FACTORS AFFECTING EMPLOYEE TURNOVER IN THE BANKING INDUSTRY IN KENYA: A CASE STUDY OF IMPERIAL BANK LIMITED

BY

PHEDIS W. KARIUKI

UNITED STATES INTERNATIONAL UNIVERSITY

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PHEDIS W. KARIUKI

A Research Project Report Submitted to the Chandaria School of Business in Partial Fulfilment for the Degree of Executive Masters in Organization Development (EMOD)

UNITED STATES INTERNATIONAL UNIVERSITY AFRICA

SUMMER 2015
STUDENT'S DECLARATION

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

Signed: __________________________    Date: _____________________

Phedis W. Kariuki (644241)

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

Signed: __________________________    Date: _____________________

Dr. James Ngari, PhD

Signed: __________________________    Date: _____________________

Dean, Chandaria School of Business
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The objective of this study was to determine factors affecting employee turnover at Imperial bank. The research questions for the study were: To establish the extent career development affect employee turnover at Imperial Bank; to determine whether mentoring has any effect on employee turnover at Imperial Bank; to determine to what extent reward system affect employee turnover at Imperial Bank.

The population of the study was 950 employees of Imperial bank, with target population being 450 employees within bank Nairobi branches. The sample frame for this study was adopted from Imperial Bank human resources office. To ensure that every employee had an equal chance of being sampled, a simple random technique was used.

The study utilized a simple random sampling for picking out respondents. Data was collected using structured questionnaires, and was analysed using the Statistical Package for Social Sciences (SPSS) version 21. A total of one hundred and two (102) questionnaires were dispatched to respondents, and all hundred and two (102) were received back from respondents giving the study a response rate of 100%. Descriptive statistics utilized in this study include frequencies, percentages, and mean. For inferential statistics, correlation analysis, regression and multivariate analysis was done to enable easy data interpretation. Data presentation was done using tables, and figures according to each research question.

The first research question looked at career development and employee turnover. Respondents felt that training provides them with opportunities for career development with the highest mean of 3.81, followed by training and development programs have enhanced my career skills with a mean of 3.69. Equally, a strong significant positive correlation was found to exist between career planning and employee turnover with relation strength of 0.952, and P value of 0.000 which was less than 0.05, threshold necessary for relationship significance.

The second research question, mentoring and employee turnover. The study found that mentoring and coaching, employee relationship with their supervisor, and performance evaluations all have adverse effects on employee turnover. On mentoring programs at Imperial bank, 41.2% of respondents agree that Imperial bank has a mentoring program
that is functional, with 46.1% of the respondents agreeing that mentoring program enhances their performance. Respondents indicated that their relationship with their supervisor can make them quit the bank with a mean of 3.79, followed by the question on whether relationship with their supervisor makes them committed to Imperial Bank with a mean of 3.76.

The third research question looked at rewards system and employee turnover. The study found out that both salaries and bonuses used as a reward system at Imperial bank had an influence on employee turnover. Respondents polled the highest mean of 4.16 with an SD of 0.817 when asked if they would quit Imperial bank because of inadequate salary. This was followed by respondent’s description of their current salary as bad compared to the market rate with a mean of 3.39 and SD of 1.153. A correlation analysis indicated a strong positive and significant relationship exists between bonuses and employee turnover.

In conclusion, the relationship between career development and employee turnover was statistically significant. Job description, career development programs, Job enrichment and capacity enhancement enhances employee job performance, which in turn reduces employee turnover. Mentoring and coaching, equally had a significant relationship with employee turnover, with the relationship their supervisor the most contributor to the relationship significance. Finally, the relationship between reward systems and employee job performance was statistically significant. Both salaries and bonus payments are key factors influencing employee turnover.

Recommendations for improvement at Imperial Bank includes development of training programs that enriches employee’s career goals as much as organizational objectives. On mentoring, Imperial Bank should pair up employees with supervisor’s and other peers to enhance coaching and mentoring programs that will foster long term relationships and reduce turnover. On rewards systems Imperial Bank should develop competitive salaries that leads that market. Equally bonus payments should be done in a way that rewards and recognizes effort, performance and excellence.
ACKNOWLEDGEMENT

My sincere gratitude to the Almighty God for giving me the health, spiritual nourishment and ability to succeed and go through the EMOD program successfully.

To Dr. Ngari, my supervisor I give my heartfelt gratitude for devoting your time, sharing, and guiding me throughout the different stages of this research project. Without you, my project would not have been completed.

I am also grateful to my family, my husband and children, special thanks for allowing me to go back to school, for the encouragement and support given throughout the project process. To my mum thank you for being there for me. To my friends and colleagues thank you and may our good Lord bless you all abundantly.
DEDICATION

I dedicate this work to the Almighty God for giving me the strength and wisdom to make it this far. A special tribute also goes to my children Jazmyne and Tristan and my husband John Ndirangu who have stood by me throughout this study giving me the perseverance to make it to the end and lastly to my mum Rev. Catherine for teaching me to believe in myself and to always aim high.
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<tr>
<td>KBA</td>
<td>Kenya Bankers Association.</td>
</tr>
<tr>
<td>CAK</td>
<td>Communication Authority of Kenya</td>
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<tr>
<td>CBK</td>
<td>Central Bank of Kenya</td>
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<tr>
<td>IT</td>
<td>Information Technology</td>
</tr>
<tr>
<td>PWC</td>
<td>Price Waterhouse Coopers</td>
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<td>IBL</td>
<td>Imperial Bank Limited</td>
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CHAPTER ONE

1.0 INTRODUCTION

1.1 Background of the Problem

World over, employees hope to grow their professions and achieve distinguished careers over the course of their work life. Employees believe that their career objectives are within their grasp if they could find the right organization to actualize their ambitions (Weigold, et al., 2013). Organizations on the other hand invest heavily in training, developing, and nurturing their employees so as to build a stable dependable base for profitability. According to Clarke (2010), the discordant alignment between what employees want, and organizational objectives most often leads to dissatisfaction, and eventually employees’ turnover.

Although, there is no ordinary context for understanding employee turnover as a whole, numerous researches have been conducted on the subject in a quest to demystify the factors that contribute to that turnover. According to Sullivan et al., (2003), and Avey, et al., (2010) employees career prospects are built on the precept of securing a promotion, obtaining career development experiences, career growth opportunities, career coaching and mentoring. Zuber (2001), argues that employees are more likely to stay with an organization if their career growth prospects are guaranteed, and if they feel satisfied working with the organization. However, if career development opportunities are scanty or not equally available, employees tend to leave the organization for greener pastures where their career objectives can be met.

As case may be, unmet career growth opportunities results in employee turnover (Chen, Lin, and Lien, 2010). Most organizations around the world are concerned with high employee turnover ratio as it is a costly expense to the organizations (Samuel and Chipunza, 2009). According to Clarke (2010), employee turnover refers to the amount of movement that employees make in and out of an organization. Foon, et al., (2010), on the other hand, defined turnover as the movement of employees out of the organization due to unmet career growth expectations.

The banking sector holds an important facet in the functions of the world’s economy. Banks have two important economic functions; first, they operate a payments system, and
a modern economy cannot function well without an efficient payment system. Global trade transactions payments systems (Arango and Bernal, 2003); and local payment systems (Samuel and Chipunza, 2009) require banking facilities. Both individuals and corporates make and receive payments through the banking system.

According to the World Bank (2015), the functions of a banking sector are also financial intermediation, lending of money, investing the money and offering credit facilities to businesses and individuals. According to Ashar (2013), there are numerous factors containing employee’s turnover rate from any organization; some of this include, career development, which he argues contributes immensely to employee’s retention. Organizations have to provide sufficient commitment to employees in form of time, benefits in terms of helping advance their goals, knowledge, skills and abilities (Walia and Bajaj, 2012)

In the banking sector, uncontrolled employee turnover can destroy management’s quest for sustainable profitability. The Banking industry is dynamic, and to a large extent volatile, if mechanisms for employee’s retention are not structured (Foon et al., 2010). It is becoming increasingly important for managers in the banking sector to understand that profitability and growth of their banking organizations are tied to their ability not only to remunerate their employees adequately, but also to provide mechanisms for career growth (Gratton and Erickson, 2007). Samuel and Chipunza (2009), concur with Foon et al., (2010) that retention of employees in the banking sector is not easy. They argue that an organization must provide employees with intrinsic/extrinsic rewards and opportunities for career progression so as to guarantee their satisfaction, loyalty, and hence ensure employee retention.

Money, benefits, and many different forms of compensation have been used to attract, retain, and motivate employees and achieve organizational goals in the USA and around the world (Barber and Bretz, 2000; Chiu et.al., 2001; Tang et. al, 1998). The career development policy of an organization may be used specifically to retain employees as well as create competitive advantage that reduces turnover rates. Since, better salaries do inspire loyalty to an organization; employees often scramble to develop their careers so as to attain the coveted salary scales. Failure to attain the desired career goals most often yields to employee frustration and eventually leads to employee turnover.
Globally, for instance, the banking sectors in America, and Europe, have grown over the past decades to structured functional systems with well-designed and articulated employee career development, employee’s satisfaction, and retention strategies. For instance, according to Nelson, (2007), Bank of America experienced a high turnover rate due to stunted growth and employee progression in the early 2000. The bank made a raft of measures which included flexi working hours, career growth and development opportunities, promotions and recognition, and saw the turnover rate drop from 48% to 24% within the same year. Springer (2011) contends that the raft of measures is attributable to employee’s satisfaction and retention.

Regionally, the banking sector in Africa has grown in leaps and bounds. During the 1980s most countries in Africa eased restrictions in the financial sector and offered tax incentives and subsidies to attract foreign banks into local markets (Aitken and Harrison, 1999 and World Bank, 1997). The quest that propelled developing countries to offer incentives was to attract more foreign direct investment (FDI) that could spur development, particularly in banking, infrastructure, and farming. According to World-Bank (2015), FDI do have several positive effects which include productivity gains, technology transfers, and the introduction of new processes, managerial skills, and the know-how in the domestic market, employee training, international production networks and access to markets.

Significantly, the tenets for career development, skills training, mentoring and employee’s development have continued to receive traction over the years. These mechanisms have been incorporated to reduce turnover rates. For instance, according to Metcalfe (2011), and Springer (2011) the banking sector in South Africa has over the years been characterized with high employee turnover. Partially, this has been precipitated by skills shortages, poorly formulated employee career development strategies, and lack of incentives that can guarantee employee satisfaction. In his research, Radebe (2009) notes that Africa’s turnover problems are synchronously synonymous. He notes that Malawi, Zimbabwe, and even Angola have had to battle cases of high employee turnover in their banking sectors. Equally important, South African banking CEOs have acknowledged that the availability of skills, career development, and employee retention is the profitability of their organizations (Grosskopf and Atherman, 2011). The retention of employees is therefore predicated on utilization of career development channels to create a sense of value, loyalty and employee commitment to organizations.
The East Africa block has continued to experience a myriad of banks growth across the region. Kenya has the most enhanced banking system with major banks spanning across the region CBK (2014). Banking in Kenya has evolved over the years into a formidable sector with thousands of employees, profitability, and expansion. The resultant effect has been the influx of foreign banks into Kenya. According to CBK (2014) report, Kenya has 44 licensed banks, 31 of which are locally owned, while 13 are foreign banks.

This study focuses on Imperial Bank Kenya LTD. Imperial bank was founded in 1992 as a Finance and Securities Company, but later, in 1996 converted into a fully-fledged commercial bank. Following its inception into a commercial bank, it has rolled out an expansive growth strategy, achieving a strong financial performance in a short period of time. Currently Imperial Bank has 25 branches in major towns and cities in Kenya. According to PWC (2013) survey, Kenyan banks experience an employee turnover of 10% to 15% annually; Imperial Bank (2014) also does fall within the same annual margins.

According to Barwazir (2013), Imperial bank hasn’t done any research that establishes concrete facts to show factors that contribute to employee turnover at the bank. In as much as numerous research has been conducted on the subject matter, the extent to which career development opportunities, mentoring and coaching or even job satisfaction contribute to turnover has not been established at the bank. Most often, the concept of career development, or employee motivation, or growth opportunities is left as the reserve of management. Managers do decide the fate of employees’ growth opportunities. As had been stated earlier, this is done without concrete science, or facts to guide management in this quest. In retrospect, employees end up with extrinsic rather than intrinsic motivation in deciding whether to stay with the organization or not. According to Nameroff (2009), employees have to be involved in determining the career development strategy they would wish to pursue, and how those strategies fulfil their career objectives, goals, and eventual satisfaction.

Notably also, fierce competition among banks (Ernst & Young, 2014) has resulted to employees being poached. Most banks, Imperial bank included, have not instituted programs that train, motivate, and retain skilled and highly performing employees. Banks would rather poach to replace the turnover experienced within, rather than recruit, train and
motivate for posterity. The Ernst & Young (2014) research conducted in Europe, Middle East, India and Africa confirmed Foon, et al., (2010) assertion that the neglect of career development can result in devastating turnover rates for the employer. Ernst & Young (2014) further showed that in Kenya professional services in banking, insurance and media are the most widely affected.

There are numerous factors that contribute to employee turnover at Imperial Bank. These factors range from career counselling, personal development planning, training and development, Mentoring and coaching, Capacity building enhancement, job security and satisfaction among others (Avey, et al., 2010). Since Imperial Bank does not have elaborate structures for intrinsic career development, this study seeks to establish factors affecting employee turnover in terms of Career development, Mentoring and rewards system at Imperial Bank.

1.2 Statement of the Problem

In the banking sector, and indeed at Imperial bank, employee turnover contradicts the benefits derived by organizations when they spend scarce resources attracting, selecting, training and developing employees (Newman and Thanacoody, 2011). It is therefore important that the banking industry adequately motivates, retains a skilled and experienced workforce. Equally important to note, the Kenyan banking industry has witnessed considerable human capital flight despite the growth in profitability for the past five years.

Employee turnover is attributed to lack of career growth opportunities, lack of promotion, training and development and poor remuneration, while management focus more on ways of being profitable at a minimal cost to employee development. The existing conflict between these divergent views at Imperial Bank has led to employees’ turnover, while management continues to place less attention to intrinsic career development. The mere expectation of moving up in an organization hierarchy through promotion at Imperial bank, and obtaining beneficial career development experiences increases an employee’s commitment, loyalty, while at the same time reducing employee turnover which is the gap this study seeks to bridge.
This study seeks therefore to determine those factors which influence employee turnover at Imperial Bank. Some of the areas the study will look at include career development (career planning, Training and development, and career growth opportunities), mentoring which includes (employee supervisor relationship, and performance evaluations), and finally reward system which includes (salary rewards and bonus rewards) at Imperial bank.

1.3 Purpose of the study
The purpose of this study was to determine factors affecting employees’ turnover at Imperial Bank Kenya Ltd.

1.4 Research Objectives
This research study was guided by the following questions:

1.4.1 To what extent does career development affect employee turnover?
1.4.2 Does having a relationship with the supervisor and performance evaluation as a form of mentoring effect on employee turnover?
1.4.3 To what extent does rewards system affect employee turnover?

