EFFECT OF HYGIENE FACTORS ON STAFF RETENTION AMONG EMPLOYEES IN COMMERCIAL BANKS IN NAIROBI COUNTY, KENYA

Johana K. Kiptoon1, Dr. Dinah J. Kipkebut2

1MBA student Department of Business Administration, Egerton University, Email: jkiptoon@nationalbank.co.ke
2Senior Lecturer, Department of Business Administration, Egerton University, Email: jerutodiana@gmail.com

Abstract: The issue of employee motivation is important as it establishes a substantial foundation for high performance levels and less unproductive time. Some motivating factors are revealed by a number of surveys conducted between both operational and professional employees to be influential across an organization. The general objective of the study was to investigate the effects of Herzberg’s hygiene factors on staff retention in selected commercial banks in Nairobi County, Kenya. The specific objectives were as follows: to determine the effect of hygiene factors (supervision, company policies and administration, working conditions, salaries, job security and relationship with colleagues) on employee retention in commercial banks in Nairobi County; and to determine the combined effect hygiene factors on staff retention commercial banks in Nairobi County. This study adopted a descriptive research design and the researcher conducted a field survey in selected commercial banks within Nairobi County, Kenya. The study purposively picked a representation from the 13 selected commercial banks from all 42 banks in Nairobi. Sampling was done from a sample of 355 employees and 199 questionnaires were received giving a response rate of 56%. The results of Pearson’s correlation analysis showed that hygiene factors had a significant positive relationship with staff retention. Specifically, the results showed that supervision and salaries and remuneration had significant positive correlations with staff retention. Finally, the results of multiple regression analysis testing the combined effect of hygiene factors on retention found that salaries and remuneration, working conditions and relationship with colleagues were the only significant predictors of staff retention. The study recommended the need for the bank administrators to properly align retention practices with the needs and values of employees.

Key words: Retention, Job satisfaction, Banks, Supervision, Salary, Job Security, Working Conditions

Introduction

The fierce competition that commercial banks are facing from other players in the financial sector such as microfinance institutions, SACCOs and mobile banking has made it necessary for banks to attract, develop and retain highly skilled employees so as to enhance their competitive advantage. As a result of increased competition, globalization and demand for efficiency, many organizations are currently undergoing mergers and acquisitions, restructuring and downsizing which has resulted in increased feelings of job insecurity, job dissatisfaction, low commitment and increased turnover thus affecting retention rates in organizations (Cohen 1993; Ugboro, 2006). Samuel and Chipunza (2009) noted that retention of skilled employees globally has been of serious concern to managers in the face of ever increasing high rate of employee turnover. Further, organisations are facing challenges in the retention of highly skilled employees as these categories of employees are sought by more than one organisation with various kinds of attractive incentives. Motlou, Singh & Karodia (2016) noted that employees constitute the most important asset of an organisation and thus without employees, an organisation
cannot achieve its goals. Studies have shown that job satisfaction is important not only for employees but also for the success of the organization since employees who are satisfied with their jobs are likely to stay in the organisation while employees who are dissatisfied with their job become disloyal to their organization and may search for other jobs (Lim, 2008). Ellickson and Logsdon (2001) noted that job satisfaction is associated with increased output, efficiency of the organization, and loyalty with the organization, reduced absenteeism and earnings and thus resulting in high retention. According to Saleem, Majeed & Aziz (2013) job satisfaction is very important in banks because employees who are dissatisfied with their jobs tend to have poor work performance, high turnover rates, low productivity and commitment while interpersonal relationships among the management and their subordinates tend to be poor. Other studies have found that job satisfaction has positive effect on the ability, effort and capability of the employees, however, if employees not satisfied with their jobs then it may cause increased turnover intentions, increasing costs, decreasing profits and ultimately customer dissatisfaction (Wright and Davis, 2003; Zeffane et al., 2008).

