EFFECT OF EMPLOYEE RETENTION ON EMPLOYEE PERFORMANCE AT THE FIVE STAR HOTELS AT THE KENYAN COAST

Authors and co-authors
Roselyne N. Kingi¹, Dr. Jean Uzel² and Dr. Damaris Monari³

Authors Address
1. Roselyne N. Kingi – Technical University of Mombasa, School of Business, Department of Business Administration, – Kenya email roselynekingi@gmail.com

2. Dr. Jean Uzel – Dean of Studies, Technical University of Mombasa, School of Business, Department of Business Administration - Kenya email uzeljeanmutindimzera@tum.ac.ke

3. Dr. Damaris Monari – Senior Lecturer, Technical University of Mombasa, School of Business, Department of Business Administration - Kenya email monari@tum.ac.ke

Abstract
Since one of the major challenges facing the management in the five star hotels in the Kenya coast is employee retention, the main purpose of this research study was to find out the effect of employee retention on employee performance at five star hotels in the Kenyan Coast, in a broader perspective of hospitality industry in Kenya. The specific objectives used included employee training and development, employee reward systems, employee work
environment and employee empowerment strategies on employee performance at five star hotels in Kenyan Coast. The study was anchored on the theories such as Human Capital Theory, Equity Theory, Maslow Theory and Theory of Structural Empowerment as these theories tends to explain the relationships between employee retention and the selected objectives. The study adopted descriptive research design as the study methodology. The target population of the study was two hundred and forty three employees from the selected Five Star Hotels in the Kenyan Coast. The formula developed by Cochran's was used to select the sample size from which one hundred and sixty eight was used as the sample size for the study selected through random sampling technique. Data was collected by use of questionnaires after testing the instruments for validity and reliability. The analysis of data collected was done using descriptive and inferential statistics. The study findings, was shown in tables, indicated that training and development, employee reward systems and employee work environment had a significant effect on employee performance at the Five star hotels in the Kenyan coast. However, empowerment was found to have no significant effect on employee performance at the Five star hotels in the Kenya coast. The study recommended further research on finding out whether the same variables could yield similar results either at the four star hotel ratings or at the service industries such as colleges and universities at the Kenyan coast.

Key words
Career Development, Employee Recognition, Employee Retention and Job Promotion

1.1 INTRODUCTION

The concept of employee retention globally has been considered a challenge that affects the success of an industry both in the developing and the developed nations (Guilding, 2015). Employee turnover and retention challenges have emerged in the 21st Century in different fields of organizational set-up including the hospitality Industry (Gursoy, Rahman, & Swanger, 2015). Retention of employees in the hospitality industry is a recurrent agenda in the organization involving all the combined efforts to maintain the best available labourer (Han & Hyun, 2015; Karatepe, 2016). The hospitality management faces the challenge of managing a constantly changing workforce in the current generation (Alexakis, 2016). Researchers have shown their interest in this agenda by noting that some managers have either not addressed the problem of employee retention or have attempted to address the problem with little success (Alexakis, 2015; Kucukusta, Guiliet, & Lau, 2015). Robinson, Kralj, Solnet, Goh, and Callan, (2016) concluded that employees will stay with an organization if given a combination of retention strategies that can make leaving that organization seem less advantageous than staying in the current organization.

In Kenya, most of the hotel employments lacks a well-established regulatory body to define the job structure and policy structures in regard an employee’s ability to perform (Orodo, 2014). Lack of these structures have impacted negatively in the hospitality industry, particularly hotels for the sustainability due to high costs of training new employees, replacement and separation for the departing employees as well as affecting customer satisfaction. The (ILO, 2014) indicated that majority of hotel employees have diploma certificate while thirty three percent studied up to secondary level without any post-secondary qualification. The study confirmed that the average two thirds or 64 percent of jobs in the hotels, restaurants and catering sector are either unskilled or semiskilled laborers in Kenya. The nature of work environment in the hotels are characterized by working odd hours, working in shifts and the social stigma of working in the hotels curtailed with whites. One of the greatest challenges plaguing the hotel industry in Kenya has remained to be the ability of these institutions to retain qualified and experienced workforce across a wide spectrum of professions (Kaiser, 2015). As a result, establishments at the upper end of the industry tend to rely on foreign nationals for the required expertise (Njambi, 2016).

1.1.1 Hospitality Industry in Kenya

Kenya, an East African Country is famous for the great wildebeest migration in Serengeti national park and the white beaches at the coast strip. Among the East African Countries, Kenya is economically positioned first and is
again famously known for the travelling destination. The hospitality industry in Kenya in the near past has made a
tremendous positive steps. The world bank report of 2018 showed that the economy was set to be among the best top
five performing in the sub-Saharan Africa as hospitality industry being one of the major facilitating area. In a report
by Jumia Travells (2017), Kenya had shifted to target the corporate travels for the international guest expectations.
Kenya’s focus is slowly shifting to target the corporate travel market in order to match international guest expectations.

According to statistics from Jumia Travel (2017), a major hospitality brand, Kenya’s hospitality industry contributes
an average of 10% to the country’s GDP, which is higher than the continent’s average of 8.1%. It’s worth mentioning
the travel and hospitality sector in Kenya is the country’s second foreign exchange earner after agriculture. Kenya
has been recognized worldwide two times as the World’s Leading Safari Destination at the World Travel Awards in
2015. The recognition alongside other exciting industry developments, has been encouraged and attributed by the
increase in conference tourism. In 2016, Nairobi overtook Johannesburg to be crowned the leading Meetings and
Conference City in Africa. In 2015, conference tourism rose from 12% to 15.6%. The country has also hosted major
hospitality conferences, which have played a major role in boosting Kenya’s hospitality standards. Nairobi is the
region’s leading business and investment hub, and for this reason, there are a number of international hotel chains that
have set up across the city. Mombasa, being strategically located at the beach front have attracted both the investors
by putting world’s class hotels for the international guests.

1.1.2 The Profile of Five Star Hotels (Hotel Ratings) in Mombasa

The term ‘Five Star Hotels,’ sometimes referred to as “hotel grading” or “hotel classification” is mainly used
rating describes a classification, properly published, in which accommodation establishments of the similar category
(hotels, resorts, camps, restaurants, coffee houses, furnished apartments,) encompassing grades, classes or categories.
This is in harmony with their general objective and resources, established at government, business class. The WTO
and IH&RA (2015) added that hotel rating systems were created mainly with the intention of protecting clients.
Presently, competitive advertising and marketing makes local and worldwide hotels to standardize resources, facilities
and services to achieve service excellence. A reliable hotel rating system is one of the requirements for grading quality
and excellence including its amenities, services and facilities to attain exclusive worldwide standard (WTO, 2014).
With the increasing global tourism in the last five decades, during which hotels have attained the class of established
industry, the focus has moved from guest security (generally guaranteed by national regulations and legislation) to
guest knowledge (WTO and IH&RA, 2004). With so many tourists travelling across the globe and within their own
country, the method of having a single rating system which could be applied to hotel accommodation all over the
world for the advantage of both clients (hotel guests or tourists) and tour professionals (tour operators and travel
agents), has not been achieved (Madani, Mohsen & Sarafizadeh, 2012; UNWTO, 2014).

Away from the classification system surveyed by the WTO and IH&RA in 2015, there are other types of
ratings, because online tour agents and some of the key tour professionals as well classify hotels according to their
own principle and standard. Moreover, electronic word-of-mouth (e-WoM) in the form of client commentary is used
for rating of the hotel industry facilities and the business efficiency on the internet travel agents destinations (Yu,
2014). The certified hotel rating systems implemented by government agencies follow the mandatory and statutory
basis. Nevertheless, Narangajavana (2016) contends that the un-official rating systems are enforced usually by hotel
or travel groups, and the national trade and manufacturing industries or private sectors, and participation is mainly on
a charitable basis. For the differentiation of the hotel ratings, a diverse rating codes are employed, for instance stars,
crowns, diamonds, suns, or letters, however, the globalized recognized symbol was the star, as many countries with
at least a hotel rating system used the stars to characterize grades of their rating system. Wang (2014) illustrates that
many clients use the internet to search for an hotel based on the guest’s review on the online travel agents websites
and hence electronic Word of Mouth (e-WoM), and a study by Nielsen (2007), established that many clients perceive
online opinions to be as reliable as hotels’ websites and ratings. As explained by Hamashige, (2017), given that hotel
rating systems vary patently from state to state, and the criterion used time and again reflect local cultural differences
in ethics and preferences while in view of general international standards, these inconsistencies may influence ratings
of both amenities and quality of service.

1.2 Problem Statement

Retention has emerged as an essential element for sustainable competition or for competitive advantage by
different firms (Kumar & Kaushik, 2013). Employee retention affect the organization performance in terms of draining
of experienced employees have received (Walsh & Taylor, 2015). Pfeffer, (2015) in a study conducted in Yugoslavia
found out that many firms were retaining personnel. The study by (Pfeffer, 2015) further reiterated that employee
retention is the biggest challenge faced by the organizations in many Nations like the case of Yugoslavia. Employees
in an organization can be retained by three Rs, namely, reward, recognition and respect, which are ultimately responsible for improving efficiency, reducing absenteeism, increasing better work environment and better earnings (Nazia & Begum, 2013). Bhatnagar, (2017) elucidated the trend in the Indian industry where the focus has shifted from traditional HRM to strategic HRM after the liberalization of Indian economic front. The study findings of (Gruman & Saks, 2011; Pfeffer, 2015; Kumar & Kaushik, 2015; Walsh & Taylor, 2015) however disputed the Rs Nazia and Begum, (2013).

Studies done by Allen (2014; Ghosh 2015; Pfeffer, 2015) in the hospitality industry on the concept of employee retention in the selected oil producing countries in the Middle East (Saudi Arabia, Kuwait and Iran) found out that retention practices preferred on those countries included job enrichment, financial rewards and employee benefits, training and development opportunities, work environment and work–life balance which ultimately influence on the organization performance. Further, some scholars in Africa have pose retention strategies as career development (Agarwala, 2015), employee engagement (Palmer & Cignac, 2016) and learning attitudes (Kynbd 2016). In accordance with the past literature, in a study done on the service industry, some factors that have been seen to increase employee retention includes challenging job, the urge to learn, positive relationships with colleagues, compensation and appreciation of the work performed, recognition of capabilities, work–life balance and good communication (Walker, 2016). However, according to Bhatnagar (2017), employee retention is a dynamic concept that dependents on an individual requirement. Thus the above findings even though some were done on the hospitality industry, cannot be generalized to be factors on employee retention in Kenya.

A study done in Kenya by Samuel and Chipunza, (2016) on the manufacturing firms in Nairobi showed that there was evidence that financial reward leads to employee retention. Odongo and Muchiri, (2015) stated that relatively there is less research on employee retention to focus specifically on how an employee decides to remain with an organization and what determines this attachment. Although the research on the concept of employee retention has experienced considerable theoretical expansion in the past few years (Holton, 2016), an overview of previous studies has indicated lack of adequate research about the relationship between employee retention practices and organization performance particularly in the hotel industry. Boxall and Purcell, (2014) in a study done in hotels in Kisumu stated that the big question in the organization is to determine other employee retention practices apart from money. Further, as suggested by Oskar (2016), the prior studies have tested the mediating effect of organizational citizenship behaviour, service-oriented organizational citizenship behaviour (Sam 2014); organizational commitment (Juhdi, 2013; Guchait & Chao, 2015), affective commitment (Ashar, 2013; Kehoe & Gilbert, 2013); person-job fit (Brian, 2014), anxiety and role overload (Jensen, 2012), employee engagement (Alphonce, 2013), organizational engagement (Juhdi, 2013); job satisfaction, procedural justice and intrinsic motivation (Charles, 2014) as strategies for retention in the organization. Studies in the context of hotel sector have shown that working conditions in the hotel sector are poor (Wight & Pollert, 2016). Yet, no study has been conducted to examine the environmental conditions on job performance in the context of hotel workers in the Kenyan perspective. Alphonce (2013); Brian (2014) have stressed on the need for further research to explore on more mechanism through which organizations can use for employee retention. In this context, it is evident however more studies have been done on employee retention, more is still required to link employee retention in the hospitality industry and therefore was the basis of this research study.