1.5 Significance of the Study
This research study could be utilized by the following stakeholders:

1.5.1 Imperial Bank
This study is beneficial to Imperial Bank in that both management and staff are be able to understand the factors that affect their employee turnover at Imperial bank. The study also provides findings upon which Imperial Bank can benchmark decision making in terms of employee career development, coaching and mentoring, and employee reward system which leads to employee job satisfaction.

1.5.2 Banking Industry
This study also benefit the banking industry in Kenya as a whole in providing findings that establishes factors affecting employee’s turnover in the banking industry in Kenya. The findings further establishes a baseline from which different banks within the industry can adopt and formulate a policy to guide their employee’s career development.
1.5.3 Government

This study is also beneficial to the government as the mandate to regulate Kenyan Banks which fall under the Central Bank of Kenya, which is a government ran regulatory agency. The central Bank can adopt the findings to formulate policies that can streamline factors affecting employee’s turnover within the banking industry in Kenya.

1.5.4 Researchers and Academicians

This study adds value and knowledge to researchers and academicians. By using the findings of this study, academicians and researchers are able to establish trends by utilizing factual data from this study on factors affecting employee turnover.

1.6 Scope of the Study

This study focused on employees of Imperial Bank Kenya. Out of the 25 current branches country wide, only 5 branches within Nairobi area were targeted for this research. The study was conducted over a period of six months. This was informed by time and resource constraints. Nairobi area had the greater concentration of Imperial Bank employees than any other region the bank operates in.

1.7 Definition of Terms

1.7.1 Career Development

According to Dwomoh and Korankye (2012) career development is the outcome of career plans as viewed from both organizational, and employee perspective. Similarly, Duffy et al., (2011)notes that career development is the lifelong process of fostering and cultivating individuals working skills through talents, skills, and knowledge, both for the employee, and the organizational benefit.

1.7.2 Coaching and Mentoring

According to Agarwal, Angst, and Magni (2006), coaching is where individuals or teams receive purposeful and appropriate training in the context of their work, and environment so as to enhance their career progression and performance. The individual or teams are led by a skilled person or coach who supports them in achieving greater self-awareness, improved self-management skills and increased self-efficacy, so that they develop their
own goals and solutions appropriate to their context. Mentoring on the other hand is the process where a more experienced and skilled person partners with the less skilled or knowledgeable and passes his/her experiences through a series of structured conversation so as to enhance awareness, ability and confidence in the person being mentored (Newman and Thanacoody, 2011)

1.7.3 Job Satisfaction
Locke (1976), argues that job satisfaction is the positive emotional state as a result of and from the appraisal of employee’s job, and job related objectives. Hulin and Judge (2003), on the other hand define job satisfaction as a multidimensional psychological response to one’s job, which have cognitive, emotional, and behavioural components of achievement.

1.7.4 Employee Turnover
Employee turnover is a ratio comparison of the number of employees a company must replace in a given time period to the average number of total employees within the organization in the same period of time (Agnes, 1999).

1.8 Chapter Summary
In today’s competitive business world, it is inevitable that banks have to give credence to employee career development, coaching and mentoring, and job satisfaction factors in order to reduce turnover and remain competitive. Retention of employees is not so easy, particularly in the banking sector that is plagued with employee poaching instead of employee career development. This chapter has explored various researches that form the background for this research. It has articulated the research purpose, questions, scope and also defined terms that have been used in the course of the research. The research purpose outlined in this chapter forms the basis for literature review in chapter two. The following chapter three of the study deals with research methodology, with chapter four dealing with study findings, and finally, chapter five deals with discussions, conclusions and recommendations.
CHAPTER TWO

2.0 LITERATURE REVIEW

2.1 Introduction

This chapter constitutes literature that reviews studies and work done by other scholars on factors affecting employee turnover in Kenya. The factors are based on the research objectives highlighted in chapter one. These include: career development factors, coaching and mentoring factors, and employee rewards system factors. The chapter summary provides an outline of the areas covered in this chapter and a description of what chapter three covers.

2.2 Career Development Effect on Employee Turnover

Career development is defined as the organized, formalized, and planned efforts of individuals within an organization so as to achieve a balance between an individual’s career needs and the organization’s workforce requirements (Puah and Ananthram, 2006). Using organizational support theory, Dwomoh and Korankye (2012) argue that when an organization commits its resources to help develop their employees’ career goals, employees will in turn feel obliged to commit their time to the organization hence reducing organization employee turnover.

According to Arthur (1994), Career development is a multifaceted concept that can carry both purpose and a sense of meaning to an employee’s life. It also includes ideas of progression and development both at work and at a personal level in this way; it embraces ideas about lifelong learning as well as skills development. On the other hand, Armstrong (2009) defines staff turnover as the permanent departure of employees from an organization. Testa (2008) agrees with Armstrong and further adds that the departure of the employees is in terms of human capital loss to the organization. Similarly, Agnes (1999) defines employee turnover as the comparative ratio of the number of employees an organization must replace in a given time period to the average number of total employees within the organization in the same period of time. Dwomoh and Korankye (2012) argue that there exists a significant correlation between career development and employee turnover in the banking sector.
2.2.1 Career Development

According to Puah and Ananthram (2006), career development is the outcome of career plans as viewed from both the organization and employee’s perspective. Peel (1992) contends that career development is the lifelong process of fostering and cultivating individuals working skills through talents, skills, and knowledge, both for the employee, and for the organization’s benefit. According to Bandura (2003), career development can be built on the concept of self-efficacy based on social cognitive theory. Bandura argues that self-system of an employees’ ability to exercise control over their career is critical. Puah and Ananthram (2006) contends that there exists a strong relationship between career development in banks, and employee turnover. Similarly research done by Dwomoh and Korankye (2012) on Training and development opportunities within the banking sector have a significant correlation with employee turnover in the banking sector.

2.2.2 Training and Development

According to Duggan (2011), banks that want to strengthen their employee base and elicit commitment, must invest in the training and development of their employees. Training is defined as the systematic planned effort to facilitate employees’ acquisition of job-related knowledge and skills so as to improve productivity (Noe, Holleneck, Gerhart, and Wright, 2006). Wan (2007) states that comprehensive training optimizes an employee’s commitment to an organization. Sherma (2006) on the other hand argues that by creating opportunities for employee training and development, banks increase the chances of their employees’ ability to thrive in the market.

Similarly, Testa (2008), echo the same sentiments that employees’ skills development through training enhances their competitive advantage in the labour market hence their confidence of their job security. Once organizations like banks have increased employees’ productivity through training and development, the resultant effect usually tips in favour of loyalty to the bank, which significantly reduce employee turnover (Butler, 2001). Wan (2007) argues that the only strategy for banks that can radically improve their workforce productivity, and reduce employee turnover is through comprehensive training and development.
Mahamad et al., (2011), on his empirical study of the Pakistan banking industry, argues that by boosting the training and development activities of employees within the banking sector, employees do get motivated to stay with the bank. Mostly this is not out of attrition, but rather out of a sense of purpose and belonging. Organizations therefore have to invest in critical banking skills and competencies that will enable their employees to function at a competitively advantaged level (Steel, Griffeth, & Hom, 2002).

In the banking sector, Batt (2002) argues that high-involvement of employees in training directly and positively correlates to reduction in employee turnover. Woodruffe (2010) on his research on impact of training on employee’s turnover in the banking sector in the UK found that training, education and development are critical to the career development of an employee. The more an employee feels that his/her career goals are being addressed by an organization, the more their commitment and loyalty to the organization. Equally, a study by Babakus, et al., (2003) on retention in Nigerian banks found that banks that provided employee training sent a signal to employees that management is committed to their retention.

Of significance to note is the study by Griffeth, and Hom (2002), which revealed that lack of training and career development opportunities were the most cited reasons for employees’ turnover in an organization. Notably, Griffeth, and Hom (2002) findings were similar to the study of Bassett and Lloyd (2005) that concluded that an increase in high-performance within Nigerian banks was as a result of the banks having a concerted effort in training their employees; this resulted in low employee turnover. The implication therefore is that, banks that provide training to their employees will to a large extent, reduce employee turnover.

2.2.3. Career Planning

According to Baruch (2004) a career is not just a job. A career is a lifelong endeavour comprising attitudes, feelings, and behaviours according to people’s work goals. Career planning on the other hand is the ongoing, often interactive developmental process an individual or an organization engages in revamping personal or organizational goals; this is done through education for labour market opportunities (Baruch & Peiperl, 2000).
Similarly, Puah and Ananthram (2006), define career planning as the process that allows individuals to acquire requisite knowledge and skills, so as to achieve their career goals for the dynamic job market. Equally stated, career planning is the ongoing process of refining, implementing and monitoring career goals made by an individual or an organization, and evaluating the steps undertaken to achieve the goals (Hall, 2002).

The first targets skills and strategies that enhance a career within the individual’s present organisation, such as in-house training and fostering contacts with influential people. The second targets skills and strategies that enhance a career generally, such as obtaining higher level qualifications and forming contacts through trade and professional associations. The strategy emphasised by the individual depends on complex factors, such as commitment to, and satisfaction with, the organisation, and will be influenced by the type and level of career management and development assistance offered by the organisation (DeVos, Buyens, & Schalk, 2003).

In the ever growing and dynamic job market, career planning by organization towards their employees can be the major determinant factor for employee commitment to the organization DeVos, et al., (2003). In the globalized dynamic job market, employers can no longer promise job security, however, it is vitally important for employers to ensure careers skills for key employees are planned for particularly in the banking sector (Lin, Peng, & Kao, 2008). According Liu et al., (2010), career planning is not only part of an employee development but also an organization’s employee turnover reduction strategy. Career planning programs offered by employers make employees feel cared for, hence obliged to remain committed to the organization. In the banking sector, career planning is just as critical as in any other industry (Green et al., 2000). Choi, et al., (2012) argues that employees dissatisfaction with career planning and development opportunities are negatively associated with high employee turnover. Therefore, career planning approaches often reflect the notion that an organisation’s workforce is its most important asset. In the banking sector, not all banks recognize the significance of employee career planning which lack of it results in employee turnover; as such other banks with such opportunities become lucrative centres for bank job seekers (King, 2004).

Yeatts, et al., (2000) argues that career planning and development is hinged on two perspectives; depreciation and conservation perspectives. The depreciation perspective in
an organization assumes that an individual’s value to the organisation is within the early years of the individual’s career. So if an organization is to develop careers, it should only target those entering their careers. The assumption is that employees peaks early in a career, levels off at mid-career, and steadily declines until retirement. However, the conservation perspective looks at employees of all ages as renewable assets. The perspective hopes that employees will yield a high rate of return over long periods of time, if adequately educated, trained, and managed (Hedge et al., 2006). The organizations that adopt the depreciation perspective, and fail to plan careers for their mid to old aged employees often suffer devastating consequences of employee turnover. When employees feel discriminated due to their age in an organization career planning opportunities, they exit the organization (Grosskopf and Atherman, 2011). The research done by Hedge et al., (2006), Grosskopf and Atherman, (2011), and Lin, Peng, & Kao, (2008), indicate a significant relationship between career planning and employee turnover in the banking sector.

2.2.4. Career Growth Opportunities

According to Mayrhofer et al., (2007), career growth opportunity is the availability of chances that an employee encounters or wishes to encounter so as to enhance their career’s upward mobility. Most often, these opportunities are provided by the organization that the employee works for. Alternatively, the employee can still find these opportunities elsewhere, particularly those in the employee’s career life. The reason as to why most organizations do not provide career growth opportunities is related to cost element. According to Chang (1999), organizations are faced with contrasting dilemmas for the career growth of their employees, whilst they try to forge strategies for turnover containment and cost reduction. Chang (1999), argues that employees who seek career growth within the organizations they currently work for, have a higher affinity for career growth opportunities than those who do not.

There exists a strong correlation between career growth opportunities and employee turnover (Puah & Ananthram, 2006). Chen et al., (2010) argue that the strong correlation between career growth strategies and employee turnover are meant to optimize both the effectiveness of employees careers while at the same time enhancing organizations growth objectives. Organizations that lack a contingency plan in managing their employees’ career growth, most often suffer the consequence of employee turnover (Armstrong, 2009).
Equally, Agarwal, et al., (2006) contends that failure to meet employee’s expectation in career growth opportunities results in high turnover with employees’ seeking these opportunities elsewhere.

According to Jones and McIntosh (2010), understanding the worth of employees’ career, and enhancing mechanisms for the growth and development can significantly reduce turnover intentions, and eventual turnover. Duffy, et al., (2011) argues that organizations that place obstacles in employee’s career development stand a greater chance of funneling disgruntled employees who would quit the organization at any best available opportunity for growth. Samuel (2010) equates moving up the organization to moving out of the organization and counts for basic career growth that can trigger turnover. However Feldman and Nigel (2008), extrapolates an argument by stating that employee turnover could also be necessitated by opportunity for advancement or promotion outside the organization. Usually employees with a higher affinity for growth opportunities would prefer other organizations which may offer them such opportunities or better opportunities with increased compensation packages. Research done by Duffy, et al., (2011), Jones and McIntosh (2010), Samuel (2010).

2.3. Mentoring and Employee Turnover

According to Richard et al., (2009) mentoring is a reciprocal, usually long-term relationship that exists between employee and mentor. The mentor contributes by sharing their career life, challenges, opportunities, their expertise, role development, and offers formal and informal support with intention to influence the protégé career Levenson et al., (2006). According to Samuel (2010), mentoring plays an important role in curtailing employee turnover in banks. Researchers who have studied the mentoring and employee turnover argue that there is a significant correlation that needs to be explored further (Donald, Hollmann, and Gallan, 2006).

In mentoring, various researchers have argued that employees relation with the supervisor, performance appraisals and working conditions adversely influence the propensity for employee turnover (Brashear, et al., 2006; Pullins and Fine, 2002). Similarly, research done by Levenson et al., (2006), Richard et al., (2009), and Brashear, et al., (2006) indicates that
there is a significant correlation between mentoring and employee turnover in the banking sector.

According to Samuel (2010), the relationship that is developed between mentor and protégé’ usually establishes a lasting bond that enables employees to enhance their commitment to an organization. In a research done by Richard, et al., (2009), on mentorship in the banking sector, he contends that banks that develop effective mentoring programs have a positive significant relationship with employee performance. This findings are in tandem with the study done in United States banks that indicated that mentoring programs for junior employees by senior employees led to enhanced junior employee commitment to the banks, while at the same time reduced employee turnover.

According to Levenson, et al., (2006), organizational structures Jones and McIntosh (2010), that embrace mentoring programs usually give a sense of progressive career structures than those that do not. They further argue that for an organization to foster, attract and retain employees, they have to ensure that employee development is paramount in their objectives. One of the ways this can be done is through institutionalization of mentoring and coaching programs.

