FACTORS INFLUENCING EMPLOYEE RETENTION

(A CASE STUDY OF NAIROBI BOTTLERS LTD)

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A research project submitted to the Department of Post Graduate Studies in the School of Management and Leadership in partial fulfillment of the requirement for the award of the degree of Executive Masters in Business Administration, The Management University of Africa

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DECLARATION

This project is my original work and has not been presented for a degree in any other University.

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EMBA/00005/2/2012

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Signature Date

This project has been submitted for examination with my approval as University Supervisor

David Kanyanjua

……………………….. ………

Signature Date
Acknowledgement
My appreciation goes to my supervisor, for his willingness to put in extra hours to assist and work with me to the completion of this research project. I also appreciate my husband, daughter and son for their understanding, encouragement and support even when despair set in.
Dedication
This study is dedicated to God almighty for granting me the grace and patience to complete this work against tremendous odds. To all employers who are constantly seeking for ways to better employee retention rates. To my family who give me a reason to face every day challenges.
ABSTRACT

Employee turnover is one such element of change that directly affects the organizations bottom line. Nairobi Bottlers Ltd experienced an increasing employee turnover rate in the year 2011 to 2013. The negative effects of this ranged from loss of productivity, diminished morale, strained communication between management and employees and increased costs of hiring and training new employees. This study sought to investigate some of the factors affecting employee retention in Nairobi Bottlers namely, staff training and development, staff benefits, work environment and leadership style. This study targeted 265 employees at management level in the various departments in Nairobi Bottlers ltd. The research literature review has drawn materials from several sources which are closely related to the theme and the objective of the study which includes both theoretical and empirical review. Questionnaires were used to collect data, the data collected was analyzed and findings of the survey presented using frequency tables, line graphs, pie charts and or bar charts.

This study will be of significance to the management of Nairobi Bottlers Limited as well as other organizations facing staff retention challenges. They will be able to understand the factors that make employees stay or leave organizations. This will therefore help the management ensure that plans are put in place to ensure a motivated workforce for increased productivity, value addition and longer employee service to the company. For academicians and researchers, the findings of this study will be important in providing information on employee retention and will further act as a source of reference for future studies besides suggesting areas of future research. The study adopted a descriptive survey design to establish the factors affecting employee retention in Nairobi Bottlers Limited. The researcher used stratified random sampling method to select a sample of the population of staff in the targeted departments. 10% of the 265 management employees from all the departments were picked at random, making a sample size of 27 employees. Data was collected by use of questionnaires, analysis and presentation of the data collected was done by use of bar graphs and pie charts.

According to the study, staff training and development programs in whatever form attracts and encourages employees to stay with an employer. It was clear that staff training does not increase staff turnover, in fact, according to the study, 78% disagreed that multi – skill
training increases employee turnover, and 87% agreed that effective training improves productivity. The study established that staff benefits enhance employee retention and more so, benefits that appreciate in value encourage employee retention. Staff benefits not only enhance staff welfare but also enhance employee satisfaction and elicit superior performance. Work environment either increases or diminishes employee satisfaction, which in turn affects employee commitment to the organization and the willingness of the employees to stay with their employer (staff retention). It was evident that Nairobi bottlers did not support work life balance, which could lead to employee dissatisfaction and low staff retention rate. The respondents agreed that they had a close friend at work (71%), but felt unappreciated by their managers. 13% of the respondents felt completely unappreciated by their manager/supervisor, while 46% felt a little extent of appreciation by their manager/supervisors, 29% felt moderate appreciation, 8% felt great appreciation and 4% felt greatly appreciated by their managers/supervisors. Appreciation in whatever form, be it bottom up, up bottom or lateral, creates a sense of belonging and enhances employee morale and motivation. Lack of it can lead to dissatisfaction which could lead to employees leaving the organization/employer. The study recommends that the organization should put in place training and development programs for middle level managers. Training whether in form of seminars, on/off Job training and refresher courses will improve the employee’s technical expertise and enhance their professional growth. As a result the employees would be motivated to give back to the employer for investing in them, and consequently increase loyalty and employee retention. Staff benefits and especially those that appreciate in value increase staff retention. The organization should put up a staff benefits scheme that the managers feel are of greater value to them. Further investigation should be carried out to establish what kind of benefits are of more value or preferred by the managers, after which the organization can implement them in a bid to increase staff retention. Nairobi bottlers should encourage work life balance where the employees get adequate time off to spend with family and friends, and attend to other social responsibilities. Investigation into the factors that contribute to lack of work life balance in Nairobi bottlers should be carried out, from which a more conclusive and definite action can be taken towards creating a balanced life for middle level managers. The upper management should create a recognition program where the middle level managers are recognized and formally appreciated for achievements.
CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

Every executive recognizes the need for satisfied, loyal customers. If the firm is publicly held, it is also safe to assume that every executive appreciates the need to have satisfied, loyal investors. Customers and investors provide the financial resources that allow the organization to survive. Not every executive understands the need to generate satisfaction and loyalty among employees, yet, retention rates among employees are related to retention rates among customers. Research has established a direct link between employee retention rates and sales growth (Noel, 2008). Employee retention issues are emerging as the most critical workforce management challenges of the immediate future. Researches have shown that in the future, successful organizations will be those which adapt their organizational behavior to the realities of the current work environment where longevity and success depend upon innovation, creativity and flexibility. In fact, the dynamics of the work environment will have to reflect a diverse population comprised of individuals whose motivations, beliefs and value structures differ vastly from the past and from one another. To compete effectively, organisations must take deliberate steps to ensure that good performers are motivated to stay within the organisation, whereas, the chronically low performers are allowed, encouraged, or where necessary, forced to leave.

There are sound arguments that can be made in favour of a certain amount of staff turnover. Organisations need to be rejuvenated with ‘fresh blood’ from time to time if they are to avoid becoming stale and stunted. This is particularly true at senior levels, where new leadership is often required periodically to drive change forward, more often, new faces bring new ideas and experiences which help make organisations more dynamic. A degree of turnover helps managers keep their labour costs in control and especially in organisations which are subject to regular and unpredictable changes in business levels. When income falls, it is possible to hold back replacing leavers until such time as it begins to pick up again. It can be argued that employee turnover is ‘functional’ rather than ‘dysfunctional’ because it results in the loss of poor performers and replacement with more effective employees.
The arguments against staff turnover range from the costs of replacing people who have left, to expenses required in inducting and training new employees. On top of these, there are less easily measurable losses incurred as a result of poorer performance on the part of less experienced employees. People who leave an organisation represent a lost resource in which the organisation has invested time and money. The damage is all the greater when good people, trained and developed at the organisations expense; choose to work for competitors. It is argued that high turnover rates are symptomatic of a poorly managed organisation. People are dissatisfied with their jobs or with their employer, thus sending a negative message to customers and creating a poor image in the labour market, making it progressively harder to recruit good performers in the future, (Torrington, Hall and Taylor, 2008). This study focuses on investigating the factors influencing employee retention in Nairobi bottlers limited.

