



ROLE OF CAREER DEVELOPMENT ON EMPLOYEE RETENTION IN SELECTED SUPERMARKETS IN NAIROBI COUNTY, KENYA

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ABSTRACT

The purpose of this research was to analyze the role of career development on employee retention among selected supermarkets in Nairobi County. The study adopted descriptive research design. The target population was 384 supermarket staff in Nairobi County, Kenya. Stratified sampling was used in this study while self-administered questionnaires were used as data collection instruments. The questionnaires were pre-tested for reliability and validity. Qualitative and quantitative data was analyzed using descriptive and inferential statistics. Inferential analysis entailed multilinear regression and correlation analysis to assess the strength of the relationships between the specified variables. The results were represented using tables and charts. The findings of this study showed that employee retention is influenced by career development since the variables were statistically significantly related to employee retention. The study recommended that employers in this area should strive towards broadening the spectrum of the rewards they can offer their employees and not focus on direct monetary rewards alone.

Key Words: Career Development, Employee Retention

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INTRODUCTION

Employee Retention is one of the imperative issues within competitive organizations today as employees are the most valuable assets in any organization. Normally it is in a company's best interest to put its effort in retaining the talented employees that they have, and not recruiting anyone new (Branham, 2005). It will take true skill and knowledge to be able to guide such a challenging and hectic environment where change is almost apparent daily as new technologies are discovered in such a short span of time. The retention of top employees will also ensure the frequent outputs through products and services (Chew, 2004).

It is imperative that firms create employee retention strategies and adopt them so as to increase employee's performance (Gayathri, Sivaraman, & Kamalambal, 2012). According to Rawat (2013) organizations face a lot of problems when they have a high turnover rate due to employees leaving the organization for reasons such as job dissatisfaction, poor working conditions, not having a decent salary packages and if there are no advancements in career. High turnover rates leads to low performance in the organization therefore, organizations have to come up with policies and practices on retaining employees so as to ensure that employees stay in the organization for a longer duration and have a positive effect on their performance.

To understand the retention practices in organizations it is important to explore them in detail. For that understanding, various Human Resource(HR) initiatives taken by organizations should be investigated and it is important to see how these initiatives influence the retention of employees as HR policies are implemented to make employees happy and satisfied while working. Successful employee retention does not rely on a single strategy. The decision of an employee to stay in the organization is effected by a number of factors depending on a variety of elements like the individual's age, the

family situation, mentoring, career and learning opportunities, good benefits, networking and the external job market or job title (Yusoff, 2013).

There are various ways and means to minimize employee turnover. Management is strongly required to point out the factors why employees quit organization so that the proper treatment can be adopted by the management because of increase in direct and indirect expenses incurred on the employees' turnover (Ongori, 2017). Failing to pay attention to retain committed employees could prove fatal as far as survival of the organizations is concerned. A number of organizations are conducting research to find out the effect of different HR practices on employee retention.

Employee retention is one of the most critical issues facing organizational managers because of the shortage of skilled workers, economic growth, and high employee turnover (Samuel & Chipunza, 2013). Once an organization has captured skilled employees, the return on investment requires closing the back door to prevent them from walking out. Employees are more likely to remain with the organization only if they believe that the organization shows more interest and concern for them, if they know what is expected of them, if they are given a role that fits their capabilities, and if they receive regular positive feedback and recognition (Samuel & Chipunza, 2013).

The retail sector constitutes establishments involved in retailing merchandise largely without rendering services and transformation incidental to the sale for commodities. The importance of the retail industry in Kenya cannot go unnoticed, not only does it create many job opportunities, it also contribute greatly to the Gross Domestic Product (GDP). Retailing is the ultimate stride in the distribution of goods to the consumers. Kenya's retail market constitutes a blend of contemporary retail outlets that supply consumer goods from family-run concerns, informal traders or major international firms that sell rather essential goods. In Kenya, the retail industry is made up of

supermarkets, kiosk, grocery stores, and shops. Conventional retailing is spread over the country through open air markets, kiosks and street hawking. Reportedly, it remains the biggest sector of the market, with approximately 85 percent market share. Most of the retail outlets sell beverages, grains, fresh fruits, pulses and locally processed food. One of the key areas outlined in the country's vision 2030 are plans to advance the retail market (Euromonitor, 2014).