Samuel (2010), contends that most organizations do pay more attention of employee’s performance appraisals as a way of measuring performance. He argues that the employee performance is tied to employee satisfaction, which is tied to coaching and mentoring. Mentoring helps build the consistency from employee and the organizations, that there exists a mutual relationship that not only cares for the objectives of the organization, but also for the goals and career ambitions of the employee. Jones and McIntosh (2010), further advances Samuel (2010), argument by asserting that there is a significant relationship between employee coaching and mentoring and employee turnover at organizations. The precept for the argument is built on the premise that satisfied employees are committed employees (Levenson, et al., 2006). Committed employees are loyal to organizations objectives (Grosskopf and Atherman, 2011). Equally, Richard et al., (2009) contends that mentorship and coaching develops lasting relationship that quenches hostilities between supervisor and employees, or manager and employees, thereby establishing a conducive working environment that reduces turnover.
2.3.1 Employee relationship with supervisor

Richard et al., (2009) argue that there is a significant correlation between office relationships between employees and the supervisor. There are cases where supervisors can be cruel in the manner in which they assign responsibilities, work, or the way they micro-manage employees. Such toxic environments create sufficient reason that leads to employee turnover. Thomas and Tymon (2009) research on millennial employees argue that millenial do often want supervisors who can empower them for greater success in their careers. Failure to fulfil this condition, banks finds themselves shrouded with cases of disgruntled employees that leads to high turnover (Tareef, 2012).

According to Jaffari, (2011) the banking industry’s high level systematic approach to rules, financial prudence, and employee satisfaction, often cripples the concept of supervisors-employee autonomy. Mentorship in the banking system does therefore, and in rare occasions grant mentorship that grants employee autonomy. Lack of this autonomy leads to micro-management which breeds supervisor contempt, and hence increases in employee turnover (Khattak, 2011). The concept of mentorship is supposed to enhance a mutual relationship that builds trust for employee commitment, however, Firth et al., (2007) argues to the contrary. Firth (2007) contends that the belief that mentorship autonomy decreases turnover doesn’t hold true in the banking sector.

Equally, Mbah and Ikemefuna (2011) states that Jaffari (2011) assertion that millennial employees prefer directions and management, while at the same time demanding freedom and flexibility to have work responsibilities and duties done in their own way holds significant credence. The extent to which the mentoring supervisor grants the freedom, determines the rate at which the organization will experience turnover. Kuvaas and Dysvik (2012) reports that the employee’s supervisor in the banking sector is the most influential person from whom the employee experiences intrinsic rewards. To the extent that if the relationship is sound and warm it determines employee retention, but to the extent that it’s not, it determines employee turnover (Avey et al., 2010).

In employee-supervisor relationship, it is of necessity that employees’ personal strengths, uniqueness, and rights be treated as primary elements that reduce turnover (Ghosh & Sahney, 2010). Consequently, in the banking industry, the effective training of supervisors in managing employees has a direct correlation with the ultimate employees’ job
satisfaction and turnover (Kuvaas&Dysvik, 2010). It is imperative that as a mentor to employees’ under their domain, supervisors should endeavour to make appreciative positive contribution that enhances employees work experience and satisfaction, hence lead to reduction in turnover (Armstrong, 2009; Ashar, 2013; Brashearet al., 2008).

Karl, Pelucette, and Hall (2008), equally argue in the affirmative that effective supervisor – employee relations has a direct correlation with employee turnover in the banking sector. The argument they make is built on the precept that supervisors facilitate professional development of employees; hence their ability to consistently model, autonomy and growth enhances employees’ commitment to banks.

Various other researchers Allen et al.,(2004); Butler(2001); Choi et al., (2012) found out that employees perception of the nature of supervisory support had a direct impact on turnover intentions, and eventual turnover of employees from their organizations. An argument can therefore be made that supervisors’ knowledge in guiding, shaping and transforming employees as well as their perceived attitudes and behaviour towards employees’ have a significant impact on employee turnover (Karl et al., 2008).

2.3.2 Performance Evaluations

Performance evaluations usually provide employees feedback and opportunity for mentoring with their supervisors. Performance evaluations provide sufficient opportunity where employees get to establish their work plans, objectives, and goals under the tutelage of their supervisors. Cleveland et al.,(2003) argues that if employees perceive that the kind of evaluations are skewed negatively towards them, or that they don’t get sufficient feedback from their supervisors on expectations, performance, and goal setting, employees get frustrated. Frustrations with the performance evaluation system have a significant relationship with employee turnover. In the banking sector performance evaluations are usually tied to employee and their superior. Failure to have employee performance evaluation discrete can be the source of acrimony between employees and their supervisors who are to have oversight and mentorship role over them (Pritchard & Payne, 2008).

Similarly, Cleveland et al., (2003) argue that banking sector appraisals, just like any other sector, are used to evaluate an employee’s performance and to make decisions on
promotions, demotions, or even termination. The appraisal system can be an instrument for progressive performance or for punishing employees based on how the appraisal is designed (Bernardin, 1984). If the appraisal system is perceived by employees to be arbitral and punitive, the resultant effect: are massive turnover (Ahmed et al., 2012).

Ishaq et al., (2009) banks use performance appraisals to administer end year bonuses to their employees’. Most often than not, there are employees who feel disfranchised on bonuses as a result of bad appraisal reviews. The resultant effect is loss of morale and eventual turnover. The degree to which employees perceive fairness in the appraisal system and the rewards accrued to it determines their organization commitment or turnover intentions. (Dechew, 2010; Franken, 2012). Some researchers argue that appraisals determine job satisfaction levels, which eventually translate into turnover of employee or their commitment to an organization (Ahmed et al., 2012; Arbaiy & Suradi, 2007).

The primary purpose of appraisals is positive performance inducement Brown et al., (2010). However, (Lunenburg, 2010) argues that it does not necessarily induce the desired effect of inducing the performance and growth desired, but instead, apprehension, demotivation and employee turnover. Banking sector operational effectiveness has for a greater part been hinged on employees’ ability to commit to training, development, and understanding of the banking operations. In as much as it is desirable to ensure that these traits have been adhered to, appraisal is one of the mechanisms that banks can assess to ensure compliance (Dechew, 2010). Unfortunately, bank managers are at times reluctant to effectively administer appraisal for fear of the inherent purpose in terms of terminating underperforming employees, or issuing reprisals and warnings. Most often, jittery employees under warnings or reprisals increase the turnover rate as they fear their future with the bank is not guaranteed (Mbah & Ikemefuna, 2011).

Similarly, as had been argued by Ishaq, et al., (2009), unfairness in performance appraisals negatively impacts the attitude of employees’ commitment to banking institutions. Several research such as Poon (2004), Ishaq, et al., (2009), Dechew, (2010), Franken (2012) indicates the existence of a strong relationship between how mentoring process in conducting performance evaluations influences employee turnover in the banking sector.
2.4. Rewards system and Employee Turnover

According to Zhou et al., (2009), rewards system are mechanisms through which organizations show appreciation towards employees for their commitment, performance, skills, knowledge or loyalty towards the organization. For the purpose of this study, the research will focus only on salary and bonuses within the banking sector at Imperial Bank. O’Reilly et al., (1980) uses intrinsic motivation theory to argue that banks’ rewards system significantly enhance employees’ commitment to their organizations, or significantly enhances turnover rates.

Salary is the monthly payment an employee gets at the end of every month as payment for work done. Bonuses on the other hand are monetary rewards over and above the salary an employee gets at the end of the year. Most often, bonuses are based on organizations profitability, and an employee is rewarded based on the level of their contribution to the attainment of the profitability. It is a profit sharing mechanism with employees. Zhou, et al., (2009), argues that promotion is the upgrading in level of responsibility, salary and other benefits based on the level of employee’s skills, knowledge, and their performance at the organization.

According to Foon, et al., (2010), salaries, bonuses and promotions are tangible rewards systems that can enhance or deter employee turnover in the banking sector. The extent to which employees are remunerated correlates with turnover rates within banks. Equally, Zhou, et al., (2009) argues that banks policy on salaries, bonuses, and promotions must be professional, otherwise it will result in favouritism, and nepotism which precipitates employee disgruntlement resulting in employee turnover, particularly for the aggrieved employees.

Foon, et al., (2010), further argues that organizational reward system forms the bedrock from which organizations form basis for rewarding employees. When the reward system is perceived as punitive, employee turnover surges. Employees tend to leave the banking system to other organizations that do offer more competitive packages than organizations they are working for (Babakus, Yavas, Karatepe, & Avci, 2003). However, organizations with perceived better rewards system, do attract and retain employees, thus reducing the turnover intentions, and actual employee turnover.

According to Zhou, et al., (2009), organizations that don’t foster reward systems that are structured on empirical and research do suffer from subjective rewards systems, rather than
objective rewards system. According to Adeniji, Osibanjo, and Abiodun (2013), subjective rewards system are usually designed from a single prism, management prism. The desire of organizations under subjective rewards systems is to enhance profits and organizational performance at all costs. Employee’s needs are not the priority within organizations objectives. Most organizations consider salary as an adequate reward, and employees should be grateful they get paid.

Adeniji, Osibanjo, and Abiodun (2013) further argue that objective rewards systems are designed to not only enhance organizations performance objectives, but also to advance employees goals. Some of the rewards employees consider objective include career growth opportunities, promotions, health facilities, pension facilities, bonus facilities among others. According to Mitchell et al., (2014), objective rewards systems constitute the intrinsic rewards.

Intrinsic rewards are basically the motivations that employees appeal to depending on their different stages and levels of needs and wants (Choi, et al., 2012). The Maslow hierarchy of needs defines what most employees require as motivation. According to Adeniji, Osibanjo, and Abiodun (2013), organizations that are able to articulate employee’s hierarchy of needs have a higher rate of addressing them. Addressing employees needs leads to satisfied employees who subconsciously pledge their loyalty to the organization, and as a result, leads to a reduction in employee turnover.

Walia, et al., (2012) contends that managers most often focus on bonuses and salaries without conducting any survey within their employees to determine levels and hierarchies of needs. Using salary or bonuses alone might be counterproductive since this approach might not form intrinsic motivation for all employees. However Choi, et al., (2012), argues that salaries and bonuses are an important part that forms both intrinsic and extrinsic motivation for most employees. They further argue that the segmentation of rewards over and above the salaries and bonuses is what differentiates employee retention of turnover.

According to Zhou, et al., (2009), organizations can enhance their rewards system by introducing incentives like medical covers for employees, fully paid for vacations, paid leave, paid study leave, flexi working arrangements and even promotions and recognitions. Managers who are astute at recognizing each employees needs and rewards them adequately have a higher rate of employee retention than managers who don’t.
According to Walia et al., (2012), organizations that show intention to care, or those that are perceived to show intention to care for employees needs through rewards systems do gain employees commitment, loyalty, and hence, reduces employee turnover. However, organizations that do have a perception of not caring for employees needs have a higher employee turnover rate. Zhou, et al., (2009), contends that there exists a strong positive relationship between organizational rewards system and employee’s turnover. Literature in the following section examines the correlation between salary, bonuses and employee turnover.

2.4.1 Salary

According to Walia, et al., (2012) salary and associated benefits are an integral factor that influence employee turnover. The major reason why people work is to have an income in order to fulfil their basic survival needs such as food, clothing and shelter. Satisfaction through income earned further leads to employee retention. In the banking sector, salaries offered to employees can easily form a competitive advantage for the bank enabling the bank to curtail any salary related turnover since the market would be unattractive to employees seeking to leave (Babakus, Yavas, Karatepe, & Avci, 2003).

Researchers like Walia et al., (2012); Campbell, (1993) and Greenberg and Baron (2008) contend that the most common cause of high employee turnover in banks is poor pay packages. Further, they argue that when an employee is paid lesser than the going market rate, the propensity for turnover are increased exponentially as they are constantly searching and seeking other banks who could offer better pay package. Grosskopf and Atherman (2011) similarly argue that an employee working for a bank in a low-wage position with limited benefits has little to no incentive to stay with the bank. Conversely, Choi et al., (2012) counters Grosskopf and Atherman(2011) argument by stating that while it is true that lower paying jobs experience high turnover, their turnover cost to the bank is negligible than employees in higher paying cadres.

Choi et al., (2012) further argues that banks should concentrate on employee retention strategies regardless of salaries. Franken (2012) on the other hand, holds to the view that employee turnover is as a result of salary scale; usually, employees quit or search for jobs that would pay them better than the previous ones. Franken weighs that argument that disparities with un-equal wage structures not only leads to demotivation and poor performance, but also to employee turnover. Two or more employees performing the same
job duties, and responsibilities, but with differing salary rates usually breed discontent and turnover.

Usually an employees’ salary is a way of communicating to the employee about their value (Caudron, 1994). According to the theory of instrumentality, employees’ remuneration is a source of power (Adeniji, Osibanjo, & Abiodun, 2013). It is important therefore, for banks to understand the correlation salary payments have with employee motivation and turnover (Franken, 2012). However, salary compensation must be designed properly to eliminate contentions, and office politics. This can be done through standardization or professionally designed grades (Donald Jr, Hollmann, & Gallan, 2006).

**2.4.1.1 Bonuses**

Bonuses are annual or by-annual payments that organizations give to their employees as a token of appreciation for good performance (Murphy, 1999). Bonuses are offered based on accounting performance of the organization. Banks do offer bonuses from time to time (Tetlock, 2007). In the banking sector, bonus payments are often pegged on a flat rate, fixed rate, wage rage or salary rate (Adeniji, Osibanjo, & Abiodun, 2013). The main objective of these payments is to enhance motivation and elicit loyalty and commitment to the bank. However, according to Mitchell et al. (2014), managers can arbitrary decide not to pay bonuses even in a good financial year. The disparity between the bonuses that are paid and those that are not paid, and those that are paid to top managers usually elicit disquiet and eventual turnover from staff who feel disfranchised despite their performance.

Bandura and Locke (2003) on the other hand argue that bonuses in isolation do not constitute intrinsic motivation that can cause employee turnover. In their argument, they claim that levels of motivation define employees’ self-efficacy, from which they perceive realities of things like performance bonuses. Further they argue that employees on lower ranks of Maslow’s theory in terms of security, food, shelter, are the once who might value any form of bonus, as it actually provides their valued motivation. The higher cadre of employees rely on other forms of intrinsic motivation to determine whether to leave an organization or not.
2.5 Chapter Summary

This chapter reviewed the relevant literature in relation to factors affecting employee turnover in the banking sector in respect to the research questions: how career development (career planning, Training and development, and career growth opportunities), mentoring which includes (employee supervisor relationship, and performance evaluations), and reward system which includes (salary rewards, and bonus rewards) correlates to employee turnover in the banking sector. The next chapter deals with the research methodology that was used to carry out the study.
CHAPTER THREE

3.0 RESEARCH METHODOLOGY

3.1 Introduction

This chapter provides an insight into the various methods and the procedures that will be adopted in conducting the study. This chapter contains the research design, population and sampling design, data collection methods, research procedures, data analysis methods, and finally, the chapter summary.