1.3 Objectives of the Study
1.3.1 General Objectives
The main aim of this study was to examine the effect of employee retention on employee performance at five star hotels in the Kenyan Coast.

1.3.2 Specific Objectives
i. To establish the effect of employee training and development on employee performance at the five star hotels in Kenyan Coast.
ii. To determine effect of employee reward system on employee performance at the five star hotels in Kenyan Coast.
iii. To establish the effect of employee work environment on employee performance at the five star hotels in Kenyan Coast.
iv. To examine the effect of employee empowerment on employee performance at the five star hotels in Kenyan Coast.
1.4 Research Hypothesis

$H_01$: Employee training and development has no significant effect on performance at the five star hotels in Kenyan Coast.

$H_02$: The reward systems has no significant effect on employee performance at the five star hotels in Kenyan Coast.

$H_03$: Work environment has no significant effect on employee performance at the five star hotels in Kenyan Coast.

$H_04$: Employee empowerment has no significant effect on performance at the five star hotels in Kenyan Coast.

1.5 Significance of the Study

Since Kenyan Coast is a destination for many tourist not only Africa, but the world as a whole, employee retention is as important as the hotels themselves (Odondo & Muchiri 2015). Over the last 10 years, Kenya has been facing reduction in the number of tourist caused by threats by the terrorists and political turmoil during general elections (KAHC Report, 2016), the study of employee retention for better service delivery has a major magnitude in the performance of such hotels, especially the five star category. Today there are 180 classified hotels in Kenya’s coast which had contributed immensely to national development in through employment and communication networks (GoK, 2017). This includes providing employment directly and indirectly (KAHC, 2015). The presence of hotels at the Kenyan coast has also help to improve on infrastructure such as roads and electricity.

The research study findings can provide to the industry leaders with the ideas of what they should do so as to retain their employees in the hotel industry. The study findings can also be used by the policy makers in policy formulation and strategies in formulating work environment of employees in the hospitality industry. Lastly, the findings can be adopted by future researchers for justification or as a basis of making their progressive study in the concept of employee retention.

1.6 Scope of the Study

This study was based on the concept of employee retention and employee performance at the five star hotels in the Kenyan Coast. The study was guided by specific objectives like employee training and development, employee reward system, employee work environment and employee empowerment on how they effect on employee performance at the hospitality industry in the Kenyan Coast. The study was carried out at the selected five star hotels (African House Resort, Diani Reef Hotel, Golden Beach Hotel, Leisure Lodge Beach Hotel, Leopard Beach Hotel and Spa, Majis Resort and Spa, Marine Hotel, Mombasa Serena Hotel, Nyali Beach Hotel and Sunset Beach Resort) both located at Kenyan Coast. A descriptive research design was used and data was collected by use of questionnaire from the hotel top management, middle level managers and human resources staff. The study was carried out during June to July 2019.

2.0 LITERATURE REVIEW

2.1 Introduction

The chapter reviews in details all the relevant previous studies done by various scholars on the concept of employee retention as a practices in an organization and the effects on organization performance. The chapter basically discusses theoretical framework, conceptual framework, empirical review, critique of literature, summary and the research gaps on the concept of employee retention.

2.2 Theoretical Framework

Cherry (2015) defines a theory as a fixed principle that has been developed to elucidate some characteristic of the natural world. A theoretical framework reveals and correlates the understanding of theories and concepts that are relevant to the research area of interest (Labaree, 2014). Theories are important to the researcher since theory helps in limiting the scope of data relevant to the study by focusing on specific variables and viewpoint only. The theoretical review for this study will be based on the relevant theories that explain the effect of training and development, reward system and work environment on the impacts of performance of an organization.
2.2.1 Human Capital Theory

The modern definitions of human capital as contributed by Thomas (2013) is based on the performance and potential of employees in the organization. The insertion of the word ‘potential’ is significant as it shows that employees can develop their career and competences over time. Professionalism, knowledge and information enable employees to be effective and flexible, thus helpful to the organization as a human capital. Its potential importance can be wholly realized only with the mutual aid of the person (Schuler & Jackson, 2014). Attracting and retaining scholarly capital, a class of professional employees with distinctive skill is essential. Therefore organizations must change from human resources to the notion of human capital. Human capital theory is a theory that reiterates the intellectual capacity and talent worker generates a certain stock of industrious resource (Schutz, 2015). The approach puts an individual employee not as an expenditure for the organization, but as an asset for earnings in the organization and with competency of not only adding significance performance to the organization but also in some cases ensuring its continued existence in the present spirited atmosphere (Sutherland, 2014).

Armstrong, (2013) defined human capital as an employee factor in an organization with the combined intelligence coined with skills and an in-depth knowledge that gives an organization a competitive edge in the industry. Human element in an organization are capable of learning, changing, innovating and providing the creative thrust which if properly motivated, can ensure the long term prosperity in the organization. Human capital comprises intellectual capital (unique knowledge and skills that employee possess), social capital (which is flexible networks among employee that allow the organizations to link, embed and leverage its diverse knowledge) and the organizational capital (institutional knowledge possessed by an organization that is stored in databases and manuals). Sutherlad, (2014) contributed to the emotional capital perspective of an employee which is the ability to convert the potential (intellectual capital) into committed realized action in the organization. A significant amount of organizations’ value is possessed by its employees and when the key employees leaves, they takes this unique value with them (Sutherland, 2014). It is indeed the knowledge, skills and abilities of individuals that create value, which is why the focus has to be on means of attracting, retaining, developing and maintaining the human capital they represent in the organization. This theory supports the variable of employee training and development because it is important for the employees to understand their career path within the hotel to motivate them to remain in the organization to achieve their personal and organizational goals. Medium and large hotels in Kenya put a lot of investment in the career development programs for their staff and it is therefore through greater employee attachment and tenure that can make the investment pay.

2.2.2 Equity Theory

The equity theory, illustrated by Stacey Adams in 1964, was established on the principle that all people have a desire to be treated reasonably. The equity theory is based around the terms equity, as being treated respectably in comparison to others and inequity where individuals consider not to be treated as favorably as others. How an individual bases whether they are being treated with justice or injustice is done so by focusing on the individual’s inputs and outputs. Inputs can be defined as what the individual brings to the place of work, such as knowledge, skills and know-how. Outputs are defined as what the individual receives as a result of their inputs. ‘An employee compares his or her job’s inputs with an outcomes proportion. If the employee perceives disparity, he or she he will perform to correct the unfairness. Al-Zawahreh and Al-Madi, (2012); Adams (2015) pointed out the accessible options to individuals to correct any discrimination or unfairness, like adjust inputs and outputs.

Martin (2013); Grant and Shin (2014) exerted that one of the major important issues about the equity theory relates to how the organization and employees deal with disparities that arise from different types of comparisons. When salary differences are high, high performers making self-comparisons distinguish high justice or equity, but standard and low performers making general comparisons may perceive low equity’ (Grant & Shin, 2015). Colella, Paetzold, Zardkoohi and Wesson (2016) outline that one solution to solve such a difficulty may recline in implementing a salary privacy policy. Apparent fairness is considered important when analyzing pay and its relation to retention (Taylor, 2015; Allen, 2015). CIPD (2016) reminds “people who believe they are treated unjustly or perceive allocation of rewards being un-logical will probably depart”. The theoretical background is founded on the notion of distributive fairness explaining the circumstances under which people become discontented in the job place (Adams, 1965). A theory, introduced by Martin (1981), implied that the feeling of dissatisfaction comes from a principle that one is receiving less than one deserves to get (Aquino, 2016). Additionally, paying the high remuneration to employees can enhance retention, but being competitive in the organization being competitive in the industry is paramount (Taylor, 2015). Nevertheless remuneration is simple to emulate by competitors hence adapting a truly price determined strategy will not be sustainable in the long term run (Moroko & Uncles, 2015). Remuneration can be vital yet it does not alone enhance retention of employees, and organizations should feature on pragmatic profit that could be customized by employees and which are harder to replicate by competitors such as: education and support.
promote possibilities, balance between life and work and conducive workplace atmosphere (Moroko & Uncles, 2015).

Equity theory is linked to reward as it explains how employees seek to maintain equitable ratio between the inputs they bring to the workplace and the outcomes (remuneration) they obtain from it. Equity theory brings the initiative that employees gauge their inputs and outcomes in comparison with inputs and outcomes of others forming perceptions of equality (Armstrong, 2012; Liccione, 2015; Shore & Strauss, 2016). Additionally, it is confirmed that the view of justice is an imperative theory at the workplace where injustice has been linked to a diversity of important behaviors, including displeasure with rewards, reduced morale in the job and willingness to depart the organization. If both employees were perhaps rewarded the same, it would assist the personnel understand that the organization is just, watchful, and grateful and thus stay longer in the organization. Equity theory supports the variable of employee reward systems as it addresses the issue of equitable ration between the inputs and outputs at the workplace.

### 2.2.3 Maslow Theory

Maslow (1943) theorized that people have basic needs for growth and development that should be satisfied. Maslow identified the individual needs as physiological, safety, social, esteem and self-actualization that one expects. Maslow proposed an individual must attain lower needs, such as safety, before the higher needs like esteem, thereby leading to self-actualization. A limitation to achievements of self-actualization that each human need should be addressed in a fixed hierarchical and without variations. For instance, an employee may work to fulfill the complex needs than the physiological needs and neglect to address the pressing needs (Boyd, 2014). Blower and Mahajan, (2013) found out that neglecting the needs of an employee limits his retention chances in the organization.

According to Shuck and Herd (2012), the application of Maslow law theory to the context of employee retention is that the leader does not necessarily do the work of meeting an employee’s needs; rather an employee is motivated by their lowest level of unsatisfied need. Consideration of Maslow’s motivational theory provided a critical link between an employee’s work motivation and a manager’s continuous adaptation to employees’ changing needs to keep their workforce motivated (Shuck & Herd, 2012). A complete understanding of the full needed framework might enhance employee retention (Maslow, 1943; Shuck & Herd, 2012). An employee’s external values and unmet needs could bar the achievements of self-actualization within a work environment (Boyd, 2014). Fassin, (2012) found out that an individual’s external values are affected by the actions of an organizational manager that lack the strategy to improve the employee retention, social groups and associations. Maslow (1943) found out that people change to fulfill the individual needs for personal growth and wellness. The unique motivation for self-actualization causes individuals to pursue need resolution (Maslow, 1943). For example, one employee may need job security while another seeks professional support to fulfill a need (Russ, 2011). Thus the application of this theory will help to understand how employees get motivated and work for longer time in a hotel industry if their work environment is improved.

### 2.2.4 Theory of Structural Empowerment

As postulated by Kanter’s (1993), theory of structural empowerment includes a discussion of organizational behavior and empowerment. According to this theory, empowerment is promoted in work environments that provide employees with access to information, resources, support, and the opportunity to learn and develop. Kluska (2014) have noted that psychological empowerment includes feelings of competence, autonomy, job meaningfulness, and an ability to impact the organization. Employees who are empowered are more committed to the organization, more accountable for their work, and better able to fulfill job demands in an effective manner (Degner, 2015). Kanter’s theory has been widely applied to the practice of professional nursing (Kluska, 2014) by showing how structures within the workplace that facilitate access to resources can empower employees to accomplish their work in more meaningful ways.

As noted by Erickson (2013), empowerment is thought to occur when an organization sincerely engages people and progressively responds to this engagement with mutual interest and intention to promote growth. Empowerment develops over time as employees gain greater control over their lives and increasingly take part in decisions which affect them. The findings of Erickson (2013) have suggested that membership on a Collaborative Governance committee increased the participant’s sense of empowerment and fostered self-growth and organizational development.

The principles associated with four guiding concepts in the Theory of Empowerment support successful shared governance structures. These concepts include: equity (the integration of roles to achieve common goals and willingness of each member to contribute collectively toward a common goal), ownership (recognition by the individual of the connection between his or her individual job performance and the success of the organization), partnership (development of relationships to promote mutual respect, enhanced communication, and collaboration to achieve organizational objectives) and accountability (willingness to invest in decision making and sharing a sense of
responsibility for individual and collective outcomes) (Batson, 2014). When principles related to these concepts are incorporated into individual and team behaviors, the workforce is empowered to achieve the outcomes of the organization (Batson, 2014). The theory of structural empowerment will therefore be used to illustrate how the five star hotels should empower their employee through decision making process so as to work longer.

