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HUMAN RESOURCE

# RELATIONSHIP BETWEEN CAREER DEVELOPMENT AND EMPLOYEE RETENTION IN COUNTY GOVERNMENT OF MERU, KENYA

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# ABSTRACT

**Purpose of the study:** The study aimed to investigate the relationship between career development and employee retention.

**Statement of the problem:** Employee retention especially of the best and most desirable ones is a key challenge in organizations today. Organizations are struggling with cost reduction that is associated with employee recruitment as a result of employee turnover. The problem is also prevalent among county governments in Kenya.

**Research methodology:** This study adopted descriptive survey research design. The target population was 5,100 employees of County Government of Meru. Out of this, 510 employees were sampled. Data was collected by use of a questionnaire and analyzed using statistical package for social science software. Both descriptive and inferential statistics were generated.

**Findings:** The correlation results revealed a positive and significant relationship between career development and employee retention (r=0.521, p=0.000).

**Conclusions:** The study concluded that career development was found to have a significant relationship with employee retention. It was established that offering on job training, off-the-job and overseas training are key contributors in career development that can affect employee retention in the County Government of Meru.

**Recommendations**: In order to ensure employee retention in the County Government of Meru, the study recommended the need for the County Government to enhance training of employees. This could be done through facilitations to take senior management courses and funding further studies.

Keywords: Career development, employee retention, county government of Meru

# **1.0 INTRODUCTION**

Employee retention is a mechanism in which workers are allowed to remain for a full amount of time with the company. Every organization invests time and money in grooming a new employee, making him/her a ready-made organizational material, and getting him / her in line with the current policy organization (Connolly & McGing, 2017). The organization, although fully educated, is absolutely at a loss when the workers leave. Employee retention takes into account the various steps taken to retain an employee in an organization for the full time span (Chiboiwa, Samuel, & Chipunza, 2010). Public sector is typically composed of government owned and run organizations. It is the part of the government that deals with the production, possession, procurement , distribution and allocation of goods and services by and for the government or its people, regional or national (Barky, 2006); The government needs qualified human capital in that respect to provide effective services to the people. Consequently, maintaining important human capital is essential for the successful and efficient performance of any company, whether public or private (Crick & Spencer, 2011).

Career development is a motivational incentive which promotes retention and productivity of employees (Musa, Ahmed, & Bala, 2014). Career development involves determined efforts to evaluate the skills of an employee identifying potential career progress for that worker and developing and implementing various types of training programs and experiences to organize that individual for job expansion and enrichment. It is increasingly evident in most industries that career development services are cost-justified under the same conditions as initial initiatives; indicating that each endorsement leads to increased worker deployment and overall organizational activity and growth (Mapelu & Jumah, 2013). Career development has become one of the most desired employee benefits for most of the employees, especially among younger candidates who feel that career development is as important as the money they make. Mapelu and Jumah (2013), note that it is now easier to determine an individual's job needs using employee assessment. Assessment tools can help identify employees' development needs and also provide a roadmap for the required career development that would benefit both the individual and the organization.

Meru County, Code No.12, is one of 47 counties in Kenya. The county of Meru is in the former Eastern Province. It has a population of about 1.4 million. The headquarters of the county is in the city of Meru. Meru County new Governor is Hon. Jubilee Party kiraitu murungi. Nine subcounties and 49 wards exist in Meru County (KNBS, 2018). The economy of the county relies primarily on agriculture. Most people are active in subsistence farming, where they grow growing foods like maize, beans, sorghum, millet cabbages and berries. Others grow large scale macadamia, bananas, potatoes, wheat, coffee, and tea. Growing commercial fruit has become popular under Project Nurture by Bill and Melinda Gates Foundation. It includes small scale mango growing in Imenti, as well as passion fruit. The county is renowned for its wide-scale Miraa (Khat) growing-a herbal plant that turned local people into a lucrative cash crop. The Khat is mainly grown in Maua, Igembe, and Tigania, and is capturing millions of shillings for its farmers in the export market.

# **1.1 STATEMENT OF THE PROBLEM**

Employees are every organization's most important assets; special care is needed to maintain them. However, retention of workers is a big problem in companies today (Danish, 2015). Since each person is special, it is important to try to understand what motivates workers to work happily and efficiently to ensure productivity in the organizations. There is significant economic

impact when an organization loses some of its essential employees, especially given the information lost with the departure of the employee. The effect of weak retention practices on companies frequently results in far-reaching effects and, at the extreme, can jeopardize attempts to achieve organizational goals, which is why corporate leaders need to implement consistent strategies to recruit and retain good employees (Holtom, Mitchell, Lee & Eberly, 2014).

County Governments need to understand and implement strategies that will enhance the retention of employees. This is demanding and difficult, because of the competitive dynamics of the corporate world, according to Mulera (2012). When most government operations were devolved into Counties, most people left their original places of work and sought employment in the County Governments. A case of Meru County Government, the challenge is that 20% of the jobs are basically on contract and 80% are on permanent basis (County Government of Meru Human Resource Strategic plan, 2017-2021). This therefore affects those on contract terms as they may leave the organization prematurely in search for a permanent job since there is no guarantee for contract renewal. This study explored the connection between career development and retention of employees in the county government of Meru.