Nairobi Bottlers was founded in 1948 by The Coca-Cola Company. The Coca-Cola Company is the world's largest beverage company, largest manufacturer, distributor, and marketer of non-alcoholic beverage concentrates and syrups in the world. In November 1995, Coca-Cola South African Bottling Company (Coca-Cola Sabco) in partnership with Centum (ICDC) acquired Nairobi Bottlers from The Coca-Cola Company. In December 2004, the business consolidated its operations into one facility in Embakasi plant and closed the manufacturing facilities in Nakuru and Machakos).

Coca-Cola SABCO has 72.3% shareholding and Centum (ICDC) has 27.62% shareholding in Nairobi Bottlers Limited. There are 7 Coca - cola Bottling Companies in Kenya – Nairobi Bottlers, Mt. Kenya Bottlers, Kisii Bottlers, Kisumu Bottlers, Coastal Bottlers, & Rift Valley Bottlers. The Coca Cola Juice Company, Kenya, (former, Beverage Services Kenya (BSK)) is a joint venture between the 6 bottling companies and the Coca-Cola Company (TCCC) in which NBL has a 30% shareholding. Nairobi Bottlers Ltd. accounts for approximately 50% of the country’s Coca Cola products volume. It supplies the Kenyan market with a wide range of beverages, including Coca-Cola, Coke Light, Sprite, Stoney, Dasani and those from the Krest, Schweppes and Sparletta family. Nairobi bottlers sold 21.5 million cases of product in 2011, and 22.3 million cases in 2012. Direct distribution of product to customers by the company is
10% whereas 90% of distribution is done by Manual Distribution Centers (MDCs) and employs 973 people. It is one of the biggest bottling plants in the SABCO group and has received a couple of awards since its inception among them the prestigious ‘Company of the Year’ Award in Kenya in the year 2007. One of Nairobi bottler’s Human resource strategies is to attract and retain talent. Nairobi Bottlers limited believes in creating a vibrant environment where all are passionate and excited about their jobs. The purpose of the Talent Management function at Coca Cola Sabco is to facilitate the supply of the right people to meet its current and future business needs and to create the culture and HR processes that drive engagement, retention and optimal individual and company performance. To realize this purpose Nairobi bottlers focuses on the following: Recruitment, Performance Management (People Plan), Succession Planning (Talent Development Committees), Corporate Communication, Employee Engagement and Employee Retention

1.2 Statement of the Problem
Employees join and stay with organizations for more than just their pay cheque. It is about what the organization offers in total. It is a combination of factors that make the organization the right place for them. The commitment, dedication and loyalty go hand in hand with employees who experience a sense of high job satisfaction, (Hissom 2009). Although Nairobi bottlers has one of its HR strategies focusing on staff retention, the company has lately experienced increased employee turnover in the last 2 years with 2012 recording an employee turnover of 13% up from 8% in 2011. The employee engagement survey carried out in 2012 indicated an overall employee engagement score of 75.6%, an improvement from 71.46% in 2011. The survey found out that 39.7% of the employees were ambivalent while 56.5% were engaged, and the remaining 3.7% were completely disengaged. The ambivalent group showed a higher retention risk of 3% than the disengaged group with a retention risk of 1.7% (Nairobi bottler’s employee engagement report, 2012). Of great concern is that though the employee engagement survey score improved in 2012, employee turnover increased in the same year compared to the year 2011.
Turnover leads to a variety of costs for Nairobi bottlers including hiring costs, training new hires, quality of work and decreased morale in the remaining workforce. Training for new hires is a costly process and as per Nairobi bottlers training policy, new staff must be trained for at least 90 hours to be certified to provide quality service. The company costs of turnover are not only monetary but also compromised quality. High turnover means that the remaining employees must continue to provide services without an adequate number of employees. The increase in workload may lead to job stress, as well as a decrease in the morale of the workforce. When one staff member leaves the company, the remaining staff members are required to take up the work load which may lead to additional working hours, leading to fatigue and ultimately, lack of morale, and decreased work quality. This research sought to determine the factors affecting staff retention in Nairobi bottlers limited.

1.3 Objective of the Study

1.3.1 General Objective
The general objective of the study was to investigate the factors affecting staff retention in Nairobi Bottlers Limited

1.3.2 Specific Objectives
The specific objectives of the study were;

i. To determine the influence of staff training and development programs on employee retention at Nairobi Bottlers limited

ii. To assess the effects of staff benefits plans on employee retention at Nairobi Bottlers Limited

iii. To investigate the effects of working environment on employee retention at Nairobi Bottlers Limited.

iv. To determine the role of leadership styles on employee retention at Nairobi Bottlers Limited
1.4 Research Questions

i. what is the effect of staff training and development programs on employee retention at Nairobi Bottlers limited

ii. How do staff benefits plans influence staff retention at Nairobi Bottlers Limited

iii. What is the effect of working environment on employee retention at Nairobi Bottlers Limited?

iv. What is the role of leadership style on employee retention at Nairobi Bottlers Limited

1.5 Significance of the Study

It is the pride of every organization to hire and retain employees long enough to benefit from the employees’ wealth of acquired experience and to have a good public image. With this respect, the organizations would want to know what motivates their staff because motivated employees are likely to stay in employment longer than the less motivated employees.

This study is of significance to the management of Nairobi Bottlers Limited as well as other organizations facing staff retention challenges. They will be able to understand the factors that make employees stay/ leave organizations. This will therefore help the management ensure that plans are put in place to ensure a motivated workforce for increased productivity, value addition and longer employee service to the company. For academicians and researchers, the findings of this study are important in providing information on employee retention and will further act as a source of reference for future studies besides suggesting areas of future research.

1.6 Scope of the Study

The study was concerned with evaluating the factors affecting staff retention in Nairobi Bottlers Limited and targeted 265 employees at management level in the various departments namely; Human Resources, Finance, Manufacturing, Logistics and Customer service, Sales and marketing department. The respondents were chosen from different sites including Embakasi
plant, and Nakuru Depot, the respondents were employees of Nairobi bottlers as at the time of study, May to November 2013.