2.3 Conceptual Framework

Conceptual framework provides structure and content for the whole study (Vaughan, 2016). Kombo and Tromp (2016), describe a concept as an abstract or broad idea inferred or resulting from definite instances. Additionally, Kombo and Tromp (2016) further described a conceptual framework as a set of extensive ideas and philosophy taken from pertinent areas of study and used to constitute a subsequent presentation. The independent variables of this study will be employee training and development reward system and work environment on the moderating variable as the hotel performance as shown in the diagram below.

2.3.1 Employee Training and Development

Employee training and development is a motivational incentive(s) geared towards the promotion and retention of employees in the organization for productivity there in (Musa, Ahmed, & Bala, 2014). A well-established employee training and development should comprise of resolute efforts bound for evaluating an employee’s competency by identifying possible career requirement and advancements for that employee so that the required training programmes can me introduced. There should also the urge to develop and implement different types of training programmes and experiences to enhance the individual’s job enlargement and enrichment in the organization. In most organizations, it’s gradually obvious that career development programs are cost justified in the same conditions as initial programs; meaning each programme contributes to the enhanced deployment of workers overall for the organizational operability and development (Mapelu & Jumah, 2013; Solnet, Kralj & Kandampully, 2012).

The significance of development and training should be aimed at matching the employee’s career path with opportunities and challenges experienced within the organization. The importance of training and development also involves a successful appointment of employees in positions that meet their desires as well as organizational requirements. Employee career development relates to organizational efficiency and can also result to more dedicated

---

**Figure 2.1 Conceptual Framework**

**2.3.1 Employee Training and Development**

Employee training and development is a motivational incentive(s) geared towards the promotion and retention of employees in the organization for productivity there in (Musa, Ahmed, & Bala, 2014). A well-established employee training and development should comprise of resolute efforts bound for evaluating an employee’s competency by identifying possible career requirement and advancements for that employee so that the required training programmes can be introduced. There should also be the urge to develop and implement different types of training programmes and experiences to enhance the individual’s job enlargement and enrichment in the organization. In most organizations, it’s gradually obvious that career development programs are cost justified in the same conditions as initial programs; meaning each programme contributes to the enhanced deployment of workers overall for the organizational operability and development (Mapelu & Jumah, 2013; Solnet, Kralj & Kandampully, 2012).

The significance of development and training should be aimed at matching the employee’s career path with opportunities and challenges experienced within the organization. The importance of training and development also involves a successful appointment of employees in positions that meet their desires as well as organizational requirements. Employee career development relates to organizational efficiency and can also result to more dedicated
personnel and employee retention (Slum, 2014). Moreover, Jennings (2015) stated that career stagnations by employees occurs when an employee stays in one post for long, which ultimately affects the employee’s commitment, loyalty and attitude for the work. According to Barrow and Mosley, (2015) a training should be distinguished in an alternative way so as to enhance the attractiveness and meaningfulness of the training agenda. Particularly specialized workplace training initiated by the company improves the perception towards the company (Green, 2015). Career development seems to have an impact on expected quality of the employee experience. Past studies; (Taylor, 2014; Gaffney, 2015; Chabhra & Mishra, 2017), suggested that employees may like to stay longer when they are experiencing personal growth and acquisition of specialized skills. Additionally, Porter and Steers’ (2017) found out that work development advancements can increase the level of retention as employees who sensed that they gain more knowledge on related work experience are more contented and fulfilled at the job environment (Hausknecht, Rodda & Howard, 2016).

For most employees, career development has become one of the most desired employee benefits especially among younger candidates who feel that career development is as important as the money they make. Mapelu and Junah (2013), states that today it easier to assess the career needs of an individual by use of employee assessment. Assessment tools can help pinpoint the developmental needs of employees and also provide a road map of the required career development which would benefit the individual and the organization as well.

Training can be viewed as a practical education offered to the employee used to improve employees skills, job experience and even knowledge so as to overcome inefficiencies (Gravan, 2017). Need-based training and assessments are normally required in the organization (AlKhayyat, 2015). Employee trainings can either be on the job training, Vocational trainings and any generalized but specialized in the area that an employee and the management feels necessary to increase the employee’s ability to perform (Hocquet, 2015; Ranger, 2016). A study conducted in New Zealand on workers under the age of 30 years old identified the reasons an employee may leave the current organization is if there is a better training and development on the other organization. Thus major investment in designing and managing the training system should be put in place (Boxall, 2015). Training is a tool for retaining employee and impacts on the compensations are important (Anis, 2014). A study conducted on the luxurious hotel, Serena, Faisalab, showed that a strong positive associations between trainings or development and retention of employees (Khan, 2015). Similarly, another study of Australian four-five star hotels showed the same result which indicated that T & D increases faithfulness and ownership of employees towards their organizations (Davidson, 2014).

A study of public and private sector organizations in South Africa indicated trainings and development as a motivational variable for retention of employees. The result delivered strong indication of a relationship of training and development and employee retention (Samuel & Chipunza, 2015). Training and advancement opportunities are more important to the civil engineer rather than static factors (Branham, 2015). Utilization of employee training is beneficial (Mccrensky, 2016).

### 2.3.2 Employee Reward Systems

Msengeti and Obwogi (2015), evaluated the effect of pay and work environment on the employee retention in the Hotel Industry in Mombasa County. The findings revealed that financial rewards (payment) had a weak link influence on employee retention while work environment and sept up had a strong influence and significantly influenced the employee retention. While it was evident from the results that work environment plays a major role in employee retention, it was further clear that the amount of salary paid or earnings did not determine the employee retention in the organization. Therefore for hotels to remain competitive in the industry, the study recommended that employers in the industry also needed to re-evaluate the current point associated with pay structures of their employees.

Wambu and Ombui (2013) did a study on the effects of reward strategies on employee performance in Kabete Technical Training Institute, Kenay. The study further sought to determine the level to which an individual’s personnel achievement, growth opportunities, recognitions or Staff promotion influences employee performance at KTTI. A stratified random sampling technique was used to select a sample of 159 respondents from a target population of 270 employees of the KTTAI. The study adopted a descriptive research design and utilized both primary and secondary data. Structured and unstructured questionnaires were used to collect primary data while secondary data was collected through documentation review. Data was analyzed both qualitatively and quantitatively, with the aid of SPSS and presentation done using inferential statistics. The study found a significant relationship between the reward strategies and employee work performance. The study concluded that personal need for achievement played a key role in influencing employee performance and given a choice employees showed preference for promotion, good pay system and training opportunities also as a form of reward strategy.

Alkandari and Hammad (2016) studied employee’s retention in private sector in an exploratory study in the state of Kuwait. The result of their study showed the benefiting factors such as salary and compensation, rated as most
important to the private sector workforce in the state of Kuwait followed by leave benefits and differed compensational plans. The study explained three strategies as rated most important to private sector workforce were rewards and recognition, annual performance appraisal and training opportunities. Kimunge, (2014) conducted a study on the effects of total rewards on employee retention in Kenya Vision 2030 Delivery Secretariat. The study was a descriptive survey. A census survey was conducted on the entire population of the Kenya Vision 2030 Delivery Secretariat. The census method was preferred as the researcher was interested in each and every member of the population of the Secretariat. The study found that compensation, work-life balance, training and career growth have positive impact in employees’ decision to stay or leave an organization. However, a poor compensation structure and lack of career growth were seen to be the components that have the most profound impact on employee retention at Kenya Vision 2030 Delivery Secretariat. Inferential statistics further revealed that among other factors, compensation, work-life balance, training and development and career growth are key determinants of employee retention from a human resource management perspective.

### 2.3.3 Employee Work Environment

Existing research has established a link between working conditions and job performance (Fine & Kobrick, 2015; Mohapatra & Srivastava, 2014; Naharuddin & Sadegi, 2014, Brill, Margulis, & Konar, 2015). Having the right environmental factors both physical and psychosocial will lead to increase performance (Buhter, 2016; Chandrasekar, 2015). Khan, (2015) investigated in their study the impact of workplace environment and infrastructure on employees’ performance among a sample of 150 respondents from the education sector in Pakistan and concluded that incentives at workplace had a positive impact on employee’s performance while infrastructure at workplace had no significant impact on employees. A large number of work environmental studies have been conducted in office environments. For example, one study suggested the management should make an additional investment in ergonomic tables and chairs to enhance worker’s productivity (Miles, 2016). Additionally, some studies have examined the impact of work environmental factors such as the height and thickness of workstation partitions, furniture measurements and the amount and availability of file and work storage on individual and team performance (Visher 2014). Kahya’s (2016) study concluded that there is an impact of job characteristics and working conditions on job performance in a manufacturing setting. With regard to the hotel sector jobs, environmental conditions range from ordinary to extreme conditions in terms of the factors such as heat, humidity, noise, smell, light, and dust. Identifying the impact of work environment on job performance of hotel employees will contribute to understand ways in which managers can enhance job performance of workers (Kahya, 2016).

The growing importance of the service sector in the economy has stimulated interest in understanding how to design hospitality organizations for better performance (Elliot, 2014). The nature of the service sector is derived from an organizational leader’s need to coordinate work that increases organizational proficiency and employee retention in the organization (Oreg & Berson, 2014). Costs involved in training and developing new employees due to skill gap to meet the required excellent level is a major concern in the service industry (Oreg & Berson, 2014; Strom, Sears, & Kelly, 2014). As the hospitality strives for survival and excellence in the present economic challenging conditions, it is suggested that managers need to make changes and improve the work atmosphere that paly and address the issue related to the cost of doing business while establishing and implementing policies or practices that address the individual employee’s need and expectation from the organization (Vijayakumar, 2015). Researchers like Ruizalba, Bermúdez, RodriguezMolina and Blanca, (2014) defined hospitality jobs as service delivery jobs, which include jobs in hotels, resorts, restaurants and other related 10rganiza in such organizations. Hospitality businesses thrive when a definite connection arises from positive interactions between individual employees and the guests (Ruizalba, 2014). In the hospitality industry, there is the production and service aspects of business transactions toward customer’s satisfaction (Darling, 2014). An organization’s goal is to exceed the customer’s expectations during the interexchange of service in the hotel (Darling, 2014).

A manager’s efforts to create a productive workplace plays a substantial role in helping to achieve an organization’s objectives, basically making of the profit (Daniels, Mackovjak, Audia, & Richards, 2016). Managers have the responsibility of working within the HRM principles and guidelines to ensure that retention strategies align with business goals are achieved. The human resource management and planning should focus on attracting and then retaining the desired skills of the staff for the betterment of the organization (Saad, 2015). Managers of services in any category, whether retail, factory, or hospitality are normally sharing similar challenges of retaining the required skills with highly qualified workforce (Daniels, 2016). Managers of labor-intensive service must concentrate on performance of goals and organizational prosperity (Daniels, 2016). Saad (2016) opined that managers who view employees as valuable organizational assets should use properly HR practices and good managerial styles which accommodates the employees. On the perspective of a social change, Managerial styles and HR practices are valuable to the organization when used to provide support for the employee retention. The valuable leadership in the
organization should provide support for organizational operations with the aim of providing quality services in the organization (Daniels, 2016). Saad, (2016) concluded that a workplace filled with valuable employees skills adds value through competitive edge.

According to Kim, (2014), the environmental circumstances can push rewards to the performance level which is accepted in the organization. In the hospitality industry, the market environment is very competitive and the demand may make managers to come up with retention strategies since losing a top performer may be very detrimental (Karatepe, 2013). The delivery of quality services is a key to any hospitality industry. Kim, (2014) certified that the turnover in the tourism appeared to cause a dissatisfaction to people (customers); the impacts were rated in the contemporary financial system. The longer an employee’s stays in the hospitality organizations, the more productive he becomes which will ultimately help organization growth and sustainability (Hofhuis, Van der Zee, & Otten, 2014).