# **1.2 OBJECTIVE OF THE STUDY**

This study sought to determine how career development influence employee retention in the County Government of Meru, Kenya.

#### 2.0 LITERATURE REVIEW

#### 2.1 Theoretical Review

Modern definitions of human capital include that of (Chemmanur, Cheng & Zhang, 2013), which explained the performance and potential of peoples within the organization. The insertion of the word 'potential' is significant because it shows that, over time, employees can develop their career and skills. Professionalism, experience, expertise and information allow employees to be productive and agile, thereby serving as a human resource to the company. Only with the collective assistance of the individual can its possible value be completely realized (Schuler, 2015). A class of professional employees with distinctive skills is essential to attract and retain the scholarly capital. Organizations therefore need to transition from the human resources to the notion of human capital. Human capital theory has been stated by Schutz (2010), and the theory reiterates that a certain stock of industrious resource is generated by intellectual ability and talent worker. This approach also sees individuals not as expenditure on their earnings but as an asset competent to ensure their continued existence in the present spirited atmosphere, not only adding significance to their organizations but in some cases also (Sutherland, 2004).

Armstrong (2009) defines human capital in the organizations as a human factor, the combined intelligence, skills and expertise which gives the organization its distinctive character. The organisation's human elements are those capable of understanding, evolving, innovating and providing the imaginative drive that can ensure the organization's long-term sustainability if properly motivated. Human capital includes human capital (which is the specific knowledge and skills that people possess), social capital (which is versatile networks between people that allow organizations to communicate, integrate and exploit their diverse knowledge) and organizational capital (which is the institutionalized information that an organization maintains in databases and manuals). Also adding emotional capital, Sutherland (2004), is the ability to convert the potential of intellectual capital into committed, realized action. The human capital theory supports career development as it is necessary for workers to recognize their career path within the county

government to encourage them to stay in the organization to attain their personal objectives. It is also important to the study because the company needs to improve its workers to strike a balance between the human resources that an organization requires and the skills required. Having the right number of workers available with the requisite qualifications provides a competitive advantage to an organisation.

# 2.2 Empirical Review

Nagarathanam, Venkitasamy, and Attiah (2018) aimed to evaluate the effect of career development activities on the retention of employees in the Qatar aviation market. The research intentionally targeted 30 workers through a series of questionnaires. The findings of this study have shown a statistically significant correlation between career promotion practices and employee retention in the Qatar aviation industry. Career growth has had positive effects on employee satisfaction in Qatar's aviation industry. Career growth activities within the company will also retain longer-term employees engaged with the organization and will help to improve the organization cycle. It indicates career growth programs have a positive impact on staff productivity. Aviation-based organizations will concentrate on enhancing career growth and thus ensuring that this mechanism is efficiently managed to create a productive human resource and sustainability of the creation of organizations.

Al-sharafi, Hassan and Alam (2018) sought to investigate the effect of training and career development on retention of employees on Yemen's telecommunications organisations. The study also examined the mediating role of the work satisfaction in the relationship of preparation, career growth, and retention of employees. The findings showed that preparation had a significant effect on employee satisfaction and retention by using a study of one hundred non-management staff members in the four Yemeni telecommunications corporations. Specifically, training was found to enhance employee satisfaction and increase the retention rate in Yemen's telecommunications market. Nonetheless, it is interesting that career growth had no association with employee satisfaction or retention. Nonetheless, work satisfaction was found mediating the relationship between training and employee retention in the Yemeni telecommunications market.

Wane (2016) attempted to examine the effects of professional development services on retention of workers in International Non-Governmental Organizations (INGOs) in Kenya. A descriptive survey was used to reach all 92 International NGOs registered with the National Council of (NGOs Registering Board; via a census survey) in Nairobi Kenya. The study found that career development programs impact employee retention. It was also found that organizational career preparation is a key human resource strategy in INGOs.

# **3.0 METHODOLOGY**

This study adopted descriptive survey research design. The target population of the study was 5,100 employees of County Government of Meru. Out of this, 510 employees were sampled. Data was collected by use of a questionnaire and analyzed using statistical package for social science software. Both descriptive and inferential statistics were generated.

# 4.0 FINDINGS AND DISCUSSIONS

# 4.1 Descriptive Statistics on Career Development

The study sought to determine how career development influence employee retention in the County Government of Meru. To achieve this respondent were presented with statements on career development and indicated their level of agreement in each. Results of average scores recorder are shown in Table 1.

