EFFECT OF WORK ENVIRONMENT ON EMPLOYEE LOYALTY: A CASE OF SAFARICOM HEADQUARTERS

BY

EVELYNE WAMBUI KIBE

UNITED STATES INTERNATIONAL UNIVERSITY - AFRICA

SUMMER 2019
EFFECT OF WORK ENVIRONMENT ON EMPLOYEE LOYALTY: A CASE OF SAFARICOM HEADQUARTERS

BY

EVELYNE WAMBUI KIBE

A Research Project Submitted to Chandaria School of Business in Partial Fulfilment for the Award of Master of Science in Organizational Development Degree (MOD)

UNITED STATES INTERNATIONAL UNIVERSITY-AFRICA

SUMMER 2019
STUDENT’S DECLARATION

I, the undersigned, declare that this is my original work and have not been submitted to any other, college institution or university of higher education other than United States International University in Nairobi for academic credit.

Signed: _______________  Date: _______________

EVELYNE WAMBUI KIBE

ID NO: 655988

This project has been presented for examination with my approval as the appointed Supervisor.

Signed: _______________  Date: _______________

Prof. Stephen M. Nyambegera

Signed: _______________  Date: _______________

Dean Chadaria School of Business
COPYRIGHT

© Copyright by Evelyne Wambui Kibe, 2019

All rights reserved. This is the original work of Evelyne Wambui Kibe. No part of this work may be reproduced or transmitted in any form or by any means, graphic, electronic or mechanical, including photocopying, recording or taping, web distribution or information storage without prior written permission of the author.
ABSTRACT
To increase in the production of any organization, overall job satisfaction, quality of work life, work environment and organizational commitment plays an important role. These are all closely related to each other and very important for an organization production and growth. This study aimed to discuss in more detail the research objectives on the relationship between work environment and employee loyalty at Safaricom Plc. The specific objectives of the study were the effect of flexible work environment, physical work environment and social work environment on employees’ loyalty.

This study adopted a descriptive survey design to target a total population of 2000 employees working at Safaricom Plc. Random sampling technique was adopted in the study. Primary data was collected using structured questionnaire, and analyzed for frequencies, percentages, correlations and regression using the statistical package for social sciences (SPSS). Data was presented by use of distribution tables, bar charts, pie charts.

To determine the relationship of flexible work environment measurement on employee loyalty, regression model was done between work environments measurements as a predictor variable against the employee loyalty achieved in the industry. The $R^2$ of the model was .262. This means that 26.2 percent of the variations in the employee loyalty achieved is as a result of flexible work environment measurement of the industry. The 73.8 percent difference is due to factors not predicted in this model symbolized by the error term. Given this strong model, the study tested whether there is a strong empirical ground to conclude that flexible work environment significantly enhances employee loyalty.

The coefficient of determination for the relationship between physical work environment and employee loyalty was 0.73 and this means that 73 percent of employee loyalty in industry was explained by physical work environment. The remaining 26.7 percent was explained by other factors not considered in the model. The beta coefficient of physical work environment was positive meaning that a unit change in the application of physical work environment causes a positive change in the achievement of Employee loyalty.

Finally, the $R^2$ from this test is 0.085 meaning that 8.3 percent of the variation in employees’ loyalty of the results from social work environment. The remaining percent is due to other factors not tested in this model. The study concluded that there is a
significant relationship between social work environment and employees’ loyalty in the industry. The study used linear regression model to test the relationship between social work environment and employees’ loyalty in the industry.

The study concluded that reduced hours’ schedule plays a vital role in decreasing stress and work family conflict both of which have a huge impact on the performance of employees. The adoption of reduced hours’ schedules in most organizations reduces stress and ultimately it results in better performance from the employees. Organizations that adopt this schedule achieve a very good reputation and more people are attracted towards them. This in turn has a positive effect on the organizational commitment, retention as well as job satisfaction. Reduced hours’ schedule plays a vital role in decreasing stress and work family conflict both of which have a huge impact on the performance of employees. The adoption of reduced hours’ schedules in most organizations reduces stress and ultimately it results in better performance from the employees. Organizations that adopt this schedule achieve a very good reputation and more people are attracted towards them. This in turn has a positive effect on the organizational commitment, retention as well as job satisfaction

Based on empirical research results in the form of social work environment on employee loyalty, the study recommends that employee loyalty is positively influenced by the social work environment. Social work environment and good communication in the workplace have an effect on worker welfare, health, morals, efficiency and loyalty.
ACKNOWLEDGEMENT

I would like to thank my heavenly father God for giving me wisdom to complete my proposal and for strength that kept me going even when it seemed so challenging.

A special thank you goes out to my spouse Mr. Samson Menza Juma for always encouraging me & his overwhelming support, which cannot be explained in words. To my son Kelly Munene thank you for your support and for understanding that I needed to spend more time studying. May God bless you abundantly.
DEDICATION

I would like to dedicate this project proposal to Parents who trained and taught me the value of commitment and hard work that has been instrumental in my master’s studies.
TABLE OF CONTENTS

STUDENT’S DECLARATION...........................................................................................................ii
COPYRIGHT..................................................................................................................................v
ABSTRACT.....................................................................................................................................vi
ACKNOWLEDGEMENT................................................................................................................viii
DEDICATION..............................................................................................................................ix
TABLE OF CONTENTS ..............................................................................................................x
LIST OF TABLES .....................................................................................................................xii
LIST OF FIGURES ....................................................................................................................xiii
LIST OF ABBREVIATION AND ACRONYMS ...........................................................................xiv

CHAPTER ONE ..........................................................................................................................1
1.0 INTRODUCTION..................................................................................................................1
1.1 Background of the Study .........................................................................................................1
1.2 Statement of the Problem .......................................................................................................5
1.3 Purpose of the Study ..............................................................................................................7
1.4 Research Questions ..............................................................................................................7
1.5 Significance of the Study .......................................................................................................7
1.6 Scope of Study .....................................................................................................................8
1.7 Definition of Terms ..............................................................................................................8
1.8 Limitation of the Study .........................................................................................................9
1.9 Chapter Summary ..............................................................................................................9

CHAPTER TWO ..........................................................................................................................10
2.0 LITERATURE REVIEW .........................................................................................................10
2.1 Introduction ........................................................................................................................10
2.2 Effect of Flexible Work Environment on Employees’ Loyalty ..............................................10
2.3 Effect of Physical Work Environment on Employees’ Loyalty ............................................14
2.4 Effect of Social Work Environment on Employees’ Loyalty ...............................................20
2.5 Chapter Summary ..............................................................................................................27
LIST OF TABLES

Table 4. 1: Gender of Respondents ................................................................. 33
Table 4. 2: Age of Respondents ................................................................. 33
Table 4. 3: Marital Status ........................................................................ 34
Table 4. 4: Highest Level of Education .................................................. 34
Table 4. 5: Years working for Safaricom .................................................. 35
Table 4. 6: Employment Terms ................................................................. 35
Table 4. 7: Descriptive Statistics for Flexible Work Environment ............. 37
Table 4. 8: Model Summary of Flexible Work Environment Measurement on employee loyalty ................................................................. 38
Table 4. 9: ANOVA of Work Environment on Employees’ Loyalty ............ 38
Table 4.10: Coefficients Variation of Influence of Flexible Work Environment Measurement on Employees’ Loyalty ................................................................. 39
Table 4. 11: Physical Work Environment towards Employee Loyalty .......... 41
Table 4. 12: Model Summary of Physical Work Environment towards Employee Loyalty .................................................................................................. 41
Table 4. 13: ANOVA of Physical Work Environment towards Employee Loyalty... 42
LIST OF FIGURES

Figure 4.1: Response Rate ........................................................................................................32
**LIST OF ABBREVIATION AND ACRONYMS**

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACC</td>
<td>American Control Conference</td>
</tr>
<tr>
<td>BC</td>
<td>Business Continuity</td>
</tr>
<tr>
<td>HMO</td>
<td>Health Maintenance Organizations</td>
</tr>
<tr>
<td>LTD</td>
<td>Long-Term Disability</td>
</tr>
<tr>
<td>PLC</td>
<td>Public Company Limited</td>
</tr>
<tr>
<td>SPSS</td>
<td>Statistical Package for Social Sciences</td>
</tr>
<tr>
<td>STD</td>
<td>Short-Term Disability</td>
</tr>
</tbody>
</table>
CHAPTER ONE

1.0 INTRODUCTION

1.1 Background of the Study

The management of people at work is an integral part of the management process. To understand the critical importance of people in the organization is to recognize that the human element and the organization are synonymous. A well-managed organization usually sees an average worker as the root source of quality and productivity gains. Such organizations do not look to capital investment, but to employees as the fundamental source of improvement. An organization is effective to the degree to which it achieves its goals. An effective organization will make sure that there is a spirit of cooperation and sense of commitment and satisfaction within the sphere of its influence. Companies in different industries have always strived for success, however earlier it was defined mostly it in the amount of profit they received from business activities. Nowadays, the concept of long-term success has a far broader meaning, including the idea of sustainable development as a part of goals of the company (Andrews & Siengthai, 2009). It means that companies no longer concentrate only on profit and other material motives. These days, in order to stay competitive in the market, the focus should be established on other areas of the company as well. These areas include environment-friendly entrepreneurship, corporate social responsibility, customers’ satisfaction, expedient supply chain management including development of logistics, information flows, information technologies, and efficient Human Resource Management (Dicken-Garcia, 2003). It does not mean that entrepreneurs should underestimate the importance of gaining profit; numbers still play a great role in companies’ business; however, quality of operations has become more important than it was before.

One of the reasons for the above is the fact that the market is getting more and more complex due to changes in the business environment where employees’ effectiveness becomes one of the most important prerequisites for success. As a result of these changes more pressure is put on human resource management, since it is more crucial than before to develop the right knowledge and skills of companies’ employees. These are employees who are engaged in the profit gaining activities of business. They have certain influence on customers’ satisfaction; produce sales goods with certain levels of productivity. As a result of a great number of activities, they lead the company towards its success or failure.
Cascio (2003), states that human capital is becoming crucial for business success. “There exists a substantial number of research evidence showing a strong connection between how firms manage their people and economic results they achieve” Cascio (2003). Thus, Human Resource Management is receiving enormous popularity these days, and as companies start to take more care of their employees, they have realized employee’s value to a much greater extent than before, perceiving them not only as workers but as valuable resources. Human Resource Management try to develop and allocate them in the best possible ways in order to achieve long-term goals; they provide them with many benefits and good environments that would boost employee’s quality of life and commitment.

The world of human resource management has never been as complex and challenging as nowadays Cheatle (2001). Cascio (2003) states that the Human Resource Management related functions include planning, staffing, training, retention, development and adjustment. However, they should be seen not only as trivial work, but as activities “adding value” to the organization’s bottom line, generating its profitability and effectiveness Cheatle (2001). In order to increase work effectiveness and performance, it is important to address a number of issues, including providing good work environment for the employees, making them feel satisfied with their job, and increase their wellbeing, quality of work life and commitment.

Aside from the job scope itself, one factor that significantly influences how employees feel about work is the environment. By work environment, I mean everything that forms part of employees’ involvement with the work itself, such as the relationship with co-workers and supervisors, organizational culture, room for personal development. A work environment is any location in which people perform work for money. Employees look for enabling work environment to ensure best contribution towards achievement of goals (Morison & Morison, 2007).

Work environment is often described as good or bad. A good environment is a place where the workers feel at ease and appreciated. Workers in these sorts of environments are often more productive and happier. A bad work environment is a location where the worker feels under-appreciated, threatened or unsettled. Due to the nature of these environments, there is often a high worker turnover rate, and the workers typically fail to live up to their potential. A positive work environment makes employees feel good about
coming to work, and this provides the motivation to sustain them throughout the day. A healthy work environment not only benefits employees through improved health and wellness but also benefits customers, shareholders and communities (Pills, 2016). Happy employees create happy customers which produce business results.

Zschocke (2015) states “one of the keys to promoting learning organizations is to organize work in such a way that it is promotes human development. In other words, it is about building workplace environments in which people are motivated to think for themselves so that through their everyday work experiences, they develop new competences and gain new understanding and insights. Thus, people are learning from their work they are learning as they work.” If one is looking for a new job, then assessing the work environment is a crucial step you shouldn’t skip. After all, this is the place you might be working at in future and you wouldn’t want to be dragging yourself to work every single morning.

The term working conditions or work environment is used to describe the surrounding conditions in which an employee operates. The work environment can be composed of physical conditions, such as office temperature, or equipment, such as personal computers. It can also be related to factors such as work processes or procedures (Dubey, 2016). Work environment and employee retention strategies address three fundamental aspects of the workplace: the ethics and values foundation upon which the organization rests; the policies that interpret those values and translate them into day-to-day actions, and the physical environment in which people work (Johnson, 2014). The overall goal is to make your company a place where people want to come to work. (Dubey, 2016) analyzed that work environment has commonly been discussed from an industrial perspective, with a focus on physical aspects such as, heavy lifts, noise, exposure to toxic substances. The interesting part is; characteristics of work environment vary in services sector as compared to production sector because it has to interact with the clients or consumers. Depending on the kind of business and the kind of job, interactions will be frequent and more or less intense.

