 indicate that training greatly affects performance of commercial banks in Kenya with a significance variance of 1.067. Majority of the respondents strongly agreed on the statements that education needs assessment is executed continuously within the organization to enhance overall performance as indicated by mean of 4.43 with a significance variance of 0.655 and the corporation has a complete coverage on education which hyperlinks education to performance as indicated by mean of 4.17 and a standard deviation of 0.825.

5.2.4 Recruitment

The study established that recruitment had a positive and significant effect in performance of commercial banks in Kenya as indicated by their t-values ($t = 9.210, p < 0.05$). The mean of 3.94 indicated that recruitment had a greater influence on the performance of commercial banks in Kenya with a significance variance of 0.983. Majority of the respondents strongly agreed on the statements that employee recruitment and selection is executed fairly within the organization as indicated by a mean of 4.48 and a standard deviation of 0.888 and the employer encourages and

promotes internal promotions as indicated by a mean of 4.39 with a significance variance of 0.649.

5.3 Conclusions

The study concludes that work environment performs an essential role in motivating employees to carry out their assigned task. Employee's operating surroundings significantly influences their productivity. The study also concluded that worker's will enhance their performance if their issues identified are tackled by the management. Making a work environment wherein personnel are productive is essential to multiplied earnings for commercial banks.

The study concludes that monetary reward and non-financial reward give a significance impact to the employees' overall performance in businesses. Reward systems carried out by commercial banks have an impact on personnel' conduct and mindset towards their task. These rewards fulfill their wishes and assist them to attain their non-public desires. Implementation of extrinsic rewards is proved to have a favorable association with organizational performance.

The study concludes that training is very critical for commercial banks in Kenya to compete with this unpredictable and dynamic world. Training and development is essentially without delay related to worker but its ultimate impact goes to business enterprise due to the fact the end consumer is corporation itself. This indicates that employee performance is critical for the overall performance of the employer and the training is useful for the worker to improve its performance.

The study concludes that the focus of recruitment and selection in commercial banks in Kenya is to fit the competencies of prospective candidates against the demands and rewards inherent in a given job. For this reason, commercial banks in Kenya dedicate considerable sources and authority to creating high first-rate selection systems. Recruitment and selection process are

important practices for human resources, and are important in enhancing the overall performance of commercial banks in Kenya.

5.4 Recommendations

The study recommends that management of commercial banks in Kenya ought to attempt as a great deal as possible to build a work environment that attracts, preserve and encourage its employees so that it will help them work in a conducive environment and growth enterprise performance. Commercial banks ought to have in place a very good operating situation for his or her personnel as a way to increase their morale and cause them to greater efficient.

Besides providing monetary rewards, commercial banks in Kenya ought to provide greater emphasis on intrinsic rewards so that it will encourage and improve personnel's task performance. A careful layout of reward system which links with the performance size is important for the long-term fulfillment of organisation.

The study recommends that all commercial banks in Kenya should provide training to their personnel. This is because training and development have benefits not only for the employee however the last advantage is for the organization itself. If the overall performance of the employee is not always good it is going to have an effect to the entire organization.

The study recommends that commercial banks in Kenya should deal with their candidates fairly, issues of favouritism have to be avoided when choosing candidates, jobs have to be properly described and analyzed to chose applicants to aid performance, the human resource department need to appraise employees to help them deliver off their high-quality and help improve overall performance of personnel; this could constantly maintain personnel on their feet to present off their quality in the direction of organizational performance.

5.5 Recommendations for Further Studies

The study recommends that future studies be carried out on the influence of employees' retention strategies on organizational performance in other sectors. Also, further studies should be carried out on the influence of workforce diversity on organizational performance.