Statement of the problem

Due to the large number of players in the Kenyan banking industry, there is intense competition which has put the labour market under intense pressure as commercial banks demand for more sophisticated employee skills. Kenyan banks today are increasingly automating their services and are also facing intense competition from Savings and Cooperative societies (SACCOs), microfinance institutions and mobile banking. This state of affairs is creating pressure on banks in Kenya to focus more attention and energy on retaining talented employees and keeping them actively engaged at work. In order to achieve this, it is important for banks to focus on enhancing job satisfaction among its employees in order to enhance retention among its talented workforce. According to Bader, Hashim & Zaharim (2013) job satisfaction of bank employees is essential to the production due to the levels of collaboration developed from content employees. Further, they noted that lack of job satisfaction contributed to negative behaviors at the workplace such as frequent absence, lack of discipline in performance and high turnover rates. Similarly, Sowmya & Panchanatham (2011) reported that high job satisfaction will lead to higher productivity, higher involvement and low turnover rates as compared to employees who are less satisfied. Empirical studies conducted in Kenya have largely focused on motivation in relation to other outcomes such as organizational performance, job satisfaction or intentions to turnover (Kiboro, 2005; Muthuri, 2006; Oluoch, 2006; Onyango, 2005). This purpose of this study is to investigate the effect of hygiene factors on staff retention among employees in commercial banks in Nairobi County, Kenya.

Literature review

Employee Retention

The relationship between employee retention and job satisfaction at work has been one of the most researched areas in the field of management in relation to different professions (Biason, 2017). According to Samuel and Chipunza (2009), the main purpose of retention is to prevent the loss of competent employees from leaving the organization as this could have adverse effect on productivity and profitability. Retention is a complex concept and there is no single recipe for keeping employees with a company. According to Armstrong (2006), employee retention strategies refers to policies and programmes aimed at ensuring that the organization keeps the talents it needs. Thus, retention programmes are designed to ensure that people remain as committed members of the organization. Patterson et al. (1997) cited by Marchington and Wilkinson (2006) defines employee retention as measures taken to inspire employees to remain in the institutions they are working in for a long period of time. Mandhanya (2015) has referred employee retention as a management initiative through
company policies to create a high degree of employee satisfaction with the ultimate motive of retaining employees.

According to Chaminade (2007) cited by Samuel and Chipunza (2009), employee retention is a voluntary move by an organisation to create an environment which engages employees for the long term. Samuel & Chipunza (2009) report that the main aim of retention is to prevent the loss of competent employees from the organisation as this could have adverse effect on productivity and service delivery. However, they observe that retention of high performing employees has become more challenging for managers as this category of employees frequently move from one job to another and are attractive to other employers. Logan (2000) noted that employee retention was driven by several key factors, which ought to be managed congruently: organizational culture, communication, strategy, pay and benefits, flexible work schedule and career development systems.

Tymon, Strumpf and Smith (2011) report that staff retention is of major importance since it eliminates recruitment and replacement costs, and thus ensures that the organization has stability with regards to expertise and high knowledge, throughout the company. Poor staff retention means that the investment put into an employee will not only be lost if they leave, but may also be transferred into a competitor's business. According to Pitts, Marvel and Fernandez (2011) organizations that have high stability outperforms those with low stability. Shaw, Gupta and Delery (2005) further states that companies with low stability and high turnover are in risk of losing institutional memory.

Retention is the opposite of turnover intentions which refers to employees’ conscious decision to leave their organisations (Tett & Meyer, 1993; Ongori, 2007). Employee turnover occurs when employees leave their jobs and must be replaced. Replacing exiting employees is costly to organisations and destructive to service delivery. It is therefore imperative for management to reduce, to the minimum, the frequency at which employees, particularly those that are crucial to its operations leave. Motlou et al. (2016) reported that employees who are more satisfied with their jobs are less likely to contemplate leaving their jobs compared to employees who are less satisfied. Olesegun (2013) in a study on the influence of job satisfaction on turnover intention among Library personnel in Universities in South West Nigeria found out that job satisfaction had a significant negative effect on turnover intention. This means that job satisfaction minimises employees desire to quit their jobs and thus enhances retention. Vanderberg and Nelson (1999) found that retention was negatively affected in most organizations due to lack of job satisfaction as a result of lack of psychological fulfilment in the job, poor remuneration, and an unwelcoming climate within the organization. Onwunli and Agho (2004) in a study of job satisfaction among academic staff in Nigeria’s Federal Universities, found that most lecturers were dissatisfied with the way their institutions were governed stating that most of the unit heads were dictatorial, insensitive and unresponsive to the needs of their colleagues.