1.7 Limitation of the Study
There was a challenge in communicating to the respondents face to face because of different working schedules and work stations. This was overcome by booking of appointments on mail with respondents and requesting for their time to fill in the questionnaires.

Some of the respondents were reluctant to give information for fear of intimidation. It was made clear that the information about the respondents would not be disclosed to the management neither would it pry into their personal lives.
CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction
This chapter gives a review of related literature on the subject under study as presented by various researchers, scholars, analysts and authors. The research has drawn materials from several sources which are closely related to the theme and the objective of the study which includes both theoretical and empirical review.

2.2 Theoretical Review
Employee retention has been the topic of extensive research dating back to the early 20th Century. The ongoing problem of employee turnover is the result of a variety of factors. Employees leave organizations for a wide variety of reasons such as taking a better paying job, leaving an abusive supervisor, going back to school, following a relocating spouse, or getting fired. Although there may be shared characteristics and outcomes associated with each incidence of turnover, there are different types of turnover, each with its own implications (Griffith & Hom, 2001). One important distinction is between voluntary and involuntary turnover. Voluntary turnover is initiated by the employee, while involuntary turnover is initiated by the organization, often because of poor job performance or organizational restructuring. Effectively managing involuntary turnover is important, but the loss of these employees is generally viewed as being in the best interests of the organization. Retention management typically focuses on voluntary turnover, because these employees are often individuals the organization would prefer to retain. Even within instances of voluntary turnover, however, there is an important distinction between dysfunctional and functional turnover (Dalton, Todor, and Krackhardt, 1982). Dysfunctional turnover is harmful to the organization, such as the exit of high performers or of employees who have difficult-to-replace skill sets. Functional turnover, although disruptive, may not be harmful, such as the exit of employees who are easy to replace, and may even be beneficial, such as the exit of poor performers. Retention management strategies should typically focus more on dysfunctional turnover.
Even if an organization invests substantially in the retention of key employees, some of those employees would still leave. Thus, while some turnover is avoidable, some turnover will always be unavoidable (Abelson, 1987). Avoidable turnover occurs for reasons that the organization may be able to influence, such as low job satisfaction, poor supervision, or higher pay elsewhere. Unavoidable turnover occurs for reasons that the organization may have little or no control over, such as health or dual career issues. The distinction is important because it may make little strategic sense to invest a great deal in reducing turnover that is a function of largely unavoidable reasons. Studies have indicated that retention is 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 (Logan, 2000).

2.2.1 Maslow’s Hierarchy of needs theory
According to Maslow’s hierarchy of needs, within every human being there exists a hierarchy of five needs namely; physiological, safety, social, esteem and self-actualization, employees are now making strategic career moves to guarantee employment that satisfy their need for security, safety, esteem, and self-actualization, (Robin, 2007). On the other hand, employers have a need to keep their staff from leaving or going to work for other companies. In fact, companies that offer employee development programs are finding success with retaining workers (Logan, 2000). This is true because of the great expenses associated with hiring and retraining new employees. Literature on employee retention shows that wooing existing employees through employee development or talent management programmes costs less than acquiring new talents, as organizations know their employees; their wants & desires; while the initial cost of attracting the new employees has already been expended. The literature on employee retention clearly explains that satisfied employees who are happy with their jobs are more devoted for doing a good job and look forward to improve their organizational customers’ satisfaction (Phillips, 2003). Employees who are satisfied have higher intentions of staying with their organization, which results in a decreased turnover rate (Phillips, 2003). In summary, the literature defines retention as continuing relation between employees and their organization.
2.2.2 Herzberg’s Two – Factor theory

In his Two – Factor theory, Herzberg investigated the question “what do people want from their jobs?” and found out that the replies people gave when they felt good about their jobs were significantly different from the replies given when they felt bad. Certain characteristics tend to be consistently related to job satisfaction and others to job dissatisfaction. Intrinsic factors such, as advancement, recognition, responsibility, and achievement seem to be related to job satisfaction. On the other hand, dissatisfied respondents tended to cite extrinsic factors, such as supervision, company policies, and working conditions. According to Herzberg, the factors leading to job satisfaction are separate and distinct from those that lead to job dissatisfaction. Therefore, managers who seek to eliminate factors that can create job dissatisfaction may bring about peace but not necessarily motivation. As a result, conditions surrounding the job, such as quality of supervision, pay, company policies, physical working conditions, relations with others, and job security were characterized as hygiene factors. When they are adequate people will not be satisfied neither will they be dissatisfied. Herzberg suggested that the best way to motivate people is to emphasize on factors associated with the work itself or on outcomes directly derived from it, such as promotional opportunities, chances for personal growth, recognition, responsibility, and achievement, (Robbins, 2007)

To apply Herzberg’s theory, one needs to adopt a two stage process to motivate people. Firstly, one needs to eliminate the dissatisfactions they're experiencing and, secondly, help them find satisfaction. Herzberg called the causes of dissatisfaction "hygiene factors". To get rid of them, there is need to fix poor and obstructive company policies, provide effective, supportive and non-intrusive supervision, create and support a culture of respect and dignity for all team members, ensure that wages are competitive, build job status by providing meaningful work for all positions, provide job security. All of these actions help to eliminate job dissatisfaction in an organization. Just because someone is not dissatisfied, it doesn't mean he or she is satisfied either, there is need also to focus on factors that build job satisfaction. To create satisfaction, Herzberg says that one needs to address the motivating factors associated with work. He called this "job enrichment". His premise was that every job should be examined to determine how it could be made better and more satisfying to the person doing the work. Things to be considered include, providing opportunities for achievement,
recognizing workers' contributions, creating work that is rewarding and that matches the skills and abilities of the worker, giving as much responsibility to each team member as possible, providing opportunities to advance in the company through internal promotions, offering training and development opportunities, so that people can pursue the positions they want within the organization (Mindtools.com., 1999)

2.2.3 Adam’s equity theory
Adam’s equity theory is used to explain how employees judge the fairness of rewards received in proportion to resources invested for completing a task by assessing one’s own investment – reward ratio, and compare it against the ratio of another colleague holding a similar position (Robbins, 2007). Investments made by the employee are termed as ‘inputs’ while rewards are known as ‘outcomes’. In order to receive outcomes such as extrinsic rewards and /or intrinsic rewards, the employee must first invest inputs such as time, commitment, effort, and experience. The ideal situation would be the employee feels equitable in terms of reaping the rewards sowed relative to a fair comparison with the other. An unbalanced equation may indicate that the employee is over – rewarded or under – rewarded. The over – rewarded employee may feel compelled to be more productive. Whereas in the case of under – reward, the employee will seek equilibrium by lowering input or negotiating a pay rise or, in the worst scenario, leave the organization. Many organizations use staff benefits as a way of making the employee feel fully rewarded for their inputs and efforts put into the organization.