REFERENCES

- Ajala, E. M. (2012). The Influence of Workplace environment on Workers' Welfare, Performance and Productivity, The African Symposium. *Journal of the African Educational Research Network*, 12(1), 141-149
- Ajila, C., & Abiola A. (2014). Influence of rewards on work performance in an organization. *Journal of Social Sciences*, 8(1), 7-12.
- Amusa, O.I., Iyoro, A. O., & Olabisi, A. F., (2013). Work Environment and Job Performance of Librarians in the Public Universities in South-West Nigeria. *Journal of Library and Information Science*, 5(11), 457-461
- Barber, A., Wesson, M., Roberson, Q., & Taylor, S. (2009). A tale of two job markets: Organizational size and its effects on hiring practices and job search behaviour. *Personnel Psychology*, 52(4), 841-867.
- Becker, B., & Gerhart, B. (2009). The impact of human resource management on organizational performance: Progress and prospects. *Academy of management journal*, 39(4), 779-801.
- Borg, W. R., & Gall, M. D. (1989). *Educational Research: An Introduction* (5th ed.). New York: Longman.
- Brown, H. (2010). Lack of proper retention strategies can hurt you. Available at <http://www.hrfuture.net> [Accessed 10 July, 2007]
- Bula, H. (2012). Labor Turnover in the Sugar industry in Kenya. International Institute of Science and Technology (IISTE) publication. *Journal of European and business Management*. 4(9)
- Cassell, C., Nadin, S., Gray, M., & Clegg, C. (2012). Exploring human resource management practices in small and medium sized enterprises. *Personnel Review*, 31(6), 671-692
- Chaminade, B. (2007). A retention checklist: how do you rate? www.humanresourcesmagazine.co.au. Accessed, 15 January 2012.
- Chandrasekar, K. (2011). Workplace environment and its impact on organizational performance in Public Sector Organizations, Alagappa University, Karaikudi, India.
- Chevalier, M. (2014). High performance standards with a congenial working Environment. Laura Miller, Washington DC
- Clarke, K. F. (2011). What businesses are doing to attract and retain employee-becoming an employer of choice. *In Employee Benefits Journal*, 34-37.
- Creswell, J. W. (2003). *Qualitative Inquiry and Research Design: Choosing among Five Traditions*, Sage, London.
- Danials, S. (2013). Employee Training: A strategic Approach to better returned on Investment. *Journal of Business Strategy*, 24(5), 39-42.

- Dess, G. G., & Robinson, R. B. (2014). Measuring organizational performance in the absence of objective measures: the case of the privately-held firm and conglomerate business unit. *Strategic management journal*, 5(3), 265-273.
- Dysvik, A. & Kuvaas, B. (2008). The relationship between perceived training opportunities, work motivation and employee outcomes. *International Journal of Training and Development*, 12(3), 138-157.
- Egwuridi, P. C. J. (2011). *Job Satisfaction: Effects on Job Characteristics*. Unpublished MSc Dissertation University of Lagos, Nigeria.
- Ejiofor, P. N. O. & Mbachu A. U. (2011). Imperatives of Human Resource Practices in the New Millennium. *Journal of the Management Sciences*, 5(1), 45-49
- Etomi, E. (2010). The Changing Face of Recruitment and Selection; Human Resources Management. *Journal of the Institute of Personnel Management of Nigeria*, 11(1), 123-128.
- Garbie, I. H. (2014). An Experimental Study on Assembly Workstation Considering Ergonomically Issues. In *Proceedings of the 41st International Conference on Computers & Industrial Engineering*.
- Gay L. (2002). *Education Research competencies for analysis and application* (4th ed). Macmillan publishers: New York
- Gberevbie, D. E. (2008). Staff Recruitment, *Retention Strategies and Performance of Selected Public and Private Organizations in Nigeria*. Ph.D. Thesis. Coll. Bus. Soc. Sci., Covenant Univ., Ota.
- Ghannam, M. (2010). *The impact of training on the performance of employees in the insurance sector of the Palestinian*. Unpublished research, An-Najah University, Nablus, Palestine.
- Gitahi, S. N. (2014). Effect of Workplace Environment on Commercial Banks Employees In Nakuru Town.
- Greenidge, D., Alleyne, P., Parris, B., & Grant, S. (2012). A comparative study of recruitment and training practices between small and large businesses in an emerging market economy: The case of Barbados. *Journal of Small Business and Enterprise Development*, 19(1), 164-182
- Gupta, N., Maliqi, B., França, A., Nyonator, F., Pate, M. A., Sanders, D. & Daelmans, B. (2011). Human resources for maternal, newborn and child health: from measurement and planning to performance for improved health outcomes. *Human resources for health*, 9(1), 16.
- Hameed, A. & Amjad, S. (2012). Impact of office design on employees' Productivity: A case study of Banking Organizations of Abbottabad, Pakistan. *Journal of Public Affairs, Administration and Management*, 3(1).
- Handy, L. W. (2013). *The importance of the work environment variables on the transfer of training*. Unpublished PhD Thesis, Department of Education ,University of North Carolina State University, Carolina, USA