The leaderships can inspire their subordinates for long as one is productive in the organization (Andert, Platt, & Alexakis, 2016). Strategies can be put in place to limit the numbers of employees who leave an organization should be a top priority (Harris, Li, & Kirkman, 2014). Activities across the service industry spectrum reported employee retention as both challenging and costly for the organization (Harris, 2014; Hofhuis, 2014). The reasons that an employee may decide to leave an organization varies from an individual to an individual (Harris, 2014). El-Ramley, (2016) fastened factors like unfavorable compensational packages, lack of trust and openness, poor leadership styles and lack of growth opportunities as contributors of the employee to leave. A leader and leadership style is very instrumental and integral part in employee retention (Harris, 2014; Hofhuis, 2014).

2.3.4 Employee Empowerment

Empowering employee to take critical decision on matters of interest have the tendency to enhance retention and the performance of an organization. According to Zeitharnl, Bitner and Grembler (2014), it is a company responsibility to give employees the tool needed to make decisions using their common sense to enable them solves problems of every day task without involving their managers. Through this, employee empowerment is important to the organizational change process as it fulfills the individual’s need for a sense of control.

The decision making component in the employee empowerment is that which provides the employee the ability to participate in the day-to-day running of the organization. According to Yong and Choi (2015), the decision making overlaps autonomy because critical to analysis of decision making is an analysis of team performance through which autonomous decision making are central to team performance. Kariuku (2014) reiterated that since firms are organized around teams, highly formalized, the decision making process should not only formalized at the top level but across all levels to enhance employee retention. Employee empowerment is let go off right to take certain decisions at the top level, but to involve the subordinates (McCrimmon 2013).

Spreitzer (2015), in her study on the “psychological empowerment in the work place: Dimensions, measurement, and validation” used descriptive analytical method and found the dimension of empowerment (meaning, competence, self-determination and impact) affects psychological empowerment. She surveyed 393 managers who were randomly selected from diverse work units found that empowered employee have little ambiguity about their role in the organization. She provided evidence that employee empowerment is a significant predictor of innovation because empowerment positively impact on employees which induce their ability to innovate towards organizational performance.

Ibua (2014) in her study on “The influence of institutional factors and job-related attitudes in relationship between employee empowerment and performance of public universities in Kenya” used descriptive method and noted that employees in public universities do not feel that they are involved in decision making. Kariuku and Murimi (2015) Studied employee Empowerment and organization performance of Tata Chemicals Magadi Ltd, Kenya. The study examined the linked between four dimensions of empowerment (autonomy, decision making, information sharing and training) and organizational performance using gender, age, and tenure as control variables but only gender has a significant contribution on organizational performance and all the models had a positive influence on organizational performance. The result of the multiple regression analysis on employees empowerment and performance revealed that training and information sharing had moderate contribution towards employee empowerment. Autonomy and decision making had no significant contribution on organizational performance.

Abubakar (2014) studied the impact of employee empowerment on job satisfaction in First Bank Plc, Nigeria. The study covered nine branches out of the fifteen branches in Kaduna state. The sample size consist of all the staff in the various branches with the exception of contract (in source) staff. The study used primary and secondary data, questionnaires were distributed to two hundreds staff across the branches of First bank and fifteen were not returned. Multiple regression analysis was used to analyze the data. The study found out that employee empowerment has positive and significant impact on job satisfaction and retention.
The concept of empowerment is closely aligned with this thrust to gain organizational effectiveness through the wise utilization of human resources (Siegall & Gardner, 2014). Conger and Kanungo (2015) pointed out that empowerment is a principle component of managerial and organizational effectiveness and empowerment techniques play a crucial role in a group development and maintenance. With more organizations looking for employees who take the initiative and respond creatively to the challenges of the job, empowerment becomes important at both individual and organizational levels.

2.3.5 Employee Performance

Performance is related to increase in profitability and customer service delivery (meeting satisfactorily or exceeding customers’ demand) (Mullins, 2017). According to Evans and Lindsay (2014), studies show that companies can boost their profit by almost 100% by retaining 5% more of their customers than their competitors as the cost of acquiring new customers is much higher than cost associated with retaining customers. Companies with long-time customers can outperform competitors with higher customer turnover. Performance is a major multi-dimensional construct aimed to achieve results and has strong link to strategic goals of an organization (Mwita, 2014). Employee performance is the activities related to job and how well those activities are executed by employees.

The success and prosperity of any organization depends on the health, good attitude and retention of its key employees (Chen, 2015). To a greater extent, the satisfaction of customers, performance of an organization (increased market share, sales, favorable policies, effective succession planning) depends on the ability by the organization retain the best employees. Bartlett and Ghoshal, (2015) reiterated that encouraging employees so as to remain in the business for a long period of time should be a concern of every manager. Employee retention is a process on which the workers are encouraged to remain working in the organization for a longer period or for the completion of a set objective/project. Zineldin, (2016) showed that retention need to be an obligation for the continuity of the business by the key stakeholders for a current a future gain/ success. Similar sentiments have also been put across by Denton, (2016) who have reiterated that employees who are happy and satisfied with their jobs are more dedicated towards their work and always put their effort to improve their organizational customer’s satisfaction for the betterment of the organization. A satisfied customer would have the repeat purchases thus retaining employees leads also to the retention of the customers. Stauss (2015) views employee retentions the broader concept in customer identification, customer liking, customer commitment, customer building trust on the organization and finally customer having repeat purchases from the organization.

There is a great bond between the retained employees and the retained customers who have a vested trust from the organization since customers are one of the key stakes to the business who finally shows a behavioural intentions on the business success. Panoch, (2016) furthered the view on the current organizations that they should take great care for retaining good and valuable (talented) employees since getting such employees are not easy to find. Retention practices help save costs associated with recruitment, business productivity or poor customer service (Walker, 2016). The objective of the Employee Retention Strategy is to increase the awareness, tools and information available to help employee achieve the organizational goals and objectives (Cutler, 2016).

In many hotels, performance reviews are used to support decisions related to training and career development, compensation, transfers, promotions, and reductions-in-force or employment termination of the employees (Steel, Griffith & Hom, 2016). Generally, the performance review process includes setting clear and specific performance expectations for each employee and providing periodic informal and/or formal feedback about employee performance relative to those stated goals. Employee performs different job in the organization, mainly in production, manufacturing, marketing, finance, storage, transportation, public relation and etc. All these activities perform by employees is inter-related to the goal of organization which ultimately relates to success of the organization.

2.4 Empirical Review

The leadership that makes workers to feel valued ultimately retains them and serves as an organizational stabilizing influence during change (Shahid & Azhar, 2013). Higher employee turnover rates can be an indication of leadership gap for retaining the employees (Shahid & Azhar, 2013). Retention strategies are integral part for the organization’s business strategy (Ghosh, Satyawadi, Joshi, & Shadman, 2012). By having a better understanding of the reasons that employees leave or want to leave an organization, effective retention strategies could reduce turnover of such employees (Cohen, 2013). Leadership has increasingly work in an unpredictable economic situation (Shahid & Azhar, 2013). Employee knowledge is one of the most important sources of organizational competitive advantages for the organization (Schmitt, Borzillo, & Probst, 2015). Reitz, Stewart, and Bruce (2015) explained that competition in the job market, the need for employee embeddedness has risen due to lack of adequate salary. The perception of paying employees adequate salary does not necessarily mean that an employees will remain in the organization if no
other strategies are put in place to back up the idea of adequate salary (Reitz, 2014). Job market competition may be a critical factor in an employee’s decision to quit a current job and look for new placements elsewhere (Reitz et al., 2011). In the hospitality industry, strategies for retention are important since most of the employees have transferable job skills important to the organization (Strom, 2014). Managers should not handle the strategies alone but a commitment of every stakeholder in the organization for effectiveness of the strategies. Employees in most cases are key champions to the organization success and performance (Kochanowski, 2015).

Gilbreath (2016) noted that leadership has a great control, impact or influence on the functionality of employees at the workplace. Regardless of leadership style, leaders have embedded impacts on creating the vision and culture of an organization (Gilbreath, 2016). Employee turnover rates negatively influence organizational productivity and decreases consumer satisfaction on the organization thus may want to switch to the competitors. Freedman and Kosová (2014) showed that the cost of losing an employee, for instance at the hospitality industry may include the loss of productivity measures and the time involved to learn the necessary skills to replace that employee may be enormous. Employers should classification issues that makes an employee valuable in the job place and specify the specific performance that the employee exhibits in the workplace (Gallardo-Gallardo, Dries, & González-Cruz, 2013). Some organization managers have precise definitions of high performing employees that are influenced by industry or occupational field (GallardoGallardo, 2013). Researchers have noted that a manager should identify a valued employee via the individual level of productivity at the job (Karatepe, 2013). An employee’s value can be measured in relation to a peer using job-related behaviors and performance outcomes (Kooij, 2013; Renwick, Redman, & Maguire, 2013).

Employees hold valuable, organizational specific knowledge, according to Wang, Noe, and Wand (2014), including ideas, facts, expertise, and judgments relevant to individual, team, and organizational performance. Wang et al. (2014) determined that an employee’s knowledge could enhance their performance and potentially result in higher levels of compensation. Chong and Besharati (2014) noted that employee knowledge could leverage into a competitive advantage through knowledge sharing. Knowledge sharing ensures an employee’s valuable knowledge is transferred within a hospitality organization to equip workers to meet customer demands (Chong & Besharati, 2014). Chong and Besharati (2014) asserted that employees’ rate of retention in the hospitality industry is low due to two common causes; low satisfaction and the quality of leadership. Therefore, it is important for hospitality managers to motivate employees to share knowledge and keep knowledge within the organization (Chong & Besharati, 2014). Encouraging a company culture, which includes sharing knowledge sharing standards, could help mitigate the negative impact of employee departures from the organization (Chong & Besharati, 2014).

Employee retention intentions vary based on aspects of the social exchange context, namely manager-subordinate exchanges (Biron & Boon, 2016). Biron and Boon, (2012) demonstrated that a strong relationship between peer relations and turnover of employee is detrimental to the organization. In a quality manager-employee relationship, the manager should offer the employee favorable reward (Biron & Boon, 2012). For example, the manager could provide desirable responsibilities, increased responsibility, information sharing, career development opportunities, tangible rewards, and benefits in exchange for a substantial commitment, loyalty, and trust (Biron & Boon, 2012). Conversely, the absence of MSX is marked by a lack of respect and trust (Biron & Boon, 2012). Under these conditions, managers strictly can enforce duties while subordinates demonstrate little enthusiasm for high performance (Li & Liao, 2014; Vidyarthi, Erdogan, Anand, Liden, & Chaudhry, 2014). Walsh and Bartikowski (2013) noted that strong employee satisfaction scores correlated with a lower intention to terminate employment. Tews, Michel, and Stafford (2013) also found that an employee’s job satisfaction may increase employee retention. Further, employees that received continuous management and co-worker support experienced a high level of attachment and satisfaction with their jobs (Karatepe, 2013). Job satisfaction is one predictive of an employee’s turnover intention (Regts & Molleman, 2013).

Research has also shown that developing a strategy is a means to focus organizational efforts on achieving the desired goal (Pangarkar, 2011). Managers who have a set of effective retention strategies can make more efficient use of time, energy, and resources (Kandampully, 2014; Ryu & Lee, 2013). An employee retention strategy is a description of how a manager plans to achieve the improved employee retention results (Shahid & Azhar, 2013). The strategy process is less precise than an action plan (Milman & Dickson, 2014). A manager’s action plan includes a written outline for who, what, when, and how to implement the proposed action in the organization (Pangarkar, 2011; Ryu & Lee, 2013). Management strategies can be the product of an organized and rigorous planning process (Park & Levy, 2014; Ryu & Lee, 2013). Pangarkar (2011) noted that managers with strategies that helped propel them to an industry pinnacle arrived at the winning strategy through trial, error, and unanticipated success. As organizations’ leaders strive for a deeper understanding of effective employee retention strategies, it is crucial to understanding the processes by which an effective strategy formed (Park & Levy, 2014).
As noted by Milman and Dickson (2014), learning the strategies that managers use to retain employees is a more proactive approach than studying why an employee terminates employment. Business community managers can develop strategies that ensure the quality of the goods or services they produce will improve the multidisciplinary workplace (Gershengorn, Kocher, & Factor, 2014). Organizations benefit from shared sets of strategies (Milman & Dickson, 2014). Managers at different career levels can be empowered to make proactive decisions without waiting to react to shifting pressures arising from an ever-changing environment (Gershengorn, 2014). For instance, the implementation of a targeted strategy for employee retention in occupations experiencing labor shortages demonstrates a managerial sensitivity to the organizational need for stability and sustained profitability (Gershengorn, 2014). With this background in mind, Kandampully, (2014) recommended that researchers should seek to understand how hospitality service managers have developed retention strategies over time to retain employees. The strategies that emerge from this study may provide managers a better understanding of techniques and strategies traditionally used in the hospitality industry to retain employees.

