

Analysis of Employee Retention Strategies on Organizational Performance of Hospitals in Mombasa County

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ABSTRACT : *Globally, the retention of skilled medical staff in health care sector has been a serious concern to management due to higher turnover of medics. The desired critical measures for retention strategies of medics need to be done to sustain competition among health care providers. The purpose of this study was to analyse of employee retention strategies on organizational performance of hospitals in Mombasa County. The study was guided by the following objectives; to analyse the relationship between recruitment strategies and organizational performance, to examine the extent to which supervision strategies affects organization performance,. The study employed descriptive correlational research design. Target populations of 102 respondents, the study had a sample size of 102 respondents all drawn from senior staff in the County's ministry of health department. Sampling procedure will be census. Semi-structured Questionnaire will be used, Likert five point scale questionnaire will be used, factoring Strongly Agree to Strongly Disagree. Cronbach's alpha coefficient was used to measure the reliability of the questionnaire. Data was analysed using descriptive statistics and regression analysis was used to measure the relationship between variables. Data was presented in cumulative frequency tables. The finding the study were The relationship between recruitment strategies and organization performance of public hospitals in Mombasa County was found to be positive and significant in that its R was 0.485 and had a p-value less than 0.05 ($\epsilon = 0.006$). The regression results revealed that supervision strategies effect on performance was statistically significant (overall p-value = 0.036).The study concluded that all the employee retention strategies need to be improved because they have been found to have a positive and significant effect on organizational performance. The study recommended that the management of public hospitals in Mombasa County should improve on employee retention strategies because they have been found by this study to have a positive effect on the organizational performance.*

Keywords: *Retention, Training, Strategies, Organizational Performance and Employees.*

I. Introduction

1.1 Background to the Study

Today's business environment considers the role of human resource as a strategic partner instead of supporting administrative tasks because greatest assets of the organization are its people. It is an organization's responsibility to effectively manage the talent of its workforce to achieve business objectives. Industries are witnessing embracing of talent management processes by various players. Talent refers to the ability of learning and its expansion to face and cope with the new challenges of the dynamic environment. Talent management is of core to the vitality of the business to meet and exceed current as well as future business strategies and goals (Gupta *et al.* 2011)

Employees today are different and dynamic in nature. They are not the ones who don't have good opportunities at hand. As soon as they feel dissatisfied with the current employer or the job, they switch over to the next job. It is the responsibility of the employer to retain their best employees. If they don't, they would be left with no good employees at all. A good employer should know how to attract and retain its employees. Employee Retention involves taking measures to encourage employees to remain in the organization for the maximum period of time. Corporate is facing a lot of problems in employee retention these days. Hiring knowledgeable people for the job is essential for an employer. But retention is even more important than hiring. There is no dearth of opportunities for a talented person. There are many organizations which are looking for such employees, Fahad, (2011):

Globally, the retention of skilled medical staff in health care sector has been a serious concern to management. The desired critical measures for retention of medics have therefore become strategic to sustainable competition among health care providers. This development has dramatically changed human resource practice in the area of attracting skilled employees into organizations and most importantly are the strategies for retaining them (Nwokocha, 2012) According to the 2006 World Health Organization (WHO) report, there is a serious human resource crisis in the health sector in developing countries, particularly in Africa. The total health workforce in Africa is estimated at 1,640,000, with an average of 2.3 health workers per 1,000 people. Of the total health

workers in Africa, 83% (1,360,000) are health service providers and 17% (280,000) are health management and support workers (World Health report 2006).

In the USA, the current health staffs have evolved over the past 30 years. Staff shortages were present in 1990 with a USA vacancy rate of 11% and settled down in 1992 (Abrahamson, 2009). After 1992, adequate numbers of staff were present in the healthcare system for approximately 5 years. In 1997, the demand for staff started to outpace the supply in the workforce and by 2001; the US vacancy rate had reached 13% (Abrahamson 2009). It steadily increased in the current global turnover rate reaching as high as 21% (Hayhurst *et al* 2005). Buchan & Aiken (2008) asserts that the staff shortage both in the public and private healthcare sectors is a global phenomenon that needs to be in check for better health service provision. A more recent report by the HSM group (2002) indicated a nurse turnover rate in the United States of 21%.

On the other hand, in Australia, approximately one quarter of nurses are currently working in other occupations (ABS, 2005), women tend to retire early (on average aged 48 years) (ABS 2009) and two thirds of Australian nurses are currently aged between mid-40^s and 65 years (Bell & Narz, 2007). There is a serious human resource crisis in the health sector in developing countries, particularly in Africa. The World Health Report (2006: xviii) estimates that there are 57 countries with critical shortages equivalent to a global deficit of 2.4 million doctors, nurses and midwives. The shortfalls are greatest in sub-Saharan Africa. The World Health Organization (WHO) estimates that out of a total of 59.2 million fulltime paid health workers worldwide, 67% (39,470,000) are health service providers and 33% (19,750,000) are health management and support workers. On average there are 9.3 health workers per 1,000 people worldwide.