- Hasun, F. M. & Makhbul, Z.M. (2012). An overview of workplace environment and selected demographic factors towards individual health and performance enhancement. *Synergizing OSH for BusinessCompetitive*, 45-53
- Hayes, L. J. O'Brien-Pallas, L., Duffield, C., Shamian, J., Buchan, J., Hughes, F., Laschinger, H.K.S., North, N. & Stone, P. W. (2013). Nurse Turnover: A Literature Review. *International Journal of Nursing Studies*, 43, 237-263.
- Herzberg, F. (1968). *One more time: How do you motivate employees* (pp. 46-57). Boston, MA: Harvard Business Review.
- Hom, P. W. & Kinicki, A. J. (2011). Toward a greater understanding of how dissatisfaction drives employee turnover. *Academy of Management Journal*, 44(5), 975-987
- Husien, W. A. (2012). *Role of Strategic Human Resources Management on SMEs' Performance in Iraq* (Master Published Thesis, Universiti Utara Malaysia, Malaysia).
- Hytter, A. (2012). Retention Strategies in France and Sweden. *Irish Journal of Management*, 28, 59-79.
- Iyayi, F. I. O. (2002). Decision-Making in Underdeveloped Organizations: An Exploratory Investigation. *Nigeria Journal of Business Administration*. 4(1), 45-49
- Jalal, A. B. (2010). *The effect of training technical programs on efficiency of workers in the Palestinian financial market*. Unpublished research, An-NajahUniversity, Nablus, Palestine.
- Kalleberg, A. L., & Moody, J. W. (2008). Human resource management and organizational performance. *American Behavioral Scientist*, 37(7), 948-962.
- Katou, A. A., & Budhwar, P. S. (2012). The influence of human resource management policies on organizational performance in Greek manufacturing firms. *Thunderbird International Business Review*, 49, 1-35
- Kepha, O., Mukulu, E., & Waititu, G. A. (2012). The influence of recruitment and selection on the performance of employees in research institutes in Kenya. *International Journal of Science and Research*, 3(5), 132-138.
- Khan, S. H., Azhar, Z., Parveen, S., Naeem, F., & Sohail, M. M. (2011). Exploring the Impact of Infrastructure, Pay Incentives, and Workplace Environment on Employees' Performance (A case study of Sargodha University). *Asian Journal of Empirical Research*, 2(4), 118-140.
- Madiha et al, (2009). Determinants of Employee Retention in Telecom Sector of Pakistan Army Public College of Management Sciences. Available at www.ciitlahore.edu.pk [Accessed January 12, 2012]
- Marshall, C., & Rossman, G. (2005). *Designing Qualitative Research*, (2nd ed). Sage, London.
- Mia, E. A. (2009). Measuring the impact of training on the performance of workers an Empirical Study of the Directorate of Education in Al Buraimi Governorate in the Sultanate of Oman. *Economic Sciences, Legal*, 31(1)