**Hygiene Factors of job satisfaction**

Job satisfaction is one of the most heavily researched employee attitudes over the last 50 years (Rayton, 2006; Lazo (2008). The concept of job satisfaction has been defined in many ways by many different researchers and practitioners. Spector (1997) defines job satisfaction simply as the degree to which people like their jobs and the different aspects of their jobs. Locke (1976) defines job satisfaction as a pleasurable or positive emotional state resulting from the appraisal of one’s job or job experiences. Jessen (2010) refers to job satisfaction as a subjective and emotional reaction towards different aspects of the job, perceived as an emotional state resulting from the appraisal of one’s situation, linked with the characteristics and demands of one’s work. Job satisfaction has also been conceptualised as consisting of two dimensions. Herzberg (1966) found that job satisfaction was a multidimensional concept consisting of motivator factors which are related to job content factors (such
as, achievement, recognition, work itself, advancement and responsibility) and hygiene factors which are associated with the work environment (namely, salary, company policies and administration, job security, working conditions, relationship with colleagues and supervisor). This research will discuss the effect of hygiene factors on staff retention in commercial banks in Nairobi, Kenya.

Herzberg (1966) categorised hygiene factors as follows:

**Relationship with Supervisor:** According to Issa, Ahmad & Gelaidean (2013) supervision refers to the competencies of the supervisor to provide technical assistance and behavioral support to employees. Individuals are therefore likely to have high levels of job satisfaction if supervisors provide them with support and co-operation in completing their tasks. Ngigi and Kipkebut (2014) found that supervisory support had significant positive effect on job satisfaction thus positively in retention rate. Eisenberger et al. (1990) suggested that employees view regarding organization is strongly concerned to their relationship with supervisor. If supervisor support, open communication and have good relationship with employees, the employees turnover intention are likely less and more engaged with organization. Debrah (1993) identified that a supervisor with poor interpersonal skills and who is also inflexible very quickly drives employees away. McCormack et al. (2006) reported that employees who had supervisory support had higher job satisfaction and organizational commitment than those who do not perceive themselves to be in supportive relationships with their supervisor. Employees are more likely to view their jobs and employing organisations in a more favourable light if they are provided with positive, support from their supervisors (Lambert, 2004; Lambert et al. 2007). Conversely, employees will be dissatisfied with their job and blame the organisation for the negative situation if they are provided with poor, harsh, unhelpful supervision.

**Salaries and remuneration:** According to Danish & Usman (2010) rewards define a system that is used by employers to compensate employees and include financial and non-financial rewards, salary, bonuses, benefits, promotions and incentives. Abassi & Hollman (2000) found that salary growth resulted in reduced turnover among high performing employees. Murupus & Kipkebut (2015) found a negative correlation between rewards and intentions to turnover. This means that satisfaction with rewards resulted in low turnover rates. Nivethitha, Dyaram & Kamalanabhan (2014) reported that retention was low among underpaid and undertrained employees as they had low levels of motivation and job dissatisfaction. This means that for an organization to attract and retain talented employees, it must offer attractive and appropriate rewards. Mbah & Ikemefuna, 2012) noted that satisfaction with the pay resulted in high employee retention and thus low employee turnover intentions. Steijin (2002) who examined the overall job satisfaction of Dutch public workers with respect to their pay found that pay practice had a significant positive effect on job satisfaction resulting in high retention levels. Armstrong (2012) observes that employees who were are satisfied with their jobs when their organizations offered competitive rewards resulting high retention. Similarly, Bergmann, Bergmann, and Grahn (1994) found that a well-designed employee pay and benefit packages were effective tools for attracting, motivating and retaining employees. Bradley, Petrescu and Simmons (2004) found that employees who received higher wages were satisfied with their jobs resulting in reduced turnover and recruitment costs.