In recent years, the situation of human resources for health in many sub-Saharan African countries has been commonly described as "the crisis in human resources for health" A key contributor to the crisis is attrition of the health workforce, measured by the number of health workers who permanently leave their posts. Due to retirement, death, dismissal and voluntary resignation by health workers who leave the public health sector to work in the private sector, for more attractive occupations in the home country, or to emigrate to work in health facilities in richer countries, in search of better pay and working conditions (Thwala *et al*, 2012).

Employee turnover is one of the most serious issues in current scenario. Educational growth, rapid technology and economical changes and cultural variations have influenced in all occupations. Turnover of medical staff is seen almost in all hospitals. The wide scope of employment opportunities for health workers has increased the demand for nurses in Kenya in foreign countries as created the situation to be worse than before, (Human Resources for Health 2009)

Although the government's Economic Survey of 2007 shows greatly increased spending on public health, the sector remains severely under-funded and migration to urban areas in Kenya and overseas continues unabated. Turnover has a significant impact on patient satisfaction and treatment outcomes and affects staff productivity; the stakes can seem higher in healthcare where organizations work to provide deeply personal service while trying to keep an eye on the bottom line. Taylor, 2008 states that high turnover can be harmful to a hospital's services, if skilled nurses and doctors are often leaving and the medics' population contains a high percentage of novice workers. According to the 2006 World Health Organization report, there is a serious human resource crisis in the health sector in developing countries, particularly in Africa. The total health workforce in Africa is estimated at 1,640,000, with an average of 2.3 health workers per 1,000 people of the total health workers in Africa, 83% (1,360,000) are health service providers and 17% (280,000) are health management and support workers (WHO 2006).

1.2 Theoretical reviews

Equity theory of motivation, developed in the early 1960's by John Stacey Adams, recognizes that motivation can be affected through individuals' perceptions of nurses and doctors of fair treatment in social exchanges of their services compared to other health workers, in the world. Expectancy theory is applicable to my study in the sense that nurses expect some outcome from the job, but when the expected is not met, dissatisfaction arises. (Effort equal to performance will lead to rewarding and then satisfaction/dissatisfaction). Douglas McGregor proposed two theories to view employee motivation. He avoided descriptive labels and simply called the theories Theory X and Theory Y. Theory X managers believe workers are lazy and uninterested in their work, and therefore have to be highly controlled and offered incentives to get them work harder. In contrast, theory Y managers believe workers can be motivated by goals of self-esteem and the desire to do a good job; this determines the supervisory type that the manager uses; consequently management's role is to facilitate this. Essentially, Theory X assumes that people work only for money and security.

1.3 Statement of the Problem

Globally, the retention of skilled medical staff in health care sector has been a serious concern to management. The desired critical measures for retention of medics have therefore become strategic to sustainable competition among health care providers. This development has dramatically changed human resource training practice in the area of attracting skilled medics into organizations and most importantly are the strategies for retaining them

(Nwokocha, 2012). In pursuit to achieve organizational performance, hospitals in Mombasa County have resulted in using various forms of employee training and development and recruitment strategies to help them improve the organizational performance as well as improving their service delivery. In the same vein, little is known on the effect of employee retention strategies on the organizational performance of hospitals in Mombasa County. It is against this background that this study seeks to investigate the effect of employee retention strategies on organization performance of public hospitals in Mombasa County.

1.4 Objectives of the study are:

To ascertain the role of recruitment strategies and to examine the extent of supervision strategies on organizational performance of public hospitals in Mombasa County. Research questions are: What is the relationship between recruitment strategies, to what extent does supervision strategies affects organizational performance of public hospitals in Mombasa County?

1.5 Research Methodology

The study used a mixed method of research. Both the qualitative and quantitative methods were used in this study. Qualitative methods were used to collect qualitative data, more specifically the data which cannot be measured using scientific methods. Quantitative method was used to collect primary data which was analyzed using both the descriptive and inferential statistics

The study was conducted through descriptive correlational research design. Descriptive design fit my research because it describes the phenomenon or situation and correlates the study. The study was carried out in selected Hospitals in Mombasa County namely; Coast General hospital (Makadara), Portreiz District Hospital, Tudor District Hospital and Likoni District Hospital. The Target Population of the study is 102 respondents. No sampling procedure. Census was the most appropriate method of collecting information. Semi structured questionnaires was used to collect primary data from the respondents and were designed to address the specific research objectives. The questionnaires were administered using a drop and pick later method to the respondents. The data collection instrument (questionnaire) was pre-tested on a pilot set of respondent managers for comprehension, logic and relevance. The validity and reliability of the study was measured and were found to be reliable for the study with a coefficient of 0.70. The data collected were then analyzed mainly by use of descriptive statistic (t-test), and regression to measure the relationship between employee retention strategies and organizational performance

1.6 Data Analysis and Presentation

The study collected data from 102 respondents; the data was coded and cleaned through extensive checks and consistency.