The interaction between employees and consumer or client demands a move of focus from the physical to the psycho social dimension of work environment (Johnson., 2014). Psycho social work environment includes support, work load, demands, decision latitude and stressor. Work environment can give some depressing messages about how much
the organization values employees and the standards it expects from them (Dubey, 2016). An independent study conducted by the Society for Human Resource Management, demonstrated that physical work environment contributes a major factor affecting the decision of employee’s whether to stay or leave the job (Sutherland, 2004). Access to friendly and natural environment helps to reduce job stress, depression and apprehension which are beneficial for health environment as well (Griffeth, Steel, Allen, & Bryan, 2005). The workplace environment comprises of various factors that are imperative determinants of employee performance (Thomas & Tight, 2011). These factors may positively or negatively contribute to achieving maximum employee performance. Employees will always be contended when they feel that their immediate environment states are in tandem with their obligations (McShane, Olekalns, Newman, & Martin, 2018). Haslberger, Brewster, and Hippler (2014) asserts that the type of workplace environment in which employees operate determines whether or not organizations will prosper.

The workplace environment consists of physical factors which include the office layout and design among other factors; while the psychosocial factors include working conditions, role congruity and social support. Other aspects of the workplace environment are the policies which include employment conditions. A better physical workplace environment boosts employees’ performance. Employees in many organizations are encountered with working problems related to workplace environmental and physical factors. It has been argued by Sharma, Singh, and Pathak, (2018) that employee disengagement is increasing, and it has become important to make workplaces that positively influence workforce. Employees’ comfort on the job, determined by workplace conditions and environment has been recognized as an important factor for measuring their productivity (Bucheli, 2014). In today’s dynamic and competitive business world, a healthy workplace environment makes good business sense. Managers should not just focus on the employees’ pay packet with the assumption that it is proportionate to performance (Heath, Toth, & Waymer, 2009). Organizations deemed as a positive place to work will have a competitive edge over the others.

Safaricom Public Limited Company is a leading telecommunication company in Kenya, Nairobi that started its operations as a public company in 2002. Some of the telecommunication solutions that Safaricom provides includes but not limited to
broadband high-speed data, voice services, M-pesa, M-shwari, Mobile banking, mobile and fixed Internet services, among others. Safaricom acknowledges that it does not operate in void hence it has come up with ways of giving back to the community around it in various ways such as health provision, getting involved in education, sports, culture, and environment related projects. Safaricom aims to operate as guided by their core values namely been passionate about its people meaning striking a balance between work and life for its employees, customers, in the case of launching products and services that are in line with customer needs and expectations, point in case launch of a cashless mobile banking M-pesa and the world around them by getting involved with the community based projects to enhance those communities for instance Lewa Conservation among others and finally promotes an enabling environment that ensures employees create and maintain sustainable winning teams (Nzuve & Ogot, 2012). Safaricom employees are 6,130 in total stationed in Nairobi and other cities like Mombasa, Kisumu, Nakuru and Eldoret in which it operates retail outlets, which a nationwide dealership. Safaricom divisions include, consumer business unit, enterprise business unit, financial services, customer care, technology, human resources, corporate affairs, marketing, risk analysis, internal audit and strategy and innovation

1.2 Statement of the Problem

The working environment and working conditions of worker is equally important to that of capital and organization to promote sustainable development. Historically, work has occupied an important place in the life of human beings. How people have thought and felt about the working experience has also been an age-old concern for both workers and managers. A positive work environment is not only important for our physical, mental and emotional health, but is also important for the results that we produce for the company. The better we feel at work, the more likely we will take pride in our job activities and be loyal towards our place of employment. In today’s global economy Employee commitment to the organization is a crucial issue in today's market no organization in today’s competitive world can perform at peak levels unless each employee is committed to the organization's objectives and works effectively. Quality of work life has come to the fore in contemporary debates largely because in affluent societies the excessive demands of work are perceived to present a distinctive issue that needs to be addressed. In today’s workplace, employees face more ambiguity in their daily activities and decreased job security, (Bergmann, Lester, De Meuse, and Grahn,
With no assurance of continued employment, workers have now raised their expectations in other areas.

Safaricom, has been named as the best employer in Africa and 67th in the world by Forbes business magazine that ranked 500 publicly-traded companies from 60 countries. The ranking was based on analysis of more than 430,000 global recommendations in which employees were asked to rate their own employer and the likelihood they would recommend the company to a friend or family member. Despite being at position sixty-seven in a list that was dominated by 185 firms from US means that many of the potential and current employees like the working environment at Safaricom. Safaricom has 6,130 staff members averaging 27 years as at end of March 2018 (Daily nation march, 2018).

Safaricom Public Limited Company is a leading telecommunication company in Kenya, Nairobi that started its operations as a public company in 2002. Some of the telecommunication solutions that Safaricom provides includes but not limited to broadband high-speed data, voice services, M-pesa, M-shwari, Mobile banking, mobile and fixed Internet services, among others. Safaricom acknowledges that it does not operate in void hence it has come up with ways of giving back to the community around it in various ways such as health provision, getting involved in education, sports, culture, and environment related projects. Safaricom aims to operate as guided by their core values namely been passionate about its people meaning striking a balance between work and life for its employees, customers, in the case of launching products and services that are in line with customer needs and expectations, point in case launch of a cashless mobile banking M-pesa and the world around them by getting involved with the community based projects to enhance those communities for instance Lewa Conservation among others and finally promotes an enabling environment that ensures employees create and maintain sustainable winning teams (Nzuve, 2012). Safaricom employees are 6,130 in total stationed in Nairobi and other cities like Mombasa, Kisumu, Nakuru and Eldoret in which it operates retail outlets, which a nationwide dealerships. Safaricom departments includes; consumer business unit, enterprise business unit, financial services, customer care, technology, human resources, corporate affairs, marketing, risk analysis, internal audit and strategy and innovation

Dehnavi (2015) studied the relationship of work life with organizational loyalty and its dimensions in the staffs of Isfahan body training organization. The results showed that
there is a significant relationship between Work Life and organizational loyalty; however, there is not a significant relationship between dimensions of life quality, fair and enough payment with affective loyalty and normative loyalty. Askari (2003) studied the relationship between organization loyalty and mental health and their comparison in high school managers of governmental and non-governmental schools of Isfahan. The results showed that there a relation between organization loyalty and mental health of managers of high schools. Ashrafi (1995) clarified the effective factors on organizational commitment of managers and staffs of East Alborz Coal Co. The results showed that there is a direct linear relation between job commitment of managers and staffs. There seems to be a relationship between work environment and commitment, however from the various past studies scholars have not shown any significant relationship between work environment, and loyalty, this research therefore seeks to answer the question: Is there a relationship between work environment and employee loyalty with a case study of Safaricom limited.

1.3 Purpose of the Study
The purposes of the study were to determine the effect of work environment on employee loyalty: in Safaricom Public Limited Company.

1.4 Research Questions
1.4.1. To examine effect of flexible work environment on employees’ loyalty at Safaricom Public Limited Company.

1.4.2. To determine whether physical work environment has influence on employees’ loyalty at Safaricom Public Limited Company.

1.4.3 To determine the effect of social work environment on employees’ loyalty at Safaricom Public Limited Company.

1.5 Significance of the Study
1.5.1 Human Resource Specialists
This study informs human resource specialists the importance of creating an enabling environment to the employees. It shed some light to various organizations on the importance of having committed employees with great work environment. Such information would therefore be useful in ensuring there is smooth transition and that
employees’ work environment is enhanced thus increasing quality of work life and job commitment.

1.5.2 Academicians and Researchers
The study adds to existing literature on work environment, factors that are likely to cause lack of employee loyalty at work and measures that can be taken to ensure employee quality of work life. This study was useful to other researchers in carrying out other related researches; it would give them insights on what has been left out to be able to fill the gaps left.

1.6 Scope of Study
The study was carried out in Kenya, which is an economy where not a lot of research on working environment has been carried out. The organization where the case study was carried out is Safaricom. The population of the study comprises a total of 2000 employees. The sample of the study comprises a total of 200 respondents from Safaricom head office. The researcher took two weeks to collect data.

1.7 Definition of Terms
1.7.1 Work environment
The term work environment is used to describe the surrounding conditions in which an employee operates. The work environment can be composed of physical conditions, such as office temperature, or equipment, such as personal computers. It can also be related to factors such as work processes or procedures (Robbins, 2010).

1.7.2 Employee loyalty
Employee loyalty can be defined as employees who are devoted to the success of their organization and believe that being an employee of this organization is in their best interest, (Harrison, 2005).

1.7.3 Flexible Work Environment
Flexible work environment is concerned with an employee and an employer making changes to when, where and how a person will work to better meet individual and business needs. Flexibility enables both individual and business needs to be met through
making changes to the time (when), location (where) and manner (how) in which an employee works, (Kanthak & Krause, 2012).

1.7.4 Physical Work Environment

The physical work environment includes components of the tangible workplace environment that comprise employee’s working conditions such as clean indoor air, safe drinking water, ergonomic workstation designs, violence and aggression-free work environment, available technologies, disability management practices, workplace policies and procedures, design and construction of the workplace, (Coetzee, 2013).

1.7.5 Social Work Environment

Social work environment refers to the resources the organization sets aside to better the lives of people whether at the individual, family, group or societal level. This may include helping families gain access to government assistance, to the counseling of those who are near death and their loved ones, (Huse, 2008).

1.8 Limitation of the Study

Within the given time frame of four months, the researcher carries out a research on the effect of work environment on employee loyalty: a case of Safaricom Public Limited Company. The study experienced a challenge of collecting data from respondents because of the sample size. Another challenge experienced was be that some of the respondents was able to understand the questionnaire. To overcome the challenges, the researcher will hire and trained qualified research assistants who was be able to make respondents understand the questionnaire and collect data from the large sample size.

1.9 Chapter Summary

This chapter provided a background of study that introduced the research problem between organizational culture and performance; defined the problem to be studied in this research work, clearly defined the scope while at the same time providing an account of who the study benefits are expected to the beneficiaries.
CHAPTER TWO

2.0 LITERATURE REVIEW

2.1 Introduction

The study aimed to discuss in more detail the research objectives identified in chapter one to determine the relationship between work environment and employee loyalty at Safaricom limited. This chapter talks about how the effect of Flexible Work Environment and employees’ loyalty, how physical work environment has influence on employees’ loyalty and the effect of Social work environment on employees’ loyalty. The chapter will conclude with chapter summary.

2.2 Effect of Flexible Work Environment on Employees’ Loyalty

A flexible work environment strategy is defined as the methods in which employees are able to conduct their work away from the traditional weekly work schedule or outside the normal work environment (Denisi & Griffin, 2008). Flexibility is defined as the organizations ability to adapt the composition, responsiveness, size and costs of people inputs that are required in order to be able to achieve organizational objectives (Pilbeama & Corbridge, 2006).

A flexible work environment is one which enables an employee and an employer to make changes to when, where and how one will work to meet the organizational and personal needs in a better way. Flexibility enables employees to be able to control when, where and how much time they spend working. Therefore, the use of flexible work environment strategies has a positive impact on the work life balance as well as the overall satisfaction of the employee. Benefits such as better employees’ loyalty, increased organizational commitment, low employee turnover and absenteeism are all as a result of having good flexible working environment strategies (Shagvaliyeva & Yazdanifard, 2014). According to Dessler (2012), there are various types of flexible work environment strategies which include reduced hours’ schedule, job sharing and compressed work weeks.

2.2.1 Reduced Hours Schedule

Reduced hours’ schedule is defined as a work schedule that encompasses fewer hours than the standard full-time schedule, typically with pro-rated salary, benefits and career advancement. Reduced hours’ schedule is important because it facilitates in the retention of key employees in the organization. It is also important because it provides employees
flexibility to alter their schedules in response to both work and home demands (Beutell, 2010). According to (Hartwell, Barnett, & Borgatti, 2004), the average length of a work week has increased for many professionals and this is because many of them prefer to work fewer hours. There has been an increased interest in working reduced hours which has also been fueled by the growing numbers of professionals who believe work life balance will be made easier through the flexibility provided by reduced working hours. Beutell, (2010) mentions that work schedules are quite demanding because each type of schedule requires a type of time commitment that is different and this results in psychological and physical depletion of the employee.

Reduced hours’ schedule plays a vital role in decreasing stress and work family conflict both of which have a huge impact on the performance of employees. The adoption of reduced hours’ schedules in most organizations reduces stress and ultimately it results in better performance from the employees. Organizations that adopt this schedule achieve a very good reputation and more people are attracted towards them. This in turn has a positive effect on the organizational commitment, retention as well as job satisfaction (Khan, Khan, Ahmed, & Nongjai, 2013).

2.2.2 Job Sharing

This is a concept that allows sharing of a single full-time job by two or more people (Dessler, 2012). Job sharing also refers to a system where employees divide one full time job (Drafke & Kossen, 2002). It is also a new concept whereby there are two or more part time employees who perform a job that would normally be done by one full time person. Job sharing can be in the form of split duties, equally shared responsibilities or even a combination of both. From an organization’s perspective, job sharing aids in the effective retention of key and valuable employees (Byars, 2010). Three approaches are involved as a result of participating in job sharing and they include: shared responsibility, divided responsibility and unrelated responsibility.