3.2 Research Design

Cooper and Schindler (2008) define a research design as the scheme, outline or plan that is used to generate answers to research problems. Creswell (2007) similarly notes that a research design is the structure of the research that holds all the elements in a research project together. The study is based on descriptive quantitative study. Descriptive study was adopted in addressing the research questions through empirical assessment that involved numerical quantitative measure. Quantitative data that was collected was used to advance statistical analysis of the study. This study has utilized multiple methodologies to achieve an optimum representative sample. The mix consists of Cluster sampling, Stratified sampling, and simple random sampling. According to Cox and Hassard (2005) a survey is a method of carrying out research using a structured questionnaire that is given to a sample of a population and designed to elicit specific information from the respondents. The survey questions are designed to gather information on things such as attitudes, intentions, awareness, behaviours and motivations.

3.3 Population and Sampling Design

3.3.1 Population

According to Cooper and Schindler (2008), population is defined as the total collection of elements under study whereby references have to be made. The total population of this study was 450.
3.3.2 Sampling Design

In a research study, sampling is defined as the process of selecting respondents for a study in such a way that the respondents selected are a representative of the whole population (Mugenda & Mugenda 2003). Sampling procedure may be defined as a systematic process of individuals for a study to represent the larger group from which they are selected (Cooper and Schindler, 2008). They all define a sample as the method of selecting a portion of the population for conducting a study in order to represent the population adequately since it is impossible to take the entire population because of time, financial factors and errors which can discourage the researcher and lead him to surrender the study. This study has utilized multiple methodologies to achieve an optimum representative sample. The mix consists of Cluster sampling, Stratified sampling, and simple random sampling.

3.3.2.1 Sampling Frame

According to Cox and Hassard (2005), sampling frame is an objective list of the population from which the researcher can make a selection. The sampling frame was obtained from Imperial bank HR head office in Nairobi. The sample frame consists of the valid full time employees currently working at Imperial bank.

3.3.2.2 Sampling Technique

The sampling method used in drawing samples from a population was driven by the objectives of the research activity. The sampling process was to be guided by the parameters in the population in line with specific objectives of the study (Cooper and Schindler, 2011). The study adopted Cluster sampling, Stratified sampling, and simple random sampling to ensure that every one had an equal chance of being sampled, and also to ensure that different age groups were represented. Semi-structured questionnaires were then administered to obtain the necessary data.

3.3.2.3 Sample Size

According to Cooper and Schindler (2008), sample size is described as a smaller set of elements from the larger population. Mugenda (2003) argued that the choice of sample size is governed by the confidence you need to have in your data, level of certainty, the accuracy
you require for any estimates made in your sample, the type of analysis you are going to undertake and finally the size of the total population from which your sample is drawn.

To determine the sample size that will be able to capture objective issues, we propose to use Krejcie & Morgan (1970).

The sample computation will be as follows:

\[
    n = \frac{X^2 \times N \times P \times (1 - P)}{ME^2 \times (N - 1)) + (X^2 \times P \times (1 - P))}
\]

Where: 
- \( n \) = Sample Size 
- \( X^2 \) = Chi–Square for the specified confidence level at 1 degree of freedom 
- \( N \) = Population Size 
- \( P \) = Population proportion (.50 in this Table) 
- \( ME \) = desired Margin of Error (expresses as a proportion)

\[
    \text{Sample Size} = \frac{2.706^2 \times 450 \times 0.5 \times 0.5}{0.1^2 \times (449) + (2.706^2 \times 0.05)}
\]

\[
    = 102
\]

Table 3.1: Distribution of Sample Size

<table>
<thead>
<tr>
<th>No.</th>
<th>Imperial Bank Branch</th>
<th>Research Sample</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Westlands Branch.</td>
<td>22</td>
</tr>
<tr>
<td>2</td>
<td>Parklands Branch.</td>
<td>20</td>
</tr>
<tr>
<td>3</td>
<td>Industrial Area Branch</td>
<td>20</td>
</tr>
<tr>
<td>4</td>
<td>Greenspan Branch</td>
<td>20</td>
</tr>
<tr>
<td>5</td>
<td>Upper hill Branch</td>
<td>20</td>
</tr>
<tr>
<td></td>
<td><strong>Total Respondents</strong></td>
<td><strong>102</strong></td>
</tr>
</tbody>
</table>
3.4 Data Collection Methods

Data collection is the process of gathering and measuring information on variables of interest, in an established systematic fashion that enables one to answer stated research questions, test hypotheses, and evaluate the outcomes (Cooper and Schindler, 2008). The primary data collection method was carried out by the use of questionnaires. This was accomplished by approaching employees within sampled bank branches, explaining the objective of the research and handing them the questionnaire to fill.

The questionnaire had four sections. Section ‘A’ formed bio-data questions, Section ‘B’ had questions under research question 1, section ‘C’ had questions under research question 2, while section ‘D’ had questions under research question 3. Glaser and Strauss (2009) explain that questionnaires are an important instrument for research as a tool for data collection. The use of questionnaires was justified to the extent that questionnaires are an effective way of collecting information from a large literate sample in a short span of time and at a reduced cost than other methods. The questionnaire made use of closed ended questions to ensure consistency, easy coding, and data analysis.

3.5 Research Procedures

Research procedures refer to a detailed description of the steps to be taken and the conduct of research should be provided for by the purpose of the study. A pilot test involving 10 respondents was carried out to check the validity, clarity and reliability of the contents of the questionnaire. A pilot test was conducted for the study to detect whether weaknesses in design and instrumentation existed, and to provide data to measure reliability and validity of the study. According to Saunders et al., (2009) a complete account of the research process including pilot testing, scheduling of the subjects and selection of the data collection instruments has to be conducted.

After the questionnaire was developed, it was subjected to a pilot test within one of Imperial banks branches to employees who were not taking part in the survey.

3.6 Data Analysis Methods

Data analysis that was conducted involved reducing the collected data to a manageable size, by developing summaries, through the utilization of data analysis techniques (Cooper and
Schindler, 2008). The quantitative data was analyzed using both descriptive and inferential statistics. Descriptive statistics was utilized for measures of central tendencies (Mean, Median and Mode), and measures of dispersion (Variance, Standard deviation, Standard Error, and Percentiles). On the other hand inferential statistics was utilized for correlations, linear and multiple regression. Linear regression was used on factors that indicated significant correlation. Multiple regression was then administered to the list of factors that had indicated significant correlation with employee turnover. The multiple regression model used was:  

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

Regression was done to determine the level of significance when the factors are combined. The analysis process entailed the transformation of raw data into Tables, and charts, containing frequency distribution and percentages that provided answers to the research questions. The study data was finally analysed using Statistical Package for Social Sciences (SPSS) 21.

### 3.7 Chapter Summary

This chapter presents the various methods and procedures that were adopted in conducting the study in order to answer the research questions raised in the first chapter. The chapter was organized in the following ways: the research design, population and sample, data collection methods, sampling design and sample size, research procedures and data analysis. The next chapter presents the results and findings of the study.
CHAPTER FOUR

4.0 RESULTS AND FINDINGS

4.1 Introduction

This chapter discusses the results of the data analysed from the questionnaires. Descriptive analysis of the demographic information is presented in the first section, as provided for by study respondents. The organization of the chapter is equally based on chronological arrangement of research questions. Research question one presents findings on career development as a factor influencing employees’ turnover. The second research question section analyses findings on mentoring and coaching as a factor influencing employee turnover while the third research question presents findings on reward system as a factor influencing employee turnover. The findings in this chapter are represented in form of distribution Tables, means, charts, and graphs, while the summary of major findings made at the end of the chapter.

4.1.1 Response Rate

According to Bacon (2014), response rate is defined as the extent to which the final set of questionnaires collected from respondents is calculated against the number of questionnaires received back from respondents interviewed in the study. For this study, the sample size was 102 respondents. All the 102 fully filled questionnaires were received back from respondents representing a response rate of 100%.

4.1.2 Reliability Analysis

Reliability of the questionnaires for this study was evaluated through Cronbach’s Alpha which measures the internal consistency. According to Borsboom (2009), reliability is defined as the consistency of measurements within an instrument measuring the same thing. Equally, Brown, et al., (2010), argues that reliability helps determine the replicability of a test consistency over time when subjected to same test forms or alternate forms. Nunnally (1978), established that the Alpha values should be above 0.6 for a study questionnaire to pass reliability test. Cronbach Alpha for this study is 0.773. The summary of the scales determining objective areas covering questionnaire are shown in Table 4.1 shown below:
Table 4.1: Reliability Analysis for the variables

<table>
<thead>
<tr>
<th>Scale</th>
<th>Items</th>
<th>Cronbach's Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Turnover</td>
<td>12</td>
<td>.859</td>
</tr>
<tr>
<td>Training Development</td>
<td>6</td>
<td>.757</td>
</tr>
<tr>
<td>Career Planning</td>
<td>6</td>
<td>.735</td>
</tr>
<tr>
<td>Growth Opportunity</td>
<td>6</td>
<td>.717</td>
</tr>
<tr>
<td>Mentoring and Coaching</td>
<td>5</td>
<td>.734</td>
</tr>
<tr>
<td>Employee Supervisor Relationship</td>
<td>5</td>
<td>.744</td>
</tr>
<tr>
<td>Performance Evaluation</td>
<td>6</td>
<td>.726</td>
</tr>
<tr>
<td>Salary</td>
<td>6</td>
<td>.725</td>
</tr>
<tr>
<td>Bonuses</td>
<td>6</td>
<td>.737</td>
</tr>
<tr>
<td><strong>Average</strong></td>
<td><strong>0.773</strong></td>
<td><strong>0.773</strong></td>
</tr>
</tbody>
</table>

4.2 Demographic Information

The demographic for this study included, gender, age, respondents work department, years of work at the bank, and respondent's title at the bank. The following are some of the findings that were obtained with regards to demographic information.

4.2.1 Classification of Respondent by Gender

The gender of the respondents in demography was 56% male, while female respondents were 44%. The study therefore indicates that the majority of respondents were male, however, the proportion indicates both genders were adequately represented in the study. The gender results are shown in figure 4.1 below;
Figure 4.1: Respondents Gender

4.2.2 Respondent Age Classification

The study respondents were classified according to age groups. The distribution of respondents by age group is shown in figure 4.2.

Figure 4.2: Respondents Age Distribution
According to figure 4.2 above, respondents of age distribution was as follows: 18 to 24 were the majority at 59%, followed by those aged 31 to 40 years at 33% years. The study also shows that 7% of the respondents were aged 41 to 50 years, while 51 years and above only 1%.

4.2.3 Respondent Work Department

Figure 4.3 below shows the distribution of respondents based on their work department.

![Figure 4.3: Work Departments Distribution](image)

As shown in figure 4.3 above, most of the respondents who participated in the study were from operations at 47.1% followed by finance department at 18.6%, while 14.7% was from customer care department. 13.7% of the respondents were from marketing and sales, 4.9% from I.T department, while only 1% was from quality assurance department.

4.2.4 Respondents Years at the Bank

Respondents in the study were asked to indicate the number of years they had worked at Imperial Bank. Figure 4.4 below illustrates the findings;
According to the study findings, the highest number of years spent by respondents at Imperial Bank was 1 to 3 years at 44% followed by 4 to 6 years at 26%, and 7 to 9 years at 25%. 4% of the respondents indicated they had been at the bank for 10 to 12 years, while only 1% of respondents indicated 13 to 15 years.

4.2.5 Respondents Designation at the Bank

In the study respondents were asked to indicate their designation at Imperial bank. Figure 4.5 below illustrates the findings:

Findings indicate that 60.8% of respondents were general employees, 19.6% were supervisors, while 19.6% were managers.
4.3 Employee Turnover

Employee turnover section of the questionnaire aimed at collecting data on the respondents understanding of employee turnover at the bank. The study aim was to have respondents indicate if turnover existed, if it was voluntary or involuntary, the type of turnover the bank experienced, and finally the reasons for the turnover. Equally, the study sought to find out which industry employees moves to after leaving Imperial bank and the remedies the bank can put in place to remedy the situation. The following sections presents the findings on employee turnover from the study.

4.3.1 Employee Turnover at Imperial Bank

This portion of the study targeted only human resources manager at various branches of the bank within Nairobi County. HR managers/Officers were asked whether employee turnover existed at the bank, and what was the turnover rate. The findings are indicated in Table 4.2 below:

<table>
<thead>
<tr>
<th>Table 4.2: Employees Who Left the Bank in the Last One Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequency</td>
</tr>
<tr>
<td>------------</td>
</tr>
<tr>
<td>Valid YES</td>
</tr>
</tbody>
</table>

According to the study findings, 100% of HR managers indicated they had experienced some form of employee turnover within the bank in the last one year period.

4.3.2 Total Number of Employee Turnover at Imperial Bank

The turnover numbers from HR managers who participated in the study are indicated in Table 4.3 below:

<table>
<thead>
<tr>
<th>Table 4.3: Total Number of Employee Turnover at Imperial Bank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turnover Numbers</td>
</tr>
<tr>
<td>-------------------</td>
</tr>
<tr>
<td>Actual Turnover</td>
</tr>
<tr>
<td>Total Number of Employees at the Bank</td>
</tr>
</tbody>
</table>
According to the findings in Table 4.3 above, respondents indicated that 21.1% of the total employees at Imperial bank had left the bank in the last one year. 57% of the turnover was involuntary while 43% was voluntary. Equally, out of the turnover 86% or respondents indicated the turnover was functional, out of which, 14% indicated the turnover was unavoidable.

### 4.3.3 Reasons for Employee Turnover at Imperial Bank

HR managers were asked to indicate reasons they believe cause employee turnover at the bank. The results are shown in figure 4.6 below.

![Figure 4.6: Reasons for Employee Turnover at Imperial Bank](image)

According to figure 4.6 above, 42.9% of HR managers at Imperial bank indicated that 42.9% of employee turnover at the bank is due to uncompetitive packages and less opportunity for growth. 28.6% felt the turnover is due to less growth opportunities, while 14.3% believe the turnover was due to job and skills mismatch. Only 14.3% indicated that employees leave the bank due to uncompetitive packages only.

### 4.3.4 What Imperial Bank Can Do to Reduce Turnover

Respondents were asked to indicate the things that they believe Imperial bank can do to reduce turn over. Table 4.4 below shows the study findings.
Table 4.4: What Imperial Bank Can Do to Reduce Turnover?