**Working Conditions and Environment:** Work environment involves physical conditions of a job and facilities available such as adequacy of ventilations, lighting, tools, space and other environmental characteristics (Pankasemsuk, 2010). Msengeti & Obwogi (2015) defines the workplace environment to include not only the physical elements around the work area of an employee but also all things that form part of the employee’s involvement with the work itself. Msengeti & Obwogi (2015) in their study on the effect of pay and the work environment on retention in the hotel industry in Mombasa, found that the work environment positively influenced retention. They reported that a positive work
environment makes employees to feel good about coming to work and provide the necessary motivation to sustain them throughout the day. Arnoux-Nicolas et al. (2016) reported that poor working conditions contributed to employees intentions to quit their jobs. Umamaheswari & Krishnan (2016) reported that employee-friendly work environment creates a good sense of trust among the employees that the organisation cares for them resulting in enhanced commitment and retention. Parvin & Kabir (2011) stated that workers generally desire working conditions that will result in greater physical comfort and convenience resulting in job satisfaction which inevitably will positively influence retention. On the other hand, the absence of such desirable working conditions, can impact negatively on the worker’s mental and physical well-being, amongst other things resulting in job dissatisfaction and high turnover rates.

**Company policy and administration:** According to Pankeasemuk (2010) company policy and administration refers to the adequacy or inadequacy of company management. Policies are written guidelines that indicate the integrity of the organization’s intentions. It is therefore the responsibility of management to ensure that policies are reviewed periodically in order to be consistent with the current situation within the organization. A sense of belonging could develop if policies are applied consistently among employees; otherwise dissatisfaction could occur and/or escalate (Marriner-Tomey, 1996). Teck-Hong & Waheed (2011) found that company policies had significant positive effect on job satisfaction. They reported that company policies that were geared towards creating positive work environment will positively influence employee satisfaction and thus enhance employee retention while policies which are oppressive are likely to enhance job dissatisfaction and turnover intentions.

**Relationship with colleagues:** Relationship with colleagues has the ability of making the working environment either a pleasant or unpleasant place to work. Ngigi & Kipkebut (2014) found that coworker support positively influenced job satisfaction. Gu & Siu (2009) noted that support, encouragement, guidance and help from colleagues are likely to create a harmonious working environment thus enhance employee job satisfaction. Similary, Bonache (2005) reported that social support from co-workers serve as a resource that positively influenced job satisfaction and employee retention. Sloan (2012) reported that workers who experience mistreatment at work may suffer significant consequences such as psychological distress, job dissatisfaction, and problems with substance abuse and thus likely to quit their jobs. Kipkebut (2010) found that co-worker support was a significant positive predictor of job satisfaction and a negative predictor of turnover intentions among university lecturers, which suggests that academics who had satisfactory professional interaction with their colleagues at work, received respect from fellow employees, had collegial relations at work and had confidence and trust in their colleagues, tended to be more satisfied with their jobs than academics with poor co-worker support. Interpersonal relations should be encouraged and if the environment is conducive, this could result in stronger intentions to stay in an organization.

From the above reviewed literature, the following hypotheses are proposed:

\( H_0: \) Supervision does not have a significant effect on staff retention among employees in Commercial banks in Nairobi County.

\( H_0: \) Salary and remuneration does not have a significant effect on staff retention among employees in Commercial banks in Nairobi County.
H\textsubscript{03}: Working conditions does not have a significant effect on staff retention among employees in Commercial banks in Nairobi County.

H\textsubscript{04}: Relationship with colleagues does not have a significant effect on staff retention among employees in Commercial banks in Nairobi County.