2.5 Critique of Literature Review

Despite many studies that have been conducted globally and locally on the effects of employee retention strategies on organization performance, these studies do not show the effect of training and development, reward systems and work environment strategies on the organization performance in the hotel industry in Kenya, specifically five star hotels in Mombasa county. Mombasa County is considered as a tourist hub since it stands at the beach front and entrance into Kenya from the magnificent Indian Ocean. For instance, the findings of a study conducted by Sangaran and Jeetesh (2015) on the factors of job satisfaction that affected the employees’ decision to quit in the hotel industry cannot be generalized to the five star hotel industry in Kenya, due to difference in economic, political and business environment. In addition, the dependent variable was factors for job satisfaction which is different from reward practices.

Further on, a study conducted by Johnston (2016) was limited to promotion as the independent variables and hence did not show how other reward practices were influencing employee retention on the organization. Similarly, a study conducted by Bigliardi, (2016) on influences of organizational socialization and career aspirations on turnover intentions of design engineers was limited to design engineers. In addition, the independent variable was organizational socialization which is different from reward practices. A study conducted by Mapelu and Jumah, (2013) was limited to training and development as the independent variable and hence did not outline the effect of the other variables. In addition, the study was limited to Kisumu and hence its findings cannot be generalized to the other parts of the country. Similarly, the findings of a study conducted by Msengeti and Obwogi (2015) on the effects of the pay and work environment on the retention of employees for the performance in the Hotel Industry in Mombasa County cannot be generalized to the other parts of the country. Further, a study conducted by Wambugu and Ombui (2013) was limited to Kabete Technical Training Institute, Nairobi. In addition, the dependent variable was employee performance which is different from organization performance. Finally, a study by Kimunge (2014) was limited to Kenya Vision 2030 Delivery Secretariat and hence its findings cannot be generalized to the hotel industry in Kenya.

2.6 Research Gaps

Various studies have been done both locally and internationally on the effects of employee retention to the organization performance. Sangaran and Jeetesh (2015) on examining some factors for job satisfaction that may affect the employees decision to quit in the hotel industry; Brough and Frame (2015) did a study to examine the influence of organizational variables (sexual harassment) and individual variables (perceptions of social support) upon job satisfaction and turnover criterion; Bigliardi, (2016) conducted a study to compare the relative influences of organizational socialization and career aspirations on turnover intentions of design engineers. Locally, Mapelu and Jumah, (2013) conducted a study to investigate the effects of training and development on employee turnover in selected medium sized hotels in Kisumu, Kenya; Msengeti and Obwogi (2015) evaluated the effects of the pay and work environment on the retention of employees in the Hotel Industry in Mombasa County; and Kimunge (2014) conducted a study on the effects of total rewards on employee retention in Kenya Vision 2030 Delivery Secretariat. However, the findings of these studies cannot be generalized to the five star hotels in Kenya due to difference in regulation and structure among other factors.

The theoretical and empirical examination revealed that reward practices that could affect employee retention are numerous and include compensation, career management, work-life balance and employee engagement. However previous studies on best practices in reward management practices have been fragmented and researchers have not arrived at an effective blend of practices that could improve organizational commitment and retention (Chew & Chan,
2016). Also most of the studies on retention were conducted mainly in Western World (Samuel & Chipunza, 2015). Hence, there is a limited empirical study on employee retention in Africa, categorically Kenya (Orodho, 2017). Consequently, a specific research examining the effects of employee retention practices on employee performance in the hotel industry in Kenya could not be found. This suggests that, there is limited empirical evidence on employee retention studies in the developing world like Kenya hence there is a research gap. Accordingly, this study will seek to fill this research gap by finding out the effect of employee retention on employee performance at five star hotels in the Kenyan Coast. The hotel industry has been chosen because hotels play a very important role in the economy of Kenya. Nevertheless, the studies mentioned above did not outline how employee training and development, employee reward system, employee work environment and employee empowerment strategies affects the employee performance at the five star hotels in the Kenyan coast.

2.7 Summary

Researchers have studied employee retention to understand what strategies are being used in different sectors and the favorable ones in each sector. However, some managers in the hospitality organizations still need an effective employee retention strategies in place due to the volatility and changing nature of human desires (Crick & Spencer, 2011; Lub, Nije Bijvank, Matthijs Bal, Blomme, & Schalk, 2012). Lub, (2012) has noted that despite the availability of retention strategies within some hospitality organizations, employers still lack strategies to retain employees with the organizations. Hospitality managers need to develop and implement effective retention strategies that make employees feel valued and motivated in the job place (Lub, 2012). Organizational stakeholders have a high regard for human capital (Gounaris & Boukis, 2013). Managers can retain their employees to provide a competitive edge for the organization (Gounaris & Boukis, 2013). Similarly, Tavitiyaman, Qiu Zhang, and Qu (2012) evidenced that effective employee retention strategies and aligned organizational structure can influence a positive output in the organization. A manager’s ability to understand and provide for employee needs could be influenced by employees remaining in the organization for longer (Bareket-Bojmel, 2014). Carraher, (2015) concluded that understanding how to retain employees is crucial to creating an environment that motivates and stimulates employees to want to stay within an organization.

3.0 RESEARCH METHODOLOGY

3.1 Introduction

The chapter discusses the methodology that was used in gathering data for the study. Specifically, areas discussed includes the research design, target population, sampling technique, sample frame, data collection instrument, data collection procedures, piloting and data presentation.

3.2 Research Design

The research design is defined by Burns and Grove (2014), as a criteria and guidelines for carrying out a research study for the utmost control over factors that can interfere with the validity or objectivity of the findings. For this study, a descriptive research design was used. Burns and Grove, (2014) asserted the descriptive design to involve in finding out a key phenomenon (who, what, how and where) and the phenomenon should be a major concern for the study. Sekaran, (2015) observes that the goal of descriptive research is to offer the researcher with a deliberate important features of the phenomenon/ issues for the concerned which can be based on the organization, business or other perspectives. Elahi and Dehdashti, (2015) depicted that a descriptive research design is suitable when the objective is to establish the extent of the relationship between the variables. This study adopted a descriptive research design since it was less expensive, easy to analyze and it will help to understand the characteristics of a group in a particular situation which will then help in making the decision on the findings as clarified by Abok, (2015). Further, a descriptive approach was suitable for the study because other scholars who researched on related areas adopted the design (Kimani & Waithaka, 2014; Njoroge, 2014; Abok, 2015). This design was therefore in line with the philosophical direction and scope of the study.

3.3 Target Population

Population is defined by Blumberg, Cooper and Schindler (2014), as all objects, people or fundamentals that rally the basis for inclusion in a study. There are two types of population: the target population and the population from which data will be gotten from (target population). Target population comprises of all members of a valid or
theoretical set of groups, events or objects from which a researcher desires to generalize the outcome of their/ his research while accessible population comprises of all the persons who practically could be incorporated in the sample (Gall, Gall, & Borg, 2014). The population of this study was from selected five star hotels in Mombasa county categorized top level management, middle-level management and the human resource staff members.

Table 3.1 Target Population

<table>
<thead>
<tr>
<th>Hotel Name</th>
<th>Top level management</th>
<th>Middle level management</th>
<th>HRM Staff members</th>
<th>Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>African House Resort</td>
<td>3</td>
<td>5</td>
<td>15</td>
<td>23</td>
</tr>
<tr>
<td>Diani Reef Hotel</td>
<td>2</td>
<td>4</td>
<td>15</td>
<td>21</td>
</tr>
<tr>
<td>Golden Beach Hotel</td>
<td>3</td>
<td>5</td>
<td>16</td>
<td>24</td>
</tr>
<tr>
<td>Leisure Lodge Beach Hotel</td>
<td>4</td>
<td>7</td>
<td>15</td>
<td>26</td>
</tr>
<tr>
<td>Leopard Beach Hotel and Spa</td>
<td>2</td>
<td>4</td>
<td>17</td>
<td>23</td>
</tr>
<tr>
<td>Majis Resort and Spa</td>
<td>3</td>
<td>7</td>
<td>15</td>
<td>25</td>
</tr>
<tr>
<td>Marine Hotel</td>
<td>4</td>
<td>8</td>
<td>16</td>
<td>28</td>
</tr>
<tr>
<td>Mombasa Serena Hotel</td>
<td>2</td>
<td>4</td>
<td>14</td>
<td>20</td>
</tr>
<tr>
<td>Nyali Beach Hotel</td>
<td>3</td>
<td>7</td>
<td>18</td>
<td>28</td>
</tr>
<tr>
<td>Sunset Beach Resort</td>
<td>3</td>
<td>6</td>
<td>16</td>
<td>25</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>31</strong></td>
<td><strong>61</strong></td>
<td><strong>172</strong></td>
<td><strong>243</strong></td>
</tr>
</tbody>
</table>

(Source – Kenya Association of House Keepers, 2018)

3.4 Sampling Technique and Sample Size

3.4.1 Sampling Technique

The study used random stratified sampling technique with a proportional allocation of each stratum for the study. Stratified sampling technique is used for data which does not constitute a homogenous group but that which are heterogeneous in nature (Mugenda & Mugenda, 2014). The population was divided into sub-groups which has similarities (characteristics), then the systematic sampling was then used to compete from each sub-group (Westfall, 2015). A stratum is a level or class to which people or objects are assigned according to their common characteristics. In this study, the stratum were the hotels as the employees in each hotel work under the same characteristics. Proportionate stratification was used to select the sample size per hotel. In proportionate stratification, a random sample from each stratum was then taken in a number proportional to the stratum’s size when compared to the population (Greener, 2016). These strata subsets was then pooled to form a random sample for the study.