It is in the best interest of the employer to ensure that their workforce remains motivated and productive. Equity theory assesses employee motivation on the basis of an individual’s subjective perceptions, so it can be difficult for an employer to determine how employees perceive their inputs, which outcomes they value, and who they select for their comparison other. While it is difficult, if not impossible, to predict with whom employees might compare their inputs and outputs, there are measures that an employer can take to reduce feelings of inequity or combat perceptions of inequity in the workplace. In terms of handling the distribution of rewards, employers should be attuned to distributive and procedural justice. Distributive justice involves ensuring that outcomes are fairly distributed in the organization. Procedural justice deals with whether or not the process used to allocate the rewards is fair
(Redmond, 2009). Increased levels of distributive or procedural justice can help prevent perceptions of inequity as well as any counter-productive work behaviors. While the meaning of procedural justice will vary from organization to organization, there are several common themes that will help to establish a just process. Giving employees a voice in the decision-making process, making unbiased decisions, and being consistent in the application of rules lends to a procedurally just process. “People feel affirmed if the procedures that are adopted treat them with respect and dignity, making it easier to accept outcomes they do not like” (Deutsch, 2000). High levels of procedural and distributive justice won’t necessarily prevent employees from having a perception of inequity or unfairness in the workplace; however, an employer can also prevent repercussions from perceptions of inequity. For example, Skarlick and Folger, (1997) found that employees that are treated with respect are more likely to tolerate unfair pay. Whether the pay or compensation is actually unfair might be irrelevant. To the employee a perception of unfair compensation is the same as actual unfair compensation. So, if an employee has a perception of inequity in their compensation they might be more willing to tolerate their perception of unfair pay if they are treated with respect by their employer. Then they will be less likely to decrease their inputs or engage in counter-productive work behaviors to compensate for a perception of underpayment inequity. So, in addition to establishing fair distribution and procedures in an organization, employers should always treat their employees with respect. This can help maintain or increase motivation and prevent problems that stem from perceptions of under reward. Employers also need to remember that employees can value different outcomes. For example, younger employees tend to value more pay (Miles, 1994). Even if an employee receives a higher salary than their co-worker they could still develop a perception of inequity if that co-worker has a flexible schedule, and a flexible schedule is more valuable to them than extra salary. To combat this problem, employers can implement two strategies. First, they could continually request feedback from employees to determine what they value and how they would prefer to be compensated. Another strategy used by employers is to offer a choice in benefits. For example, one employee might want to use a health flexible spending account while another employee might prefer to have a dependent care flexible spending account. Employers can offer choices on health or dental insurance as well as other choices among benefits. This type of plan, called a cafeteria style, allows employees to select outcomes that they value most.
This can help prevent perceptions of inequity because each employee has the outcomes that they value the highest. This helps increase their ratio of inputs to outcomes when compared to their co-workers. Employers can also utilize intangible rewards such as a pat on the back, a luncheon, or even simple praise in front of co-workers. These simple intangible rewards can help balance a measure of inputs and outcomes. Utilizing equity theory to understand how employees measure their inputs and outcomes can help employers prevent problems related to perceptions of inequity, such as reduced productivity, theft, and or resignations.

2.3 Empirical Review
According to SHRM (2007) Job Satisfaction Survey, The recruitment and retention of qualified, skilled employees is the foundation of any business, small or large. Research indicates that employees who are satisfied with their jobs are more likely to stay with their current employers. Keeping a cadre of happy and motivated employees, however, is often elusive as the expectations of employees shift. These changing expectations stem from demographic trends, such as growing numbers of Generation Y employees and women entering the workforce, the retirement of baby boomers, caring for elderly parents, and more general changes in society, such as increased stress levels as employees attempt to juggle work and personal responsibilities. As life becomes more challenging, employees may become more stressed. Therefore, the factors long thought to satisfy employees may be shifting, depending on attributes such as the gender and age of employees. HR professionals are an important organizational link to the human capital embodied by employees. Therefore, as organizations prepare for a changing workforce, it is imperative for HR professionals to be aware of what characteristics employees feel contribute to their motivation and satisfaction on the job.

2.3.1 Effects of Training and Staff Development on Employee Retention
There are two widely expressed, but wholly opposed, perspectives on the link between training interventions and employee turnover. On the one hand is the argument that training opportunities enhance commitment to an employer on the part of individual employees, making them less likely to leave voluntarily than they would if no training were offered. The
alternative view holds that training makes people more employable and hence likely to leave in order to develop their careers elsewhere. The view is thus put that money spent on training is money wasted because it ultimately benefits employers (Torrington, 2008)

Green (2000) report research on perceptions of 1,539 employees on different kinds of training, found out that the overall effect is neutral, 19% of the employees saying that training was ‘more likely to make them actively look for another job’ and 18% saying it was less likely to do so. However, they also found the type of training and the source of sponsorship to be a significant variable. Training which is paid for by the employer is a good deal less likely to raise job mobility than that paid for by the employee. The firm – specific training is also shown in the study to be associated with lower turnover than training which leads to the acquisition of transferable skills. Whatever the form of training, an employer can develop a workforce which is both ‘capable and committed’ by combining training interventions with other forms of retention initiatives.

The most expensive types of training intervention involve long – term courses of study such as Master’s Program. In financing such courses, employers are sending a very clear signal to the employees concerned that their contribution is valued and that they can look forward to substantial career advancement if they opt to stay. The fact that leaving will also mean an end to the funding for the course provides a more direct incentive to remain with the sponsoring employer. (Torrington, 2008)

2.3.2 Effects of Staff Benefits Plan on Employee Retention

Benefits plans are ordinarily conceptualized in two ways. The narrow definitions of benefit plans include employer – provided retirement, health, welfare and fringe benefits. Benefit satisfaction includes not only the types and levels of specific benefits received, but also satisfaction with the way the benefit system operates (Noel, 2008)

Employee benefits protect employees from risks that could jeopardize their health and financial security. They may also provide services or facilities that many employees find valuable hence motivate employees to stick with their current employer hence reduced employee turnover. In addition, benefits plans that are designed to increase in value over time
encourage employees to remain with their employer (Gomez-Mejia, 2001). The impacts of benefit packages on organizational effectiveness occur through screening which help the firm to attract and retain more able employees and motivate them by helping to elicit superior performance. Benefits plans can enhance satisfaction, sustain loyalty, retain workers, improve service quality and discourage employees from leaving. In particular, those organizations where benefits are a higher percentage of total Labor costs, and those firms whose benefit packages were described to be of higher quality experienced less turnover (Griffith and Hom, 1994)

According to SHRM, 2007 Job Satisfaction Survey, HR professionals face the dilemma of balancing the right mix of employee benefits while taking into consideration the increasing costs of offering benefits. Benefits have a high monetary value for both employees and organizations, and it is important for organizations to better understand the needs and preferences of their workforce, taking into account employee attributes such as job tenure, age, gender, etc. Likewise, it is necessary that employees understand the full suite of rewards they receive.