<table>
<thead>
<tr>
<th>Distribution</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Offer competitive Pay Package</td>
<td>21</td>
<td>20.6%</td>
</tr>
<tr>
<td>Treat each employee with respect regardless of their job,</td>
<td>7</td>
<td>6.9%</td>
</tr>
<tr>
<td>Offer flexible working hours</td>
<td>4</td>
<td>3.9%</td>
</tr>
<tr>
<td>Offer good working environment</td>
<td>6</td>
<td>5.9%</td>
</tr>
<tr>
<td>Offer Opportunities for growth</td>
<td>30</td>
<td>29.4%</td>
</tr>
<tr>
<td>Offer competitive Package and Opportunities for growth</td>
<td>21</td>
<td>20.6%</td>
</tr>
<tr>
<td>Competitive package and Good working environment</td>
<td>5</td>
<td>4.9%</td>
</tr>
<tr>
<td>Competitive pay, treating employees with respect, and growth opportunity</td>
<td>6</td>
<td>5.9%</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>2.0%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>102</td>
<td>100%</td>
</tr>
</tbody>
</table>

According to Table 4.4 above, 29.4% of respondents felt that offering opportunities for growth was the best way of reducing employee turnover. 20.6% believed offering competitive packages. Equally 20.6% also indicated that both competitive packages and opportunities for growth would reduce turnover. On the other hand, 6.9% felt that treating employees with respect, while 5.9% said offering good work environment reduces employee turnover. 3.9% indicated offering flexible working hours, while only 2% felt offering a combination of competitive pay, respect, and growth opportunity would reduce employee turnover at the bank.

4.3.5 The Cost of Turnover

Respondents were asked to indicate which cost(s) they believed had the highest impact on the organization in terms of turnover. The findings are shown in Table 4.5 below:
Table 4.5: The Cost of Turnover

<table>
<thead>
<tr>
<th>Distribution</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recruitment costs</td>
<td>17</td>
<td>16.7%</td>
</tr>
<tr>
<td>Interview Costs</td>
<td>6</td>
<td>5.9%</td>
</tr>
<tr>
<td>Training Costs</td>
<td>30</td>
<td>29.4%</td>
</tr>
<tr>
<td>Administration costs</td>
<td>14</td>
<td>13.7%</td>
</tr>
<tr>
<td>Recruitment and Training costs</td>
<td>10</td>
<td>9.8%</td>
</tr>
<tr>
<td>Training and Administrative Costs</td>
<td>15</td>
<td>14.7%</td>
</tr>
<tr>
<td>Recruitment, Training and Admin</td>
<td>7</td>
<td>6.9%</td>
</tr>
<tr>
<td>All of the Above</td>
<td>3</td>
<td>2.9%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>102</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

The findings in Table 4.5 above show that 29.4% of respondents felt that training was the highest cost organizations incur after employee turnover. 16.7% of respondents indicated that recruitment is the highest cost, while 14.7% believed both training and administrative costs were the highest, while 13.7% of respondents believe only administrative costs was the highest. On the other hand, 9.8% felt both training and recruitment costs were the highest, while 6.9% felt that recruitment, training and administration were all the highest. 5.9% believed that interview costs were highest, with only 2.9% believing that all the mentioned factors were highest costs in employee turnover.

4.3.6 Cost of Recruiting New Employee

Similarly respondents were asked to indicate the cost of recruiting new employee after turnover. The results are shown in Table 4.6 below.

Table 4.6: Cost of Recruiting New Employee

<table>
<thead>
<tr>
<th>Distribution</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very Low</td>
<td>6</td>
<td>5.9%</td>
</tr>
<tr>
<td>Low</td>
<td>14</td>
<td>13.7%</td>
</tr>
<tr>
<td>No Cost</td>
<td>7</td>
<td>6.9%</td>
</tr>
<tr>
<td>High</td>
<td>66</td>
<td>64.7%</td>
</tr>
<tr>
<td>Very High</td>
<td>9</td>
<td>8.8%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>102</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>
The study findings show that 64.7% of respondents indicated that cost of recruiting new employee after turnover to be high, while 13.7% believed the cost to be low. 8.8% of respondents indicated the cost to be very high, while 5.9% of respondents only indicated the cost of recruiting new employee as very low.

### 4.3.7 Organizations Employees Join after Leaving the Bank

The study sought to find out the kind of organizations employees join after they leave the bank. The findings are shown in figure 4.7 below:

![Figure 4.7: Organizations Employees Join after Leaving the Bank](image)

The findings indicate that 60.8% of respondents believe that employees who leave the bank join organizations in the same banking industry. 16.7% of respondents indicated that employees leaving join organizations in different sectors, while 6.9% said employees leaving go for further studies and 7.8% of respondents indicated that employees who leave are self-employed. Only 2.9% of respondents felt that employees who left did not join any organization or are not working with 4.9% of respondents indicating that the whereabouts of employees who leave the bank are unknown.
4.4 Career Development and Employee Turnover

Career development section of the questionnaire aimed at collecting data on the respondents understanding of effects career development at the bank have on employee turnover. The section covers training and development, career planning, and growth opportunities. The following section presents the findings on career development and employee turnover from the study.

4.4.1 Training and Development

The respondents were asked a series of questions on what they thought constituted career development and their effect on employee turnover. Table 4.7 below indicates the findings.

Table 4.7: Training and Development

<table>
<thead>
<tr>
<th>Distribution</th>
<th>N</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Imperial bank provides you with Job training</td>
<td>102</td>
<td>3.42</td>
</tr>
<tr>
<td>The trainings are poorly organized</td>
<td>102</td>
<td>3.10</td>
</tr>
<tr>
<td>The Trainings are well organized</td>
<td>102</td>
<td>3.43</td>
</tr>
<tr>
<td>Training and development programs have enhanced my career skills</td>
<td>102</td>
<td>3.69</td>
</tr>
<tr>
<td>Trainings provide opportunities for career development</td>
<td>102</td>
<td>3.81</td>
</tr>
<tr>
<td>You can quit the bank for lack of training and development opportunities</td>
<td>101</td>
<td>3.37</td>
</tr>
<tr>
<td><strong>Average Mean</strong></td>
<td></td>
<td><strong>3.47</strong></td>
</tr>
</tbody>
</table>

According to the study findings, the respondents felt that training provides them with opportunities for career development with the highest mean of 3.81, followed by training and development programs have enhanced my career skills with a mean of 3.69. Respondents felt that trainings at Imperial bank are well organized with a mean of 3.43, followed by Imperial bank provides them with job training with a mean of 3.42. Equally, respondents indicated that they would quit the bank for lack of training and development opportunities with a mean of 3.37. Lastly, the question on trainings are poorly organized had the least mean at 3.10.
4.4.2 Career Planning

To determine how respondents felt about career planning at the bank and its effect on turnover, respondents were asked a series of questions on the same. Table 4.8 below shows the findings.

Table 4.8: Career Planning

<table>
<thead>
<tr>
<th>Distribution</th>
<th>N</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>You have a well-structured career planning program at imperial bank</td>
<td>101</td>
<td>3.09</td>
</tr>
<tr>
<td>Career plan enhances employees commitment to the bank</td>
<td>102</td>
<td>3.50</td>
</tr>
<tr>
<td>In career planning employees skills are matched with their job descriptions</td>
<td>102</td>
<td>3.38</td>
</tr>
<tr>
<td>Adequate job duties enables evaluate your career plan</td>
<td>102</td>
<td>3.54</td>
</tr>
<tr>
<td>Career planning is for your growth within imperial bank</td>
<td>102</td>
<td>3.72</td>
</tr>
<tr>
<td>Career planning influences employee turnover</td>
<td>102</td>
<td>3.86</td>
</tr>
<tr>
<td><strong>Average</strong></td>
<td></td>
<td><strong>3.51</strong></td>
</tr>
</tbody>
</table>

According to the findings, career planning influences employee turnover had the highest mean of 3.86 followed by career planning is for respondent’s growth within imperial bank with a mean of 3.72, then the question on adequate job duties enabling respondents to evaluate their career plan with a mean of 3.54. Career plan enhances employees commitment to the bank had a mean of 3.50 while career planning help employees by matching skills with their job descriptions with a mean of 3.38. When respondents were asked if they have a well-structured career planning program at imperial bank, the respondents mean was the least at 3.09.

4.4.3 Growth Opportunities

Respondents were asked about what they felt about growth opportunities and employee turnover at the back. Table 4.9 below shows the study findings:
The study findings show that respondents felt that they would quit the bank if growth opportunities were not available to them had the highest mean of 3.99, followed by respondents belief that career growth opportunities influences employee turnover with a mean of 3.58. Respondents felt that Imperial Bank has policies that support employee career growth with a mean of 3.45 while other respondents felt that actual career growth opportunities exist at Imperial bank with a mean of 3.33. Similarly, some respondents believed that management supports employee career growth with a mean of 3.31; other respondents indicated that Imperial bank career growth is the best compared to the industry with mean of 2.98. Respondents who thought Imperial bank’s promotions were fair ranked last with a mean of 2.76.

### 4.4.4 Correlation between Career Development and Employee Turnover

The study findings were subjected to correlation analysis to determine the relationship between career development and employee turnover. The findings are shown in figure 4.10 below:

<table>
<thead>
<tr>
<th>Distribution</th>
<th>N</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Imperial Bank has policies that support employee career growth</td>
<td>102</td>
<td>3.45</td>
</tr>
<tr>
<td>Management supports employee career growth</td>
<td>102</td>
<td>3.31</td>
</tr>
<tr>
<td>Actual career growth opportunities exist at Imperial bank</td>
<td>102</td>
<td>3.33</td>
</tr>
<tr>
<td>Promotions are fair and just within Imperial Bank</td>
<td>102</td>
<td>2.76</td>
</tr>
<tr>
<td>Career growth opportunities are based on merit</td>
<td>102</td>
<td>3.06</td>
</tr>
<tr>
<td>Imperial Bank career growth is the best compared to the industry</td>
<td>102</td>
<td>2.98</td>
</tr>
<tr>
<td>Career growth opportunities influences employee turnover</td>
<td>102</td>
<td>3.58</td>
</tr>
<tr>
<td>You would quit the bank if growth opportunities are not available to you</td>
<td>102</td>
<td>3.99</td>
</tr>
</tbody>
</table>

The findings show that respondents felt that they would quit the bank if growth opportunities were not available to them had the highest mean of 3.99, followed by respondents belief that career growth opportunities influences employee turnover with a mean of 3.58. Respondents felt that Imperial Bank has policies that support employee career growth with a mean of 3.45 while other respondents felt that actual career growth opportunities exist at Imperial bank with a mean of 3.33. Similarly, some respondents believed that management supports employee career growth with a mean of 3.31; other respondents indicated that Imperial bank career growth is the best compared to the industry with mean of 2.98. Respondents who thought Imperial bank’s promotions were fair ranked last with a mean of 2.76.
Table 4.10: Career Development and Employee Turnover Correlation

<table>
<thead>
<tr>
<th>Career Development</th>
<th>Employee Turnover</th>
<th>Training and Development</th>
<th>Career Planning</th>
<th>Growth Opportunities</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Pearson Correlation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Training and Development</td>
<td>.272**</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.006</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>102</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Career Planning</td>
<td>Pearson Correlation</td>
<td>.952**</td>
<td>.249*</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.012</td>
<td></td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>102</td>
<td>102</td>
<td>102</td>
</tr>
<tr>
<td>Growth Opportunity</td>
<td>Pearson Correlation</td>
<td>.510**</td>
<td>.403**</td>
<td>.493**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>102</td>
<td>102</td>
<td>102</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.01 level (2-tailed).
*. Correlation is significant at the 0.05 level (2-tailed).

Table 4.10 above indicates a strong significant positive correlation exists between career planning and employee turnover. Correlation coefficient r = 0.952; P value = 0.000. This variable met the threshold since it was less than 0.05. Table 4.10 also indicates a strong positive correlation between growth opportunity and employee turnover. Correlation coefficient r = 0.272; P value = 0.006. This met the threshold since it was less than 0.05. All the two variables were statistically significant.

4.4.5 Career Development and Employee Turnover Regression Analysis

Since the findings between career development and employee turnover had a significant correlation, the relationship was subjected to regression analysis to determine the percentage contribution to the significance. The linear regression model used was:

\[ Y = \beta_0 + \beta_1 X_1 + \epsilon \]
The results are shown in Tables 4.11; 4.12 and below:

**Table 4.11: Career Development Regression Analysis Summary**

<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>.763a</td>
<td>.582</td>
<td>.578</td>
<td>.41490</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Career Development

**Table 4.12: Career Development Regression Coefficients**

<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></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1 (Constant)</td>
<td>.095</td>
<td>.293</td>
<td>.324</td>
<td>.746</td>
</tr>
<tr>
<td>Career Development</td>
<td>1.000</td>
<td>.085</td>
<td>.763</td>
<td>11.806</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Employee Turnover

**Table 4.13: Career Development ANOVA**

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>7.041</td>
<td>1</td>
<td>7.041</td>
<td>7.081</td>
<td>.000b</td>
</tr>
<tr>
<td>Residual</td>
<td>95.751</td>
<td>100</td>
<td>.958</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>102.792</td>
<td>101</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Employee Turnover

According to the findings in Table 4.11 correlation exists between career development and employee turnover, where regression coefficient $R = 0.763$; $P$ value $= 0.000$. This met the threshold since it was less than 0.05. Therefore the relationship was significant. Table 4.12 above shows an adjusted $R$ square of 0.578, which indicate that 57.8% of variation in employee turnover can be explained with variation in career development.
Table 4.13 Analysis of variance indicates that three variables were statistically significant at F= 7.081 at df=101 The P value was 0.000. This met the threshold since it was less than 0.05. Therefore the relationship was significant. The formula used to compute the relationship was:

Employee Turnover = 0.095 + X₁

4.5 Mentoring and Employee Turnover

The mentoring section of the questionnaire aimed at collecting data on the respondents understanding of effects of mentoring and coaching on employee turnover. The section covers mentoring and coaching; employee-supervisor relationship; and performance evaluation. Findings are presented in the sections below.

4.5.1 Mentoring and Coaching

The respondents were asked a series of questions on what they thought constituted mentoring and its effect on employee turnover.

4.5.1.1 Mentoring program an Imperial Bank

According to the study, respondents were asked whether Imperial bank had a mentoring program. Figure 4.8 below shows the findings:

Figure 4.8: Mentoring program an Imperial Bank
According to figure 4.8 above, 41.2% of respondents agree that Imperial bank has a mentoring program. 31.4% however disagree, with 13.7% strongly disagreeing. 7.8% of respondents strongly agreed with 5.9% remaining neutral.

4.5.1.2 Mentoring program Enhances Employees Skills

In the study respondents were asked whether they believed a mentoring program enhances employee’s skills. Figure 4.9 below shows the findings:

![Figure 4.9: Mentoring program enhances Employees Skills](image)

46.1% of respondents agree that mentoring program enhances employee’s skills, with 28.4% disagreeing while 8.8% remained neutral and 12.7% strongly disagreed. Only 3.9% of respondents strongly agreed that mentoring enhances employee’s performance.