3.4.2 Sampling Size

The sample size describes a list of the accessible population of study from which the data will be drawn (Trochim, 2016). As referred by Mugenda and Mugenda (2014), sampling frame is the actual set of units from which a sample has been drawn. The sample size for this study were all the selected five star hotels at the Kenyan Coast
which includes, African House Resort, Diani Reef Hotel, Golden Beach Hotel, Leisure Lodge Beach Hotel, Leopard Beach Hotel and Spa, Majis Resort and Spa, Marine Hotel, Mombasa Serena Hotel, Nyali Beach Hotel and Sunset Beach Resort both located at Kenyan Coast. The sampling frame was obtained from the listings by the Kenya Association of House Keepers, (2016). According to Kothari (2015), the sample size chosen by the researcher should be capable of giving enough information about the population and one whose analysis should be easy. A sample is a representative selection of the population, (Latham, 2016). According to Mugenda and Mugenda (2014), sample size must be large enough to be representative of the universe population. The sample size for this study was 168 employees from the selected five star hotels in the Kenyan Coast as determined using the sampling formula developed by Cochran’s as quoted by Mugenda & Mugenda (2013) as described below.

\[ n_0 = \frac{Z^2PQ}{e^2} \]

Where \( n_0 \) is the sample size

\( n_0 \) – the sample size

\( e^2 \) – margin of error at 0.5

\( Z^2 \) – is the abscissa of the normal curve cutting at 1.96

\( P \) – Degree of variability (5%)

\( Q \) – This is 1 –P

Table 3.2 Sample Size

<table>
<thead>
<tr>
<th>Hotel Name</th>
<th>Top level management</th>
<th>Middle level management</th>
<th>HRM Staff members</th>
<th>Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>African House Resort</td>
<td>2</td>
<td>3</td>
<td>9</td>
<td>14</td>
</tr>
<tr>
<td>Diani Reef Hotel</td>
<td>1</td>
<td>2</td>
<td>9</td>
<td>12</td>
</tr>
<tr>
<td>Golden Beach Hotel</td>
<td>2</td>
<td>3</td>
<td>11</td>
<td>16</td>
</tr>
<tr>
<td>Leisure Lodge Beach Hotel</td>
<td>2</td>
<td>5</td>
<td>9</td>
<td>16</td>
</tr>
<tr>
<td>Leopard Beach Hotel and Spa</td>
<td>1</td>
<td>3</td>
<td>12</td>
<td>16</td>
</tr>
<tr>
<td>Majis Resort and Spa</td>
<td>2</td>
<td>4</td>
<td>9</td>
<td>15</td>
</tr>
<tr>
<td>Marine Hotel</td>
<td>2</td>
<td>5</td>
<td>10</td>
<td>17</td>
</tr>
<tr>
<td>Mombasa Serena Hotel</td>
<td>2</td>
<td>3</td>
<td>9</td>
<td>14</td>
</tr>
<tr>
<td>Nyali Beach Hotel</td>
<td>2</td>
<td>4</td>
<td>13</td>
<td>19</td>
</tr>
<tr>
<td>Sunset Beach Resort</td>
<td>2</td>
<td>4</td>
<td>11</td>
<td>17</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>19</strong></td>
<td><strong>39</strong></td>
<td><strong>110</strong></td>
<td><strong>168</strong></td>
</tr>
</tbody>
</table>

GSJ© 2019

www.globalscientificjournal.com
After the stratification of all hotels and their employees, a random sampling method was then used to select top level managers, middle level managers and human resource staff members. Therefore the sample size of this research study was 168 members as shown in the table above.

3.5 Data Collection Methods

In order to achieve the intended purpose, both primary and secondary data collection methods was used.

3.5.1 Primary Data

The primary data incorporated the use of questionnaire as the sole method of primary data collection method. The research questions were all structured in the questionnaires to assemble data from respondents. According to Bryman and Bell, (2015), a questionnaire with high consistency would receive similar answers if it is carried out over and over or by other researchers. Questionnaire was used because it is less costly and time consuming as compared to the use of interview or observation. Furthermore, data collected through the use of well-structured questionnaire is straight forward to analyze. The questions in the questionnaire was structured in the Likert scale format because it required respondents to respond to a series of statements by indicating whether he or she agreed to a great extent or no extent in the statement. Allen (2015) asserted that Likert scale is an appropriate method since it is straight forward to comprehend and responses are simply experimental and subjective to computation of mathematical analysis. The study adopted self-administered method of drop and pick, where the questionnaires were hand delivered to ensure safe delivery and collected later after being filed by the respondents. The respondents were given a period of fourteen working days to respond to the questions in the questionnaire after which the questionnaire were collected.

3.5.2 Secondary Data

The researcher also used secondary data. Some of these sources included journals (Emerald and Jasper) and text books on employee retention. These were gotten from the library at Technical university of Mombasa. The secondary sources helped to analyze, understand and appreciate what the previous scholars have documented. Thus the secondary sources was used to support and understand the study findings on this study.

3.6 Data Collection Procedures

Data collection is defined by Burns and Grove (2015) as the accurate, methodical assembling of data relevant to the research sub-problems, by means of methods such as interviews, participant observations, focus group dialogue, narratives and case histories. Questionnaires was used to obtain qualitative data for analysis for the study. Yang (2016), contended that the questions in a study should be directly linked to the research objectives. After informing the relevant authority from the selected hotels, the researcher obtained data collection letter from School of Business, Technical University of Mombasa.

3.7 Pilot Study

A pilot study is a means of checking whether the study can be undertaken and provide data that is accurate (Cargan, 2015). Pilot studies pretest the research instrument such as the questionnaire (Gumbo, 2014). A pilot survey is intended to get rid of, in advance, some of the problems that are expected to be encountered during the ultimate study (Cooper & Schindler, 2015). Korb (2015) asserts that split test is the most important reliability type of evidence for questionnaires. The Pilot study for this research was done on a 10% which was equivalent to the study sample of 13 respondents from the same characteristics.

3.7.1 Reliability of Research Instruments

Mugenda and Mugenda, (2014) emphasized that reliability is done using Cronbach’s Alpha Model on SPSS and that consistency is the assessment of the degree to which study instrument gives reliable results or data after repetitive trials. Reliability is the consistency of measurement, or the extent to which an instrument measures the same method every time it is used under the same circumstance with the similar subject (Bryman, 2015). The questionnaire’s reliability was statistically measured by measuring the internal consistency using Cronbach’s Alpha. Cronbach alpha, which is a measure of internal consistency, will be used to test the internal reliability of the measurement instrument. The Cronbach was developed by Lee Cronbach in 1951 as a measure of internal consistency of a test or scale, and normally expressed as a number between 0 and 1. A reliability coefficient of 0.7 and above is generally accepted to be appropriate, and the higher the score is the more reliable it is, (Adrian, 2013).
3.7.2 Validity of the Research Instruments

Validity is defined as the point to which an instrument measures what it was projected to evaluate (Kumar, Kumar, & Phrommathed, 2012). In addition, validity is based on the statement that what is being studied can be measured or captured, seeks to validate the reality and truth of any result or conclusions drawn from the data, indicates that the conclusions drawn are dependable and that the methods justify the conclusions. Validity of research instruments is established when what was targeted to be measured is carried out clearly without accidentally including additional factors. The validity of this research study instruments was measured through the opinion of experts especially the research supervisor, who was better knowledgeable. It was also tested during the pilot study. The ambiguity or non-clarity in the questionnaire items were cleared before taking the questionnaire to the field for data collection. Kimberlin and Winterstein, (2015) asserted that validity is depicted by an instrument through the extent to which the test results’ interpretations are warranted. This research proposal will be guided by face, content and criterion types of validity as discussed by Kimberlin and Winterstein (2015). Face validity is not determined through statistical analyses but depends on face value judgment view of one who is checking the instrument to determine whether it measured what is supposed to measure. Additionally, content validity, also known as logical validity, refers to the degree to which a measure shows all facets of a particular social construct which were determined by experts in the field in this study. Criterion validity determines the correlation of constructs that are supposed to be correlated and this study undertook.

3.8 Data Analysis and Presentation

Kothari (2013) elucidated that data collected has to be processed, analyzed and presented in a particular form with the instructions should be laid down purposefully at the time of developing the study plan. Analysis of data involves the conversion of data into significant information for making decisions, editing, error correction, rectification of exclusion and lastly compiling the information gathered to give a meaning. This research study collected and analyzed data quantitatively and qualitatively. The quality and reliability of this study was further assessed using Cronbach’s alpha. Analysis of data was done by use of Statistical Package for Social Science (SPSS Version 22) for Windows. Data analysis was carried out using: rate counts, percentages, means, standard deviation, regression and correlation. The results were presented in form of graphs, charts and tables. Fraenkel and Wallen (2014), reasoned that regression is a statistical calculation of the correlation between the variables of the study. The study used a multiple regression analysis to show the effect and influence of the independent variables on the dependent variable.

3.9 Hypothesis Testing

Hypothesis testing was done by use ANOVA to determine the critical value for identification for the area of rejection or acceptance. The hypothesis testing was basically based on the assumptions made about the population parameter. Hypothesis testing is the use of statistics to determine the probability that a given hypothesis is true (Kothari, 2013). Analysis of variance was used to ascertain the difference in means between the variables. Correlation analysis and multiple regression analysis was also carried out to determine the relationship between dependent variable and the four independent variables. According to Orodho (2015), a multiple regression analysis is used to show the relationship between variables. Data collected was tested for the assumptions of the various analytical models upon which the most preferred for this study was multiple linear regression, where data was distributed normally. The regression equation for this study was:

\[ Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \epsilon \]

Whereby; \( Y \) = Employee Performance  
\( \beta_0 \) = Constant  
\( \beta_1, \beta_2, \beta_3, \beta_4 \) = Coefficients of determination  
\( X_1 \) = Employee Training and Development  
\( X_2 \) = Employee Reward System  
\( X_3 \) = Employee Work Environment  
\( X_4 \) = Employee Empowerment Strategies  
\( \epsilon \) = Error Term
4.0 RESEARCH FINDINGS

4.1 Introduction

This chapter presents the research findings based on the hypothesized objectives. The chapter begins with the demographic information of the respondents, descriptive statistics, inferential statistics and the discussions on each finding. The research findings have been presented as per the order of the objectives of the study. The main objective of the study was to examine the effect of employee retention on employee performance at five star hotels in the Kenyan Coast.

4.2 Response Rate

The sample size of this study was 168 employees from the selected hotels on different job cadre such as top level managers, middle level managers and human resource staff. The researcher distributed 168 questionnaires of which 157 were duly filled and collected back. This translated to 93% of the response rate for this study. According to Mugenda and Mugenda, (2013), a response rate of 50% is adequate for analysis and reporting; a rate of 60% - 70% is better while a response of 80% - 90% is excellence for the study. Therefore the response rate for this study was excellence for data analysis since it indicates a reasonable presentation as shown in table 4.1 below.

<table>
<thead>
<tr>
<th>Table 4.1 Response Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequency</td>
</tr>
<tr>
<td>Responses</td>
</tr>
<tr>
<td>Non responses</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

The non-response was attributed to lack of interest by the respondent to fill the questionnaire and some of the respondents were not present at the job stations.

4.3 Reliability Test

The questionnaire reliability of this study was statistically measured by measuring the internal consistency using Cronbach Alpha value ranging from 0.60 to 0.99 for each variable. Kothari (2012) posited that the reliability of the research instrument can be tested by use of Cronbach to determine the internal consistency so as to get credible findings of the research. The Cronbach was developed by Lee Cronbach in 1951 as a measure of internal consistency of a test or scale, and normally expressed as a number between 0 and 1. Adrian, (2013) attested that since the Cronbach Alpha is a measure of internal consistency of the test variable, the coefficient values of the reliability of 0.7 and above is generally accepted to be appropriate, and the higher the score is, the more reliable it is. The Cronbach reliability coefficient values are illustrated below.

<table>
<thead>
<tr>
<th>Table 4.2 Cronbach Alpha Reliability Coefficient</th>
</tr>
</thead>
<tbody>
<tr>
<td>Variable</td>
</tr>
<tr>
<td>Employee Training and Development</td>
</tr>
<tr>
<td>Employee Reward System</td>
</tr>
<tr>
<td>Employee Work Environment</td>
</tr>
<tr>
<td>Employee Empowerment</td>
</tr>
</tbody>
</table>

The findings above on the reliability test showed that all the four scales were reliable since their reliability values exceeded the threshold of 0.700.
4.4 Demographic Information

The researcher seek to know the demographic representation from the selected hotel. The demographic parameters used were, age, job title, years of work (in the current hotel) and educational level. The researcher used the above demographic parameters since they affect the psychological standards of employee for job excellence. The findings were grouped as below;

Table 4.3 Age Bracket of the Respondents

<table>
<thead>
<tr>
<th>Age Bracket (Years)</th>
<th>Frequency</th>
<th>Percent (%)</th>
<th>Valid Percent (%)</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>21-30</td>
<td>89</td>
<td>56.7</td>
<td>56.7</td>
<td>56.7</td>
</tr>
<tr>
<td>31 – 40</td>
<td>45</td>
<td>28.7</td>
<td>28.7</td>
<td>85.4</td>
</tr>
<tr>
<td>41- 50</td>
<td>23</td>
<td>14.6</td>
<td>14.6</td>
<td>100.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>157</strong></td>
<td><strong>100.0</strong></td>
<td><strong>100.0</strong></td>
<td></td>
</tr>
</tbody>
</table>

From the above table, all the age bracket postulated by researcher got a valid respondent. It was observed that majority of the respondents were in the age bracket of 21 – 30 years at 56%, followed by 31 – 40 years at 28.7%, and lastly 41 – 50 years with a minor 14.6%. The findings is accurate as related to the HRM principle on the age of employee: the diminishing of work force as the employees becomes aged. The findings further indicates that most of the hotel employees are in the youthful age with vibrant energy to work in the hospitality sector.