Moving into the future, the retail industry in Kenya is predicted to continue experiencing steady and strong growth. Much of this growth will be a result of the increasing Kenyan populace which will provide high demand. Further, the expected entry and extension of international retailers will possibly drive growth over the forecast period. Further, the increasing rate of rapid growth in the Kenyan middle class, urbanization and rising demand for particular goods and services coupled with the Kenya's general positive economic outlook is expected to promote growth in retailing in Kenya during the forecast period (Euromonitor International, 2014).

Problem Statement

Retention of employees is becoming a real challenge in today's supermarket work environment as employers begin to realize the value of people that make up the organization. The employment relationship is undergoing fundamental challenges that have the implication for the attraction, motivation and retention of talented employees and talent shortage has resulted in fierce competition (Omboi, 2011).

Kinyua, (2017) states that long term success of an organization depends largely on its ability to effectively manage and utilize its human resources which are considered as the most crucial. Ineffective management of employees leads to a high rate of staff turnover which has a significant economic impact on organizations especially because of the

knowledge that is lost with the employees' departure. It is very costly to do nothing about high rates of turnover because one key individual can hold the fortunes of a department or business in their hands. Loss of several members of core staff in the same unit or team can lead to instability of the entire organization.

Supermarkets have been experiencing shortage of human resources both in the headquarters and in the field. At the same time, employee retention in these supermarkets has faced serious challenges following increased globalization and internationalization of firms. The turnover of employees has been increasing and this occurrence has undermined effective and efficient service deliver; a pointer to employee commitment and retention policies at these firms (Njiru, 2008). Employees are now more knowledgeable and demanding. This study sought to establish determinants of employee retention among supermarkets in Nairobi County, Kenya.

Ngethe (2012) noted that a number of organizations do not consider the impact of employee retention as a strategy in managing competition and are likely to become victims of industry competition. According to Cappelli (2013) employees are among the foremost essential determinants and leading factors that ensure retention. An employee who is contented with his job would perform his duties well and be committed to the job. Thus, it's of utmost importance for employers to understand the factors affecting employee retention.

Studies have been done in relation to employee retention; Pegg (2009), studied the impact of benefits on talent retention, motivation and productivity levels and how organizations are choosing to inform their people about the type of benefits on offer. Mulwa (2010), carried out a research on factors that influence staff turnover in World Vision and recommended a review of existing pension plan to address staff expectation and Otieno (2010), studied

the causes of staff turnover in Private Primary Schools and recommended that employees compensated well as an indicator for management's appreciation of employees contribution and abilities. Manyura (2012) investigated perceived factors affecting employee retention at Kenya Commercial Bank Limited Headquarters. Although the study was done, it was just a case study of one organization and the researcher did not find any empirical study on factors influencing employee retention in supermarkets in Nairobi County. This study therefore sought to fill this research gap by examining effect career development on employee retention among selected supermarkets in Nairobi County.

Objective of the Study

The general objective of the study was to establish the role of career development on employee retention among selected supermarkets in Nairobi County.

Hypothesis

H_0 There is no significant relationship between career development and employee retention in the selected supermarkets in Nairobi County, Kenya.

LITERATURE REVIEW

Theoretical Review

Super's Theory

This study is also linked to super career development theory (Parson, 1950). This theory argues that there is a relationship between employee interests and abilities. He further argues that interests and abilities do influence an employee's career. A superb argument, therefore suggests that an employees' career choice is based on employees personality and ability. The career choices that employees make, normally they never desire to subsequently change them. Employees normally strive to achieve career goals that they have already decided on, to achieve sustained career development goals.

Self-concept is the core concept in super's theory (Stead & Watson, 1999). According to Super's theory employees interests and abilities are affected by macro environment that influences employee citizenship in an organization, these factors includes physical, economic, environmental and social factors. These factors impacts on employee career choice and development.

Supers Career development theory occurs in different development stages, in each stage an employee makes a career choice. These stages include career development, self-concept and career maturity (Sharf, 2002). Researchers have also widened scope of the original Super's assertion on career development stages and career development theory. Over the years researchers argue that roles in life, values and cultural context influence employee's career development.