Table 1.6.1 Position of the Officers

	Frequency	Percent	Cumulative percent
Medical Officers	22	22.2	22.2
Senior Officers	22	22.2	44.4
Others	58	55.6	100.0
Total	102	100.0	

Source: Research data (2016)

From table 1.6.1 above, the finding reveal that 22.2 percent of the respondents were medical officers, 22.2 percent were senior officers and 55.6 percent were of other lower levels in the hospital management. This means that majority of the respondents were of other lower level of management, its normal to have majority of the employee to be from medics in coast are of lower level of management.

1.6.2 Work Experience

	Frequency	Percent	Cumulative Percent
Over 10 years	34	33.3	33.3
5-10	22	22.2	55.6
Less than 5 years	46	44.4	100.0
Total	102	100.0	

Source: Research data (2016)

As shown in the table 1.6.2. Above, majority of respondents that is 33.3 percent of the respondents had worked in the hospitals for more than 10 years while 22.2 percent had worked between 5 and 10 years and majority of the respondent had worked for less than 5 years (44.4%). This reveal dispersed opinion on experience of medics in most of the coast hospitals in Kenya

Table 1.6.3.: Level of Education

	Frequency	Percent	Cumulative percent
Degree level	22	22.2	22.2
Diploma level	22	22.2	44.4
Others	58	55.6	100.0
Total	102	100.0	

Source: Research data (2016)

From the table 1.6.3 above, reveal that majority of the respondents 55.6 percent had other level of qualification, while 22.2 percent of the respondents had acquired degree level of education, 22.2 percent. This means that majority of the respondents had other qualifications apart from the degree and diploma.

Recruitment Strategies

To assess the role of recruitment strategies on employee retention, the respondents were asked to fill in questionnaires indicating their view on how recruitment strategies affect the employee retention of hospitals in Mombasa County. The findings were as shown on Table.1.6.5.(where 5= the Strongly Agree and 1 is the Strongly Disagree).

Table 1.6.6.Recruitment Strategies

Recruitment Strategies Measures	Mean	t-value	Sig. (p-value)
Management are making plans to ensure that there are enough medical personnel employed at the hospital	2.42	52.654	0.000
Management tries their best to ensure that employees will not want to leave the organisation	2.02	49.814	0.000
Management actively addresses the shortage of nurses and doctors	2.08	43.452	0.000
Management carefully select and employ people who are well suited for the job	2.39	36.291	0.000
Only medical personnel who have the necessary skills are employed	2.02	34.891	0.000
Well qualified staff tend to stay longer in the organization	2.17	27.372	0.000
Overall mean score=2.16			

Source: primary data (2016)

From table 1.6.6. above the findings reveal that “Management are making plans to ensure that there are enough medical personnel employed at the hospital” had the highest mean score of 2.42, which means that the majority of the respondents Disagree to some extent with the statement feel that management are making plans to ensure that there are enough medical personnel employed at the hospital in order to retain more employees,. Regarding the statement” Management actively addresses the shortage of nurses and doctors”. The overall score 2.08 meaning that majority of the respondents disagree that management are not taking any step curtain shortage of doctors and nurses in their respective hospitals. Regarding the statement” Management carefully select and employ people who are well suited for the job” scored a mean score of 2.39, which indicate that strategic recruitment is not followed in medic’s recruitment, that corruption has affected recruitment procedure in medics on selected hospitals. regarding the question “qualified staff tend to stay longer in the organization” most respondents were for the views that they disagree with the statement, meaning that qualified medics have a higher chance of leaving the organizations cause they are green pasture outside Kenya and which recognised their talent and pay them fairly good compared to what they get in Kenya.

On the other hand, the question that management tries their best to ensure that employees will not want to leave the organisation had the lowest mean score which shows that respondents had the opinion that management was not doing their best to ensure that employees will not want to leave the organisation. Overall, the intensity of recruitment strategies on employee retention in the hospitals is considerably low with the mean of 2.16. This is because the overall score is less than 2.5 which is the half of the maximum score of 5.

Supervision Strategies

To assess the role of supervision strategies on the employees retention of hospitals in Mombasa County, the respondents were asked to fill in questionnaires indicating their view on how supervision strategies affects the employees retention. The findings were as shown on table 1.6.7.