Most organizations have found that employees who job share are very appreciative of the opportunity offered to them and therefore as a result they are able to work harder. Job sharing often results in more participation, improved performance appraisals and volunteerism from employees. In today’s workforce, most people suffer from work overload and as a result there is burnout and therefore job sharing comes in as a solution to enable employees juggle their family and work life (Crampton, Douglas, Hodge &
Mishra, 2003). There are various benefits related to job sharing and they include: reduced absences, business continuity, and retention of valued employees, increased productivity, smoother long-term operation and recruiting enticements.

Reduced absences mean the state of being away or not being present, or a period of being away from a particular place or job. It can also mean failure to attend or appear when expected at the work place (Byars & Rue, 2008). Workers who are in families that earn two incomes are increasingly taking time away from work to attend to personal matters ranging from childcare to medical appointments. Iowa-based window and door manufacturer Pella Corp are examples of companies that have noticed reduced absenteeism among employees who job share. The job-sharing program at Pella corp reduced absenteeism among employees based in the production lines (mostly women who are with young children) from around 6% to about 1% and the company got rid of the need to overstaff their assembly lines in order to maintain the rates of production (Drafke & Kossen, 2002). Business Continuity (BC) is defined as the capability of the organization to continue delivery of products or services at acceptable predefined levels following a disruptive incident (Dessler, 2012). If a job for example requires one to put in more than 40 hours a week, two employees who wish to reduce their working hours can join forces to fill it. Job sharing also eliminates bottlenecks that are caused by vacations and other absences since the sharers usually end up covering for each other (Crampton, 2003).

The retention of valued employees is a key aspect of job sharing because it keeps workers seeking reduced hours such as parents who are on full time employment from contemplating to quit the company in order to get time off. In addition, it can also greatly reduce the turnover of employees which is especially important in key positions and is also expensive (Dessler, 2012). Increased productivity also arises as a benefit of job sharing since the people who job sharer have more time to attend to their personal matters and are therefore more focused at work. A shared job can also provide employees with the opportunity to divide tasks according to their individual interests or skills considering their strengths while also ensuring to avoid their weaknesses (Byars & Rue, 2007).

Smother long-term operation is also enhanced in the organization in that when employees are paired in very specific combinations, it eases the impact of training new
people by having one person who is experienced in that position at all times, or alternatively cross train the employees in various different functions. In addition, one can soften the blow of an experienced person’s retirement by either reducing hours while a job-sharing partner gets up to speed (Crampton 2003). Recruiting enticements is also another important benefit because when one offers job sharing options, it gives one competitive edge over their competitors in attracting quality, loyal workers who are seeking reduced schedules. In cases where candidates are not even interested in job sharing, they perceive companies that have job sharing programs as places that are good to work (Byars & Rue, 2007).

2.2.3 Compressed Work Weeks

According to Denisi and Griffin (2008), a compressed work week is defined as an arrangement whereby an employee works for the required number of hours but can do so in less than five days. Under the compressed work week, there is an increase in the number of hours worked per day and a decrease in the number of days in the work week. Compressed work weeks offers some advantages which include: commuting to work can be significantly reduced, operating hours can be extended, and savings on capital and space and also the quality of employee’s lives also improves (Hung, 1995). Using the circadian rhythm approach, Pierce (1989) suggested that there are only a few hours a day where employees enjoy their peak period and perform at optimal levels. Thus, having employees work longer hours (as is required in a compressed workweek work schedule) should increase the amount of time they are working at suboptimal levels. Within the framework of the work adjustment model, this decrease in employees’ loyalty is linked to lower congruence between the employee’s abilities and the ability requirements of the job.

The advent of a compressed workweek schedule should lead to more discretionary time, which in turn should lead to increased organizational attendance. Employees enjoying 3-day weekends should be better able to balance work and non-work demands. Being able to more easily respond to work-non-work conflicts should reduce stress and as stated earlier, decreased employee stress has been linked to decreased absenteeism (Parker & Kulik, 1995). Furthermore, prior research strongly suggests that employee absenteeism may decrease following the implementation of a compressed workweek study (Pierce 1989).
According to Ronen (2009), compressed workweek schedules can affect job attitudes by enhancing or facilitating production. Specifically, it increases in responsibility, autonomy and job knowledge resulting from implementing the schedule may be associated with more positive attitudes toward the job itself. According to Denisi and Griffin (2008) compressed work weeks improves employee’s performance since it leads to a reduction in tardiness and absenteeism from employees since they will have the ability to commute outside of the rush hour and increase their flexibility in scheduling appointments and running errands. It also ensures that employees covering for co-workers on different schedules have an opportunity to learn new skills. This cross training benefits the employee, the unit and the organization and provides potential coverage for peak periods, vacations and sick leaves. Parker and Kulik (1995) also note that this improves employees’ loyalty since employees are able to work during the part of their day when they are most effective. Giving employees a choice about when they work can mean getting more work done in the same number of hours.

2.3 Effect of Physical Work Environment on Employees’ Loyalty

Physical working environment can result a person to fit or misfit to the environment of the workplace. A physical work environment can also be known as an ergonomic workplace. Researches on the workplace environment need to be done in order to get an ergonomic workplace for every each of the employees. By having this ergonomic physical workplace at their workplace, it will help employees from not getting the nerve injury (Cooper & Dewe, 2004). Furthermore, Moran (2010) stated that the elements of working environment need to be proper so that the employees would not be stressed while getting their job done. In their article, they also stated that the physical element plays an important role in developing the network and relationship at workplace. Result of the employees’ performance can be increased from five to ten percent depending on the improvement of the physical workplace design at their workplace (Langholm, 1992). Further, Amir (2010) mentions elements that related to the working environment. There are two main elements which are the office layout plan and also the office comfort. Amir (2010) also stated that a physical workplace is an area in an organization that is being arranged so that the goal of the organization could be achieved.

Various studies have highlighted that there is a relationship between the physical work environment and the employees’ loyalty. Bennell and Messier (2010) pointed out that the work environment fulfills some characteristics that enhance the employees’ loyalty.
The study pointed out the need for apparent and open communication which makes the employees feel that they are appropriate in the organization. The study further points out that there is need for stability of work-life, which enables the employees to balance between work and personal life. In general, having the sense of balance will improve job satisfaction among employees. The study also pointed out there is need for work environments to be impartial. Employees need to identify that they are being impartially rewarded established on their performance. Impartiality means that the consequences of performance are resolute by the quantity and quality of the performance.

Physical work environment as a factor of employees’ loyalty include: the influence of factors related to the employee, so called subjective factors; the impact of environmental factors; and the impact of organizational factors that are primarily related to the organization of production. The studies that have dealt with the physical work environment as a factor of employees’ loyalty shows that employees prefer physical work environment which are not dangerous and unpleasant and preferably with similar conditions to their home environment (Bennell & Messier, 2010). Employee motivation is influenced by the employer, the management and the environment. Motivating the employee is the manager’s job.

Bennell and Messier (2010) in their study in 12 countries found that physical work environment had an impact on employees’ loyalty. The key factors in their study were workload, general classroom conditions, collegial and management support, location, living arrangement and distance to work. In countries such as Ghana, Sierra Leone and Zambia, it was noted that the large majority of employees in rural areas indicated that physical work environment is “poor” and “very poor” (Jones & Sloane, 2009). The conditions under which a job is performed can be different, from those completely comfortable to those very difficult and dangerous to employee’ life and health. Difficult physical work environment can be influenced by: external factors that include climate - meteorological conditions, temperature, humidity, lighting in the workplace, noise and interference, gases, radiation, dust, smoke and other harmful factors.

2.3.1 Technical Environment

The technical environment consists of the tools, equipment and infrastructure at the organization, as well as other physical elements that affect employees’ loyalty (Abdul Rashid, Sambasivan, & Johari, 2003). Like the Johannesburg office layout, whereby
regional staffs have to work in a noisy open plan office with limited space, little privacy and no security while other staff members are allocated large offices. Continuous issues with equipment, most of which is locally developed and unique to the industry and the slow introduction of new technology within the company, which is kept aside for selected individuals who are believed to be the only staff members trustworthy and capable of working on new product or service offerings (Abdul Rashid, Sambasivan, & Johari, 2003).

The technical environment involving several elements surrounding the physical aspect of the work environment is deemed to be an important factor impacting on many organizations seeking to satisfy their employees and improve their work performance, Becker (2009) in support stating that these characteristics associated with the physical environment will lead to dissatisfaction amongst employees if perceived to be inadequate, negatively influencing their work performance and internal motivation. Business leaders should therefore seek to enhance an employee’s satisfaction by structuring the physical environment in such a way that it improves elements associated with the work area and the work design to facilitate physical work environment that encourage personnel development and promotion. Recognizing and rewarding employees for effective performance outcomes and their contribution towards achieving desired strategic results. According to Gendolla, Tops, and Koole, (2014) these elements focus on the physiological infrastructure in the organization, aimed at identifying various aspects unique to the individual to determine what effect physical work conditions have on an employee.

There is need to assist business leaders to create a work environment that satisfies employees and optimizes their work performance (Ford, Edvardsson, Dickson, & Enquist, 2012). Identifying key elements within this sub environment that have an influence on an employee’s satisfaction such as the office layout, which focuses on the physical settings surrounding the office design, tools, equipment and resources to gain a deeper understanding of the different variables influencing the employees’ loyalty and internal motivation of employees that affect their work performance and ability to achieve desired results. These factors influencing one’s ability to carry out work effectively, as they influence the total work experience (Becker, 2009).
It is therefore important to comprehend the different elements relating to the technical environment when making decisions on what type of office layout is best suited to organization, which as Eisinger (2000) explains entails deciding on whether to adopt an open plan office environment that facilitates development and enhances relationships amongst employees, encouraging feedback through open communication and teamwork or settling for a conventional office layout that offers personnel workspace, making the work area private to create a sense of privacy that encourages employees to sharing their thoughts and feelings in confidence, minimizing the number of distractions to optimize performance and allow employees to focus on the task at hand. Turner (2010) conclude a move from a conventional office to an office without interior walls or partitions results in significant decreases in employees’ loyalty and internal motivation.

In addition, the workspace made available to employees must be conducive to the job, providing sufficient space for an employee to perform the job effectively as employees working on complex tasks perform best when working in low-density condition (Graham, 2003), thus highlighting the need to establish a work environment where employees can concentrate and focus on a task without been distracted. Business leaders should therefore pay attention to the workspace within the organization to facilitate an environment that enhances the concentration and privacy of its employees by making provision to reduce the number of interruptions and unnecessary distractions that could affect its employees, such as overhearing ongoing office conversations, listening to unanswered telephone calls that ring continuously and distractions stemming from employees inviting colleagues to have lunch at their desk due to poor canteen facilities (Truong & Kemfert, 2010).

2.3.2 Human Environment

The human environment concerns peer with whom employees at the company relate and confide in when they encounter problems, personal or work related. Managers who are responsible for the day-to-day activities and the leadership within the company are described by Al-Qirim (2005) as the architects of the organization’s future. It also involves teams or work groups who work together to achieve common objectives that are set by the company (Miner, 2011) and group norms that have emerged, as well as the communication within the company.

The human environment pays attention to several elements concerning the human aspect of the business that influence an employee’s performance and employees’ loyalty.
Latham (2013) writes the extent to which employees experience psychological or personnel employees’ loyalty within the job content environment determines to a large extent the quality and quantity of their outputs. Organizations therefore need to establish a work environment that supports and intrinsically motivates employees, focusing on elements such as leadership, trust, and communication and employee development to create employees’ loyalty, as people are a company’s greatest resource. Attracting and keeping the right people can make the difference in the success of the business, particularly in service related franchise where there is no tangible product to sell (Crocker., 1967). There is a need to identify several conditions which pertain to the work environment that affect employees’ loyalty, involving the job content and work characteristics, organizing and controlling of work and social relations at work, including social support (Slack, Chambers & Johnston, 2010). These conditions dependent on management’s ability to control the work situation and create a work environment that enriches employees, giving them greater autonomy, additional responsibilities and the opportunity to develop. Formulating a job design that accentuates the job content to be an important factor that encourages employees to develop, acquiring new skills in order to be promoted or get involved in other aspects of the business and establish a work environment that enhances the social contract between employees and management to provide a supportive environment that satisfies employees. Polakoff (2017) explaining the work environment improves when employees can sense their role in the process, and co-workers and management share an aura of caring, and cooperation.

Leadership is a key element that ought to inspire, motivate and create cohesion amongst employees to promote job commitment towards achieving organizational goals and enhance an employee’s performance. Thus, highlighting that leaders need to show interest, offer praise for good performance and listens to worker’s opinions to motivate them and promote employees’ loyalty, inspiring employees to do better in order to stimulate personnel growth. In support, Armstrong (2012) mentioned that leadership is a fundamental component of many management theories and that leadership at a supervisory level is the single most important factor for motivating employees and improving their productivity. According to Certo and Certo (2010) supervisors need to convey confidence to employees and take ownership for their actions to gain an
employee’s respect, showing empathy towards employees by understanding their needs and frustrations.

Furthermore, supervisors should also have strong human relation skills to work effectively with people, including the ability to communicate, understand and motivate employees to enhance their performance and inspire employees’ loyalty. It is therefore important that a supervisor adopt a leadership style most suitable for achieving strategic results and spend time with employees to gain an understanding of their needs to promote career development and accomplish job success (Akmal, 2012).