4.5.1.3 Other Mentoring Questions

Respondents were asked four more questions in a quest to determine mentoring effects on employee turnover. Table 4.14 below shows the summary findings on mentoring at the bank:
Table 4.14: Other Mentoring Questions

<table>
<thead>
<tr>
<th>Distribution</th>
<th>N</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>The mentoring and coaching program is conducted excellently at Imperial Bank</td>
<td>102</td>
<td>2.81</td>
</tr>
<tr>
<td>Employee selection for mentoring and coaching program is done fairly</td>
<td>102</td>
<td>2.90</td>
</tr>
<tr>
<td>Mentoring program enhances employee commitment to Imperial Bank</td>
<td>102</td>
<td>3.26</td>
</tr>
<tr>
<td>Mentoring program has reduced employee turnover at Imperial Bank</td>
<td>102</td>
<td>3.25</td>
</tr>
</tbody>
</table>

**Average** 3.06

Table 4.14 shows that respondents felt that mentoring program enhances employee commitment to Imperial Bank with a highest mean of 3.26, followed by mentoring program has reduced employee turnover at Imperial Bank with a mean of 3.25, while on the question on whether employee selection for mentoring and coaching program is done fairly came third with a mean of 2.90. The question on whether mentoring and coaching program is conducted excellently at Imperial Bank was the last with the mean of 2.81.

4.5.2 Employee Relationship with Supervisor

In this study, the questionnaire aimed at collecting data on the respondents understanding of the effects of employee relationship with their supervisor and employee turnover. The findings are shown in Table 4.15:
Table 4.15: Employee Relationship with Supervisor

<table>
<thead>
<tr>
<th>Distribution</th>
<th>N</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>You currently have a good relationship with your supervisor</td>
<td>102</td>
<td>3.67</td>
</tr>
<tr>
<td>You currently have a bad relationship with your supervisor</td>
<td>102</td>
<td>2.83</td>
</tr>
<tr>
<td>Your relationship with the supervisor is beneficial to the bank</td>
<td>102</td>
<td>3.66</td>
</tr>
<tr>
<td>Your relationship with your supervisor is beneficial to you</td>
<td>102</td>
<td>3.67</td>
</tr>
<tr>
<td>Your relationship with your supervisor makes you committed to Imperial Bank</td>
<td>102</td>
<td>3.76</td>
</tr>
<tr>
<td>Your relationship with your supervisor can make you quit the bank</td>
<td>102</td>
<td>3.79</td>
</tr>
<tr>
<td><strong>Average</strong></td>
<td></td>
<td><strong>3.56</strong></td>
</tr>
</tbody>
</table>

According to Table 4.15 above, respondents indicated that their relationship with their supervisor can make them quit the bank with a mean of 3.79, followed by the question on whether relationship with their supervisor makes them committed to Imperial Bank with a mean of 3.76. This was followed by a question on whether their current relationship with their supervisor was beneficial to the respondent with a mean of 3.67, same as the question on whether respondents currently had a good relationship with their supervisor. The least polled question had a mean of 2.83 on a question on whether respondents felt they had a bad relationship with their supervisors.

4.5.3 Performance Evaluations

This section deals with findings on respondents views on performance evaluations at Imperial bank and how they affect employee turnover.

4.5.3.1 Respondents Currently Receiving Performance Evaluations

When respondents were asked if they currently receive performance evaluations at the bank, the findings were as follows:
According to Figure 4.10, 62.7% of respondents agreed that they were currently receiving performance evaluation followed by 16.7% of respondents who strongly agreed, while 12.7% disagreed. 4.9% strongly disagreed with only 2.9% remaining neutral.

4.5.3.2 Well Structured Performance Evaluations

When respondents were asked whether the current performance evaluations at the bank is well structured. The findings are shown in Figure 4.11.
The findings in figure 4.11 above shows that 55.9% of respondents agreed that the bank had a well-structured performance evaluation, with 21.6% disagreeing. 9.8% of respondents strongly disagreed, while 7.8% strongly agreed, with only 4.9% remaining neutral.

4.5.3.3 Fair Evaluation Systems

The respondents of the study were asked whether they believed performance evaluation was fair to them at the bank. The findings are shown in figure 4.12 below:

![Figure 4.12: Fair Evaluation Systems](image)

According to the findings, 48% of respondents agreed that the bank has fair performance evaluation systems, followed by 28.4% who disagreed. 10.8% of respondents strongly disagreed, while 8.8% strongly agreed. Only 3.9% of respondents were neutral.

4.5.3.4 Performance Evaluation is not punitive

The respondents were equally asked whether they believed performance evaluation was not punitive. The findings are shown in Table 4.16 below:

<table>
<thead>
<tr>
<th>Distribution</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Disagree</td>
<td>9</td>
<td>8.8%</td>
</tr>
<tr>
<td>Disagree</td>
<td>24</td>
<td>23.5%</td>
</tr>
</tbody>
</table>

49
The findings in Table 4.16 above shows that 51% of respondents agreed that performance evaluation at the bank are not punitive, while 23.5% of respondents disagreed. 8.8% of respondents strongly disagreed, with 5.9% strongly agree. Only 10.8% of respondents were neutral.

4.5.3.5 Performance Evaluation Feedback

The study asked respondents whether they believed performance evaluation provided them with performance evaluation feedback. The findings are shown in Table 4.17 below:

<table>
<thead>
<tr>
<th>Distribution</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Disagree</td>
<td>6</td>
<td>5.9%</td>
</tr>
<tr>
<td>Disagree</td>
<td>18</td>
<td>17.6%</td>
</tr>
<tr>
<td>Neutral</td>
<td>4</td>
<td>3.9%</td>
</tr>
<tr>
<td>Agree</td>
<td>60</td>
<td>58.8%</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>14</td>
<td>13.7%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>102</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

The findings in Table 4.17 above show that 58.8% of respondents agreed that they received performance evaluation feedback, with 17.6% disagreeing. 13.7% of respondents strongly agreed while 5.9% strongly disagreed. 13.7% of respondents were neutral.
4.5.3.6 Quitting as a Result of Unfair evaluations

Respondents were asked to indicate whether they can quit the bank because of unfair performance evaluation. The findings are shown in Table 4.18 below:

<table>
<thead>
<tr>
<th>Distribution</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Disagree</td>
<td>9</td>
<td>8.8%</td>
</tr>
<tr>
<td>Disagree</td>
<td>15</td>
<td>14.7%</td>
</tr>
<tr>
<td>Neutral</td>
<td>2</td>
<td>2.0%</td>
</tr>
<tr>
<td>Agree</td>
<td>50</td>
<td>49.0%</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>25</td>
<td>24.5%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>102</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

According to the findings, 49% of the respondents agreed that they would quit the bank if performance evaluation is unfair to them. 24.5% of respondents strongly agree with 14.7% of respondent disagreeing that they would quit the bank if performance evaluations were unfair to them. Equally, 8.8% of respondents strongly disagreed, with only 2% remaining neutral.

4.5.4 Correlation between Mentoring and Employee Turnover

The study findings were subjected to correlation analysis to determine the relationship between mentoring and employee turnover. The findings are shown in figure 4.19 below:
Table 4.19: Correlation between Mentoring and Employee Turnover

<table>
<thead>
<tr>
<th>Distribution</th>
<th>Employee Turnover</th>
<th>Mentoring</th>
<th>Employee Supervisor relationship</th>
<th>Performance Evaluation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Turnover</td>
<td>Pearson Correlation</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>102</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mentoring</td>
<td>Pearson Correlation</td>
<td>.571**</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.712**</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>102</td>
<td>102</td>
<td>102</td>
</tr>
<tr>
<td>Employee Supervisor</td>
<td>Pearson Correlation</td>
<td>.405**</td>
<td>.712**</td>
<td>1</td>
</tr>
<tr>
<td>Relationship</td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
<td>.388**</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>102</td>
<td>102</td>
<td>102</td>
</tr>
<tr>
<td>Performance Evaluation</td>
<td>Pearson Correlation</td>
<td>.368**</td>
<td>.764**</td>
<td>.388**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>102</td>
<td>102</td>
<td>102</td>
</tr>
</tbody>
</table>

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

Table 4.19 above indicates a strong significant positive relationship exists between mentoring and coaching and employee turnover. Correlation coefficient for mentoring was \( r = 0.571; P \text{ value} = 0.000 \). Correlation coefficient for employee supervisor relationship was \( r = 0.405; P \text{ value} = 0.000 \). Correlation coefficient for performance evaluation was \( r = 0.368; P \text{ value} = 0.000 \). For all the three variables, the P value was less than 0.05; all the three variables met the significance level, therefore the relationships were statistically significant.

### 4.4.5 Mentoring and Employee Turnover Regression Analysis

Since the findings between mentoring and employee turnover had a significant correlation, the relationship was subjected to regression analysis to determine the percentage contribution to the significance. The results are shown in Tables 4.20; 4.21 and below: The regression formula used was: \( Y = \beta_0 + \beta_1X_1 + e \)
Table 4.20: Mentoring and Employee Turnover Regression Summary

<table>
<thead>
<tr>
<th>Model</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>.526a</td>
<td>.277</td>
<td>.270</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Mentoring

Table 4.21: Mentoring and Employee Turnover ANOVA

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>1.170</td>
<td>1</td>
<td>1.170</td>
<td>1.176</td>
<td>.000b</td>
</tr>
<tr>
<td>Residual</td>
<td>95.623</td>
<td>100</td>
<td>.966</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>96.792</td>
<td>101</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Employee Turnover

b. Predictors: (Constant), Mentoring

Table 4.22: Mentoring and Employee Turnover Regression Coefficients

<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></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1 (Constant)</td>
<td>2.315</td>
<td>.201</td>
<td></td>
<td>.000</td>
</tr>
<tr>
<td>Mentoring</td>
<td>.395</td>
<td>.064</td>
<td>.526</td>
<td>6.188</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Employee Turnover

According to the findings in Table 4.19 a positive correlation exists between mentoring and employee turnover. Regression coefficient was $R = 0.526$; $P$ value $= 0.000$. This met the threshold for significance since $P$ value was less than 0.05. Table 4.20 above shows an $R$ adjusted square of 0.270, which indicates that 27% of variation in employee turnover can be explained with variation in employee mentoring.

The Analysis of variance in Table 4.21 previous page indicates that $F = 7.081$ $df= 101$. The $P$ value was 0.000. This met the threshold since it was less than 0.05. Therefore the relationship was statistically significant.

The formula used to compute the relationship was;

$$Employee\ Turnover = 2.315 + 0.395X_2$$
4.6 Reward System and Employee Turnover

The study sought to find out the effects of reward systems at Imperial bank and employee turnover. Respondents were asked questions covering two main areas namely; salary; bonuses. Findings are presented in the sections below.

4.6.1 Respondents view on Salary

The respondents were asked a series of questions on what they thought constituted salaries at Imperial bank and its effect on employee turnover. Table 4.23 below shows the study findings.

Table 4.23: Respondents view on Salary

<table>
<thead>
<tr>
<th>Distribution</th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Imperial Bank rewards system are fair to you</td>
<td>102</td>
<td>3.16</td>
<td>1.241</td>
</tr>
<tr>
<td>The salary grades are well structured</td>
<td>102</td>
<td>3.19</td>
<td>1.175</td>
</tr>
<tr>
<td>Your salary is based on your value to Imperial bank</td>
<td>102</td>
<td>3.18</td>
<td>1.147</td>
</tr>
<tr>
<td>You can describe your current salary as good compared to the market rate</td>
<td>102</td>
<td>3.18</td>
<td>1.172</td>
</tr>
<tr>
<td>You can describe your current salary as bad compared to the market rate</td>
<td>102</td>
<td>3.39</td>
<td>1.153</td>
</tr>
<tr>
<td>You can quit Imperial Bank because of inadequate salary if you get another job</td>
<td>102</td>
<td>4.16</td>
<td>0.817</td>
</tr>
</tbody>
</table>

Valid N (list wise) 102

Table 4.23 above shows the findings on respondent’s views on Imperial bank reward system. Respondents polled the highest mean of 4.16 with an SD of 0.817 when asked if they would quit Imperial bank because of inadequate salary. This was followed by respondent’s description of their current salary as bad compared to the market rate with a mean of 3.39 and SD of 1.153. Respondents who believed that salary grades are well structured at the bank had a mean of 3.19, and SD of 1.175. This was followed by respondents who could describe their salaries as good with a mean of 3.18, SD of 1.172. Similarly, respondents who felt their salary was a reflection of their value to the bank had a mean of 3.18, SD of 1.1147, while those who believed the reward system at the bank was fair to them with a mean of 3.16, SD of 1.241.
4.6.1 Respondents view on Bonuses

The respondents were equally asked a series of questions on their views concerning bonuses at Imperial bank and its effect on employee turnover. Table 4.24 below shows the study findings.

Table 4.24: Respondents Views on Bonuses

<table>
<thead>
<tr>
<th>Bonuses</th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Imperial Bank has a bonus structure in place</td>
<td>102</td>
<td>4.07</td>
<td>.618</td>
</tr>
<tr>
<td>You receive end year bonuses</td>
<td>102</td>
<td>3.96</td>
<td>.783</td>
</tr>
<tr>
<td>Bonuses are based on merit/performance</td>
<td>102</td>
<td>3.19</td>
<td>1.175</td>
</tr>
<tr>
<td>The bonus sharing formula is fair and just to all employees</td>
<td>102</td>
<td>3.08</td>
<td>1.208</td>
</tr>
<tr>
<td>Bonuses influence your commitment to stay with the bank</td>
<td>102</td>
<td>3.79</td>
<td>.916</td>
</tr>
<tr>
<td>Unfair bonus system can influence your decision to quit the bank</td>
<td>102</td>
<td>4.20</td>
<td>.845</td>
</tr>
<tr>
<td>Bonuses have contributed to employee turnover at Imperial Bank</td>
<td>102</td>
<td>4.15</td>
<td>.861</td>
</tr>
</tbody>
</table>

According to Table 4.24, respondents who believed unfair bonus system can influence their decision to quit the bank had a mean of 4.20, SD of 0.845, followed by those who believed that bonuses have contributed to employee turnover at Imperial bank with mean of 4.15, SD of 0.861. Similarly, respondents who believed they receive end year bonuses had a mean of 3.96, with SD of 0.783, while those who felt that bonuses influences their commitment to the bank had a mean of 3.79, with SD of 0.916. Respondents who felt that bonuses were based on merit had a mean of 3.19, SD of 1.175, while those who believed that the bonus sharing formula was fair to all had a mean of 3.08, with SD of 1.208.

4.6.2 Reward System and Employee Turnover Correlation

The study findings were subjected to correlation analysis to determine whether there is a relationship between rewards and employee turnover. The findings are shown in figure 4.25 below:
Table 4.25: Reward System and Employee Turnover Correlation

<table>
<thead>
<tr>
<th>Reward System</th>
<th>Employee Turnover</th>
<th>Salary</th>
<th>Bonuses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Turnover</td>
<td>Pearson Correlation</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>102</td>
<td></td>
</tr>
<tr>
<td>Salary</td>
<td>Pearson Correlation</td>
<td>.506**</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>102</td>
<td>102</td>
</tr>
<tr>
<td>Bonuses</td>
<td>Pearson Correlation</td>
<td>.528**</td>
<td>.535**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>102</td>
<td>102</td>
</tr>
</tbody>
</table>

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

Table 4.25 above indicates a strong significant positive relationship exists between bonuses and employee turnover. Correlation coefficient for salary and employee turnover was r = 0.528; P value = 0.000. Correlation coefficient for bonuses was r = 0.506; P value = 0.000. For all the two variables, the P value was less than 0.05; all the two variables met the significance level, therefore the relationships were statistically significant.