2.3.3 Effects of Work Environment on Employee Retention

Employees are concerned with their work environment for both personal comfort and facilitating doing a good job. Studies demonstrate that employees prefer physical surroundings that are not dangerous or uncomfortable. Additionally, most employees prefer working relatively close to home, in clean and relatively modern facilities, and with adequate tools and equipment (Robbins, 2007)

Employees need enough resources such as time, money and equipment/ tools to be able to do their work effectively. However, resources are scarce, which means that decisions should be made to distribute them fairly. The needs and goals of the organization should be prioritized. The physical layout of the work environment such as neatness, organization, convenience, attractiveness and stimulus (noise, air, hazards and so on) should not threaten the well – being of employees (Noel, 2004). In general work environment refers to the environment wherein employees both learn and work. More specifically, the concept could be described by referring
to: guidance and appreciation at work; pressure of work; the amount of empowerment and the responsibility that employees experience; choice in job tasks and development; provision of challenging and meaningful work; and advancement and development opportunities. Results from previous research show that the appreciative approach, operationalized through an appreciative learning and working climate, positively influences employee retention (Robbins, 2007)

### 2.3.4 Effects of Leadership style on Employee Retention

People get more out of work than merely money or tangible achievements. For most employees, work also fills the need for social interaction. Not surprisingly, therefore, having friendly and supportive colleagues’ leads to increased job satisfaction. The behavior of one’s boss also is major determinant of satisfaction. Studies generally find that employees satisfaction is increased when the immediate supervisor is understanding and friendly, offers praise for good performance, listens to employees’ opinions, and shows a personal interest in them (Robbins, 2007).

If it is the case that many, if not most, voluntary resignations are explained by dissatisfaction on the part of employees with their supervisors, it follows that the most effective means of reducing staff turnover in organizations is to improve the performance of line managers. Too often, it appears that people are promoted into supervisory positions without adequate experience or training. Hence it is common to find managers who are ‘quick to criticize but slow to praise’, who are too tied up in their own work to show an interest in their subordinates and who prefer to impose their own solutions without first taking account of their own staff’s views. The solution is to take action on various fronts to improve the effectiveness of supervisors (Torrington, 2008)

People will personally commit to certain individuals who on the organizational chart possess little authority, but instead possess, drive, expertise, and genuine caring for teammates and products. Studies document that an employee’s level of satisfaction with their direct manager's leadership style is critical to a satisfactory work environment and to retention. Researchers find that the relationship with the employee's immediate supervisor carried more impact on
the employee than overall company policies or procedures. This relationship also determines productivity levels. If you ask employees what it would take to improve employee retention, they cite manager-related behaviors: They want more involvement in decision making, more appreciation, better communication, more team building, flexible work conditions, more autonomy and better coaching. Nevertheless, very few companies list leadership or organizational development as a top priority in their retention programs. Most of the money is devoted to better compensation, bonuses, and work/life initiatives. Those are obviously important, but most organizations ignore the fact that improving manager leadership can measurably increase employee performance and retention. (Mark, 2003)

2.4 Research Gaps
Employee retention is dependent on a number of variables; researchers have not been able to come up with conclusive factors that guarantee employee retention because what motivates one to stay in an organization varies from one person to another. It is assumed that motivated employees always stay longer in an organization, but motivation is not always the same since changes in moods affect the level of motivation. The presence or absence of motivation depends solely on the individual, being well paid, feeling appreciated and being re–assured about one’s carrier prospects does not guarantee the employer of highly motivated employees. The fact that the employer has put in measures to keep their employees motivated and engaged, does not guarantee that the employees will stay. Employees will move to the next competitor whom according to their view offers a better package than the current employer.

Despite extensive research on employee turnover, there are few resources that effectively and comprehensively bridge scholarly evidence concerning employee retention and practitioner employee retention efforts. As a result, many managers hold important misconceptions about turnover. For example, many managers may believe that turnover is uniformly bad, that most employees quit their jobs because of pay, that job dissatisfaction is the primary reason people leave, that there is little managers can do to affect individual turnover decisions, or that generic best practices are the best way to manage retention. These misconceptions can be harmful to organizations and to managerial careers because they may lead managers to enact ineffective retention strategies that fail to reduce turnover, that are not cost-effective, or even
that retain the wrong employees while chasing away the most important ones. This study will replace these common misconceptions about turnover with evidence-based retention management information with respect to Nairobi bottlers limited (David, Philip and James, 2010). Evidence-based management refers to translating knowledge and principles based on the best available scientific evidence into organization practice, enabling managers to make decisions informed by social science and organizational research (Rousseau, 2006).

2.5 Conceptual Framework

**Independent variables**

- Training and Staff Development
- Staff Benefits Plan
- Work Environment
- Leadership Style

**Dependent variable**

Employee retention
CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction
This chapter considers several aspects which are research design, target population, sample size, sample design, instruments of research and the validity of these instruments.

3.2 Research Design
This study adopts a descriptive survey design to establish the factors affecting employee retention in Nairobi Bottlers Limited. A survey is an attempt to collect data from members of a population in order to determine the current status of that population with respect to one or more variables. Data is collected from members of a targeted population by use of questionnaires, interviews and observation schedule (Mugenda and Mugenda, 1999). The descriptive research method helps researchers plan and carry out descriptive studies, it is designed to provide rich descriptive details about people, places and other phenomena. In this study, it helps provide descriptive details on employee retention and factors that affect employee retention.

3.3 Target Population
The Target population for this study was the 265 management staffs from the 6 different departments in Nairobi Bottlers Limited, these departments are logistics and customer service, finance, human resources, manufacturing, Planning, and Sales and Marketing departments. This is because the costs related to the loss and replacement of employees in management is much higher than those of employees below the management level.