Table 1.6.7.Supervision Strategies

Supervision Strategies Measures	Mean	t-value	Sig. (p-value)
A culture of participation in decision making is created	2.13	42.35	0.000
Flexible working arrangements are offered to attract and retain medical personnel	2.06	39.83	0.000
The hospital management addresses the work related issues of dissatisfied staff	2.08	33.45	0.000
My manager discusses my performance with me	3.30	36.29	0.000
I get recognition for my performance	3.02	34.89	0.000
A professional climate is created where respect is shown to medical personnel	3.01	30.53	0.000
My needs are taken into consideration at work	2.21	33.24	0.000
Overall mean score = 2.52			

Source: primary data (2016)

From table 1.6.7, reveal that regarding the question that my manager discusses my performance with me had the highest mean score (3.301), this means that respondents are in agreement with the statement that managers usually discusses their employee performance with them. On the other hand the statement that flexible working arrangements are offered to attract and retain medical personnel had the lowest mean of 2.064 which means that respondents did not agree with the statement. The summary of that had dispersed opinion ranging from 3.30 highest mean score to 2.02 mean score that majority of the questions asked regarding supervisions strategies used were not in line with the perception of majority of the medics. Supervisor should think otherwise if they want the medics to stay longer in their hospital. More so the governors who are in control with sector of health service should retain their staffs to avoid strike which is common in Kenya medic’s staffs. Overall, the relevant result shows that on the scale of 1 to 5 (where 5= the greatest extent and 1is the lowest extent), the supervision strategies had a mean score of 2.52. This means that the intensity of the effect of supervision strategies on employees’ retention was moderate

1.7. Findings and Recommendations

The study had its first objective to analyse the relationship between recruitment strategies and organizational performances of public hospitals in Mombasa County. The relationship between recruitment strategies and organizational performances of public hospitals in Mombasa County was found to positive and significant in that its R was 0.485 and had a p-value less than 0.05 ($\epsilon = 0.006$). The regression results on the other hand shows that forty eight percent of the organizational performances of public hospitals in Mombasa County be accounted for by recruitment strategies (R squared = 0.482). From the above regression analysis, the study found out that there is a significant relationship between recruitment strategies and organizational performances of public hospitals. but the county government should a lot to recruit the right medics free of biasness and corruption which is surrounding the recruitment process in Kenya. This is in agreement with Taylor (2008) argues that there is some potentially positive effects of a continuous transfusion of fresh blood into the organization. This means some employee turnover positively benefits organizations.

The second objective was to examine the extent of supervision strategies on organizational performance of public hospitals in Mombasa County. The study found out that organizational performance depended on the supervision strategies with 24.6 percent of organizational performance of public hospitals in Mombasa County was explained by supervision strategies (R squared = 0.246). This concurs with Wan (2007) in a study of human capital development policies; supervision meaning employee relationship enhancing employees’ satisfaction, he argues that the only strategy for organizations to radically improve workforce productivity and enhance retention is to seek to optimize good relationship with the workforce through comprehensive supervision strategies. Based on the study findings in chapter four, where forty eight point two percent of the organizational performances of public hospitals in Mombasa County be accounted for by recruitment strategies (R squared = 0.482), the study can conclude that recruitment strategies within the public hospitals helped them improve on their performance. Therefore public hospitals in Mombasa County should stiff to improve on their recruitment strategies because it has been found by this study to have a positive effect on the organizational performance. The study found out that organizational performance depended on the training strategies with 24.6 percent of organizational performance of public hospitals in Mombasa County was explained by supervision strategies (R squared = 0.246). Based on the study findings therefore, the study can therefore conclude that the extent to which supervision strategies affect organizational performance of public hospitals in Mombasa County was significant. That governor should stop harassing the medics in their respective county by threatening of layoff.

Based on the findings and conclusions of the study, the following recommendations were made; the study recommends that the management of public hospitals in Mombasa County should improve on recruitment strategies because it has been found by this study to have a positive effect on the organizational performance. Since the study found out that organizational performance depended largely on recruitment strategies and supervision strategies to a great extent. The study recommends that public hospitals in Mombasa County should work towards enhancing proper supervision strategies in their institutions. To enhance good treatment of the medics to enable them deliver good service to the patients in their respective areas.

1.8. Limitations and Delimitations of the Study

The process of collecting the questionnaire was challenging because some respondents fail to complete the questionnaire on time and the researcher spent a considerable amount of time visiting their offices to follow up. The study was limited to Mombasa County and therefore the findings cannot be generalized to entire Kenya public hospital. We have other Counties in the region who were not take part which have their own unique challenges that lead to attrition of medical staff within their hospital.

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