H\textsubscript{05}: Company policies and administration does not have a significant effect on staff retention among employees in Commercial banks in Nairobi County.

H\textsubscript{06}: The combined effect of hygiene factors does not have a significant effect on staff retention among employees in Commercial banks in Nairobi County.

**Method**

The study adopted a descriptive research design. Purposive sampling was used to select 13 banks from a total of 42 commercial banks in Nairobi County, Kenya. The population of the study was 3159 employees. Using a sample size determination formula by Yamane (1967), a sample of 355 employees was derived. Stratified random sampling was used to determine the sample size per bank and thereafter simple random sampling was used to select the respondents from each of the selected universities. Questionnaires were distributed through ‘drop and pick’ method. A total of 199 questionnaires were filled giving a response rate of 56\% which, according to Mugenda & Mugenda (2003) is adequate. The description of the respondents’ biographical characteristics is presented in Table 1 below.

**Table 1: Summary of biographical characteristics of the respondents**

<table>
<thead>
<tr>
<th>Category</th>
<th>Variables</th>
<th>Frequency</th>
<th>Percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>Male</td>
<td>92</td>
<td>46.2</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>107</td>
<td>53.8</td>
</tr>
<tr>
<td></td>
<td></td>
<td>199</td>
<td>100</td>
</tr>
<tr>
<td>Age</td>
<td>Below 35 years</td>
<td>20</td>
<td>10.1</td>
</tr>
<tr>
<td></td>
<td>35 - 44 years</td>
<td>108</td>
<td>54.3</td>
</tr>
<tr>
<td></td>
<td>45 – 54 years</td>
<td>48</td>
<td>24.1</td>
</tr>
<tr>
<td></td>
<td>55 years and above</td>
<td>23</td>
<td>11.6</td>
</tr>
<tr>
<td></td>
<td></td>
<td>199</td>
<td>100</td>
</tr>
<tr>
<td>Level of education</td>
<td>Secondary school</td>
<td>44</td>
<td>22.1</td>
</tr>
<tr>
<td></td>
<td>Diploma</td>
<td>28</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>Bachelors degree</td>
<td>117</td>
<td>14.1</td>
</tr>
<tr>
<td></td>
<td>Postgraduate degree</td>
<td>10</td>
<td>58.8</td>
</tr>
<tr>
<td></td>
<td></td>
<td>199</td>
<td>100</td>
</tr>
<tr>
<td>Job tenure</td>
<td>10 years and below</td>
<td>47</td>
<td>23.6</td>
</tr>
<tr>
<td></td>
<td>11 – 15 years</td>
<td>72</td>
<td>36.2</td>
</tr>
<tr>
<td></td>
<td>16 years and above</td>
<td>80</td>
<td>40.2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>199</td>
<td>100</td>
</tr>
<tr>
<td>Position tenure</td>
<td>5 years and below</td>
<td>34</td>
<td>17</td>
</tr>
<tr>
<td></td>
<td>6 - 11 years</td>
<td>100</td>
<td>50.3</td>
</tr>
<tr>
<td></td>
<td>12 years and above</td>
<td>65</td>
<td>32.7</td>
</tr>
<tr>
<td></td>
<td></td>
<td>199</td>
<td>100</td>
</tr>
<tr>
<td>Position</td>
<td>Supervisory staff</td>
<td>39</td>
<td>19.6</td>
</tr>
<tr>
<td></td>
<td>Clerical and Secretarial staff</td>
<td>90</td>
<td>45.2</td>
</tr>
<tr>
<td></td>
<td>Support staff</td>
<td>70</td>
<td>35.2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>199</td>
<td>100</td>
</tr>
</tbody>
</table>
Measurement of variables

Following extensive review of the literature, the questionnaire to collect data for the study was developed and measured on a 5-point likert scale from strongly agree to strongly disagree, Where point -1 indicates Strongly Disagree, 2-Disagree, 3-Uncertain, 4-Agree and 5-Strongly Disagree. Cronbach reliability coefficients were computed for each variable and the results showed acceptable reliability as follows: supervision ($\alpha=0.741$), salary and remuneration ($\alpha = 0.792$), working conditions ($\alpha=0.723$), company administration and policies ($\alpha=0.888$), relationship with colleagues ($\alpha=0.854$), and staff retention ($\alpha =0.889$).