In this study career progress was one of the independent variables that links well with super's career development theory. In an organization citizenship context it's evident that cultural factors on values influence employee career development. This is more practical in an organization that we have cultural diversity. Career progress is therefore defined by personal growth, employee training and employment security.

Empirical Review

Career Development

Abbas (2014) carried a study to establish the perceived influence of career development on retention at Deloitte Kenya. Training and development was explored as one of the major variables in his study. Using descriptive statistics and regression survey designs, Abbas (2014) targeted 120 respondents at Deloitte Kenya and used structured questionnaires to collect data. Respondents admitted that they were satisfied with training and development practices in the company. Respondents attributed their willingness to work in the company to

proper coaching and extensive job training employed by the management. However, the study was conducted in a very competitive international auditing company, whose state of affairs may not be replicable to other institutions such as universities. When the employees are introduced to more training, they show higher level of commitment as compared to others.

Anvari (2013) revealed that it is possible only with the help of planning training and development programs that are totally based on needs valuation to achieve commitment and retention. Training is considered important in developing a feeling of belongings among employees. It has been revealed that training and development has a potential to change the turnover thoughts and is an important factor that helps in originating the intentions of turnover. The most valuable asset available to an organization is its people, thus retaining staff in their jobs is essential for any organization. Employee retention is one of the most critical issues facing organizational managers as a result of the shortage of skilled manpower, economic growth and high employee turnover. There is a growing global interest in matters of employee training and development in higher education institutions and Kenya is no exemption. Research has demonstrated that the quality of staff in an organization has a direct influence on its organizational effectiveness (Anis, 2011).

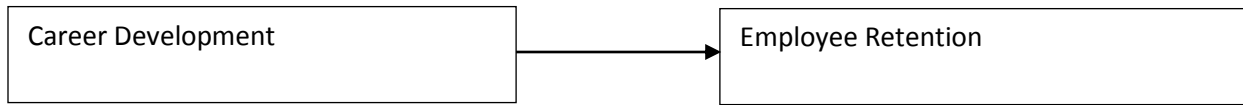
Demand and competition for highly qualified academics has intensified. Growth in global mobility and shifting demographic profiles, means recruiting and retaining talented and knowledgeable lecturers and researchers is an ever-increasing challenge. These trends have engendered a more strategic approach to human resource management across the higher education sector (Barlett, 2012). It is imperative for public universities through the employment process, to attract quality employees to the organization. However, it is more important for managers to device strategies with which to retain

the talented employees in the service of their organizations in order for employees to benefit from the investment already made in them. The efforts which HR professionals should do for creating career development opportunities and train them and making employee satisfied and retain them in organization. Creating opportunities for promotion within the organization and also providing opportunities for training and skill development that help employee to improve. Lack of training and promotion opportunities are the main reason the high performing employees to leave the company (Bolagun, 2013).

Prince (2011) urged that taking advantage of the expertise and knowledge of experienced employees and professionals can help bring younger or less experienced employees up to speed. This results in better efficiency across the organization when bringing on new employees. In addition, mentoring can help guide an employee along on her career path resulting in an employee well versed on company expectations providing a benefit for the organization. Mentoring can help to support these individuals, as it has the adaptability and flexibility to support a range of individuals with different learning styles. The development needs of individuals are diverse and the 'one size fits all' model of development is often inappropriate. Thus, mentoring has the potential to provide a flexible responsive development approach that can use to support an increasing number of individuals within the organization than traditional forms of training (Sweeney, 2013). On top of developing employees, Mentoring can improve the function of the team, department and entire organization. Mentoring allows managers to identify the weaknesses and strengths of each employee. This allows the organization to capitalize on the resources at hand to keep the whole team working smoothly when employees request vacation or take a sick day. Effective mentoring can have a positive impact on an

organization. It can produce improved relationships and teamwork between staff at different levels.