2.3.3 Organizational Environment

The organizational environment has to do with structure of the organization. It includes policies, processes and procedures that are implemented and often change to suit the situation. A favorable work environment is said to be a key element in creating employees’ loyalty, as identified in a survey conducted in 2010 by the Deloitte and Touche human capital corporation which found it to be the most important requirement amongst South African employees (Ghazali, Shafie, & Sanusi, 2015).

In today’s changing work environment, it is important that organizations consider policies and procedures to guide employees who need to deal with certain conditions in order to achieve organizational goals. Boone and Kurtz (2009) defines policies as general statements that guide decision making in an organization and ensures decisions are consistent with the organization’s goals, by considering limitations in controlling various aspects of the job and the decision-making process that are key to the future success of the organization. Organizations need to ensure that policies and procedures are well defined and address the cause of a problem as opposed to the symptoms, as implementing ad hoc policies could end up having a little influence if employees have reservations or fail to find value in the policy (Lusthaus, Adrien, Centre, & Anderson, 1999).

Organizations should also encourage employees to be involved in creating policies as a means of getting them to adhere to new policies and to retain staff (Desseler, 2011) stating it is in the best interest to create policies that retain staff, and which provide and environment that new talent will want to join to minimize employee turnover. Policies need to be documented and distributed throughout the organization to be effective and
ensure all employees are aware of the policies, as well-defined policies are valuable for orienting new employees and can be decisive if needed to settle differences in the workplace, thus creating a certain level of security and employees’ loyalty in the minds of employees (Current Commercial Cases, 2009). In addition, employers need to ensure employees believe that procedures are fair and just, as unfair perceptions can lead to job absence and high staff turnover or result in lower production quantity and quality, low morale and job dissatisfaction spreading to co-workers (Duncan & Pasik-Duncan, 2012).

2.4 Effect of Social Work Environment on Employees’ Loyalty

Laying the conceptual foundations for the new profession of social work, Seabury, and Garvin (2010) acknowledged the physical environment as an important contextual consideration for practice but perceived its importance in terms of only its social aspects, asserting that the physical environment “becomes part of the social environment” to the extent that it “frequently has its social aspects”. From the outset, the profession of social work was more comfortable using social science lenses to view the environment rather than perspectives from the physical or natural sciences. What happened later when the profession adopted an ecological perspective from the natural sciences? This ecological perspective was distorted to re-affirm the profession’s emphasis on the social environment. Consider Faustino (2018) work that called attention to social work’s newly declared “simultaneous dual focus on organism and environment” a statement of the ecological perspective perhaps in its purest form. Gordon, however, immediately went on to declare his assumption that the organism would be “interpreted by psychological theory” while the environment could be “interpreted by sociological and economic theory”. Similar to Richmond’s work, here was another clear direction to understand the environment exclusively in social terms. Faustino (2018) later asserted that “the ultimate goal of social work is to bring about a balance between the realities of a person’s capabilities and a person’s social situation” with no mention of the physical environment at all.

Hitt, Ireland, and Hoskisson (2012) found that workplace health leads to employees’ loyalty despite providing health benefits to the employees. Bowie (2007) studied various employee welfare programs in United States institutions and its impacts on health behavior and status of faculty and staff. The data was collected through the application of computer-assisted telephone interviews, self-administered mail questionnaires and
computer assisted personal interviews. 67.2% of the results reflected that health promotions can attract and retain skilled faculty and staff. The study concluded that employee wellness programs have positively impacted on the health and wellbeing of employees increasing on service delivery.

Giorgi, Shoss, and Fabio (2017) examined the affiliation between diverse workplace practices which comprised of safety and health practices and satisfaction level in terms of commitment and turnover intention in universities. A web-based survey was conducted on 152 university faculties and staff through a college distribution list. The results asserted that the health and safety practices are positively related to employee employees’ loyalty in terms of turnover intentions. As a result, it is significant to identify and understand the needs of human capital in order to enhance performance and service delivery in the form of individual basis and the organization as a whole. Vogt, Baird, and Robinson (2007) studied on the effectiveness of the 12-weeks walking program in improving the health of employees. After attending a study orientation, 125 college faculties and staff are requested to complete Godin Leisure Time exercise questionnaires in order to seek their current physical activity status. The results emphasized that the health promotion programs have positively impacted on the welfare of employees and service delivery.

2.4.1 Safety and Health Environment and Employees’ Loyalty

Accidents commonly occur in organizational operations. The consensus among safety professionals is that upwards of ninety percent (90%) of all accidents occurring in the workplace may be attributed to behavioral factors. Increasing employee employees’ loyalty is as important as eliminating physical hazards in the workplace. Safety and health principles are recognized universally however, the extent to which actions need to manage the safety largely depends on the organization’s culture, values, and size. For instance, when the hazards presented by organizational activities, are in contradiction to organizations moral and ethical codes, then, safety management programs have a chance of being successfully implemented, compared to organizations that don’t have an ethical or moral code.

As envisaged in the safety, health and welfare at work Act 2005 effective safety and health management protocols hinges on sound organizational management. When organizational health and safety practices are advocated by proponents of quality
assurance, environmental protection, and adherence to business excellence then the safety and health management of organizations is assured. Safety management must be entrenched in organizations practices just as a sound business trait.

According to Okumbe (2010), business efficiency is not only promoted through reduction of cost of production or cost of sell, but adequately through safety measures. For instance, of work-related accidents that results in employees taking more than three days off to recuperate ends up costing the organization in the long run. Latency periods are responsible for costing organizations high overhead costs that are sometimes not planned for. In that case, organizational safety and health management practices help cushion in organizations from unnecessary costs. Therefore, it is important for organizational management to institute safety mechanism in the workplace geared at entrenching safety culture as a culture and not an exception.

Additionally, safety health and welfare at work act (2005), require all organizations to adhere to reasonably practice of safety, health and welfare of their employees. Organizations are equally required to ensure a proactive safety management system is in place within their organizations. Safety and welfare trainings are also recommended in managing organizational safety. When employees are sufficiently informed and empowered, then an organization claim to health and welfare measures. Safety Health and Welfare at Work Act (2005), is structured to help organization institutionalize safety protocols not only in the legal context, but in a manner that secures and guarantees care and protection as a welfare to employees.

Psailla (2007) argues that there exists a strong positive relationship between organizations that manage safety and welfare programs well, and their employees’ loyalty. They further argue that successful organizations do establish and maintain safety cultures that support the general welfare. In addition, effective safety and health policies instituted by organizations do have or should have the capability to set a clear direction for organizations on safety matter. A well-structured safety program should equally contribute to business performance. Similarly, cost-effective approaches to in safety should not be placed at the expense of compromising human safety. In as much as safety is a cost to organization, it doesn’t outweigh the cost implications imposed on organizations due to negligence of safety protocols.
For effective implementation of safety, Psaila (2007) contends that organizations enhance their capabilities and develop mechanisms necessary that can foster safety, protection, and health objectives. Organizations cannot succeed if their employees are not motivated and empowered to implement safely protocol at work. Such empowerment will help prevent unnecessary accidents at work. To ensure the success of employee adherence to safety, all policies and safety objectives must be developed in consultation with employee representatives. Equally, constant communications regarding safety measures and procedures should be done enhance employee’s commitment.

According to Krijnen (2015), organizations that succeed in implementing safety mechanisms and organizations that enhance employees’ loyalty do have a monitoring and evaluation program in place in helping ensure adherence. Monitoring and evaluation programs do ensure that mechanisms for measuring the adherence are in place, and corrective measures are also in place. An organizational self-monitoring program reveals how effective and efficient the health and safety management program is functioning. Self-monitoring in this case looks at how well hardware, software, systems and human capital is structured within the safety parameters of an organization. The benefits of monitoring are to check for safety system fails, why they failed, and corrective measures to be instituted. Equally monitoring can be used to measure medical services given to employees as a proactive good health measure, hence reducing absenteeism. Good health and safety systems enables organizations to attract and retain competent career personnel and it encourages all employees to work enthusiastically towards the efficient and effective achievement of organizational goals.

2.4.2 Employee Wellness and Employees’ Loyalty

Wellness is defined as a composite of physical, emotional, spiritual, intellectual, occupational and social health; health promotion is a means used to achieve wellness (Brief, Sell, & Shipley, 1981). Health promotion is defined as the aggregate of all purposeful activities designed to improve personal and public health through a combination of strategies including the competent implementation of behavior change strategies, health education, health protection measures, risk factor detection, health enhancement and health maintenance (Goliath, 2007). Wellness has been defined by the Wisconsin-based national wellness institute as an active process of becoming aware of and making choices toward a more successful existence. Corporate wellness programs
are long-term organizational activities designed to promote the adoption of organizational practices and personal behavior conducive to maintaining or improving employee physiological, mental and social wellbeing (Parker, 1981). They are designed and applied to promote organizational health and generally drive employees to high level wellness. They are alternative medical techniques to improve wellness. We can then say a corporate wellness program can be seen as pre-program to act in achieving health promotion amongst manpower at workplace.

The nature of health promoting programs varies widely. They often emphasize lifestyle changes fitness, as well as educational approaches to reduce hypertension, cholesterol, substance abuse and stress. It is no longer unusual for companies to have on-site fitness facilities for use of employees and their families. Pratt (2009) found that worksite health promotion and wellness programs can reduce sick leave by 27.8%, reduce health cost by 28% and reduce disability costs by 33.5%. Wellness programs improve the health and well-being of employees and improve profits for the employer (Grant, 2008).

Starkman, Hamilton, Chittum, and Salmon (2012) have narrowed the dimensions of wellness to include a minimal of social, occupational, spiritual, physical, intellectual and emotional wellness. Occupational wellness is one’s attitude about his/her work reflected by personal satisfaction and ability to balance work and leisure. Social wellness is concerned with relationship and interdependence with others, tolerance of diversity of mind and thought as well as concern for community and environment. Physical wellness encourages knowing about food nutrition and discourages abuse of substance such as tobacco, drugs and excessive alcohol consumption. It encourages consumption and activities which contributes to high level wellness like medical system and medical self-care, sleep patterns and responsible sexual behaviors. Spiritual wellness includes inner belief in a higher power and degree of acceptance, love of self and everything else in the unconscious mind that has no distinct boundaries, (Moon & Hein, 2013). Intellectual wellness is continuous acquisition of knowledge, awareness of current events, expression and experiences of creativity. An intellectually well person uses the resource available to expand one’s knowledge in improved skills along with expanding potential for staring with others.

2.4.3 Disability work environment Employees’ Loyalty
Employers offer a benefits package for their employees that not only include medical insurance coverage, but coverage for disability as well. This is broken into long- and short-term disability. Short-term disability (STD) is a wage-replacement program for those who are unable to work because of a short-term medical condition. Typically, you need to work for a certain length of time to be considered eligible. The allotment of benefits can vary from policy to policy, from a percentage of your wage to a very specific dollar amount. This can last up to one year. Long-term disability (LTD); if you are unable to work after you've exhausted your STD, long-term disability takes over. It provides up to 50 to 60 percent of your salary for two to five years, or until you turn 65 years. If your after-tax wages pay for your long-term disability, then any payment you receive would be tax-free. If your employer pays for your plan, then you would be required to pay tax on your benefits (Voight, 2010).

Disability Insurance provides a onetime compensation, in case of death and a range of benefits when employees disabilities cannot allow them to perform their occupational duties as is required (Okumbe, 2010). Employers should provide disability insurance (depending on state), as a form of disability; others offer it as an option for employees to purchase (Fortune, 2008). Medical services help to keep the employees in good health therefore reducing absenteeism. The returns of employee benefits to the company can take various forms, these includes; More effective recruitment, improved morale and loyalty, good public relations, reduced influence of unions and reduced threat of further government intervention (Flippo, 1979). The dollar return from employees’ benefits is almost impossible to measure. Employee benefits and incentives motivate employees to strive for a higher level of productivity. It enables the organizations to attract and retain competent career personnel and it encourages all employees to work enthusiastically towards the efficient and effective achievement of organizational goals (Okumbe, 2010).

Medical insurance coverage i.e. due to the high cost of hospitalization, surgical and maternity care, it has been found necessary that employees are cushioned against these costs by putting in place a Medical Insurance plan. This is an important benefit that helps greatly to retain employees in an organization. Medical cover includes general medical care, optical care, drug abuse, alcoholism and mental illness. Health maintenance organizations (HMO) is a health care which assures employees of the delivery of medical services. In the HMO programs employees do voluntarily enroll in the scheme and their employers prepay for the services. The basic principle of an HMO
plan is that of preventive medicine which helps to maintain the health care costs at a low level by keeping people out of hospitals (Okumbe, 2010). Having health insurance is valuable for a number of reasons; People who are insured are protected against uncertain and high medical expenses and are more likely to receive needed and appropriate health care. In addition, having health insurance is associated with improved health outcomes and lower mortality, so employees with medical insurance are more likely to be satisfied their place of work (Power, 2008).

Health insurance vouchers are able to extend insurance coverage to the entire population but they also increase aggregate spending on health (Jung & Tran, 2016). Health benefit costs have been rising above cost of living standards and many employers are asking employees to contribute more of the cost than ever before (Eldin, 2011). Health spending accounts or flexible spending account may be offered by the employer to help offset the cost of medical care not covered by health insurance. Qualifying expenses usually include copayments for doctor's visits, prescription costs or over-the-counter medication. These programs may be a reimbursement model, where employees submit qualifying receipts for reimbursement, or the employee may receive a debit card that can only be used for medical expenses (Wilkinson, Donaghey, Dundon, & Freeman, 2014).