- Mugenda, O. & Mugenda, A. (2003). *Research Methods: Qualitative and Quantitative Approaches*. Nairobi: Acts Press
- Naharuddin, N. M., & Sadegi, M. (2013). Factors of workplace environment that affect employees performance: A case study of Miyazu Malaysia.
- Nwackukwu, C. C. (2014). Effective leadership and productivity. Evidence from a national survey of industrial organization. *African Journal for the Study of Social*, 1, 38-46
- Ofori, D., & Aryeetey, M. (2011). Recruitment and Selection Practices in Small and Medium Enterprises. *International Journal of Business Administration*, 2(3), 45-60.
- Omolo, J. W., Oginda, M. N., & Oso, W. Y. (2012). Effect of recruitment and selection of employees on the performance of small and medium enterprises in Kisumu municipality, Kenya. *International Journal of Human Resource Studies*, 2(3), 139.
- Opatha, H. H. D. N. P. (2010). *Human resource management*. Author published, Colombo.
- Orodho A. J. (2005). *Techniques of writing research proposals and reports in Educational and Social Sciences*, (2nd ed) Nairobi: kaneja H.P Enterprises
- Rauf, M. A. (2007). HRM sophistication and SME performance: A case of readymade garment manufacturers and exporters in Lahore. Pakistan Report. London: HMS.
- Samuel, M. O., & Chipunza, C. (2009). Employee retention and turnover: Using motivational variables as a panacea. *African journal of business management*, 3(9), 410.
- Scullion, H. & Collings, D. G. (2010). Global talent management. *Journal of World Business*, 45, 105-108.
- Sezar. (2009). An analysis on relations between implementation of training activities and human resources management organizations in service businesses. *Journal of European Industrial Training*, 28(5), 370–382.
- Simmons, R. (2013). Human resource management practices and workers' job satisfaction. *International Journal of Manpower*, 29(7), 651- 667.
- Simon, H. A. (1960). *The New Science of Management Decisions*. New York: Harper and Row.
- Stahl, K. G., Bjorkman, I., Farndale, E., Morris, S. S., Paauwe, J., Stiles, P., Trevor, J., & Wright, M. P. (2007). Global talent management: How leading multinationals build and sustain their talent pipeline. *INSEAD*, 34
- Syed, Z. J. W. (2012). Universalistic perspective of HRM and organizational performance: meta-analytical study. *International Bulletin of Business Administration*, 13
- Tarawneh, T. (2009). The obligation to apply the stages of training and its impact in the field of performance of employees. *Arab Journal of Security Studies and Training*, 26(51)
- Temessek, Y. (2009). Expanding the Psychosocial Work Environment. *Workplace Norms and Work–Family Conflict as Correlates of Stress and Health*, 3(1) 71-88
- Terpstra, E. D., & Rozell, J. E. (2013). The relationship of staffing practices to organizational level measures of performance. *Personnel Psychology*, 46(1), 27-48

- WHO (2010). World health report 2010. Working together for health. Geneva, World Health Organization (<http://www.who.int/whr/2006/en/>, accessed 28 May 2011).
- Willis, M. (2010). Reducing Employee Turnover, Creating Quality Newsletter, Vol. 11, No. 5, accessed 15 January, http://www.missouribusiness.net/cq/2002/reducing_employee_turnover.asp
- Yasmeen, R. Farooq, U. & Asghar, F. (2013). The Impact of Rewards on Organizational Performance in Pakistan

APPENDICES

Appendix I: Letter of Introduction

Abdinoor Bashir

P.o Box 258

Garissa

Dear Sir/Madam,

Re: Research Study

I am an MBA student from Kenyatta University - City Campus, undertaking research on the *'Employee Retention Strategies and Performance of Commercial Banks in Garissa County, Kenya'*.

I therefore request to be granted permission to carry out the study in the attached list of selected departments in your organization.

Yours Faithfully

Abdinoor Bashir

MBA Student

Kenyatta University – Main Campus

Appendix II: Questionnaire for the Employees

This research is meant for academic purpose. Kindly you are requested to provide answers to the questions as honestly and precisely as possible. Responses to these questions will be treated as confidential. Do not write your name or that of your department anywhere on this questionnaire but tick [] where appropriate or fill in the required information on the spaces provided.