Conceptual Framework



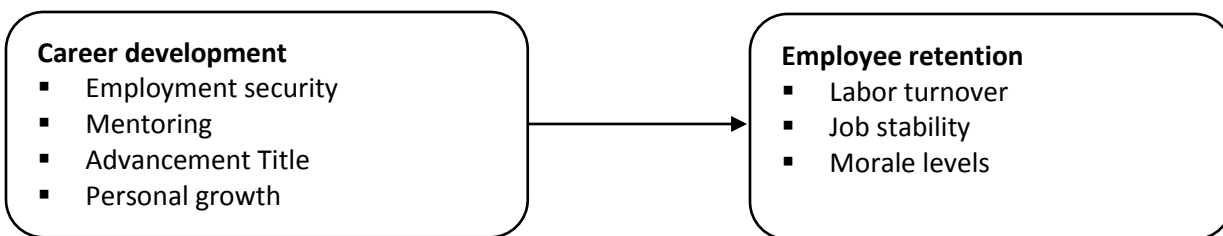
Independent Variable

Dependent Variable

Figure 1: Conceptual Framework

Source: Adopted from Parson (1950), McClelland (1971), Vrooms' (1964) and Herzberg 1959.

Operational Framework



Independent variable

Dependent variable

Figure 2: Operationalization Framework

Source: Author (2019)

METHODOLOGY

A descriptive research design was used in this study. A descriptive study objectively reports things the way they are (Kinoti, 1998). The researcher determined the major characteristics of variables associated with the work performance against the presence of employment uncertainty. Descriptive survey research design collects data from every member of the population being studied rather than choosing a sample. The target population was 384 employees including branch managers, branch supervisors, shop attendants and cashiers equally drawn from the 27 supermarkets in Nairobi County. A combination of stratified random sampling and simple random sampling was used in this study. Stratified sampling was used to ensure representation from the different respondents constituting the strata to arrive at the determined sample size. Primary data was collected

through structured open and closed ended questionnaire administered to respondents. The researcher used questionnaire to collect primary data. The data was sorted, edited, validated and coded, entered and cleared to detect missing values. Analysis was done by help of SPSS Version23.

RESULTS

Descriptive Analysis of the Study Variables

Employee Retention

The study respondents were requested to show their level of agreement with the statements in relation to Employee Retention. The results were shown in table 1 below.

Table 1: Employee Retention

Employee Retention	1	2	3	4	5	N
Our company plans on organization performance improvement.	6	5	37	104	159	311
	1.9%	1.6%	8.7%	33.4%	54.3%	
Our human resources has influenced organization performance	0	5	10	104	192	311
	0%	1.6%	3.2%	33.4%	61.7%	
Our company reviews employee retention improvement	7	9	24	93	178	311
	2.3%	2.9%	7.7%	29.9%	57.2%	
Use of retention strategy has increased our organization performance	10	9	8	90	194	311
	3.2%	2.9%	2.6%	28.9%	62.4%	
Employee retention strategies influences organization performance	10	4	15	105	177	311
	3.2%	1.3%	4.8%	33.8%	56.9%	
Our company plans on organization performance improvement	16	17	13	207	58	311
	5.1%	5.5%	4.2%	66.6%	18.6%	311

Source: Research Data (2019)

The analysis in table 1 above showed that the majority who scored frequency of 271 (87.1%) agreed that company reviews on employee retention improvement. This was closely followed by those who too agreed that company plans on organization performance improvement frequency of 263 (86.1%). Futher more resopndents agreed employee retention strategies influences organization performance with a frequency of 282(91.3%). Our company plans on organization performance improvement at a

frequency of 265 (85.21%)., and our human resources has influenced organization performance frequency of 296 (87.1%).

To assess the career development on employee retention

The respondents were requested to show their level of agreement with the statements in relation to career development. The results were as shown in table 2.