4.4.2 Job Title of the Respondents

The second demographic enquiry that the researcher used was job title. The researcher used job title so as to determine and select only the relevant employees with good understanding on the research study problem so that a relevant observations can be made. The job title representation from the selected hotels are shown below;

Table 4.4 Job Title of the Respondents

<table>
<thead>
<tr>
<th>Job Title</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top Level Manager</td>
<td>39</td>
<td>24.8</td>
<td>24.8</td>
<td>24.8</td>
</tr>
<tr>
<td>Middle Level Manager</td>
<td>61</td>
<td>38.9</td>
<td>38.9</td>
<td>63.7</td>
</tr>
<tr>
<td>HRM Staff</td>
<td>57</td>
<td>36.3</td>
<td>36.3</td>
<td>100.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>157</strong></td>
<td><strong>100.0</strong></td>
<td><strong>100.0</strong></td>
<td></td>
</tr>
</tbody>
</table>

It was observed that most respondents were in the job category of Middle level managers, at 38.9%, followed by HRM Staff at 36% and top level managers at 24.8%. The researcher observed that the middle level managers in the hotels were many since they included all the departmental heads such head chef, head of service unit, head of procurement, head of operations, head of security. Further observation was that the middle level managers handle most of the operations in their various department.

4.4.3 Years of Service (in the current Hotel)

The researcher further sought to know the relevant work experience based on the current job place (hotel). This was meant to help the researcher to know the understanding that the respondent had on the current hotel operations on the employee performance. The findings are illustrated in table 4.5 below.

Table 4.5 Years of Service (in the current Hotel)

<table>
<thead>
<tr>
<th>Experience (Years)</th>
<th>Frequency</th>
<th>Percent (%)</th>
<th>Valid Percent (%)</th>
<th>Cumulative Percent (%)</th>
</tr>
</thead>
</table>

GSJ© 2019
www.globalscientificjournal.com
The results of years of service worked in table 4.5 above shows that majority of the respondents had experience in the same hotel for a period of 21 – 30 years at 63.1%. This indicates that most of the hotels selected for study had a better retention strategy to hold the workforce. A relatively higher experience were in the range between 1 – 10 years at 32.5%, followed by those who had the experience at 11 -20 years at 4.5%. This Findings further indicates that employees at the selected Five Star hotels were making a decision to quit after working of upto10 years.

**4.4.4 Education Level of the Respondents**

The last demographic information that the researched sought to know was the education level of the respondents in the selected hotels. Since education help employees with the current knowledge in performing a given task, the researcher was interested in knowledgeable level of task performance at the selected hotels. For the education level, the researcher used the parameters such as Diploma, Degree, Master and PhD levels so as to know the education composition of the respondents. The results are illustrated in table 4.6 below.

<table>
<thead>
<tr>
<th>Education Level</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diploma</td>
<td>43</td>
<td>27.4</td>
<td>27.4</td>
<td>27.4</td>
</tr>
<tr>
<td>Degree</td>
<td>51</td>
<td>32.5</td>
<td>32.5</td>
<td>59.9</td>
</tr>
<tr>
<td>Masters</td>
<td>33</td>
<td>21.0</td>
<td>21.0</td>
<td>80.9</td>
</tr>
<tr>
<td>PhD</td>
<td>30</td>
<td>19.1</td>
<td>19.1</td>
<td>100.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>157</strong></td>
<td><strong>100.0</strong></td>
<td><strong>100.0</strong></td>
<td></td>
</tr>
</tbody>
</table>

It was observed all the parameters the researcher used as a measure of education level were valid. Consequently, most of the respondents were degree holders at 32.5%, followed by diploma holders at 27.4%, then master holders at 21.0% and finally PhD holders at a smaller 19.1%. The findings indicated that the respondents were knowledgeable in the task they perform through the measure of educational standard.

**4.5 Descriptive Statistics**

Since the research study was based on the concept of employee retention and employee performance at the five star hotels in the Kenyan Coast. The main objective of the study was to examine the effect of employee retention on employee performance at five star hotels in the Kenyan Coast. The researcher used specific objectives like employee training and development, employee reward system, employee work environment and employee empowerment on how they effect on employee performance at the selected Five star hotels in the Kenyan Coast. The researcher further adopted descriptive researcher design to conduct the study. Using the Likert- Format with scale ranging from 1 – 5, in every category, the following were the results based on the hypothesized objective.

**4.5.1 Employee Training and Development**

The respondents were asked, from a list of questions, to choose how employee training on the performance of hotel at which they are working at. Various responses was recorded and the results is shown in table 4.7 below.
Table 4.7 Response on Employee Training and Development

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Disagree</td>
<td>23</td>
<td>14.6</td>
<td>14.6</td>
<td>14.6</td>
</tr>
<tr>
<td>Disagree</td>
<td>32</td>
<td>20.4</td>
<td>20.4</td>
<td>35.0</td>
</tr>
<tr>
<td>Uncertain</td>
<td>28</td>
<td>17.8</td>
<td>17.8</td>
<td>52.9</td>
</tr>
<tr>
<td>Agree</td>
<td>61</td>
<td>38.9</td>
<td>38.9</td>
<td>91.7</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>13</td>
<td>8.3</td>
<td>8.3</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>157</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

It was observed that all the questions pertaining to employee training and development was responded to. Further observation indicated that most of the respondents (38.9%) agreed while 8.3% strongly agree that employee training and development has a significant effect on the performance at the five star hotels in Kenyan Coast. In reference to literature review by Grava (2017), who viewed training as a practical education offered to the employee used to improve employees skills, job experience and even knowledge so as to overcome inefficiencies, the findings of this study concurs. On the other side, 20.4% of the respondent disagreed, 14.6% strongly disagreed while 17.8% uncertain on training and development on organization performance.

4.5.2 Employee Reward System
The second objective that the researcher sought to determine was the effects of employee rewards system on organization performance. Similarly, the structured questions were given to the respondents to get their views and the following were the findings.

Table 4.8 Response on Rewards System

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Disagree</td>
<td>24</td>
<td>15.3</td>
<td>15.3</td>
<td>15.3</td>
</tr>
<tr>
<td>Disagree</td>
<td>31</td>
<td>19.7</td>
<td>19.7</td>
<td>35.0</td>
</tr>
<tr>
<td>Uncertain</td>
<td>33</td>
<td>21.0</td>
<td>21.0</td>
<td>56.1</td>
</tr>
<tr>
<td>Agree</td>
<td>52</td>
<td>33.1</td>
<td>33.1</td>
<td>89.2</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>17</td>
<td>10.8</td>
<td>10.8</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>157</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

The results showed that 33.1% agree while 10.8% strongly agree that rewards systems offered by their respective hotels has a significant effect on the performance as 21.0% were uncertain. On the same perspective, 19.7% were disagree and 15.3% strongly disagree on the hypothesized effect. The findings is relevant to other prior findings by Wamburu and Ombui (2013); Kimunge, (2014) who has documented a significant effect of rewarding employees on organization performance. However, Alexakis, (2015) indicated the varied opinion by illustrating that rewarding employees vary with different requirements and perception in every cadre of work.

4.5.3 Response on Employee Work Environment
The third objective that the researcher sought to find out was the effects of employee work environment on organization performance. The uniformity of using the Likert scale format with structure questions was maintained. The findings was illustrated on table 4.9 below.

Table 4.9 Response on Employee Work Environment

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Disagree</td>
<td>26</td>
<td>16.6</td>
<td>16.6</td>
<td>16.6</td>
</tr>
<tr>
<td>Disagree</td>
<td>36</td>
<td>22.9</td>
<td>22.9</td>
<td>39.5</td>
</tr>
<tr>
<td>Uncertain</td>
<td>23</td>
<td>14.6</td>
<td>14.6</td>
<td>54.1</td>
</tr>
<tr>
<td>Agree</td>
<td>41</td>
<td>26.1</td>
<td>26.1</td>
<td>80.3</td>
</tr>
</tbody>
</table>
The results showed that however 26.1% agree and 19.7% strongly agree, a cumulative 39.5% was opposed to the hypothesize effect as 14.6% were uncertain on the effect of employee work environment on organization performance. In reference to findings by Buhter, (2016) who found out that the right environmental factors, both physical and psychosocial will lead to increase performance. Further, Miles (2016) expanded the study of work environment to include comfortable tables and chairs to have significant effect on employee performance. The study findings is relevant to other findings (Buhter, (2016); Miles (2016).

4.5.4 Response on Employee Empowerment

The effect of employee empowerment was also sought by the researcher on the effect of organization performance. Using the same format of the Likert scale with the structure questions, the following information in table 4.10 were the responses.

<table>
<thead>
<tr>
<th>Responses</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Disagree</td>
<td>34</td>
<td>21.7</td>
<td>21.7</td>
<td>21.7</td>
</tr>
<tr>
<td>Disagree</td>
<td>44</td>
<td>28.0</td>
<td>28.0</td>
<td>49.7</td>
</tr>
<tr>
<td>Uncertain</td>
<td>25</td>
<td>15.9</td>
<td>15.9</td>
<td>65.6</td>
</tr>
<tr>
<td>Agree</td>
<td>30</td>
<td>19.1</td>
<td>19.1</td>
<td>84.7</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>24</td>
<td>15.3</td>
<td>15.3</td>
<td>100.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>157</strong></td>
<td><strong>100.0</strong></td>
<td><strong>100.0</strong></td>
<td></td>
</tr>
</tbody>
</table>

The researcher observed that 28% disagree while 21.7% strongly disagree that employee empowerment has a significant effect on employee performance. On the other hand, 19.1% agree while 15.9% strongly agree on effect of employee empowerment on organization performance. This implies that a cumulative 49.7% was to the opinion that employee empowerment has no significant effect on employee performance. This findings contradicts the findings by Ibua (2014); Kariuki and Murimi (2015) who found a significant effect between employee empowerment and organization performance.

4.5.5 Response on Employee Performance

The researcher lastly sought to find out the effects of training and development, rewards system, work environment and employee empowerment on organization performance. The respondents were provided with structured questions and the findings is shown in table 4.11 below.

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Disagree</td>
<td>25</td>
<td>15.9</td>
<td>15.9</td>
<td>15.9</td>
</tr>
<tr>
<td>Disagree</td>
<td>37</td>
<td>23.6</td>
<td>23.6</td>
<td>39.5</td>
</tr>
<tr>
<td>Uncertain</td>
<td>25</td>
<td>15.9</td>
<td>15.9</td>
<td>55.4</td>
</tr>
<tr>
<td>Agree</td>
<td>38</td>
<td>24.2</td>
<td>24.2</td>
<td>79.6</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>32</td>
<td>20.4</td>
<td>20.4</td>
<td>100.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>157</strong></td>
<td><strong>100.0</strong></td>
<td><strong>100.0</strong></td>
<td></td>
</tr>
</tbody>
</table>

Although a cumulative 39.5% indicated that training and development, rewards system, work environment and employee empowerment has no significant effect on organization performance, a resounding cumulative 44.6% indicated a significant effect of training and development, rewards system, work environment and employee empowerment on organization performance. The findings in this study is relevant to the findings by Mullins (2017) who found out that organization performance is related to increase in profitability and customer service delivery (meeting satisfactorily or exceeding customers’ demand).

4.6 Descriptive Analysis

The researcher conducted a descriptive analysis to find out the statistical relationships between the independent variable and the dependent variable. The findings from the descriptive analysis were as follows;
4.6.1 Correlation Analysis
A correlation analysis using Pearson Correlation was done to get the significant level between the variables. An examination of the correlation analysis revealed that all the variables were significant at 0.01 (two tailed) as the collinearity between the variables were within the accepted limits. The assumption of multi-collinearity was deemed to have been met as depicted Creswell, (2016). Table 4.12 below shows the findings.