Section A: Demographic Data

1. Gender: Male [] Female []

2. Age:
 Less than 25 Years 25 – 35 Years
 36 -45Years Over 45 Years

3. How long have you worked in this organization?
Less than 2 years [] 2 – 5 years
6– 10 years [] 10 and above []

4. What is your level of education?
Diploma/College [] University Degree []
MBA/MA [] Post-graduate Diploma []

Section B: Work Environment and Performance of Commercial Banks

The statements below relate to the influence of work environment on the performance of commercial banks in Kenya: Supplied also are five options corresponding to these statements:

Key: Strongly agree(SA)=**5**, Agree(A)=**4**, Undecided(U)=**3**, Disagree(D)=**2**, and Strongly Disagree(SD)=**1**.

Statement	1	2	3	4	5
Essential information flows effectively from senior leadership to staff					
Employees receive useful feedback from my manager or supervisor on my job performance					
The offices where employees work have Moderate room temperature /ventilation					
The organization has ensured that employees work in a clean and decorative office					
The employees work in an area without noise in the office					
Employees are involved in setting meaningful goals and performance measures for their work.					
Skilled and respected people are available to employees to help them perform better in their current role and to assist them develop further into a future role.					

5. In your opinion, how does work environment influence performance of commercial banks in Kenya?

.....

.....

.....

.....

.....

Section C: Reward and Performance of Commercial Banks

The statements below relate to the influence of reward on the performance of commercial banks in Kenya: Supplied also are five options corresponding to these statements:

Key: Strongly agree(SA)=5, Agree(A)=4, Undecided(U)=3, Disagree(D)=2, and Strongly Disagree(SD)=1.

Statement	1	2	3	4	5
High performing employees are rewarded to encourage others to hence improved performance in the organization					
Employees are given positive recognition when they produce high quality work					
The organization provides a good pension scheme and other fringe benefits for its employees					
There exist a system in the organization of compensating employees if they achieve their targets					
The benefits I receive motivates me to do well at my work					
The Organization ensures the wellbeing of an employee by offering them vacations with pay					

6. In your opinion, how does reward influence performance of commercial banks in Kenya?

.....

.....

.....

.....

.....

.....

.....

Section D: Training and Performance of Commercial Banks

The statements below relate to the influence of training on the performance of commercial banks in Kenya: Supplied also are five options corresponding to these statements:

Key: Strongly agree(SA)=5, Agree(A)=4, Undecided(U)=3, Disagree(D)=2, and Strongly Disagree(SD)=1.

Statement	1	2	3	4	5
Training needs assessment is carried out continuously within the organization to enhance performance					
Training programmes are evaluated to gauge their effectiveness in improving performance					
Knowledge acquired through continuous training has a direct influence on my work performance					
The organization has a comprehensive policy on training which links training to performance					
Staff training at my work place has improved my relationship with my supervisors at work					
Staff trainings allow employees to proactively identify future challenges and opportunities					

7. In your opinion, how does training influence performance of commercial banks in Kenya?

.....

.....

.....

.....

.....

.....

.....

Section D: Recruitment and Performance of Commercial Banks

The statements below relate to the influence of recruitment on the performance of commercial banks in Kenya: Supplied also are five options corresponding to these statements:

Key: Strongly agree(SA)=5, Agree(A)=4, Undecided(U)=3, Disagree(D)=2, and Strongly Disagree(SD)=1.

Statement	1	2	3	4	5
Hiring instruments at organization ensure that the relevant job criteria are included in the tests and interviews at the design stage which lead to selecting candidates who match the demands of the job in terms of their skills, attitudes and behaviours					
The organization uses structured interviews to enhance reliability and validity of the interview. Those hired are therefore matched to key job criteria resulting to superior performance which helps organisation achieve its goals					
Whenever the organization embarks on the hiring process, it attempts to search and secure the best possible candidate					
The company encourages and promotes internal promotions					
The employees complete the search process by choosing among job offers					
Employee recruitment and selection is done fairly in the organization					

Section F: Performance of Commercial Banks

The statements below relate to the indicators of performance of commercial banks in Kenya:

Supplied also are five options corresponding to these statements:

Key: Strongly agree(SA)=5, Agree(A)=4, Undecided(U)=3, Disagree(D)=2, and Strongly Disagree(SD)=1.