Medical insurance helps organizations to motivate its employees and keep their morale high so as to retain them for longer duration. This leads to more employees’ loyalty among the employees.

Many employers offer some basic coverage paid for by the employer with options to supplement basic coverage for life and/or accident coverage (Eldin, 2011). Life Insurance helps in protecting employees against loss of income due to death, accident or ill health, group insurance coverage is most preferred in organization and can be contributory or noncontributory depending with the organization, it is renewable annually and covers employee’s double income (Okumbe, 2010). Life insurance plan helps an employee’s family or spouse in case of an accidental death. Employer can grant you a life insurance policy if he sponsors a group plan. Private insurance policies are more expensive than company sponsored life insurance plan, thus you are getting a good deal. If you have a company sponsored life insurance plan, your employer will provide the insurance benefits at once to your family. Usually, this is for full-time workers in medium and large companies (Sullivan & Garland, 2010) and with this offers,
employees are always satisfied on their work places and thus leading to increased productivity on their duties.

2.5 Chapter Summary

The chapter reviewed scholarly literature based on the study objectives has been. The chapter further determined the relationship between work environment and employee loyalty at Safaricom Public Limited Company. The chapter narrowed down to the effect of supervisor support towards employees’ loyalty, effects of physical work environment on employees’ loyalty and the effects of social work environment on employees’ loyalty.
CHAPTER THREE

3.0 RESEARCH METHODOLOGY

3.1 Introduction
This chapter focused on the research methodology that were adopted in the course of study. The chapter further explored that research design, the target population, the sample and sampling technique, the data collection methods as well as data analysis methods which were adopted to ensure a comprehensive assessment.

3.2 Research Design
Research design is overall plan and strategy that informs decision to techniques adopted for study in line with the overall objective of the study. According to (Saunders, Lewis, & Thornhill, 2016) a research design is the general plan of how a researcher goes about answering the research questions. Researchers can choose from an exploratory, descriptive explanatory, case study, cross sectional studies, longitudinal or time series research designs. This study adopted a descriptive research design which involved gathering of data with the purpose of describing trends, a phenomenon or case (Bell & Bryman, 2007). “Descriptive research design aimed to gain accurate profile of events (Saunders, Lewis, & Thornhill, 2016). The research design was appropriate because it enabled the researcher to determine the relationship between work environment and employee loyalty at Safaricom Public Limited Company. The designs allowed the researcher to describe individual variables, establish the relationship between variables, and test the significance of the relationships between.

3.3 Population and Sampling Design
3.3.1 Population
The key elements that form the population for this study were Safaricom employees. A population is an aggregate or totality of all the objects, subjects or members that conform to a set of specifications. “It is the entire collection of elements about which a researcher wishes to generalize study findings” (CBE, Biron, & Burke, 2014). The population of the study was 2000 employees from Safaricom PLC.
3.3.2 Sampling Design

Sampling design specifies the possibility of a particular sample being drawn from the entire study population elements. This study adopted probabilistic sampling design that offered equal chance to elements forming the sample and not prone to biases.

3.3.2.1 Sampling Frame

“The sampling frame for any probability sample is a complete list of all the cases in the population from which sample was drawn.” (Saunders, Lewis, & Thornhill, 2016). According to (American Control Conference (ACC 2003) a sampling frame is a set of items where the sample size is drawn from. The sampling frame must be as complete, accurate and up to date as possible. The sample frame for this study included the Safaricom employees.

3.3.2.2 Sampling Technique

Sampling technique refers to the systems and processes used to select the sample size which are classified into probability and non-probability sampling techniques. “Probability sampling techniques utilize scientific basis of likelihood to select sample size while non-probability sampling techniques utilize researcher’s judgement.” (Bryman & Bell, 2007) This study utilized both probability and non-probability-based sampling techniques due to access.

3.3.2.3 Sample Sizes

A sample size is a number of units (persons, animals, patients, and specified circumstances) in a population to be studied (Cooper & Schindler, 2014). This study used Yamane’s (1967) formula to arrive at the aggregate sample size. The Yamane (1967) formula is a common practice and the most popular that provides a simplified formula to calculate sample sizes. The formula has a 95% confidence level and p=5 (Yamane, 1967). The formula is as shown below:
n = \_\_N\_

\[
1 + N \cdot e^2
\]

Where \(n\) is the sample size, \(N\) is the population size and \(e\) is the level of precision

\[
n = \frac{2000}{1 + 2000(0.06 \times 0.06)} = 200 \text{ respondents}
\]

3.4 Data Collection Methods

Questionnaire was adopted in the current study to collect the primary data required for the study. Data collection is the systematic and calculated gathering of information in reference to set variables (Cooper & Schindler, 2014). The choice of a tool and instrument depends mainly on the attributes of the research topic, the research questions, the objectives of the study, design and expected data and results. Researchers use either primary data, secondary data or both, as may deem fit. Use of primary data involved collection of firsthand information from the respondents and is usually specific to the research questions. Primary data is commonly collected via interviews, questionnaires or observation (Saunders, Lewis, & Thornhill, 2016).

Structured questionnaires were employed to collect easily quantifiable information addressing the overall objective of the study. According to (Bowling & Ebrahem, 2010) the most frequently used data collection tool is the survey questionnaire which is data collection tool designed to collect both structured and sometimes unique data from the respondents. The researcher collects primary data by the use of structured questionnaires, which was designed to include two sections - the demographic information as the first section and second section which was establish the respondents’ opinions on the three independent variables. Also applied was the five-point Likert scale which range from 1 – 5 (Strongly Disagree, Disagree, Uncertain Agree Strongly Agree).

3.5 Research Procedures

The validity and reliability of the questionnaire was carried out. Hussey and Hussey (1997), recommend that a pilot study should be carried out to provide feedback on question articulation, focus and clarity. Cronbach reliability alphas was used to determine the extent of reliability. “A Cronbach alpha reliability coefficient of more than 0.70 shows the instrument is reliable for data collection (Saunders, Lewis, & Thornhill, 2016). Structured questionnaires were then hand delivered to the targeted respondents by the
research assistants who was trained on effective and efficient information management in the respective assigned areas and organizations which was be also act as the collection point once all the questionnaires are filled.

3.6 Data Analysis Methods
This study used quantitative data analysis techniques and the use of statistical package for social sciences (SPSS) to analyze the data and the output presented in tables and figures where appropriate. Quantitative data analysis techniques will assist to “explore, present, describe and examine relationships and trends within data.” (Saunders, Lewis, & Thornhill, 2016). (Hussey & Hussey, 1997), state that data analysis involves a systematic transformation of raw data into useful information. A Pearson correlation was employed to test the relationship between the dependent and independent variables therefore establishing whether existence of a positive or a negative relationship and the statistical significance.

Regression analysis was used to estimate the strength and the direction of the relationship between the dependent and independent variables. Co-efficient of determination was unable to assess the strength of the relationship between the independent and the dependent variables. (Saunders, Lewis, & Thornhill, 2016). The assumption of the linear regression equation will be:

\[ Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e. \]

3.7 Chapter Summary
This section offered insight into how the study was conducted. A descriptive research design was used to target 2000 employees working at Safaricom PLC. The study adopted both probabilistic and non-probabilistic sampling method and narrowed down to stratified random sampling as the sampling technique. The chapter explored data collection methods to be used and data sources that included both primary and secondary sources. It also highlighted the data collection analysis methods applied in this study as well as the techniques for data presentation.
CHAPTER FOUR

4.0 RESULTS AND FINDINGS

4.1 Introduction
This chapter depicts the analyzed results and findings of the study on the effect of work environment on employee loyalty in Safaricom Public Limited Company.

4.1.1 Response Rate
A response rate is the sum of respondents or individuals who got involved in a study and it’s displayed in percentage form. The study in Figure 4.1 displays the response rate of the study. The study clearly indicates that 64% of the respondents took part in the study while 36% out of the 100% did not participate in the study. According to Mugenda and Mugenda (2009) a respond above 50 percent is good enough to be used for the study. The researcher therefore concluded that; the response rate was good to be used.

Figure 4.1: Response Rate

4.2 Background Information

4.2.1 Gender of Respondents
Table 4.1 is used to display the gender of the study. It is indicated that 72.7 percent of the respond were women and 27.3 percent are men. This therefore means that majority of the workers are men and it can be assumed that the industry enjoys flexibility in working
Table 4.1: Gender of Respondents

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female</td>
<td>93</td>
<td>72.7</td>
</tr>
<tr>
<td>Male</td>
<td>35</td>
<td>27.3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>128</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

4.2.2 Age of Respondents

Table 4.2 represents the age of respondents of the population working in the industry. The age of respondents was categorized into five levels as: 18 – 24 years, 25 – 30 years, 31 – 40 years, 41 – 50 years and over 50 years. From the table, it is revealed that, 0.8 percent of the respondents had Between 18 – 24 years, 27 percent were Between 25 – 30 years, 88 percent were Between 31 – 40 years, 9 percent between 41 – 50 years and 3 percent were above 50 years. This means that most of the respondents were Between 31 – 40 years which is an advantage to the study since the workers are mature enough to make informed decisions.

Table 4.2: Age of Respondents

<table>
<thead>
<tr>
<th>Age of the Respondents</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>18 – 24 years</td>
<td>1</td>
<td>.8</td>
<td>.8</td>
<td>.8</td>
</tr>
<tr>
<td>25 – 30 years</td>
<td>27</td>
<td>21.1</td>
<td>21.1</td>
<td>21.9</td>
</tr>
<tr>
<td>31 – 40 years</td>
<td>88</td>
<td>68.8</td>
<td>68.8</td>
<td>90.6</td>
</tr>
<tr>
<td>41 – 50 years</td>
<td>9</td>
<td>7.0</td>
<td>7.0</td>
<td>97.7</td>
</tr>
<tr>
<td>Over 50 years</td>
<td>3</td>
<td>2.3</td>
<td>2.3</td>
<td>100.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>128</strong></td>
<td><strong>100.0</strong></td>
<td><strong>100.0</strong></td>
<td></td>
</tr>
</tbody>
</table>
4.2.3 Marital Status

Table 4.3 represents the marital status. The years of Respondents was categorized into three levels as; single, married and divorced/separated. From the table, it is revealed that, 36.7 percent of the respondents were single, 60.2 percent married, and 3.1 percent divorced/separated.

Table 4. 3: Marital Status

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single</td>
<td>47</td>
<td>36.7</td>
<td>36.7</td>
<td>36.7</td>
</tr>
<tr>
<td>Married</td>
<td>77</td>
<td>60.2</td>
<td>60.2</td>
<td>96.9</td>
</tr>
<tr>
<td>Divorced/Separated</td>
<td>4</td>
<td>3.1</td>
<td>3.1</td>
<td>100.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>128</strong></td>
<td><strong>100.0</strong></td>
<td><strong>100.0</strong></td>
<td></td>
</tr>
</tbody>
</table>

4.2.4 Highest Level of Education

Table 4.4 represents the highest level of education. Those with diploma were 37.5 percent, 50 percent had Bachelor's degree, 11.7 percent had postgraduate degree. We can thus conclude that the majority had undergraduate degree which is a good sign of elite workforce encouraging vision sharing and mapping to the organization.

Table 4. 4: Highest Level of Education

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diploma</td>
<td>48</td>
<td>37.5</td>
<td>37.5</td>
<td>37.5</td>
</tr>
<tr>
<td>Bachelor’s degree</td>
<td>65</td>
<td>50.8</td>
<td>50.8</td>
<td>88.3</td>
</tr>
<tr>
<td>Postgraduate degree</td>
<td>15</td>
<td>11.7</td>
<td>11.7</td>
<td>100.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>128</strong></td>
<td><strong>100.0</strong></td>
<td><strong>100.0</strong></td>
<td></td>
</tr>
</tbody>
</table>
4.2.5 Years working for Safaricom

Table 4.5 represents the Years working for Safaricom. The study is divided into less than 1 year with 30.5 percent, 1 – 3 years with 27.3 percent 4 – 6 years with 29.7 percent and over 10 years with 12.5 percent. The researcher therefore concluded that majority had worked for less than one year.

**Table 4.5: Years working for Safaricom**

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 1 year</td>
<td>39</td>
<td>30.5</td>
<td>30.5</td>
<td>30.5</td>
</tr>
<tr>
<td>1 – 3 years</td>
<td>35</td>
<td>27.3</td>
<td>27.3</td>
<td>57.8</td>
</tr>
<tr>
<td>4 – 6 years</td>
<td>38</td>
<td>29.7</td>
<td>29.7</td>
<td>87.5</td>
</tr>
<tr>
<td>Over 10 years</td>
<td>16</td>
<td>12.5</td>
<td>12.5</td>
<td>100.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>128</strong></td>
<td><strong>100.0</strong></td>
<td><strong>100.0</strong></td>
<td></td>
</tr>
</tbody>
</table>

4.2.6 Employment Terms

Table 4.6 represents the employment terms. The study is divided into permanent and contract. From the study 85.9 percent of the responds work on permanent terms while 14.1 percent of the responds work on contract terms.