3.4 Sample Design
The researcher used stratified random sampling method to select a sample of the population of staff in the targeted departments. 10% of the 265 management employees were picked at random, making a sample size of 27 employees. Stratified sampling offers several advantages over simple random sampling. A stratified sample provides a greater precision than a simple random sample of the same size, often requiring a smaller sample, which saves on money and time. Stratified samples also guard against an "unrepresentative" sample (e.g., an all-male sample from a mixed-gender population).
Table 3.1 Sample size

<table>
<thead>
<tr>
<th>Functional Area</th>
<th>Number employees in management</th>
<th>Sample</th>
</tr>
</thead>
<tbody>
<tr>
<td>Logistics and Customer Services</td>
<td>28</td>
<td>3</td>
</tr>
<tr>
<td>Finance</td>
<td>42</td>
<td>4</td>
</tr>
<tr>
<td>Human Resources</td>
<td>15</td>
<td>2</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>77</td>
<td>8</td>
</tr>
<tr>
<td>Planning</td>
<td>23</td>
<td>2</td>
</tr>
<tr>
<td>Sales &amp; Marketing</td>
<td>80</td>
<td>8</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>265</strong></td>
<td><strong>27</strong></td>
</tr>
</tbody>
</table>

3.5 Data Collection Instruments and Procedure

Questionnaires were used for this research. They are more efficient in that they require less time, they are less expensive and permits collection of data from a wide population (Orodho, 2005). The primary data was collected from the selected sample population using structured questionnaires, with closed – ended questions. The questionnaires were given to the respondents with a request to participate in the survey and explanations as to why their support and participation is important.

3.6 Data Analysis and Presentation of Results

All questionnaires from the respondents were verified and checked for reliability. The data was analyzed using quantitative techniques and presentation done using frequency tables, line graphs, pie charts and bar charts.

3.7 Validity and Reliability of the Research Instrument

Key indicators of the quality of a measuring instrument are the reliability and validity of the measures. The process of developing and validating an instrument is in large part focused on reducing error in the measurement process. Validity is the accuracy and meaningfulness of inferences drawn from the research findings. It is the degree to which results obtained from
the analysis of the data actually represent the phenomenon under study. In this study, the validity is taken to mean the extent to which the instrument covers the objective. A pilot survey was carried out to determine the validity and reliability of the questionnaire. This enabled the researcher to determine whether there were any ambiguities in any of the items. The item that failed to measure the variable intended was either modified or discarded.
CHAPTER FOUR: RESEARCH FINDINGS AND DISCUSSION

4.1 Introduction
The main objective of the study was to investigate the factors affecting staff retention in Nairobi Bottlers Limited. The specific objectives of the study were; to determine the influence of staff training and development programs on employee retention at Nairobi Bottlers limited, to assess the effects of staff benefits plans on employee retention at Nairobi Bottlers Limited, to investigate the effects of working environment on employee retention at Nairobi Bottlers Limited, and to determine the role of leadership styles on employee retention at Nairobi Bottlers Limited. Questionnaires were used to collect data and the data obtained thereof analyzed using quantitative techniques. Presentation of the data analysis was done using frequency tables, line graphs, pie charts and bar charts.

4.1.1 Sample size
From figure 4.1 below, Out of the 27 respondents chosen as the sample for the study, 14.8% of the sample population was from finance department, 7.4% from human resource, 11.1% from logistics and customer care, 25.9% from manufacturing, 7.4% from planning, and 29.6% from sales and marketing.

![Sample Size](image)

**Figure 4.1, Sample size**
4.2 Demographic Information

Gender

From figure 4.2, 30% of the respondents were female and 70% male, which is adequate to give a true picture of what attracts both the men and women to stay in the organization.

Age of Respondents

Figure 4.3, Age of respondents
From figure 4.3, 51.9% of the respondents were between the age of 32 to 38 years, could have been in employment long enough to understand the concept of employee retention

**Education Level**

![Education Level Pie Chart]

**Figure 4.4, Education level**

Over 60% of the respondents have at least a bachelor’s degree; hence have the pre requisite awareness to give reliable information on the subject matter.

**Duration of employment in the Organization**

![Duration in the Organization Pie Chart]

**Figure 4.5, Duration of stay in the organization**
More than half the respondents had been with the organization for at least 5 years. Thus they have sufficient understanding of the organization's dynamics.

**Position in the organization**

![Bar chart showing respondents' positions in the organization.](image)

**Figure 4.6, Position in the organization**

From figure 4.5, 48.1% of the respondents were lower level managers, 29.6% middle level managers and 22.2% top level managers.

**4.3 Effect of Training and Staff Development on Employee Retention**

![Pie chart showing employee retention.](image)

**Figure 4.7, Effects of staff training and development on employee retention**
According to figure 4.7, 77% of the respondents agreed that staff training and development affects employee’s retention while 23% disagreed.

<table>
<thead>
<tr>
<th>Extent of Effect</th>
<th>Very great extent</th>
<th>Great extent</th>
<th>Moderate extent</th>
<th>Low extent</th>
<th>Not at all</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seminars</td>
<td></td>
<td>14.8</td>
<td>29.6</td>
<td>37.0</td>
<td>3.7</td>
</tr>
<tr>
<td>Refresher Courses</td>
<td></td>
<td></td>
<td>25.9</td>
<td>40.7</td>
<td>3.7</td>
</tr>
<tr>
<td>Off-job Training</td>
<td></td>
<td></td>
<td>25.9</td>
<td>37.0</td>
<td>3.7</td>
</tr>
<tr>
<td>On-job Training</td>
<td></td>
<td></td>
<td>22.2</td>
<td>55.6</td>
<td>3.7</td>
</tr>
</tbody>
</table>

**Figure 4.8, Effects of different types of training on employee retention**

Effect of seminars on employee retention; 37% of the respondents were of the opinion that seminars moderately affect staff retention while 29.6% that seminars greatly affect staff retention.

Effect of refresher courses on employee retention; Over 70% of the respondents felt that refresher courses do affect staff retention (40% felt that refresher courses affects retention to a moderate extent while 33% to a greater extent)

Effect of on/off job training on employee retention; over 70% of the responded agreed that on/off job training affects staff retention moderately to a greater extent.
The study found out that training, be it in the form of seminars, refresher courses, on job or off job training, indeed does affect staff retention from a moderate to a greater extent.