Table 2: Career development on employee retention

Career Development	1	2	3	4	5	N
The organization has an effective and transparent career development process in place.	9	17	17	69	199	311
	2.9%	5.5%	5.5%	22.2%	64.0%	
My career goals are established and supported by the career development	13	9	13	54	222	311
	4.2%	2.9%	4.2%	17.4%	71.4%	
Employees enjoy training and career development programs	12	14	20	103	162	311
	3.9%	4.5%	6.4%	33.1%	52.1%	
Feedback from career development s leads to enhanced employee development	9	10	0	81	211	311
	2.9%	3.2%	0%	26%	67.8%	
I am satisfied with the training and career development offered to them by the organization.	6	8	8	147	142	311
	1.9%	2.6%	2.6%	47.3%	45.7%	
Employee training and career development programs offered are linked to each employee's career needs.	10	15	0	124	162	311
	3.2%	4.8%	0%	39.9%	52.1%	
Employee training and career development benefits are in place.	6	4	23	87	191	311
	1.9%	1.3%	7.4%	28.0%	61.4%	

Source: Research Data (2019)

On career development influence on employee retention in the supermarkets in Nairobi County, the respondents were therefore required to rate their responses on a likert scale of 1-5 where: 5= Strongly Agree; 4= Agree; 3= Neutral; 2= Disagree; 1=Strongly Disagree. Most of the respondents agreed that employees were satisfied with the Feedback from career development leads to enhanced employee development at a frequency of 292(93.8%), career goals were established and supported by the career development, at a frequency 276(88.8%), Employee training and career development benefits were in place., at a frequency of 278(88.4) and The organization had an effective and transparent career development process in place, at a frequency of 268(86.2%).

The study findings agreed with Anvari (2013) who revealed that it is possible only with the help of planning training and development programs that are totally based on needs valuation to achieve commitment and retention. Training is considered important in developing a feeling of belongings among employees. It has been revealed that training and development has a potential to change the turnover thoughts and is an important factor that helps in originating the intentions of turnover. The most valuable asset available to an organization is its people, thus retaining staff in their jobs is essential for any organization. Employee retention is one of the most critical issues facing organizational managers as a result of the shortage of skilled manpower, economic growth and high employee turnover. There is a growing global interest in matters of employee training and development in higher education institutions and Kenya is no exemption. Research has demonstrated that the quality of staff in an organization has a direct influence on its organizational effectiveness (Anis, 2011).

SUMMARY

The study established that indeed, the reward system of the organization will determine the commitment of

employees as they work because after work, the reward is the return that will make the employee to work hard in the realization of the organizations' objectives. This reward acts as a motivator to the employees and this would bind them to feel that they are taken care of and more so, the sense of belonging to the organization. However, if the organization does not reward their employees well then the organization is likely to experience high labor turn over since employees will move in search of green pastures. Such organizations are likely to close down because, the employees are not committed to work and this would results to low productivity as well as compromised quality. Therefore, the organization can only be or maintain its' vibrancy in the market if they reward their employees well and value them as the most important asset of the organization. Previous studies by Lopez (2014) showed that an intrinsic reward is believed to be able to satisfy and motivate employees to perform better.

CONCLUSION

The study found that career development had a correlation with remuneration, job promotion and employee recognition. From multivariate regression analysis, the study found that career development had a positive and significant influence on employee retention in the supermarkets in Nairobi County. Career development and employee retention rides with a cluster of essential systems such as reward and recognition, learning and development, performance management, recruiting and induction. These systems are interconnected, and together they improve productivity, retention and performance. Effective implementation of career development initiative in any organization inevitably influenced employee retention. When opportunities for career development increase employee retention increases, and when career development opportunities in a hotel decrease, employee retention decreases. The study also concluded that majority of the hotels had career growth opportunities, skills development

opportunities and were giving equal opportunities for career development. In addition, the supermarkets in Nairobi County were offering career development and advancement opportunities to all employees.

RECOMMENDATIONS

The study recommended that policy makers should enact policies that promote the implementation of aspects contributing to the retention of employees in the supermarkets. It was recommended that the management should take actions aimed at ensuring that employees are rewarded accordingly and benefits offered to them be improved. It established that the employees' commitment to working in the

supermarkets was moderate. This study therefore recommends that measures should be taken to ensure that the employees' commitment is enhanced in the supermarkets.

Suggestion for further studies

This study concentrated on establishing the factors influencing employees' retention in the selected supermarkets in Nairobi County. This study therefore recommended that another study be done on employee retention in supermarkets in other counties in Kenya. Further studies should also be done to establish how employees' retention factors adopted by private and public institutions compare.

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