**Table 4.6: Employment Terms**

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permanent</td>
<td>110</td>
<td>85.9</td>
<td>85.9</td>
<td>85.9</td>
</tr>
<tr>
<td>Contract</td>
<td>18</td>
<td>14.1</td>
<td>14.1</td>
<td>100.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>128</strong></td>
<td><strong>100.0</strong></td>
<td><strong>100.0</strong></td>
<td></td>
</tr>
</tbody>
</table>

4.3 Flexible Work Environment and Employees’ Loyalty

The first objective of the study was to examine effect of flexible work environment on employees’ loyalty. The study sought information from: The good relationship between
employees and the organization, the employees work as teams or work groups who work together to achieve common objectives, human environment pays attention to human aspect of the business that influence an employee’s performance and employee satisfaction, job content and work characteristics, organizing and controlling of work and social relations at work affect work environment, leaders show interest, offer praise for good relationship and listens to workers opinions to motivate them and promote employee satisfaction, policies, processes and suite the situation confronting the organizational environment, a favorable work environment is a key element in creating employee satisfaction, There are policies and procedures that guide employees to deal with certain conditions in order to achieve organizational goals, my supervisor supports me in balancing my family and work demand and every person has different reason for working.

4.3.1 Descriptive of Flexible Work Environment

Tests for descriptive statistics were performed using statistical software called SPSS. The descriptive results for variable of flexible work environment were provided in terms of the mean and standard deviation. The total number of respondents analyzed in each measure was 128. This was determined by the number of valid complete questionnaires in each case.

The mean ranged from 3.38 to 4.05. The findings of the study mean that the industry rely on flexible work environment. Even though the study shows that respondents agreed that most of the variables of flexible work environment, they disagreed on the variable that Leaders show interest, offer praise for good relationship and listens to worker’s opinions to motivate them and promote employee satisfaction hence the lowest mean of 3.38.

The standard deviation lowest figure was 1.083 while the highest was 1.290. The highest was that the human environment pays attention to human aspect of the business that influence an employee’s performance and employee satisfaction. It means that the industry relies on flexible work environment. The study findings are in line with Gallup, (2013) who noted that flexible working allows employees to work around obligations and responsibilities outside of their job. Whether the employee is a caregiver, parent, or moonlighting, flexible work helps these individuals balance their work-life schedule better which reduces stress and employee turnover. Reducing
employees’ stress is vital to organizational success. By having flexible working environment employees get an increased feeling of personal control over schedule and work environment. One reason people like to work for themselves is the control issue is by allowing employees to determine their own schedule and work environment.

Table 4.7: Descriptive Statistics for Flexible Work Environment

<table>
<thead>
<tr>
<th>Statement</th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>The good relationship between employees and the organization.</td>
<td>127</td>
<td>3.77</td>
<td>1.135</td>
</tr>
<tr>
<td>The employees work as teams or work groups who work together to achieve common objectives</td>
<td>128</td>
<td>3.85</td>
<td>1.087</td>
</tr>
<tr>
<td>Human environment pays attention to human aspect of the business that influence an employee’s performance and employee satisfaction</td>
<td>127</td>
<td>3.50</td>
<td>1.290</td>
</tr>
<tr>
<td>Job content and work characteristics, organizing and controlling of work and social relations at work affect work environment</td>
<td>128</td>
<td>3.73</td>
<td>1.105</td>
</tr>
<tr>
<td>Leaders show interest, offer praise for good relationship and listens to workers opinions to motivate them and promote employee satisfaction</td>
<td>127</td>
<td>3.38</td>
<td>1.201</td>
</tr>
<tr>
<td>Policies, processes and suite</td>
<td>127</td>
<td>3.51</td>
<td>1.083</td>
</tr>
<tr>
<td>A favorable work environment is a key element in creating employee satisfaction.</td>
<td>128</td>
<td>4.05</td>
<td>1.288</td>
</tr>
<tr>
<td>There are policies and procedures that guide employees to deal with certain conditions in order to achieve organizational goals</td>
<td>127</td>
<td>3.85</td>
<td>1.196</td>
</tr>
<tr>
<td>My Supervisor supports me in balancing my family and work demand.</td>
<td>128</td>
<td>3.53</td>
<td>1.436</td>
</tr>
<tr>
<td>Every person has different reason for working.</td>
<td>128</td>
<td>1</td>
<td>3.58</td>
</tr>
<tr>
<td>Valid N (listwise)</td>
<td>123</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
4.3.2 Effect of Flexible Work Environment on Employees’ Loyalty

To determine relationship between flexible work environment measurements on employee loyalty regression was done between work environments measurements as a predictor variable against the employee loyalty achieved in the industry.

Table 4. 8: Model Summary of Flexible Work Environment Measurement on employee loyalty

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.262&lt;sup&gt;a&lt;/sup&gt;</td>
<td>.069</td>
<td>.014</td>
<td>.452</td>
</tr>
</tbody>
</table>

Note: a. Predictors: (Constant), Flexible Work Environment

The R<sup>2</sup> of the model was .262. This means that 26.2 percent of the variations in the employee loyalty achieved is as a result of flexible work environment measurement of the industry. The 73.8 percent difference is due to factors not predicted in this model symbolized by the error term. Given this strong model, the study tested whether there is a strong empirical ground to conclude that flexible work environment significantly enhances employee loyalty.

Table 4. 9: ANOVA of Work Environment on Employees’ Loyalty

<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>1 Regression</td>
<td>1.694</td>
<td>1</td>
<td>.169</td>
<td>.828</td>
<td>.602b</td>
</tr>
<tr>
<td>Residual</td>
<td>22.908</td>
<td>112</td>
<td>.205</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>24.6</td>
<td>122</td>
<td>.205</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: a. Dependent Variable: Employees’ Loyalty, b. Predictors: (Constant) Flexible Work Environment

From the ANOVA analysis in Table 4.10, there is a p-value of 0.602. The study concludes that there is a significant relationship between flexible work environment and employees’ loyalty in the industry. This implies that flexible work environment
have a significant influence in enhancing employees’ loyalty. The findings of the study concur with Yoh survey (2016) which noted that flexible working environment increases employee’s better rate of retention. According to the Yoh survey, 42 percent of workers said they do leave their current job for a more flexible work environment. Additionally, per the previously mentioned Staples study, 67 percent of employees would consider leaving their job if work arrangements became more rigid. This implies that flexible environment is positively related to employee loyalty.

The standardized coefficient is 0.85 and p value is 0.602. The study used linear regression model to test the relationship between flexible work environment measurement and employees’ loyalty in the industry. Table 4.11 depicts the results of the model.

The linear equation model is stated as;

\[ Y = \alpha_0 + \alpha_1X_1 + \epsilon: \]

Where;

\[ Y= \text{Employees’ Loyalty} \]
\[ \alpha = \text{Constant value} \]
\[ X_1 = \text{Flexible Work Environment Measurement} \]
\[ \epsilon = \text{error term} \]

**Table 4. 10: Coefficients Variation of Influence of Flexible Work Environment Measurement on Employees’ Loyalty**

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
</tr>
<tr>
<td>1 (Constant)</td>
<td>-.156</td>
<td>.179</td>
</tr>
<tr>
<td>Flexible Environment Measurement</td>
<td>1.05</td>
<td>.076</td>
</tr>
</tbody>
</table>

Note: a. Dependent Variable: Employees’ Loyalty

The study thus represents Employees’ Loyalty as,
Employees’ Loyalty = 1.05+0.76 Flexible Work Environment Measurement + €

It means that a unit change in flexible work environment measurement causes a change of 0.75 in employees’ loyalty in industry.

4.4 Physical Work Environment Has Influence on Employees’ Loyalty

The second objective of the study was to examine effect of physical work environment on employees’ loyalty. The study sought information from: There are tools, equipment and infrastructure at the organization, as well as other physical elements that affect employee satisfaction, the working environment has privacy and security as well as sufficient space. Physiological infrastructure in the organization is aimed at identifying various aspects unique to the individual to determine what effect physical work conditions have on an employee and the organization creates a work environment that satisfies employees and optimizes their work performance.

4.4.1 Descriptive of Physical work environment towards Employee loyalty

Tests for descriptive statistics were performed using a statistical software call SPSS. The descriptive results for variable physical work environment towards employee loyalty were provided in terms of the mean and standard deviation. The total number of respondents analyzed in each measure was 128.

The mean for physical work environment ranged from 3.54 to 4.09. The findings of the study mean that physical work environment is used achieve employee loyalty. The study shows that respondents moderately agreed that physical work environment employee loyalty. Physical work environment and employee loyalty had a standard deviation range from 1.109 to 1.260. It means that there is a great variation in physical work environment for the industry. The study findings concur with Zenefits (2014) study which noted that most of the organization provides effective physical working environment for their employees. These includes the tools and the equipment required to do certain job. The study further observed that organizations which provides good physical working environment benefits from employees’ loyalty since most of the employees find their job simplified.
Table 4.11: Physical Work Environment towards Employee Loyalty

<table>
<thead>
<tr>
<th>Statement</th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>There are tools, equipment and infrastructure at the organization, as well as other physical elements that affect employee satisfaction.</td>
<td>128</td>
<td>3.64</td>
<td>1.260</td>
</tr>
<tr>
<td>The working environment has privacy and security as well as sufficient space.</td>
<td>128</td>
<td>3.54</td>
<td>1.190</td>
</tr>
<tr>
<td>Physiological infrastructure in the organization is aimed at identifying various aspects unique to the individual to determine what effect physical work conditions have on an employee</td>
<td>126</td>
<td>3.56</td>
<td>1.230</td>
</tr>
<tr>
<td>The organization creates a work environment that satisfies employees and optimizes their work performance.</td>
<td>128</td>
<td>4.09</td>
<td>1.109</td>
</tr>
</tbody>
</table>

| Valid N (listwise) | 126 |

4.4.2 Regression Analysis of Physical Work Environment towards Employee Loyalty

Table 4.12: Model Summary of Physical Work Environment towards Employee Loyalty

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.270a</td>
<td>.73</td>
<td>.48</td>
<td>.436</td>
</tr>
</tbody>
</table>

Note: a. Predictors: (Constant), Physical work environment

Table 4.13 shows that the coefficient of determination for the relationship between physical work environment and employee loyalty was 0.73 and this means that 73 percent of employee loyalty in industry was explained by physical work environment. The remaining 26.7 percent was explained by other factors not considered in the model.
### Table 4.13: ANOVA of Physical Work Environment towards Employee Loyalty

<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>1 Regression</td>
<td>23.018</td>
<td>1</td>
<td>.452</td>
<td>2.376</td>
<td>.056b</td>
</tr>
<tr>
<td>Residual</td>
<td>1.808</td>
<td>121</td>
<td>.034</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>24.825</td>
<td>125</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: a. Dependent Variable: Employee loyalty  
b. Predictors: (Constant), physical work environment

Table 4.14 shows the beta coefficients of physical work environment. The beta coefficient of physical work environment was positive meaning that a unit change in the application of physical work environment causes a positive change in the achievement of employee loyalty.

### Table 4.14: Coefficient of Variation of Physical work environment towards Employee loyalty

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 (Constant)</td>
<td>1.113</td>
<td>.160</td>
<td>6.966</td>
<td>.000</td>
</tr>
<tr>
<td>Physical work</td>
<td>.805</td>
<td>.032</td>
<td>.944</td>
<td></td>
</tr>
<tr>
<td>environment</td>
<td></td>
<td></td>
<td>24.000</td>
<td>.000</td>
</tr>
</tbody>
</table>

Note: a. Dependent Variable: Employee loyalty

The relationship in the table was represented by the following equation:

**Employee loyalty = 0.805 + 0.944 Physical work environment + €**

The regression equation shown above indicates that a unit change in the execution of physical work environment causes an increase of 0.805 in employee loyalty.