Statement	1	2	3	4	5
Employee retention services have led to commercial banks profitability					
Employee retention services have enhanced commercial banks operational efficiency					
Employee retention services have reduced labour turnover to commercial banks					
Employee retention services have enhanced efficiency in commercial banks					

Appendix III: University Authorization Letter



KENYATTA UNIVERSITY
GRADUATE SCHOOL

E-mail: dean-graduate@ku.ac.ke

Website: www.ku.ac.ke

P.O. Box 43844, 00100

NAIROBI, KENYA

Tel. 8710901 Ext. 57530

Our Ref: D53/OL/GAR/26520/2015

DATE: 17th November, 2017

Director General,
National Commission for Science, Technology
and Innovation
P.O. Box 30623-00100
NAIROBI

Dear Sir/Madam,


RE: RESEARCH AUTHORIZATION FOR ABDINOOR BASHIR – REG. NO.
D53/OL/GAR/26520/2015.

I write to introduce Mr. Abdinoor Bashir who is a Postgraduate Student of this University. He is registered for M.B.A degree programme in the Department of Human Resource Management.

Mr. Abdinoor Bashir intends to conduct research for a M.B.A Project Proposal entitled, "Employee Retention Strategies and Performance of Commercial Banks in Garissa County, Kenya".

Any assistance given will be highly appreciated.

Yours faithfully,


MRS. LUCY N. MBAABU
FOR: DEAN, GRADUATE SCHOOL

HL/lmn

Appendix IV: Research Authorization



NATIONAL COMMISSION FOR SCIENCE, TECHNOLOGY AND INNOVATION

Telephone: 020 400 7000,
0713 788787, 0735404245
Fax: +254-20-318245, 318249
Email: dg@nacosti.go.ke
Website: www.nacosti.go.ke
When replying please quote

NACOSTI, Upper Kabete
Off Waiyaki Way
P.O. Box 30623-00100
NAIROBI-KENYA

Ref. No **NACOSTI/P/17/54078/20395**

Date: **24th November, 2017**

Abdinoor Bashir Mohamed
Kenyatta University
P.O. Box 43844-00100
NAIROBI.

RE: RESEARCH AUTHORIZATION

Following your application for authority to carry out research on *“Employee retention strategies and performance of Commercial Banks in Garissa County, Kenya,”* I am pleased to inform you that you have been authorized to undertake research in **Garissa County** for the period ending **24th November, 2018.**

You are advised to report to **the County Commissioner and the County Director of Education, Garissa County** before embarking on the research project.

Kindly note that, as an applicant who has been licensed under the Science, Technology and Innovation Act, 2013 to conduct research in Kenya, you shall deposit a **copy** of the final research report to the Commission within **one year** of completion. The soft copy of the same should be submitted through the Online Research Information System.

G.P. Kalerwa

**GODFREY P. KALERWA MSc., MBA, MKIM
FOR: DIRECTOR-GENERAL/CEO**

Copy to:

The County Commissioner
Garissa County.

The County Director of Education
Garissa County.

National Commission for Science, Technology and Innovation | ISO 9001: 2008 Certified

Appendix V: Research Permit


THIS IS TO CERTIFY THAT:
MR. ABDINOOR BASHIR MOHAMED
of **KENYATTA UNIVERSITY, 43844-100**
Nairobi, has been permitted to conduct
research in **Garissa County**

on the topic: **EMPLOYEE RETENTION
STRATEGIES AND PERFORMANCE OF
COMMERCIAL BANKS IN GARISSA
COUNTY, KENYA**

for the period ending:
24th November, 2018

.....
**Applicant's
Signature**

Permit No : **NACOSTI/P/17/54078/20395**
Date Of Issue : **24th November, 2017**
Fee Recieved : **Ksh 1000**



.....
J. Kalerwa
Director General
**National Commission for Science,
Technology & Innovation**