**Figure 4.9, Effects of training on Employee retention**

Over 74% of the respondents were in agreement that a reputation for progressive employee training attracts and retains employees, 65% agreed that training gives an organization a competitive edge, 81% agreed that training enhances professional growth hence higher retention, 78% disagreed that multi – skill training increases employee turnover, and 87% agreed that effective training improves productivity.
4.4 Effect of Staff Benefits on Employee Retention

According to Figure 4.10 above, 96% of the respondents agreed that employee benefits enhance employee welfare, 78% agreed that benefits enhance employee satisfaction, 79% agreed that benefits elicit superior performance in employees and enhance retention, 73% agreed that benefits that appreciate in value encourage employee retention, and 92% agree that staff benefits motivate employees to stick with their employer.
4.5 Effect of Working Environment on Staff Retention

Figure 4.11, Effects of work environment on employee retention

According to figure 4.11 above, 92% of the respondents agreed that public humiliation and disrespect contribute to dissatisfaction with employment, 40% agreed that their organization (Nairobi bottlers limited) supports work life balance and 47% felt that their organization does not support work life balance. 74% agreed that organizational commitment to employees arouses commitment to the organization by the employees.
4.6 Effect of Leadership Style on Staff Retention

**I Have a close friend at work**

- Agree: 71%
- Disagree: 29%

**Figure 4.12, Effects of leadership style on employee retention**

**I Feel Appreciated by my Supervisor/ Manager**

- Very great extent: 29%
- Great extent: 14%
- Moderate extent: 4%
- Little extent: 8%
- No extent: 46%

**Figure 4.13, Effects of leadership style on employee retention – Appreciation**

While 71% of the respondents agreed that they have a close friend at work, 13% felt completely unappreciated by their manager/supervisor, while 46% felt a little extent of
appreciation by their manager’s/supervisors, 29% felt moderate appreciation, 8% felt great appreciation and 4% felt greatly appreciated by their managers/supervisors.

4.7 Retention

![Employee Retention Chart](image)

**Figure 4.14**

Fifteen percent of the respondents liked to work for Nairobi Bottlers while 81% did not like working for Nairobi bottlers, 81% would leave Nairobi bottlers immediately when and if the opportunity arises and 15% would not.
CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction
This chapter provides a summary of the findings from chapter four; it also gives the conclusion and recommendations of the study based on the objectives of the study. The objective of the study was to investigate the factors affecting staff retention in Nairobi Bottlers Limited.

5.2 Summary of Findings
5.2.1 Training and Development Programs.
The study found out that staff training and developments greatly affects staff retention at Nairobi bottlers limited. 77% of the respondents agreed that staff training and development affects employees while 23% disagreed. 37% of the respondents were of the opinion that seminars moderately affect staff retention while 29.6% that seminars greatly affect staff retention

Over 70% of the respondents felt that refresher courses do affect staff retention (40% felt that refresher courses affects retention to a moderate extent while 33% to a greater extent) more than 70% of the responded agreed that on/off job training affects staff retention moderately to a greater extent.

The study found out that training, be it in the form of seminars, refresher courses, on job or off job training, indeed does affect staff retention from a moderate to a greater extent.

According to the study, over 74% of the respondents were in agreement that a reputation for progressive employee training attracts and retains employees, 65% agreed that training gives an organization a competitive edge, 81% agreed that training enhances hence higher retention, 78% disagreed that multi – skill training increases employee turnover, and 87% agreed that effective training improves productivity

5.2.2 Staff Benefits
According to the study, 96% of the respondents agreed that employee benefits enhance employee welfare, 78% agreed that benefits enhance employee satisfaction, 79% agreed that
benefits elicit superior performance in employees and enhance retention, 73% agreed that benefits that appreciate in value encourage employee retention, and 92% agreed that staff benefits motivate employees to stick with their employer.

5.2.3 Work Environment
According to the study, 92% of the respondents agreed that public humiliation and disrespect contribute to dissatisfaction with employment, 40% agreed that their organization (Nairobi bottlers limited) supports work life balance and 47% felt that their organization does not support work life balance. 74% agreed that organizational commitment to employees arouses commitment to the organization by the employees.

5.2.4 Leadership Style
While 71% of the respondents agreed that they have a close friend at work, 13% felt completely unappreciated by their manager/supervisor, while 46% felt a little extent of appreciation by their manager’s/supervisors, 29% felt moderate appreciation, 8% felt great appreciation and 4% felt greatly appreciated by their managers/supervisors.

5.3 Conclusion
The study revealed that 15% of the respondents liked to work for Nairobi Bottlers while 81% did not like working for Nairobi bottlers, 81% would leave Nairobi bottlers immediately when and if the opportunity arises and 15% would not (figure 4.14).

5.3.1 Training and Development
Training and development plans, staff benefits, work environment and leadership style are key factors that influence staff retention at Nairobi bottlers. The study indicates that staff training and development programs in whatever form attracts and encourages employees to stay with an employer. It was clear that staff training does not increase staff turnover, in fact, according to the study, 78% disagreed that multi – skill training increases employee turnover, and 87% agreed that effective training improves productivity.
5.3.2 Staff Benefits
The study established that staff benefits enhance employee retention and more so, benefits that appreciate in value encourage employee retention. Staff benefits not only enhance staff welfare but also enhance employee satisfaction and elicit superior performance.

5.3.3 Work Environment
Work environment either increases or diminishes employee satisfaction, which in turn affects employee commitment to the organization and the willingness of the employees to stay with their employer (staff retention). Public humiliation and disrespect, work life balance and organizational commitment to employees were some of the factors under study on work environment. According to the study, it was evident that Nairobi bottlers did not support work life balance, which could lead to employee dissatisfaction and low staff retention rate.

5.4.4 Leadership Style
The respondents agreed that they had a close friend at work (71%), but felt un appreciated by their managers. 13% of the respondents felt completely unappreciated by their manager/supervisor, while 46% felt a little extent of appreciation by their manager’s/supervisors, 29% felt moderate appreciation, 8% felt great appreciation and 4% felt greatly appreciated by their managers/ supervisors. Appreciation in whatever form, be it bottom up, up bottom or lateral, creates a sense of belonging and enhances employee morale and motivation. Lack of it can lead to dissatisfaction which could lead to employees leaving the organization/ employer

5.5 Recommendations
The study recommends that the organization should put in place training and development programs for middle level managers. Training whether in form of seminars, on/off Job training and refresher courses will improve the employee’s technical expertise and enhance their professional growth. As a result the employees would be motivated to give back to the employer for investing in them, and consequently increase loyalty and employee retention.

Staff benefits and especially those that appreciate in value increase staff retention. The organization should put up a staff benefits scheme that the managers feel are of greater value to them.
Employees spend the better part of their day at their work place. The study recommends that the organization creates and cultivates a culture/ work environment where everyone loves to be part of. This can be achieved by creating company values and policies that enhance and protect the employee dignity and self- esteem. The study recommends Nairobi bottlers to encourage work life balance where the employees get adequate time off to spend with family and friends, and attend to other social responsibilities.