Results

The testing of hypotheses was subjected to statistical analysis as shown below. Pearson Correlation analysis was carried out to test Hypothesis One to Five. Finally, multiple regression analysis was conducted to test Hypothesis Six.

Results of Pearson Correlation analysis

Hypotheses One to Five sought to determine the effect of hygiene factors on staff retention. These hypotheses were tested using Pearson’s Correlation analysis which determines the strength and direction of the relationships.

Table 2: Pearson’s Correlation Analysis exploring the relationship between combined hygiene factors and staff retention

<table>
<thead>
<tr>
<th>Hygiene Factors</th>
<th>Pearson Correlation</th>
<th>Staff Retention</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sig. (2-tailed)</strong></td>
<td>0.224**</td>
<td>0.001</td>
</tr>
<tr>
<td>N</td>
<td>199</td>
<td>199</td>
</tr>
</tbody>
</table>

The results in Table 4.16 has shown that there is a weak significant positive relationship between hygiene factors and staff retention ($r = 0.224$, $p = 0.001$). This suggests that satisfaction with hygiene factors resulted in enhanced retention among bank staff. Further correlation analysis was done between the hygiene factors and staff retention as shown in Table 2:
Table 3: Pearson’s Correlation analysis exploring the relationship among hygiene factors and staff retention

<table>
<thead>
<tr>
<th>Variables</th>
<th>Supervision</th>
<th>Salary and remuneration</th>
<th>Working conditions</th>
<th>Relationship with Colleagues</th>
<th>Company Administration and Policies</th>
<th>Staff Retention</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supervision</td>
<td>1</td>
<td>.789**</td>
<td>.011</td>
<td>.028</td>
<td>-.095</td>
<td>.217**</td>
</tr>
<tr>
<td>Salary and remuneration</td>
<td>.789**</td>
<td>1</td>
<td>.028</td>
<td>.089</td>
<td>.027</td>
<td>.265**</td>
</tr>
<tr>
<td>Working conditions</td>
<td>-.011</td>
<td>.028</td>
<td>1</td>
<td>.307**</td>
<td>.012</td>
<td>.113</td>
</tr>
<tr>
<td>Relationship with Colleagues</td>
<td>.028</td>
<td>.089</td>
<td>.307**</td>
<td>1</td>
<td>.049</td>
<td>-.104</td>
</tr>
<tr>
<td>Company Administration and Policies</td>
<td>-.095</td>
<td>.027</td>
<td>.012</td>
<td>.049</td>
<td>1</td>
<td>-.035</td>
</tr>
<tr>
<td>Staff Retention</td>
<td>.217**</td>
<td>.265**</td>
<td>.113</td>
<td>-.104</td>
<td>-.035</td>
<td>1</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.01 level (2-tailed); *. Correlation is significant at the 0.05 level (2-tailed).

H₀₁: Supervision does not have a significant effect on staff retention.

The results in Table 8 showed that there was a weak, significant positive relationship between supervision and staff retention ($r = 0.217, p < 0.01$). This suggests that retention was high among employees who were satisfied with supervision.

H₀₂: Salary and remuneration does not have a significant effect on staff retention

The results in Table 8 showed that there was a weak, significant positive relationship between salary and remuneration and staff retention ($r = 0.265, p < 0.01$). This suggests that retention was high among employees who were satisfied with their salary and remuneration.

H₀₃: Working conditions does not have a significant effect on staff retention

The results in Table 8 showed that there was an insignificant relationship between working conditions and staff retention ($r = 0.113, p > 0.05$). This suggests that working conditions did not have a significant influence on staff retention.