4.6.3 Reward System and Employee Turnover Regression Analysis

Since the findings between reward system and employee turnover had a significant correlation, the relationship was subjected to regression analysis to determine the percentage contribution to the significance. The results are shown in Tables 4.26; 4.27 and 4.28 below: Regression model was $Y = \beta_0 + \beta_3 X_3 + e$

Table 4.26: Reward System and Employee Turnover Regression Summary

<table>
<thead>
<tr>
<th>Model</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>.590*</td>
<td>.348</td>
<td>.341</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>.51836</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Reward System
Table 4.27: Reward System and Employee Turnover ANOVA

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td>1.864</td>
<td>1</td>
<td>1.864</td>
<td>1.900</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>94.929</td>
<td>100</td>
<td>.959</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>96.792</td>
<td>101</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Employee Turnover
b. Predictors: (Constant), Reward System

Table 4.28: Reward System and Employee Turnover Regression Coefficients

<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></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>.751</td>
<td>.382</td>
<td>1.967</td>
</tr>
<tr>
<td></td>
<td>Reward System</td>
<td>.770</td>
<td>.105</td>
<td>.590</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Employee Turnover

According to the findings in Table 4.26 a positive correlation exists between reward system and employee turnover. Regression coefficient was R = 0.590; P value = 0.000. This met the threshold for significance since P value was less than 0.05. Table 4.28 above shows an R adjusted square of 0.341, which indicates that 34.1% of variation in employee turnover can be explained with variation in employee reward system.

The Analysis of variance in Table 4.27 above indicates that F (1, 100) = 1.900. The P value was 0.000. This met the threshold since it was less than 0.05. Therefore the relationship was statistically significant.

The formula used to compute the relationship was;

\[ Employee \ Turnover = 0.751 + 0.770X_3 \]

4.7 Multivariate Analysis

According to the study findings, there exists a significant relationship between career development, mentoring and coaching, and reward system. A multiple regression test was...
conducted to determine level of significance when all variables are combined. The findings are shown in Tables 4.27, 4.28, and 4.29 below; Regression model was: \( Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e \).

### Table 4.29: Multiple Regression Analysis Model Summary

<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>.638&lt;sup&gt;a&lt;/sup&gt;</td>
<td>.407</td>
<td>.389</td>
<td>.49918</td>
</tr>
</tbody>
</table>

<sup>a</sup> Predictors: (Constant), Reward System, Training Development, Mentoring

### Table 4.30: ANOVA for All Variables

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.  &lt;sup&gt;b&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Regression on Residual</td>
<td>1.498</td>
<td>3</td>
<td>.499</td>
<td>.513</td>
<td>.674</td>
</tr>
<tr>
<td>Residual</td>
<td>95.294</td>
<td>98</td>
<td>.972</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>96.792</td>
<td>101</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<sup>a</sup> Dependent Variable: Employee Turnover
<sup>b</sup> Predictors: (Constant), Reward system, Mentoring, Career Development

### Table 4.31: Multiple Regression Analysis Coefficients

<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></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1 (Constant)</td>
<td>.716</td>
<td>.428</td>
<td></td>
<td>.097</td>
</tr>
<tr>
<td>Training Development</td>
<td>.060</td>
<td>.104</td>
<td>.049</td>
<td>.578</td>
</tr>
<tr>
<td>Mentoring</td>
<td>.215</td>
<td>.070</td>
<td>.286</td>
<td>.003</td>
</tr>
<tr>
<td>Reward System</td>
<td>.540</td>
<td>.128</td>
<td>.413</td>
<td>.000</td>
</tr>
</tbody>
</table>

<sup>a</sup> Dependent Variable: Employee Turnover

According to the findings in Table 4.31 when a multiple regression is done, a significant relationship exists with only two of the variables, however all relationships were positive. Regression coefficient for training and development was \( R = 0.049; P \text{ value} = 0.565 \). This did not meet the threshold for significance since \( P \text{ value} \) was more than 0.05. Regression
coefficient for mentoring $R = 0.286; \ P value = 0.003$. This met the threshold for significance since $P$ value was less than 0.05. Regression coefficient for reward system was $R = 0.413; \ P value = 0.000$. This met the threshold for significance since $P$ value was less than 0.05. Table 4.29 above shows an $R$ adjusted square of 0.389, which indicates that $38.9\%$ of variation in employee turnover can be explained with variation in training and development, mentoring and rewards system.

The Analysis of variance in Table 4.30 above indicates that $F (3, 98) = 0.513$. The $P$ value was 0.674. This means that the mean differences between and within the variables did not meet the significance threshold since it was more than 0.05. Therefore the mean between the variables was not statistically significant.

The formula used to compute the relationship was;

**Employee Turnover** = $0.716 + 0.060X_1 + .0215X_2 + 0.540X_3$

Where $X_1$ = Training and Development  
$X_2$ = Mentoring  
$X_3$ = Reward System

4.8 Chapter Summary

The major of the study shows that respondents indicate a correlation exists between career development and employee turnover. Correlation coefficient for training $r= 0.952; \ P value = 0.000$. This variable met the threshold since it was less than 0.05; while the correlation coefficient for career growth $r = 0.272; \ P value = 0.006$. This met the threshold since it was less than 0.05. All the two variables were statistically significant.

On mentoring and employee turnover, the study indicates a strong significant positive relationship exists between mentoring and coaching and employee turnover. Correlation coefficient for mentoring was $r = 0.571; \ P value = 0.000$. Correlation coefficient for employee supervisor relationship was $r = 0.405; \ P value = 0.000$. Correlation coefficient for performance evaluation was $r = 0.368; \ P value = 0.000$. 

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For all the three variables, the P value was less than 0.05; all the three variables met the significance level, therefore the relationships were statistically significant. Regression coefficient for reward system was $R = 0.413$; P value = 0.000. This met the threshold for significance since P value was less than 0.05.
CHAPTER FIVE

5.0 DISCUSSION, CONCLUSION AND RECOMMENDATION

5.1 Introduction

This chapter looks at the results and findings on factors affecting employee turnover: A case study of Imperial Bank Kenya Ltd. The findings are structured according to the purpose of the study. The findings of this study are based on the responses from the questionnaires filled and information gathered from the research questions. This chapter will look at the researcher’s discussion on the findings of the research as compared to literature review in chapter two that was based on the purpose of the study. Conclusions and recommendations will form the summary of this chapter.

5.2 Summary

The objective of this study was to determine factors affecting employee turnover at Imperial bank. The research questions for the study were: To establish the extent career development affect employee turnover at Imperial Bank; to determine whether mentoring has any effect on employee turnover at Imperial Bank; to determine to what extent reward system affect employee turnover at Imperial Bank.

The population of the study were employees of Imperial bank within bank branches in Nairobi. The sample frame for this study was adopted from Imperial Bank human resources office. To ensure that every employee had an equal chance of being sampled, a simple random technique was used.

The study utilized a simple random sampling for picking out respondents. Data was collected using structured questionnaires, and analysed using Statistical Package for Social Sciences (SPSS) software version 21. A total of one hundred and two (102) questionnaires were dispatched to respondents, and all hundred and two (102) were received back from respondents giving the study a response rate of 100%. Descriptive statistics utilized in this study include frequencies, percentages, and mean. For inferential statistics, correlation analysis, regression and multivariate analysis was done to enable easy data interpretation.
The presentation of the data was done using Tables, and figures according to each research question.

The first research question looked at career development and employee turnover. Respondent felt that training provides them opportunities for career development with the highest mean of 3.81, followed by training and development programs have enhanced my career skills with a mean of 3.69. Respondents equally felt that career planning influences employee turnover and this had the highest mean of 3.86 followed by career planning helping respondent’s growth within the bank with a mean of 3.72. On growth opportunities, respondents felt that they would quit the bank if growth opportunities are not available to them had the highest mean of 3.99, followed by respondents belief that career growth opportunities influences employee turnover with a mean of 3.58. Equally, a strong significant positive correlation was found to exist between career planning and employee turnover where \( r = 0.952; \) PV value was 0.000. This met the threshold for significance since it was less than 0.05.

The second research question, mentoring and employee turnover. The study found that mentoring and coaching, employee relationship with their supervisor, and performance evaluations all have adverse effects on employee turnover. On mentoring programs at Imperial bank, 41.2% of respondents agree that Imperial bank has a mentoring program that is functional, with 46.1% of respondents agreeing that mentoring program enhances their performance. Respondents indicated that their relationship with the supervisor can make them quit the bank with a mean of 3.79, followed by the question on whether relationship with their supervisor makes them committed to Imperial Bank with a mean of 3.76. Similarly, respondents indicated that their relationship with the supervisor can make them quit the bank with a mean of 3.79, followed by the question on whether relationship with their supervisor makes them committed to Imperial Bank with a mean of 3.76. On the issue of performance evaluation, 62.7% of respondents agreed that they were currently receiving performance evaluation, with 51% of respondents agreeing that performance evaluation at the bank was not punitive. A further 58.8% of respondents agree that they received performance evaluation feedback. However, 49% of respondents agreed that they would quit the bank if performance evaluation is unfair to them.
The third research question looked at rewards system and employee turnover. The study found out that both salaries and bonuses used as a reward system at Imperial bank had an influence on employee turnover. Respondents polled the highest mean of 4.16 with an SD of 0.817 when asked if they would quit Imperial bank because of inadequate salary. This was followed by respondent’s description of their current salary as bad compared to the market rate with a mean of 3.39 and SD of 1.153. However, respondents who believed that salary grades were well structured at the bank had a mean of 3.19, and SD of 1.175. On Bonuses, respondents who believed unfair bonus system could influence their decision to quit the bank had a highest mean of 4.20, SD of 0.845, followed by those who believed that bonuses have contributed to employee turnover at Imperial bank with mean of 4.15, SD of 0.861. When a correlation analysis was done, it indicated a strong significant positive relationship exists between bonuses and employee turnover where $r = 0.528$; $P$ value was 0.000. This met the threshold for significance since it was less than 0.05.

5.3 Discussions

5.3.1 Organizational Innovations and Organizational Performance

The study findings indicated that training and development, mentoring and rewards system have a great influence on employee turnover at Imperial Bank. According to Bandura (2003), career development can be built on the concept of self efficacy based on social cognitive theory. Bandura argues that self system of an employees’ ability to exercise control over their career is critical. Employees’ self efficacy is the lenses through which employees’ evaluate the job environment and make determination on whether the job fulfils their career desires or not. The study findings indicates that respondents felt that career planning influences employee turnover at the bank as it had highest mean of 3.86 followed by career planning helping respondent’s growth within the bank with a mean of 3.72. This is consistent with Bandura (2003), who asserts that self-efficacy beliefs in the career planning, training and development are the most influential predictors of employees turnover from an organization.

According to Baruch (2009), banks that want to strengthen their employee base and commitment must invest in the training and development of these employees. Training had been defined as the systematic planned effort to facilitate employees acquisition of job-related knowledge, skills so as to improve productivity (Noe, Holleneck, Gerhart, and
Wright, 2006). When respondents were asked if they have a well-structured career planning program at Imperial Bank, the question had the lowest mean of 3.09, compared to career planning influences employee turnover, which had a highest mean of 3.86. This means that Imperial Bank training and development programs might not be well structured, or employees are not well oriented to them. According to Wan (2007) states that comprehensive training optimizes employees commitment to an organization. Sherma (2006) on the other hand argued that by creating opportunities for employee training and development, banks increase the chances of employees ability to thrive in the market. According to the study findings, Imperial Bank was not at pace with Wan (2007), and Sherma (2006) description of what constitutes training and development.

According to Baruch (2009), career planning is an ongoing, often interactive developmental process that an individual or an organization engages in revamping personal or organizational goals; this is done through education for labour market opportunities. He argued that in the globalized dynamic job market, employers can no longer promise job security, however, it is vitally important for employers to ensure careers skills for key employees are planned for particularly in the banking sector (Lin, Peng, & Kao, 2008). When respondents were asked if they had a well-structured career planning program at Imperial Bank, the respondents mean was the least at 3.09. Indicating a lack of cohesive concerted efforts to building a dynamic work force, that is not only committed to the bank, but that will equally reduce employee turnover.

Choi et al., (2012) argues that employees dissatisfaction with career planning and development opportunities are negatively associated with high employee turnover. The study found this to be true, as the respondents mean was the highest at 3.86 to the question of whether they would quit the bank if they did not have adequate career planning mechanisms.

Chen et al., (2010) argued that there exists a strong correlation between career growth strategies and employee turnover. Growth strategies are meant to optimize both the effectiveness of employees careers while at the same time enhancing organizations growth objectives. Organizations that lack contingency plan in managing employees career growth, most often suffer the consequence of employee turnover (Armstrong, 2009). The study found a strong positive correlation exists between career planning and employee turnover where \( r = 0.952 \); \( P \) value was 0.000. This met the threshold level of significance of less than
0.05. This was consistent with Chen et al., (2010) assertions. Equally, Agarwal, et al., (2006) contends that failure to meet employees expectation in career growth opportunities results in high turnover with employees seeking these opportunities elsewhere. This too was consistent with the study findings, as respondents indicated that they would quit the bank if growth opportunities were not available to them. This had the highest mean of 3.99, followed by respondents belief that career growth opportunities influences employee turnover with a mean of 3.58.

According to Jones and McIntosh (2010) understanding the worth of employees career, and enhancing mechanisms for growth and development can significantly influence employee turnover. Duffy et al., (2011) argues that organizations that place obstacles in employee’s career development stand a greater chance of funnelling disgruntled employees who would quit the organization at any available opportunity for growth. Regression analysis was conducted on career development and employee turnover (training and development, career training and growth opportunities) indicated the existence of a positive correlation where R= 0.763; P value was 0.000. This met the threshold of significance since it was less than 0.05. The study also showed that 58.2% of variation in employee turnover could be explained with variation in career development at Imperial bank.

5.3.2 Mentoring and Employee Turnover

The study findings indicates that mentoring strategies, employee supervisor relationships, and fair performance evaluations influence employee turnover at Imperial bank. According to Richard et al., (2009) mentoring is a reciprocal, usually long-term relationship that exists between a protégé and mentor. The mentor contributes by sharing career life, challenges, opportunities, their expertise, role development, and offers formal and informal support with intention to influence the protégé career Levenson et al., (2006). The study indicates that 41.2% of respondents agree that Imperial bank has a mentoring program, with a further 46.1% of respondents agreeing that mentoring program enhances employee’s skills. However, there seems to be a contradiction when respondents were asked if mentoring and coaching program is conducted excellently at Imperial Bank. The mean of the respondents was 2.8, but when asked if the mentoring program had reduced turnover at the bank, the respondents mean was 3.25.
In mentoring, various researchers had argued that employees relation with the supervisor, performance appraisals, working conditions adversely influence the propensity for employee turnover (Brashear, et al., 2006; Pullins and Fine, 2002). This is consistent with the study findings. In the study respondents indicated that their relationship with the supervisor can make them quit the bank with a mean of 3.79, followed by the question on whether relationship with their supervisor makes them committed to Imperial Bank with a mean of 3.76.