**Y = α0+ α1X1 + €:**

Where;
Y = Employee loyalty

\( \alpha \) = Constant value

X1 = physical work environment

\( \epsilon \) = error term

4.5 Social Work Environment on Employees’ Loyalty

The third objective of the study was to examine social work environment on employees’ Loyalty. Safaricom safety and health management, wellness program, disability insurance, medical insurance, life insurance, environmental protection, promotion and maintenance of the highest degree social well-being of workers, protection of workers in their employment from risks resulting from factors adverse to health and placing and maintenance of the worker in an occupational environment adapted to his physiological and psychological capabilities

4.5.1 Descriptive of Social Work Environment towards Employees’ Loyalty

The study adopted mean and standard deviation (S.D) as statistical tools that were used to rank the significance of the variables. The total number of respondents analyzed in each measure was 128. The means for social work environment and employees’ loyalty ranged from 3.65 to 4.36. This means that on average, in the industry social work environment enhance employees’ loyalty. This is shown with the moderate opinions of the respondents about social work environment and employees’ loyalty. The study also shows that the standard deviation for social work environment and employees’ loyalty ranged from 1.048 to 1.212. This means that there was high deviation among the opinions of the respondents about social work environment on employees’ loyalty. The findings are in line with, (Huse, 2008) organization which provides social work environment benefits from employee retention and low employee turnover since most of the individuals love supporting people and touching life of the families and society at large, thus social work is positively related to employee’s loyalty in organization.
Table 4.15: Social Work Environment

<table>
<thead>
<tr>
<th>Statement</th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Safaricom provides Safety and health management</td>
<td>127</td>
<td>4.12</td>
<td>1.096</td>
</tr>
<tr>
<td>Safaricom provides Wellness program</td>
<td>128</td>
<td>4.02</td>
<td>1.190</td>
</tr>
<tr>
<td>Safaricom provides Disability insurance</td>
<td>128</td>
<td>4.36</td>
<td>1.048</td>
</tr>
<tr>
<td>Safaricom provides Medical insurance</td>
<td>127</td>
<td>4.08</td>
<td>1.212</td>
</tr>
<tr>
<td>Safaricom provides Life insurance</td>
<td>128</td>
<td>4.04</td>
<td>1.118</td>
</tr>
<tr>
<td>Safaricom provides Environmental protection</td>
<td>127</td>
<td>3.65</td>
<td>1.192</td>
</tr>
<tr>
<td>Promotion and maintenance of the highest degree</td>
<td>127</td>
<td>3.78</td>
<td>1.188</td>
</tr>
<tr>
<td>social well-being of workers</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Protection of workers in their employment from risks resulting from factors adverse to health.</td>
<td>128</td>
<td>3.69</td>
<td>1.202</td>
</tr>
<tr>
<td>Placing and maintenance of the worker in an occupational environment adapted to his physiological and psychological capabilities</td>
<td>128</td>
<td>3.95</td>
<td>1.107</td>
</tr>
<tr>
<td>Valid N (listwise)</td>
<td>124</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

4.5.2 Regression Analysis of Social Work Environment towards Employees’ Loyalty

The study sought to statistically test whether social work environment significantly affects employees’ loyalty in the industry. This was tested using the perceived Social Work Environment as a predictor variable against the Employees’ Loyalty achieved in the industry.
Table 4.16: Model Summary of Social Work Environment towards Employees’ Loyalty

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.287(^a)</td>
<td>.083</td>
<td>.010</td>
<td>.450</td>
</tr>
</tbody>
</table>

Note: a. Predictors: (Constant), Social Work Environment

The R2 from this test is 0.085 meaning that 8.3 percent of the variation in employees’ loyalty of the results from social work environment. The remaining percent is due to other factors not tested in this model.

Table 4.17: ANOVA of Social Work Environment towards Employees’ Loyalty

<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>2.074</td>
<td>1</td>
<td>.230</td>
<td>1.14</td>
<td>.341(^b)</td>
</tr>
<tr>
<td>Residual</td>
<td>23.047</td>
<td>114</td>
<td>.202</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>25.121</td>
<td>123</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: a. Dependent Variable: Employees’ Loyalty, b. Predictors: (Constant), Social Work Environment

The ANOVA in Table 4.18 above has a p-value of .341. The study concludes that there is a significant relationship between social work environment and employees’ loyalty in the industry. The study used linear regression model to test the relationship between social work environment and employees’ loyalty in the industry. Table 4.19 depicts the results of the model.
Table 4.18: Coefficients Variation of Social Work Environment towards Employees’ Loyalty

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>1.085</td>
<td>.187</td>
<td>5.807</td>
</tr>
<tr>
<td></td>
<td>Performance Measurement</td>
<td>.76</td>
<td>.05</td>
<td>.870</td>
</tr>
</tbody>
</table>

Note: a. Dependent Variable: Employees’ Loyalty

The study thus represents Employees’ Loyalty as,

**Employees’ Loyalty = 0.76 + 0.87 Performance Measurement + €.**

It means that a unit change in social work environment causes a change of 0.87 in Employees’ Loyalty in the industry.

4.6 Chapter Summary

The results and findings of the study have been provided in this chapter. These results and findings were based on the data given out by the respondents from the service industry. The chapter provided analysis on the response rate, background information, and descriptive analysis of physical work environment, flexible work environment and social work environment towards employees’ loyalty.
CHAPTER FIVE

5.0 DISCUSSION, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction
This chapter brings out discussions, conclusions and recommendations regarding the study. The chapter is subdivided into five parts. The first part describes summary of the study findings, and results thereon. Part two contains discussions with regard to the three specific research questions that form the basis of the study. Part three follows with conclusions drawn from the study using the findings and results that were obtained in chapter four. Recommendations arising from the study specific objectives are enumerated in the last section of this chapter.

5.2 Summary
This study discusses in more detail the research objectives on the relationship between work environment and employee loyalty at Safaricom limited. To increase in the production of any organization, overall job satisfaction, quality of work life, work environment and organizational Commitment plays an important role. These are all closely related to each other and very important for an organization production and growth. The specific objectives focused on the effect of flexible work environment and employees’ loyalty, how physical work environment has influence on employees’ loyalty and the effect of Social work environment on employees’ loyalty.

This study adopted a descriptive survey design. Out of the total population of 2000 this study targeted a population of 200 staff from different departments. Random sampling; therefore, every employee was sampled for the study. Primary data was collected using structured questionnaire, and analyzed for frequencies, percentages, correlations and regression using the Statistical Package for Social Sciences (SPSS). Data was presented by use of distribution tables, bar charts, pie charts.

To determine relationship between flexible work environment measurements on employee loyalty regression was done between work environments measurements as a predictor variable against the employee loyalty achieved in the industry. The $R^2$ of the model was .262. This means that 26.2 percent of the variations in the employee loyalty achieved is as a result of flexible work environment measurement of the industry. The 73.8 percent difference is due to factors not predicted in this model symbolized by the error term. Given this strong model, the study tested whether there is a strong empirical
ground to conclude that Flexible Work Environment significantly enhances employee loyalty.

The coefficient of determination for the relationship between physical work environment and Employee loyalty was 0.73 and this means that 73 percent of Employee loyalty in industry was explained by physical work environment. The remaining 26.7 percent was explained by other factors not considered in the model. The beta coefficient of physical work environment was positive meaning that a unit change in the application of physical work environment causes a positive change in the achievement of employee loyalty. Finally, the R2 from this test is 0.085 meaning that 8.3 percent of the variation in employees’ loyalty of the results from social work environment. The remaining percent is due to other factors not tested in this model. The study concludes that there is a significant relationship between social work environment and employees’ loyalty in the industry. The study used linear regression model to test the relationship between social work environment and employees’ loyalty in the industry.

5.3 Discussion

5.3.1 Flexible Work Environment and Employees’ Loyalty

The study sought to examine the ‘effect of flexible work environment on employees’ loyalty’. The mean score was 3.64 while the standard deviation was 1.260. The working environment has privacy and security as well as sufficient space. The mean score was 3.54 and standard deviation was 1.190. Physiological infrastructure in the organization is aimed at identifying various aspects unique to the individual to determine what effect physical work conditions have on an employee. The mean score was 3.56 and standard deviation was 1.230.

The findings indicated that flexible work environment on employee loyalty. The findings imply that flexible work environment factors wield a huge effect on employee loyalty perspective on how they should pursue their duties. The findings indicate work environment positively impact on employee loyalty. For example, it was found that organizational climate partially mediated the effect of culture in research institutions where staff loyalty is an ongoing problem. The two components affected on work fulfillment and duty and work states of mind fundamentally anticipated one-year staff turnover rates (Hyttter, 2008). It has been contended that redesigning an association’s
standard, states of mind and social qualities with a specific end goal to accomplish a culture in view of center moral qualities is a commendable goal (Luthans, 2000). Chandrasekhar (2011) likewise underpins the idea of making a moral work environment by rebuilding corporate culture.

Work life balance may refer to one of the following: organizational support for dependent care, flexible work options and family or personal leave (Estes & Michael, 2005). Work life balance employment practices are concerned with providing scope for employees to balance what they do at work with the responsibilities and interests they have outside work (Armstrong, 2006). By so doing, they reconcile the competing claims of work and home by their own needs as well as those of employers. Work life balance policies can lower absence and help tackle the low morale and high degrees of stress that can lead to underperformance since the employees get tired of juggling work and life responsibilities. Many researchers have agreed on important role of work life balance as it is related with employees’ psychological well-being and overall sense of harmony in life (Clark, 2000). Balanced work-life is associated with increased job satisfaction and organizational commitment. Employees’ work life experiences deepen their role-related engagement which is related to organizational performance improvement.

5.3.2 Physical Work Environment and Employees’ Loyalty

Niemela (2010) opine that the conditions of physical workplace environment influence the employees’ functions and it will determine the well-being of organizations. They add that the physical work environment includes the internal and external office layout, temperature, comfort zone and also the work setting or arrangement. The physical workplace environment factors also include lighting (both artificial and natural), noise, furniture and spatial layouts in workplaces (Vischer, 2008). The physical workplace environment includes comfort level, ventilation and heating as well as lighting. These features assist on functional and aesthetic side, the decor and design of the workplace environment that ultimately help improve the employees’ experience and necessitate better performance.

The comfort level and temperature also substantially influence health of employees. Niemela (2002) found out that there is decrement in work performance when temperatures are high, and low temperature has relation to performance of manual tasks.
Office design encourages employees to work in a certain way by the way their work stations are built. Spatial layouts contribute a lot towards how the employees perform their tasks (Al-Anzi, 2009). Closed office floor plan, which may consist of each employee having a separate office of their own or a few people in each office, allows employees a greater amount of privacy than open plan office layout. It allows employees to work in peace and quiet, keeping them focused on their tasks without a lot of distraction. It also offers employees a thinking frame and creativity without much distraction. According to McCoy and Evans (2005) the elements of physical work environment need to be proper so that the employees would not be stressed while doing their job. Physical elements play an important role in developing the network and relationships at work. All in all, the physical work environment should support the desired performance. Vischer (2008) stressed that conducive workplace environment should be prioritized as it provides support to the employees in carrying out their jobs. It should be conducive enough to enable performance of tasks by employees.

5.3.3 Social Work Environment and Employees’ Loyalty

Psychosocial work environment pertains to interpersonal and social interactions that influence behavior and development in the workplace. Research has been conducted to determine the effects of the psychosocial work environment on stress levels and overall health. One study in particular found that low levels of support and control at work leads to increased rates of sickness absence (North, Syme, Feeney, Shipley, & Marmot, 1996). In other words, a positive and supportive psychosocial work environment is beneficial to employees in an occupational organization.

The outcomes demonstrated that the firm embraced execution evaluations reasonably. Individuals are advanced, assessed and compensated by administration impression of their acknowledgment of center qualities. Henceforth the view in the Steel and Griffeth (2002), approach and substantially other corporate culture writing is that culture can be made and overseen from the best. In this regard, it is a takeoff from more established thoughts regarding casual associations which are all the more firmly adjusted to the view that an authoritative culture rises up out of social communication. Truth be told, the writing seems to exchange culture from the casual to formal association. All things considered it turns into the property of administration and open to control on their part.
This has turned into the basic rationale for significant change activities in huge associations (Steel & Griffeth 2002).

According to the current World Health Organization's (WHO) definition, occupational or work-related stress is the response people may have when presented with work demands and pressures that are not matched to their knowledge and abilities and which challenge their ability to cope. The adverse reaction people have to excessive pressures or other types of demand placed on them at work. Employees that feel they have psychological support hence they have greater job attachment, job commitment, job satisfaction, job involvement, positive work moods, thus they feel to or desire to remain with the organization, organizational citizenship behaviour and job performance. According to Steve, (2011) stress is resulted as a reaction of an employee when certain demands, pressures and professional aspects have to be faced at the work place which does not match their knowledge levels there by posing a challenge and threat to the capabilities of the employee which in turn would create a struggle for existence in terms of being employed in a place. According to Jaffe, Smith and Segal, (2007) different professional context also creates stress conditions to the employees at the work place when the employee feels that he / she is not being supported by their managers / leaders or colleagues, when they don’t have control over the work they do or the lack in the knowledge of competing a task that would match the requirement that would meet the requirements of the given task and the constraints that they will have to face in the in doing so.

Work overload symptoms such as headaches, stomach complaints and difficulties in sleeping are caused by work overload and it can lead to physical and emotional exhaustion (Pech & Slade, 2006). It results when employees become inflexible and when they think that they are physically having a problem. Whenever people have work overload they can be seen with these signs like over sleepy, they become ill, not interested in anything and as a result intellectual caliber will suffer. Work under load is the extreme opposite of burnout. However, its affects are just as marked. A dull, continuous, not benefitting job with no results can quickly lead to boredom, left unchecked, apathy sets in and productivity slows. These kinds of jobs can become highly stressful because there is no outlet other than keep on doing. In extreme cases workers may even resort to minor acts of sabotage that can negatively affect others.
5.4 Conclusion

5.4.1 Flexible Work Environment and Employees’ Loyalty

The study concludes that reduced hours’ schedule plays a vital role in decreasing stress and work family conflict both of which have a huge impact on the performance of employees. The adoption of reduced hours’ schedules in most organizations reduces stress and ultimately it results in better performance from the employees. Organizations that adopt this schedule achieve a very good reputation and more people are attracted towards them. This in turn has a positive effect on the organizational commitment, retention as well as job satisfaction. Reduced hours’ schedule plays a vital role in decreasing stress and work family conflict both of which have a huge impact on the performance of employees. The adoption of reduced hours’ schedules in most organizations reduces stress and ultimately it results in better performance from the employees. Organizations that adopt this schedule achieve a very good reputation and more people are attracted towards them. This in turn has a positive effect on the organizational commitment, retention as well as job satisfaction

5.4.2 Physical Work Environment and Employees’ Loyalty

The study concludes that the overall physical working environment was conducive safe for workers and their work stations apart from employee workload which needs to be improved. The study found out that comfort at the work station needs to also be improved. Physical work environment as a factor of employees’ loyalty include: the influence of factors related to the employee, so called subjective factors; the impact of environmental factors; and the impact of organizational factors that are primarily related to the organization of production. The studies that have dealt with the physical work environment as a factor of employees’ loyalty shows that employees prefer physical work environment which are not dangerous and unpleasant and preferably with similar conditions to their home environment.