Table 4.12 Correlations Analysis

<table>
<thead>
<tr>
<th>Variables</th>
<th>X1</th>
<th>X2</th>
<th>X3</th>
<th>X4</th>
<th>X5</th>
</tr>
</thead>
<tbody>
<tr>
<td>X1 Pearson Correlation</td>
<td>1</td>
<td>0.800**</td>
<td>0.607*</td>
<td>0.512</td>
<td>0.548</td>
</tr>
<tr>
<td>X2 Pearson Correlation</td>
<td>0.800</td>
<td>1</td>
<td>0.715**</td>
<td>0.607**</td>
<td>0.470</td>
</tr>
<tr>
<td>X3 Pearson Correlation</td>
<td>0.607**</td>
<td>0.715</td>
<td>1</td>
<td>0.719</td>
<td>0.569</td>
</tr>
<tr>
<td>X4 Pearson Correlation</td>
<td>0.512</td>
<td>0.607*</td>
<td>0.719*</td>
<td>1</td>
<td>-0.641**</td>
</tr>
<tr>
<td>X5 Pearson Correlation</td>
<td>0.548</td>
<td>0.470*</td>
<td>0.569</td>
<td>0.641</td>
<td>1</td>
</tr>
</tbody>
</table>

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

Key: X1 – Training and development
X2 – Reward System
X3 – Work Environment
X4 – Employee Empowerment
X5 – Employee Performance

The correlation between the dependent variable (organization performance) on the independent variable (training and development and reward systems) exhibited a positive correlation while work environment exhibited a negative correlation (-0.641). From the correlation scale (-1≤X≤1), there was a strong relationship between the dependent variable (Organization performance) and the independent variables.

4.6.2 Correlation Coefficients
A correlation coefficient of the variables was also analyzed to using F-test to determine the intra-class residual confidence level of the variables. The findings was illustrated in table 4.13 below.

Table 4.13 Intra-class Correlation Coefficient

<table>
<thead>
<tr>
<th></th>
<th>Intra-class Correlation</th>
<th>95% Confidence Interval</th>
<th>F Test with True Value 0.5</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Lower Bound</td>
<td>Upper Bound</td>
</tr>
<tr>
<td>Single Measures</td>
<td>0.370*</td>
<td>0.318</td>
<td>0.430</td>
</tr>
<tr>
<td>Average Measures</td>
<td>0.946</td>
<td>0.933</td>
<td>0.958</td>
</tr>
</tbody>
</table>

Key:
a. The estimator is the same, whether the interaction effect is present or not.
b. Type C intra-class correlation coefficients using a consistency definition-the between-measure variance is excluded from the denominator variance.

The intra-class correlation between the selected variables indicated that with an estimator of 0.370, there is an average measure of 0.946 with the F- value of 0.600 (upper bond) indicating a significant change of 0.080. This implied a strong inter-class correlation between the selected variables.

4.6.3 Correlation Summary
The correlation matrix was done to show the analysis of the predictor variable on the dependent variable and the result is illustrated in the table below.
The results from the correlation model indicates that in every unit change of any predictor variable such as training and development, reward System, work Environment or employee Empowerment, there is a unit change in dependent variable (employee performance) at the selected hotels. The results therefore depicted a very strong impacts between the selected variable and employee performance.

4.6.4 Regression Analysis

The analysis of the variance was done using ANOVA (1-tailed) to test for the significance between the variables. The result was illustrated in table 4.14 below.

Table 4.15 ANOVA

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>60.362</td>
<td>6</td>
<td>10.060</td>
<td>6.809</td>
<td>0.002b</td>
</tr>
<tr>
<td>Residual</td>
<td>221.612</td>
<td>150</td>
<td>1.477</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>281.975</td>
<td>156</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Employee Performance

The analysis of the variance indicated that F-value is a positive (6.809) statistics with a significant change of 0.002%. This results implied that the selected variables on the effects of organization performance level is statistically significant.

4.6.5 Regression Coefficients

The test for factors predicting the independent variable was done using the regression coefficients as shown in table 4.15 below.

Table 4.16 Regression Coefficients

<table>
<thead>
<tr>
<th>Variables</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
<th>95.0% Confidence Interval for B</th>
<th>Collinearity Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
<td>Lower Bound</td>
<td>Upper Bound</td>
</tr>
<tr>
<td>Constant (Y)</td>
<td>1.199</td>
<td>0.312</td>
<td>3.849</td>
<td>0.020</td>
<td>0.584</td>
<td>1.815</td>
</tr>
<tr>
<td>X1</td>
<td>0.281</td>
<td>0.164</td>
<td>0.257</td>
<td>1.711</td>
<td>-0.043</td>
<td>0.013</td>
</tr>
<tr>
<td>X2</td>
<td>0.121</td>
<td>0.178</td>
<td>-0.112</td>
<td>0.678</td>
<td>-0.472</td>
<td>0.021</td>
</tr>
<tr>
<td>X3</td>
<td>0.025</td>
<td>0.118</td>
<td>0.023</td>
<td>0.209</td>
<td>-0.209</td>
<td>0.042</td>
</tr>
<tr>
<td>X4</td>
<td>0.189</td>
<td>0.112</td>
<td>0.188</td>
<td>1.687</td>
<td>-0.032</td>
<td>0.067</td>
</tr>
</tbody>
</table>

GSJ© 2019
www.globalscientificjournal.com
a. Dependent Variable: Employee Performance (Y)
Key
X1 – Training and development
X2 – Reward System
X3 – Work Environment
X4 – Employee Empowerment

Using multiple regression and stepwise model selection, it was observed that out of the four variables affecting employee performance, three were statistically significant at 95% confidence level. The problem of multicollinearity was taken cared by stepwise selection method to remove the outliers. The regression equation model was expressed by the equation;

\[
Y = 1.199 + 0.281X_1 + 0.121X_2 + 0.025X_3 + 0.189X_4
\]

5.0 SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

The chapter presents a summary of the discussions from the study results, conclusions and recommendations made from the findings of the study. The chapter further high lightens the recommendations of the study and the suggested areas for further research.

5.2 Summary

This section summarizes the study findings based on the hypothesized objectives.

5.2.1 Hypothesis 1
H_0: Employee training and development has no significant effect on performance at the five star hotels in Kenyan Coast.
H_1: Employee training and development has a significant effect on performance at the five star hotels in Kenyan Coast.

From table 4.15, the P value of the coefficients of training and development was found to be less than 0.05 at 95% confidence interval. This means that the Null Hypothesis was rejected and thus deduced that training and development affects the employee performance at the Five star hotels in the Kenya coast.

5.2.2 Hypothesis 2
H_0: The reward systems has no significant effect on employee performance at the five star hotels in Kenyan Coast.
H_1: The reward systems has significant effect on employee performance at the five star hotels in Kenyan Coast.

The observations made from table 4.15 showed that the coefficient of the P value for reward system was less than 0.05 at 95% interval confidence level. The hypothesized Null hypothesis was rejected and conclusion made that rewards system provided to the employees affects the employee performance at the Five star hotels at the Kenya coast.

5.2.3 Hypothesis 3
H_0: Work environment has no significant effect on employee performance at the five star hotels in Kenyan Coast.
H_1: Work environment has a significant effect on employee performance at the five star hotels in Kenyan Coast.

Further reference was made on table 4.15 indicating that the P value for work environment was less than 0.05 at 95% confidence interval level. This implied the rejection of Null hypothesis and concluding that work environment affects the employee performance at Five star hotels at the Kenya coast.

5.2.4 Hypothesis 4
H_0: Employee empowerment has no significant effect on performance at the five star hotels in Kenyan Coast.
H1: Employee empowerment has a significant effect on performance at the five star hotels in Kenyan Coast.

The last hypothesis was based on employee empowerment. The observations made on table 4.15 indicated that the P value for employee empowerment was 0.067; more than 0.05 at 95% confidence level. Based on rejection and acceptance rule of the P value, the Null hypothesis was accepted and conclusions made that Employee empowerment has no significant effect on employee performance at the five star hotels in Kenyan Coast.

5.3 Conclusions

The study was conducted to examine the effects of employee retention on employee performance at the Five star hotels in the Kenyan coast. The study sampled 168 respondents from the selected hotels upon which 157 responses were valid. The specific objectives used were employee training and development, rewards systems, work environment and employee empowerment on employee performance at the Five star hotels in the Kenyan coast. The research study was done during June to July 2019 at the selected Five star hotels in the Kenyan coast. An elaborate descriptive research design was used for the study and structured questionnaires were used to collect data. All the postulated demographic parameters were all found to be valid.

The first objective was to establish the effect of employee training and development on employee performance at the five star hotels in Kenyan Coast. The findings revealed that a cumulative 47.2 indicated that employee training and development affects the performance of Five star hotels in the Kenyan coast. Thus the hotels should invests in training and developing their employee so as go get excellent achievements in their level of operations.

The second objective was to determine effect of employee reward system on employee performance at the five star hotels in Kenyan Coast. The results showed that however 26.1% agree and 19.7% strongly agree, a cumulative 39.5% was opposed to the hypothesize effect as 14.6% were uncertain on the effect of employee work environment on organization performance. In reference to findings by Buhter, (2016) who found out that the right environmental factors, both physical and psychosocial will lead to increase performance. Further, Miles (2016) expanded the study of work environment to include comfortable tables and chairs to have significant effect on employee performance. The findings of the study therefore enlightens on the hotels management to focus much on the rewards they offer to their employees.

The third objective was to establish the effect of employee work environment on employee performance at the five star hotels in Kenyan Coast. The results showed that however 26.1% agree and 19.7% strongly agree, a cumulative 39.5% was opposed to the hypothesize effect as 14.6% were uncertain on the effect of employee work environment on organization performance. This depicted that work environment is an important consideration to the managers in the Five star hotels for better hotel performance.

The last objective was to examine the effect of employee empowerment on employee performance at the five star hotels in Kenyan Coast. The findings revealed that 28% disagree while 21.7% strongly disagree that employee empowerment has a significant effect on employee performance. On the other hand, 19.1% agree while 15.9% strongly agree on effect of employee empowerment on organization performance. This implies that a cumulative 49.7% was to the opinion that employee empowerment has no significant effect on employee performance. A further analysis from the P value indicated a 0.067 (more than 0.05 at the 95% confidence level) depicting that employee empowerment to decision making does not significantly affect the Five star hotel performance at the Kenya coast.

From the above findings, it was concluded that training and development, reward system and work environment significantly and positively affects hotel performance ta the Kenya coast. Only one variable (employee empowerment) was found to be insignificant on the hotel performance. Further conclusion was that the Five star hotels used reward systems as a key retention strategy for better hotel performance at the Kenyan coast.

5.4 Recommendations

Among the hypothesized objectives on hotel performance in this study, reward system was found to have a higher significant effect on hotel performance. The study recommended the adoption of training and development, rewards system and work environment to be the drivers of employee performance at the five star hotels in the Kenyan coast. It is further recommended that hotel management should identify the significant of each indicator on the hotel performance in their respective hotels. The implications are that mangers need to adopted the stated drivers of performance in their hotels and specifically select the ones that are suited to their individual circumstances. Due to the changing business environment in Kenya coupled with the economic and terrorism threats managers ought to consider their relationships with customers as a key driver in the performance of their hotels. The results of this
research should be of interest to managers of hotels that implement strategic management drivers and to management consultants. Managers should strive to enhance their strategic management drivers as this not only improves their hotels’ ability to create superior customer value but also generally enhances hotel performance. The study found out that strategic management drivers significantly enhanced both the qualitative and quantitative aspects of hotel performance.

5.5 Further Research

However there is an increased use of various strategies on organization performance, there is still limited research in the performance in the hospitality industry, especially when the industry has been negatively affected by terrorism world over. Even though this study found out that the selected variables of employee retention affects the five star hotel performance, the study has not indicated on how such objectives can be put in practice in the five star hotels. Moreover, the study did not consider the hotels in different ratings like one star, three star or four star however they are also found in the Kenyan coast.

It is on the above factors that this study recommends further research on finding out whether the same variables can yield a similar research on the four star hotel ratings at the Kenyan coast. Secondly, a further study could also check if the similar variables can give the same findings in the service industries such as colleges or universities in the Kenya coast.

REFERENCES


Development HR White Papers.