H₀₄: Relationship with colleagues does not have a significant effect on staff retention

The results in Table 8 showed that there was an insignificant relationship between relationship with colleagues and staff retention ($r = -0.104, p > 0.05$). This suggests that relationship with colleagues did not have any influence on staff retention.

H₀₅: Company administration and policies does not have a significant effect on staff retention

The results in Table 8 showed that there was an insignificant relationship between company administration and policies and staff retention ($r = -0.035, p > 0.05$). This suggests that company administration and policies did not have a significant influence on employee retention.

Results of Multiple Pearson Correlation analysis

H₀₆: The combined effect of hygiene factors does not have a significant effect on staff retention among employees in Commercial banks in Nairobi County.

Hypothesis Six was tested using multiple regression analysis. Multiple regression analysis was carried out to determine the joint effect of hygiene factors (namely, supervision, salaries and remuneration,
working conditions, company administration and policies and relationship with colleagues) on staff retention.

Table 4: Results of multiple regression analysis establishing the joint effects of hygiene factors on staff retention in banks

<table>
<thead>
<tr>
<th>Model</th>
<th>B</th>
<th>Std. Error</th>
<th>Beta</th>
<th>t</th>
<th>Sig.</th>
<th>Tolerance</th>
<th>VIF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
<td></td>
<td>Unstandardized Coefficients</td>
<td>Standardized Coefficients</td>
<td>Collinearity Statistics</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>15.403</td>
<td>7.036</td>
<td>-.131</td>
<td>.106</td>
<td>-.215</td>
<td>-1.242</td>
<td>.216</td>
</tr>
<tr>
<td></td>
<td>.489</td>
<td>.178</td>
<td>.475</td>
<td></td>
<td></td>
<td>2.750</td>
<td>.007</td>
</tr>
<tr>
<td></td>
<td>.404</td>
<td>.186</td>
<td>.155</td>
<td></td>
<td></td>
<td>2.177</td>
<td>.031</td>
</tr>
<tr>
<td></td>
<td>-.159</td>
<td>.185</td>
<td>-.061</td>
<td></td>
<td></td>
<td>-.858</td>
<td>.392</td>
</tr>
<tr>
<td></td>
<td>-.432</td>
<td>.168</td>
<td>-.185</td>
<td></td>
<td></td>
<td>-.2579</td>
<td>.011</td>
</tr>
</tbody>
</table>

The model summary of the regression analysis in Table 4 shows that hygiene factors accounted for 11.8% of the variance in employee retention among the respondents from commercial banks in Nairobi County (R square = 0.118). The standardised beta coefficients showed that salary and remuneration (β = 0.475, p=0.007), working conditions (β = 0.155, p=0.031) and relationship with colleagues (β = -0.185, p=0.011) were the only significant predictors of staff retention. The significant positive beta coefficients suggest that salary and remuneration and working conditions enhanced retention among employees in commercial banks. On the other hand, relationship with colleagues did not positively influence retention which suggests that employees with satisfactory relationships with colleagues still desired to quit their jobs and vice versa.

Discussions

The main objective of the study was to determine the effect of Herzberg’s hygiene factors on retention of employees in Commercial banks in Nairobi County Kenya. The analysis showed that hygiene factors were positively correlated with staff retention which means that employees who were satisfied with hygiene factors such as supervisory support, relationship with colleagues, salaries and remuneration, company policies and administration and working conditions were more likely to stay in their jobs. Methma (2019) found that employees who were dissatisfied with the hygiene factors were more likely to turnover.

Supervision: The analysis showed that supervision was positively correlated with retention. This shows that retention was high among employees who received supportive supervision. Several studies have found positive relationship between supervision which would ultimately positively influence retention. Methma (2019) found positive relationship between supervision and job satisfaction. Gu &
Siu (2009) reported that supervisors who provide guidance and assistance to employees create a pleasant workplace that makes worker happy and thus enhance retention rates.

