Recruitment is a vital issue/activity that all organizations cannot afford to ignore. The study is focused on the factors influencing recruitment of employees in banks. The general objective of the study was to understand the factors that influence the recruitment of employees and research questions asked whether government policies, banking business, competitors, management policy and labor market influence the recruitment of personnel. The study adopted descriptive survey of all commercial banks in Nairobi which are forty four (44) of which all were sampled. Data was collected using a structured questionnaire which was then analyzed, summarized and presented with the help of computer packages especially Ms-Excel and Statistical Package for Social Sciences (SPSS).

The study concluded that government policy has low influence in the recruitment of employees apart from issues to do with immigration. Secondly competition among the banks is a major factor in the recruitment of the employees because each bank want to outdo the other and this can only be achieved when a bank have skilled and knowledgeable staff. Thirdly, organizational management policy has been shown to be a major influence on the recruitment of employees as the banks orientate themselves towards strategic management and marketing; efficient information management; and redefining organization culture. Fourthly, banking business does not have a great influence on recruitment save for the need to shift from retail to wholesale banking. Finally labor market influence on bank recruitment is great in terms of educational level, experience in banking and professional qualifications.

The study recommends that the government and the private sector need to come up with policies to address equity in terms of gender, regional, religious and ethnic balance in employment in the private enterprises. In further research studies the study recommends a study to establish the level of gender, religious, regional and ethnic balance in banks' employees; the role of organizational training programmes in banking industry; and on the effect of rapid expansion on employee career development in the banking industry.