The study recommends that upper management creates a recognition program where the middle level managers are recognized and formally appreciated for achievements. It also recommends for a training program for all managers on how to appreciate, and or recognize staff with the ultimate goal of improving staff morale and motivation.

5.5 Suggestions for Further Research
The study recommends that further investigation be carried out to establish what kind of benefits are of more value or preferred by the managers, after which the organization can implement them in a bid to increase staff retention.

Further investigation into the factors that contribute to lack of work life balance in Nairobi bottlers should be conducted, from which a more conclusive and definite action can be taken towards creating a balanced life for middle level managers.
References


Mugenda and Mugenda (2003), *Research Methods, Quantitative and qualitative Approach*, Nairobi, African Centre for Technology Studies

Nairobi Bottlers, 2012 employee engagement survey report.


Appendices

Appendix I: Questionnaire
Employee Questionnaire

This questionnaire is entitled to collect information on the factors affecting employee retention at Nairobi Bottlers. Kindly provide answers to these questions as honestly as you can. Responses to all questions will be treated with utmost confidentiality.

Part 1: Background Information

Department ________________________________

Kindly answer the questionnaire below by ticking [✓] in the appropriate box.

DEMOGRAPHIC INFORMATION

1. Gender
   - Male ( ) Female ( )
2. Age of the respondents
   - 18-24 years ( ) 25-31 years ( )
   - 32-38 years ( ) 39-45 years ( )
   - Above 46 years ( )
3. Highest Level of education?
   - a. 'O' level ( ) College certificate /diploma ( )
   - b. Bachelor's degree ( ) Masters ( )
   - c. PhD ( )
4. For how long have you worked in the organization?
   - Below 5 years ( )
   - 10 years ( )
   - Above 10 years ( )
5. Position in the organization
   - Top level management ( )
   - Middle level management ( )
   - Lower level management ( )
Part A: Training and development programs

6. Staff Training and development affects employee retention at Nairobi Bottlers?

Yes ( ) No ( )

7. To what extent does the Staff Training affect employee retention at Nairobi Bottlers?

<table>
<thead>
<tr>
<th>On-job Training</th>
<th>Very great extent</th>
<th>Great extent</th>
<th>Moderate extent</th>
<th>Low extent</th>
<th>Not at all</th>
</tr>
</thead>
<tbody>
<tr>
<td>Off-Job Training</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Refresher courses</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Seminars</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

8. Rate your level of agreement with the following statements on staff training.

Whereby 1=strongly disagree, 2=disagree, 3=neutral, 4=agree and 5 strongly agree.

<table>
<thead>
<tr>
<th>Statement</th>
<th>5</th>
<th>4</th>
<th>3</th>
<th>2</th>
<th>1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Effective training can change the entire view of workers in an Organization and make the firm more productive as new skills and Attitudes are developed by workers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee turnover is higher when workers are trained to be multi-skilled</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Access to regular training programs enhances growth, prosperity, and retention for both employees and employers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The core reason for training and development is to give organization a competitive edge</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The more an organization comes to have a reputation of a progressive training and development the greater its chances of attracting high Caliber candidate when recruiting thus enhancing its competitiveness.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The core reason for training and development is to give organization a competitive edge</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>The more an organization comes to have a reputation of a progressive training and development the greater its chances of attracting high Caliber candidate when recruiting thus enhancing its competitiveness.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Part B: Staff Benefits

9. Staff benefits influence employee retention at Nairobi Bottlers?

Very great extent (  )

Great extent (  )

Moderate extent (  )

little extent (  )

No extent (  )

10. What is your agreement level with the statement on employee benefits plan? Use a scale of 1-5 whereby 1=strongly disagree, 2=disagree, 3=neutral, 4=agree and 5=strongly agree

<table>
<thead>
<tr>
<th>Statement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee benefits provides services or facilities that many employees find valuable which motivate employees to stick with their current employer hence reduce employee turnover</td>
</tr>
<tr>
<td>Benefit plans that are designed to increase in value over time encourage employees to remain with their current employer</td>
</tr>
<tr>
<td>Impacts of benefit packages on organizational effectiveness occur through screening which help the firm attract and retain more employees and motivate them by helping to elicit superior performance</td>
</tr>
<tr>
<td>Benefit plans enhance satisfaction, sustain loyalty, retain workers, improve service quality and discourage employees from leaving</td>
</tr>
<tr>
<td>Employee benefits saves employees money as well as gives them peace of mind that the organization cares about the employee and its family during bad times.</td>
</tr>
</tbody>
</table>

Part C: Satisfactory Working Environment

11. To what extent does working environment affect employee retention at Nairobi Bottlers?

Very great extent (  )

Great extent (  )

Moderate (  )

little extent (  )

No extent (  )
12. To what extent do you agree with the following statement on working environment?

Using a scale of 1-5 where by 1=strongly disagree, 2=disagree, 3=neutral,4=agree and 5 = strongly agree

<table>
<thead>
<tr>
<th>Statement</th>
<th>5</th>
<th>4</th>
<th>3</th>
<th>2</th>
<th>1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individuals will stay with a company that clearly considers and cares</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>For their career priorities (life stage needs),health, location, family,</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>dual- career and other personal needs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organizations Commitment to its Employees (OCE) tends ,in turn, to</td>
<td></td>
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</tr>
<tr>
<td>create a more committed and responsible work force</td>
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</tr>
<tr>
<td>The physical layout of the work environment such as neatness,</td>
<td></td>
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</tr>
<tr>
<td>organizations convenience, attractiveness and stimulus (noise, air,</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>hazards and so on) should not threatening the well-being of employees</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>My organization has successfully created an employee-friendly</td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>environment by integrating specialized work arrangements such as</td>
<td></td>
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</tr>
<tr>
<td>flexible hours telecommuting, and family leave assistance to support</td>
<td></td>
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<tr>
<td>employees in creating a work/life balance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public humiliation; unsafe working conditions and total lack of</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>respect and dignity are amongst reasons why employees are not</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>happy with their employer</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Part D: Leadership Style**

13. I have a close friend at Work

Agree (   )        Disagree (   )

14. To what extent do you feel appreciated and supported by your supervisor/ manager at work

Very great extent (   )    great extent (   )

Moderate extent (   )      little extent (   )

No extent (   )
15. I feel valued by my supervisor/manager and know that my work counts at Nairobi bottlers

Agree ( ) Disagree ( )

**Part E: Retention**

16. I love working here and would not like to leave for another employer

Agree ( ) Disagree ( )

17. I would leave my employer immediately when and if the opportunity arises

Agree ( ) Disagree ( )

Thank You for your participation.