**Salaries and remuneration:** The results showed that salaries and remuneration positively influenced retention. This suggests that employees who were satisfied with their salaries and remuneration were more likely to stay in their organisation. Murupus and Kipkebut (2015) found that bank employees who were dissatisfied with their pay were more likely to quit their jobs while retention was high among those who were satisfied with their pay. Similarly, Mbah & Ikemefuna, (2012) found that satisfaction with the pay resulted in high employee retention and thus low employee turnover intentions. Lum, Kervin, Clarke, Reii and Sirola, (1998) in a study of nurses in Canada, also found that pay satisfaction had significant negative effect on nurses’ turnover intentions and thus enhanced nurses’ retention.

**Working conditions:** The results showed that working conditions positively influenced retention of bank employees. This shows that retention was high among employees who were satisfied with their working conditions. Consistent with this study, Methma (2019) found that working conditions positively influenced retentions. Similarly, Arnoux-Nicolas et al. (2016) found that poor working conditions contributed to employees’ intentions to quit their jobs which mean that pleasant working conditions positively influenced retention.

**Company policy and administration:** The result showed that company policy and administration had no significant influence on staff retention. Contrary to this study, Methma (2019) found that company policies had positively influenced retention. Similarly, Teck-Hong & Waheed (2011) found that company policies that were geared towards creating positive work environment had significant positive effect on job satisfaction, thus enhancing staff retention.

**Relationship with colleagues:** The analysis showed that relationship with colleagues was a negative predictor of staff retention. This suggests that employees who were satisfied with the relationship with colleagues still desire to quit their jobs while those who are dissatisfied with relationship with colleagues still stayed in their banks. Contrary to this study, Bonache (2005) found that support from co-workers positively influenced job satisfaction and employee retention. Ngigi and Kipkebut (2014) found that co-worker support positively influenced job satisfaction thus enhancing retention.

**Conclusions**

The primary objective of the study was to establish the effect of Herzberg’s hygiene factors on staff retention in selected commercial banks in Nairobi County, Kenya. Studies have shown that retention factors are critical and should be well addressed by any organization in order to meet its goals and objectives. The results of Pearsons correlation analysis showed that supervision and salary and remuneration had significant positive relationship with retention of bank employees. Further, the results of multiple regression analyses found that supervision, working conditions and relationship with colleagues significantly influenced staff retention. The results showed that salaries and remuneration and working conditions positively influenced staff retention. On the other hand, relationship with colleagues was a negative predictor of staff retention which means that employees with satisfactory relationships with colleagues still desired to quit their jobs and vice versa.

**Recommendations**

The study findings highlight the importance of having satisfied bank employees as a means of attaining success, efficiency, and customer satisfaction. In order to retain and attract the talent pool in to the banks, managers should enhance employee job satisfaction through provision of supportive supervision, competitive rewards, good working conditions and receive support from their colleagues.
through effective teamwork. Secondly, bank managers should create a supportive environment which will also make employees enjoy their jobs and feel that they belong and are valued by their banks, colleagues and supervisors. Thirdly, salary and remuneration was found to positively influence retention. Top management of banks should ensure that salaries and benefits are competitive and comparable with that of other banks and similar institutions. In addition, the salaries should be adequate enough to maintain the living standard of employees and also cushion employees against the rising cost of living.

Limitations of the Study

This study faced some limitations. Firstly, the study was limited to selected Commercial bank in Nairobi County only. Thus the study findings may be generalised to other banking institutions to a limited extent and to other sectors or industries with caution. Secondly, the study used self-report questionnaires to collect data on all measures and it was difficult to obtain the individuals who had left the organization whose views would have greatly contributed to the findings of this study. It should also be noted that self-report bias could influence the results since all information collected in the study was based on the participants’ perception and emotions at the time of filling the questionnaire. Lastly, the study was cross-sectional which means that the data was collected at one point in time. This means that the study was unable to capture the long-term effect of Herzberg’s Hygiene Factors on employee retention. Future studies may carry out a similar study using longitudinal research design.

References


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