The study concludes that organizations should also encourage employees to be involved in creating policies as a means of getting them to adhere to new policies and to retain staff stating it is in the best interest to create policies that retain staff, and which provide and environment that new talent will want to join to minimize employee turnover. The study suggests policies need to be documented and distributed throughout the organization to be effective and ensure all employees are aware of the policies, as well-defined policies are
valuable for orienting new employees and can be decisive if needed to settle differences in the workplace, thus creating a certain level of security and employees’ loyalty in the minds of employees. In addition, employers need to ensure employees believe that procedures are fair and just, as unfair perceptions can lead to job absence and high staff turnover or result in lower production quantity and quality, low morale and job dissatisfaction spreading to co-workers.

5.4.3 Social Work Environment and Employees’ Loyalty

The study concludes that workplace health leads to employees’ loyalty despite providing health benefits to the employees. The study concludes various employee welfare programs in United States institutions and its impacts on health behavior and status of faculty and staff. The data was collected through the application of computer-assisted telephone interviews, self-administered mail questionnaires and computer assisted personal interviews. The study concluded that employee wellness programs have positively impacted on the health and wellbeing of employees increasing on service delivery. The study concludes that organizations that succeed in implementing safety mechanisms and organizations that enhance employees’ loyalty do have a monitoring and evaluation program in place in helping ensure adherence. Monitoring and evaluation programs do ensure that mechanisms for measuring the adherence are in place, and corrective measures are also in place. An organizational self-monitoring program reveals how effective and efficient the health and safety management program is functioning. Self-monitoring in this case looks at how well hardware, software, systems and human capital is structured within the safety parameters of an organization. The benefits of monitoring are to check for safety system fails, why they failed, and corrective measures to be instituted. Equally monitoring can be used to measure medical services given to employees as a proactive good health measure, hence reducing absenteeism. Good health and safety systems enables organizations to attract and retain competent career personnel and it encourages all employees to work enthusiastically towards the efficient and effective achievement of organizational goals.
5.5 Recommendations

5.5.1 Recommendations for Improvement

The following are the various recommendations from the research study for possible improvements based on the specific objectives.

5.5.1.1 Flexible Work Environment and Employees’ Loyalty

The study recommends that contribution of flexible work environment practices among employed be framed both structurally and culturally such that they are part of the core employment systems and not just as strategies to support disadvantaged or non-ideal workers in order to advance work life balance among the female employees. The study also recommends that provisions should be made where possible for leave facilities, family emergencies and child care within the organization for female employees to create a work environment free of frustration and inequity. Moreover, the need arises to introduce job sharing options in addition to paid and unpaid career breaks. Self-rostering should be put into practice to allow staff members to propose their ideal shifts which should be assigned as far as possible to accommodate the indicated inclinations.

5.5.1.2 Physical Work Environment and Employees’ Loyalty

The study recommends that organization management should ensure that the work environment for staff is reasonable for them to be able to concentrate and achieve the desired objectives. Job evaluation is necessary to determine the work environment of each employees and review if necessary. This would increase staff morale and loyalty since the staff will feel like that they are part of the organization. The organization management should ensure that the comfort of staff at their work stations is improved. Safaricom should ensure that their staff have good office ergonomics and working tools to enable employees to work without experiencing office related illnesses. This would go a long way in motivating the staff as well as increase efficiency in the work place since staff will be comfortable.

5.5.1.3 Social Work Environment and Employees’ Loyalty

Based on empirical research results in the form of social work environment on employee loyalty, the study recommends that employee loyalty is positively influenced by the social work environment. Social work environment and good communication in the workplace
have an effect on worker welfare, health, morals, efficiency and loyalty. One key to the success of a company is how to make social work environment for the better, so as to improve the loyalty of employees. Furthermore, creating a social work environment to make productive employees are essential to increase profits for the organization. In an effort to increase the loyalty of employees need to develop and provide a social work environment better employee, good physical work environment as well, such as lighting a clear, neatness storage of raw materials, finished and work facilities. Factors that determine loyalty, namely the attitude of work, such as readiness to work in turns (shift work), may receive an additional task and working in teams. The level of skill, which is determined by the level of education and training in management and supervision as well as skills in industrial engineering. The relationship between labor and head of the organization that is reflected in a joint effort between management and labor organizations to improve loyalty through quality control circles and the committee on employment ahead. Management of loyalty, the efficient management of the resources and work systems to achieve increased loyalty. The efficiency of labor such as: workforce planning and additional tasks. The ability of a company to survive and exceed in a dynamic environment based on approach to organizational decision making. Considers a company’s ability to make a profit without sacrificing the resources of its employees, community, environment.

5.5.2 Recommendation for Further Studies

This study was limited in scope to only one organization and therefore suggests further study to be undertaken across various organizations; both private and public sectors. Further research on effects of effect of work environment on employee loyalty. A research should be carried out on whether flexible work environment, physical work environment and Social work environment affect employee loyalty in other organization.
REFERENCES


*Current Commercial Cases 2009*. (n.d.). The Law Publisher CC.


APPENDICES

Appendix I: Questionnaire

The objective of this questionnaire is to collect data on **EFFECT OF WORK ENVIRONMENT ON EMPLOYEE LOYALTY: A CASE OF SAFARICOM HEADQUARTERS**

Please read the items carefully and provide a response that best represents your opinion. To provide confidentiality, do not indicate your name on the questionnaire. The questionnaire has several sections. Please answer accordingly with a tick in the provided spaces.

**Section A: Demographic information**

1. What is your gender?
   - [ ] Male
   - [ ] Female

2. How old are you?
   - [ ] 18 – 24 years
   - [ ] 25 – 30 years
   - [ ] 31 – 40 years
   - [ ] 41 – 50 years
   - [ ] Over 50 years

3. What is your marital status?
   - [ ] Single
   - [ ] Married
   - [ ] Divorced/Separated

4. What is your highest level of education?
   - [ ] College certificate
   - [ ] Diploma
   - [ ] Bachelor’s degree
   - [ ] Postgraduate degree

5. How long have you been working for Safaricom?
   - [ ] Less than 1 year
   - [ ] 1 – 3 years
   - [ ] 4 – 6 years
   - [ ] 7 – 10 years
   - [ ] Over 10 years

6. What are your employment terms?
   - [ ] Permanent
Section B

In the subsequent sections, kindly indicate how much you agree/disagree with the following statements on a scale of 1 to 5 as per the table below:

<table>
<thead>
<tr>
<th>Rating on the Level of Agreement</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
</tr>
<tr>
<td>Strongly Disagree</td>
</tr>
</tbody>
</table>

SECTION B: Flexible Work Environment

Please indicate the extent to which you agree with the following statement on Flexible Work Environment

<table>
<thead>
<tr>
<th>No.</th>
<th>STATEMENTS</th>
<th>RATING (1)(2)(3)(4)(5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>The good relationship between employees and the organization.</td>
<td>1                      2 3 4 5</td>
</tr>
<tr>
<td>2.</td>
<td>The employees work as teams or work groups who work together to achieve common objectives.</td>
<td>1                      2 3 4 5</td>
</tr>
<tr>
<td>3.</td>
<td>Human environment pays attention to human aspect of the business that influence an employee’s performance and employee satisfaction</td>
<td>1                      2 3 4 5</td>
</tr>
<tr>
<td>4.</td>
<td>Job content and work characteristics, organizing and controlling of work and social relations at work affect work environment</td>
<td>1                      2 3 4 5</td>
</tr>
<tr>
<td>5.</td>
<td>Leaders show interest, offer praise for good relationship and listens to workers opinions to motivate them and promote employee satisfaction</td>
<td>1                      2 3 4 5</td>
</tr>
<tr>
<td>6.</td>
<td>Policies, processes and suite the situation confronting the organizational environment</td>
<td>1                      2 3 4 5</td>
</tr>
<tr>
<td>7.</td>
<td>A favorable work environment is a key element in creating employee satisfaction.</td>
<td>1                      2 3 4 5</td>
</tr>
<tr>
<td>8.</td>
<td>There are policies and procedures that guide employees to deal with certain conditions in order to achieve organizational goals</td>
<td>1                      2 3 4 5</td>
</tr>
<tr>
<td>9.</td>
<td>My Supervisor supports me in balancing my</td>
<td>1                      2 3 4 5</td>
</tr>
</tbody>
</table>
family and work demand.

<table>
<thead>
<tr>
<th>Rating on the Level of Agreement</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Strongly Disagree</td>
</tr>
</tbody>
</table>

**SECTION C: Physical Work Environment**

Please indicate the extent to which you agree with the following statement on **Physical Work Environment**.

<table>
<thead>
<tr>
<th>No.</th>
<th>STATEMENTS</th>
<th>RATING</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>(1)</td>
</tr>
<tr>
<td>1.</td>
<td>There are tools, equipment and infrastructure at the organization, as well as other physical elements that affect employee satisfaction.</td>
<td>1</td>
</tr>
<tr>
<td>2.</td>
<td>The working environment has privacy and security as well as sufficient space.</td>
<td>1</td>
</tr>
<tr>
<td>3.</td>
<td>Physiological infrastructure in the organization is aimed at identifying various aspects unique to the individual to determine what effect physical work conditions have on an employee</td>
<td>1</td>
</tr>
<tr>
<td>4.</td>
<td>The organization creates a work environment that satisfies employees and optimizes their work performance.</td>
<td>1</td>
</tr>
</tbody>
</table>
SECTION D: Social Work Environment

Please indicate the extent to which you agree with the following statement on **Social Work Environment**

<table>
<thead>
<tr>
<th>No.</th>
<th>STATEMENTS</th>
<th>RATING</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>(1)</td>
</tr>
<tr>
<td>1.</td>
<td>Safaricom provides Safety and health management</td>
<td>1</td>
</tr>
<tr>
<td>2.</td>
<td>Safaricom provides Wellness program</td>
<td>1</td>
</tr>
<tr>
<td>3.</td>
<td>Safaricom provides Disability insurance</td>
<td>1</td>
</tr>
<tr>
<td>4.</td>
<td>Safaricom provides Medical insurance</td>
<td>1</td>
</tr>
<tr>
<td>5.</td>
<td>Safaricom provides Life insurance</td>
<td>1</td>
</tr>
<tr>
<td>6.</td>
<td>Safaricom provides Environmental protection</td>
<td>1</td>
</tr>
<tr>
<td>7.</td>
<td>Promotion and maintenance of the highest degree social well-being of workers</td>
<td>1</td>
</tr>
<tr>
<td>8.</td>
<td>Protection of workers in their employment from risks resulting from factors adverse to health.</td>
<td>1</td>
</tr>
<tr>
<td>9.</td>
<td>Placing and maintenance of the worker in an occupational environment adapted to his physiological and psychological capabilities</td>
<td>1</td>
</tr>
</tbody>
</table>

Rating on the Level of Agreement

<table>
<thead>
<tr>
<th>(1)</th>
<th>(2)</th>
<th>(3)</th>
<th>(4)</th>
<th>(5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Disagree</td>
<td>Disagree</td>
<td>Neutral</td>
<td>Agree</td>
<td>Strongly Agree</td>
</tr>
</tbody>
</table>

SECTION: Employees’ Loyalty

Please indicate the extent to which you agree with the following statement on **Employees’ Loyalty**

<table>
<thead>
<tr>
<th>No.</th>
<th>STATEMENTS</th>
<th>RATING</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>(1)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>(1)</th>
<th>(2)</th>
<th>(3)</th>
<th>(4)</th>
<th>(5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Disagree</td>
<td>Disagree</td>
<td>Neutral</td>
<td>Agree</td>
<td>Strongly Agree</td>
</tr>
</tbody>
</table>
1. I am willing to recommend my company as a good workplace.  
2. I feel proud when talking about my company’s products.  
3. I will work here for a long time even though other companies might offer me a better wage.  
4. My performance is recognized by top management  
5. I am offered an attractive salary package  
6. My organization provides fringe benefits for employee delight  
7. My organization quickly responds to the feedback of employee.  
8. I am well compensated when I work over time?  
9. I have Job security?  
10. There are fewer opportunities for promotion
This is to certify that Miss. Evelyne Kibe of United States International University Africa, has been licensed to conduct research in Nairobi on the topic: EFFECT OF WORK ENVIRONMENT ON EMPLOYEE LOYALTY: A CASE OF SAFARICOM LIMITED for the period ending: 27/August/2020.

License No: NACOSTI/P/19/099

Applicant Identification Number

Ref No: 866789

Date of Issue: 27/August/2019

Director General
NATIONAL COMMISSION FOR
SCIENCE, TECHNOLOGY & INNOVATION

Verification QR Code

NOTE: This is a computer generated License. To verify the authenticity of this document, Scan the QR Code using QR scanner application.