According to Jaffari, (2011) the banking industry’s high level systematic approach to rules, financial prudence, and employee satisfaction, often cripples the concept of supervisors-employee autonomy. Mentorship at Imperial banking system does therefore, and in rare occasions grant mentorship that grant employee autonomy. Lack of this autonomy leads to micro-management which breeds supervisor contempt, and hence increases in employee turnover (Khattak, 2011). When respondents were asked if the current relationship with their supervisor was beneficial to reducing turnover, most agreed with a mean of 3.67, compared to those who disagreed at a mean of 3.27. It is therefore necessary to enhance mentorship and build mutual relationship that will not enhance commitment, but autonomy between employees and supervisors.

Various researchers such as Allen et al., (2004); Butler (2001); Choi et al., (2012) found out that employees perception of the nature of supervisory support had direct impact on turnover intentions, and eventual turnover of employees from their organizations. An argument can therefore be made that supervisors knowledge in guiding, shaping and transforming employees as well as their perceived attitude and behaviour towards employees has significant impact on employee turnover (Karl, Peluchette, & Hall, 2008). The study found that respondents who indicated that they had a good relationship with supervisors in shaping their knowledge and transforming their attitudes had a mean of 3.67, compared to those who had a bad relationship that doesn’t guide, offer knowledge or encouragement at 2.83.

Ishaq et al., (2009) argued there exists a positive corelation between mentoring and employee turnover. According to the study findings mentoring, supervisor relationship, and evaluation and employee turnover. Mentoring had the highest correlation where $r = 0.571$; P value was 0.000. This met the threshold level for significance since it was less than 0.05.
5.3.3 Reward Systems and Employee Turnover

According to Zhou et al. (2009), the extent to which employees feel motivated correlates with turnover rates within banks. Equally, Foon, Leong, and Osman (2010), argues that banks’ ability to endear employees with motivating rewards determines the rate at which turnover is experienced. The study findings indicates that salaries and bonuses at Imperial bank greatly influence turnover at Imperial bank.

According to Walia, et al., (2011) salary and associated benefits are an integral factor that influences employee turnover. When respondents were asked about their salaries at Imperial bank, respondents indicated that they could quit the bank if they felt the salary being offered was inadequate. This had the highest mean of 4.16, compared to a mean of 3.16 for those who believed the reward system at the bank was fair to them. Those who believed that their salaries at the bank was bad had a second highest mean of 3.39.

According to leave Babakus, et al., (2003), employee satisfaction that comes through income earned further leads to employee retention. In the banking sector, salaries offered to employees can easily form a competitive advantage for the bank enabling the bank to curtail any salary related turnover since the market would be unattractive to employees seeking to leave. The study findings are in alignment with Babakus, et al., (2003) since those who believed that their salaries at the bank was bad had a second highest mean of 3.39, and those who indicated that they could quit the bank because of inadequate salary had the highest mean at 4.16.

However, we also had respondents who described their salaries as good. This had a mean of 3.18 while those who believe that the reward system was good had a mean of 3.18. This means that Imperial bank in as much as they have a proportion of staff who believe that the reward system is good, we have those who are disgruntled and can quit the bank at any available opportunity should they get the chance.

Choi et al., (2012) had argued that banks should concentrate on employee retention strategies regardless of salaries, while Franken (2012) held the view that employee turnover is as a result of salary scale; usually, employees who quit search for jobs that would pay them better than the previous ones. Franken argues that disparities with un-equal wage structures not only leads to demotivation and poor performance, but also employee
turnover. The study findings seems to exude Franken (2012), assertions, since a portion who seems to be benefiting from the salary structure had no problem with the reward system, but those who indicated they had bad salaries, indicates Imperial’s reward system was not well structured.

According to the study findings, bonus payments largely influence employee turnover at Imperial bank. Bonus payments are annual or by-annual payments that organizations give to their employees as a tokens of appreciation for good performance (Murphy, 1999). Bonuses are offered based on accounting performance of the organization. Respondents who indicated that they receive bonuses at the end of the year at Imperial bank had a mean 3.96. Compared to those who indicated that unfair bonus system can influence their decision to quit the bank who had a mean of 4.20. This was followed by those who believed that bonuses have contributed to employee turnover at Imperial bank with a mean of 4.15. This findings are consistent with Keep et al., (2008), who argue that there exists a strong positive correlation between bonuses and employee turnover.

According to the study findings, it indicates a strong significant positive relationship exists between bonuses and employee turnover where r = 0.528; P value was 0.000. This met the significance threshold level of 0.05. This is in line with Keep et al., (2008) research findings as indicated in the previous paragraph. On regression analysis, a positive correlation was found to exist between reward system and employee turnover, where regression coefficient R= 0.590; PValue was 0.000. This met the threshold level of significance since it was less than 0.05.

5.4 Conclusions

5.4.1 Career Development and Employee Turnover

Globally, employee turnover worries most organizations in terms of costs and other related organizational pressures that are occasioned when employees leave organizations. The study findings indicates a strong positive correlation, and significant relationship between training and development, career planning, employee growth opportunities and employee turnover. Other factors like offering competitive packages, enhancing job alignment employee recognition and good working conditions contribute significantly to reducing employee turnover.
5.4.2 Mentoring and employee turnover

The study findings on mentoring indicates a strong positive correlation with employee turnover. The strong correlation existed between mentoring, employee supervisor relationship, and performance evaluations. In the Kenyan Banking sector, most of the employees who leave the organization end up with other banks within the sector, who either pay well, have better mentoring programs, or relationships.

5.4.3 Rewards System and Employee Turnover

The study revealed the existence of a strong positive relationship between salaries, bonuses, and employee turnover. Fair bonus structures, fair salary structures, and fair reward system are all essential in reducing employee turnover. Equally, motivating employees through various rewards and benefits enhances their morale to innovate, and build sustainable organizational employee commitments.

5.5 Recommendations

The study findings had the following recommendations.

5.5.1 Recommendations For Improvement

5.5.1.1 Career Development and Employee Turnover

In order for Imperial bank to enhance sustainable employee commitment, it must appreciate the importance of employee career development, and have it enhanced. This can be done by ensuring that Imperial bank has a well-structured training and development programs that are able to enhance employee abilities, and skills. Equally, Imperial bank should invest in developing structures and systems that will help employees plan their careers. This can be done by offering more opportunities for growth through internal promotions, or job expansion, job rotations and through industry capacity enhancement trainings and banking certification courses. This will enhance employee commitment and reduce turnover.

5.5.1.2 Mentoring and Employee Turnover

Imperial bank should establish and enhance a mentoring program within the bank that assimilates employees from the moment they join the bank. For the already existing
employees, this can be done through pairing lower ranked employees with higher level staff or supervisors for guidance, mentoring, and training. Equally, supervisors should undergo supervision training to ensure that they can be able to offer better working environment to the employees they are supervising. Mutual relationships should also be enhanced between managers and the general employees.

5.5.1.3 Rewards System and Employee Turnover

Imperial bank should institute a salary structure, job grades, and job descriptions that match the competitive market structure. This can be done by conducting market salary surveys to establish the competitive salaries structures offered in the industry. Similarly, Imperial bank should conduct a market survey on bonus payment structures and systems within the industry. This will enhance Imperial banks capability to develop a competitive package that will make it hard for employees to leave the bank. Consequently, this will not only result in reduced turnover, but increased loyalty and employee commitment and performance.

5.5.1.4 Recommendations for Future Research

Researchers and academicians, and the government can utilize this research for testing hypothesis, or for enhancing further research, particularly in the banking industry. Conducting further research will enable researchers to establish other factors that influence employee turnover in the banking sector.


APPENDICES

APPENDIX I: LETTER TO RESPONDENTS

PHEDIS KARIUKI
P.O. Box 35540 - 00200,
Nairobi, Kenya.

Dear Respondents,

Re: Request for your participation in my research proposal

I am a student currently pursuing a course towards conferment of Executive Master of Science in Organization Development (EMOD) from United States International University – Africa. In partial fulfilment of the requirements of the award of the degree, I am conducting a research proposal to determine the factors affecting employees’ Turnover at Imperial Bank. You have been randomly selected to participate in this study. Participation is voluntary and if you will, please spare a few minutes of your time to fill in the blanks of the attached list of questions to the best of your knowledge. Kindly complete all sections of the questionnaire to enable me complete the study. Please note that the information you provide will be treated as confidential, and will only be used for the purpose of this research. The findings of this study will help Imperial Bank management adopt a decision making that will enhance employee commitment, thus reducing cases of turnover. The final report will be shared with all stakeholders, with priority given to participants. The findings will also provide feedback to senior managers to enable them facilitate further research, or adopt the findings into their operations. Your participation in this study will be highly appreciated.

Yours Sincerely,

Phedis Wambui Kariuki
APPENDIX II: RESEARCH QUESTIONNAIRE

SECTION A: GENERAL INFORMATION

Kindly respond to the questions below by ticking in the boxes. Where space is provided you can write your answer

(A). BACKGROUND INFORMATION.

1. Name (optional) __________________________________

2. Gender.
   Male ☐
   Female ☐

3. Age
   18-30 yrs. ☐
   31-40 yrs. ☐
   41-50 yrs. ☐
   51-60 yrs. ☐
   Over 61 yrs. ☐

4. Which department do you currently work in at the Bank?
   Finance ☐
   Customer Service ☐
   Marketing and sales ☐
   Operations ☐
   IT Department ☐
   Other (specify) _____________________________

5. How many years you have worked for the bank?
   1-3 years ☐ 4-6 years ☐ 7-9 years ☐ 10-12 years ☐ 13-15 years ☐

6. Kindly indicate your designation at the bank
   Manager ☐
   Supervisor ☐
   General Employee ☐
SECTION B: RESEARCH TOPIC

Employee Turnover
Kindly answer the following questions to the best of your knowledge by ticking (✓) the box that represents your answer (Turnover rate will be computed by dividing average turnover from questionnaire with total number of employees)

Employee Turnover questions-
7. In the last one year have you had any employees leave the Bank? (HR manager ONLY)
   A). YES □
   B). NO □

8. If YES, how many employees left? (HR manager ONLY)
   __________________________

9. Kindly indicate how many of these employees left (HR manager ONLY)
   A). Voluntarily □
   B). Involuntarily/Dismissed □

10. Kindly indicate the type of employee turnover for those who left the bank? (HR manager ONLY)
    A). Functional turnover □
    B). Dysfunctional turnover □
    C). Avoidable turnover □
    D). Unavoidable turnover □

11. According to you, what are the reasons for the employee turnover at the bank?
    a) Uncompetitive Compensation package □
    b) Job and employee skill mismatch □
    c) Less growth opportunities □
    d) Less recognition □
    e) Poor working conditions □
    Other (please specify) __________________________

12. Kindly indicate some of the things which the bank can do to reduce employee turnover?
13. Of the turnover costs, which one(s) costs the organization more (Tick more than one)
   a) Recruitment costs
   b) Interview Costs
   c) Training Costs
   d) Administration costs
   e) Separation Costs

14. What do you think is the cost of recruiting a new employee?
   A). Very Low
   B). Low
   C). No Cost
   D). High
   E). Very High

15. Please indicate the type of organizations employees join when they leave the bank
   An organization in the same sector
   An organization in a different sector
   Further study
   Self-employment
   Not working
   Other (please specify) __________________________

Every respondent to answer this section. Kindly tick in the spaces provided for the answer that best represents your view.
Research Question I: Career Development and Employee Turnover

<table>
<thead>
<tr>
<th>A) Training &amp; Development</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>16. The bank provides you with Job training</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>17. The trainings are poorly organized</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18. The Trainings are well organized</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>19. Training and development programs have enhanced my career skills</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20. Training provides opportunities for career development</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>21. You can quit the bank for lack of training and development opportunities</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>B) Career Planning</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>22. You have a well-structured career planning program at the bank</td>
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<tr>
<td>23. Career plan enhances employees commitment to the bank</td>
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<tr>
<td>24. In career planning employees skills are matched with their job descriptions</td>
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<td>25. Adequate job duties enables evaluate your career plan</td>
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<tr>
<td>26. Career planning is for your growth within the bank</td>
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<tr>
<td>27. Career planning influences employee turnover</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>C) Growth Opportunities</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>28. The bank has policies that support employee career growth</td>
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</tbody>
</table>
29. Management supports employee career growth

30. Actual career growth opportunities exist at the bank

31. Promotions are fair and just within the bank

32. Career growth opportunities are based on merit

33. The bank’s career growth is the best compared to the industry

34. Career growth opportunities influence employee turnover

35. You would quit the bank if growth opportunities are not available to you

Research Question II: Mentoring and Employee Turnover

<table>
<thead>
<tr>
<th>B) Mentoring and Coaching</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>36. You currently have a mentoring program at the bank</td>
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<tr>
<td>37. The mentoring program enhances your skills</td>
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<tr>
<td>38. The mentoring and coaching program is conducted excellently at the bank</td>
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<tr>
<td>39. Employee selection for mentoring and coaching program is done fairly</td>
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<tr>
<td>40. Mentoring program enhances employee commitment to the bank</td>
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<tr>
<td>41. Mentoring program has reduced employee turnover at the bank</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Employee relationship with supervisor</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>42. You currently have a good relationship with your supervisor</td>
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<tr>
<td>43. You currently have a bad relationship with your supervisor</td>
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<tr>
<td>44. Your relationship with the supervisor is beneficial to the bank</td>
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<tr>
<td>45. Your relationship with your supervisor is beneficial to you</td>
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<tr>
<td>46. Your relationship with your supervisor makes you committed to the bank</td>
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</tbody>
</table>
47. Your relationship with your supervisor can make you quit the bank

<table>
<thead>
<tr>
<th>Performance Evaluations</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
</table>

48. You currently receive performance evaluations at the bank

49. Performance evaluation is well structured at the bank

50. The evaluations system is always fair to you.

51. Performance evaluations are not punitive

52. Performance evaluations provide you with adequate feedback on your performance

53. You can quit the bank if performance evaluations are not fair to you

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**Research Question III: Rewards System and Employee Turnover**

<table>
<thead>
<tr>
<th>C) Salary</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
</table>

54. The bank rewards system are fair to you

55. The salary grades are well structured

56. Your salary is based on your value to the bank

57. You can describe your current salary as good compared to the market rate

58. You can describe your current salary as bad compared to the market rate
59. You can quit the bank because of inadequate salary if you get another job

<table>
<thead>
<tr>
<th>D) Bonuses</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
</table>

60. The bank has a bonus structure in place

61. You receive end year bonuses

62. Bonuses are based on merit/performance

63. The bonus sharing formula is fair and just to all employees

64. Bonuses influence your commitment to stay with the bank

65. Unfair bonus system can influence your decision to quit the bank

66. Bonuses have contributed to employee turnover at the bank

The End

Thank you very much for taking your time to fill in the form and to take part in this research.