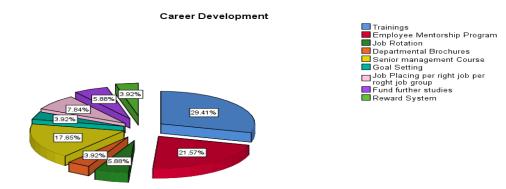
| Statement                                | 1         | 2         | 3        | 4          | 5        | Mean |
|--|-----------|-----------|----------|------------|----------|------|
| My employer<br>offers on-job<br>training | 59(11.8%) | 49 (9.8%) | 49(9.8%) | 294(58.8%) | 49(9.8%) | 3.45 |
| Employees go for overseas training       | 300(60%)  | 165(33%)  | 23(4.6%) | 10(2%)     | 2(0.4%)  | 2.06 |
| My employer Off-<br>the-job training     | 6(1.2%)   | 84(16.8%) | 370(74%) | 8(1.6%)    | 32(3.4%) | 2.82 |

Table 1: Descriptive statistics on Career Development

The findings in Table 1 revealed that respondents relatively agreed with the statements provided. 294 (58.8%) respondents agreed to their employer offering on-job training (mean=3.45). There were however mixed reactions on the statement about the employer offering off-the-job training with a total number of 370 respondents neutral to the statement and 40(5%) agreeing to it. One statement had the lowest average score recorded. This was result of 300 (60%) participants strongly disagreed to the statement of employees going for overseas training.

The results above imply that the County Government of Meru has made slight efforts towards enhancing career development of the employees. Notably, the Government provides on jobtraining. The implication is that employees are likely to remain loyal to the institution and therefore, increase the retention rate. High employee retention is good for the County Government since it can focus on service delivery as opposed recruiting and training new employees every now and then.

Participants were further asked to provide suggestions on how their respective departments can improve career development. Figure 1 shows the outcome.



**Figure 1: Career Development Suggestions** 

From results in Figure 1, on-job training, job rotation and coaching are identified to be crucial for career development in driving retention of staff. The results are in same comparison with Norah, Susan and Waititu (2016) noted that career development systems are interconnected, improving productivity, retention and performance together. According to suggestions from (Taylor, 2009; Gaffney, 2015; Chabbra & Mishra, 2018), people usually reside longer, where they experience growth and development in individuals and careers. In addition, based on research carried out by Porter and Steers (1973), development opportunities are expected to increase retention rates as employees who feel they are fairly compensated for the work done are more contented (Hausknecht et al., 2009). In addition, the respondents indicated that internal as well as external staff training was required in the Meru County Government. In particular, management should train staff on management skills (course for senior management and senior management development).

These results are in line with Deloitte and Touche (2009), who convey that the nature of the organization's career and development in terms of accessibility, applicability to current and potential job responsibilities of employees and the series of career advancement opportunities available are used to develop specific skills and improve performance.

Most employees see career development opportunities as a symbol of their employer 's commitment to them, even if further career growth is promised, if this need is not fulfilled, such employees may not see the need to remain with the organisation. Opportunities for formal and informal career growth will provide workers with the skills and information they need for potential career success. While departmental heads should be kept responsible for their employee advancement, through career development discussions, employees should be encouraged and empowered to take charge of their own growth and development within the organisation (Chang et al., 2013; Döckel et al., 2016). Dockel et al. (2015) noted that employees appear to increase a sense of responsibility (normative commitment) and remain in an organization that promotes career opportunities through learning and the ability to apply newly acquired skills. Career development and progression help organizations avoid the hazards of outdated, unwanted employees. The study established the management of County Government of Meru should consider on the job and off the job trainings, employee mentorship programs, rotation, service charters, funding of further and professional studies and payment of professional certificates. The participants also suggested that the Meru County Government management should improve employment placement. Lastly, the implication of the findings is that with the enhancement of on-job training and other career development strategies, the employee retention level will increase. This means that the institution can channel efforts towards realization of the primary goal which is service delivery to the people of Meru.

# 4.2 Descriptive Statistics on Employee Retention

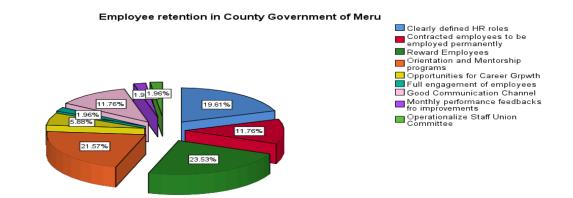
In order to get insights on employee retention in the County Government of Meru, respondents were again presented with a series of statement and asked to rate their level of agreement to each. Average means of the statements are presented in Table 2.

| No. | Statement   | 1          | 2          | 3         | 4          | 5         | Mean |
|-----|---|------------|------------|-----------|------------|-----------|------|
|     | Employees are<br>engaged in various<br>issues affecting the<br>organization | 47(9.4%)   | 140(28%)   | 98(19.6%) | 179(35.8%) | 36(7.2%)  | 3.40 |
|     | There is effective<br>communication<br>within the<br>organization           | 0(0.00%))  | 70(14%)    | 12(2.4%)  | 399(79.8%) | 5(1%)     | 4.27 |
|     | Appraisals are fair<br>and just in the<br>organization                      | 94(18.8%)  | 114(22.8%) | 200(40%)  | 60(12%)    | 32(6.4%)  | 3.40 |
|     | There is proper job<br>placement in the<br>organization                     | 102(20.4%) | 96(19.2%)  | 140(28%)  | 64(12.8%)  | 98(19.6%) | 2.50 |

#### Table 2: Descriptive Statistics on Employee Retention

Recorded results of Table 2 revealed that respondents agreed to most of the statements regarding employee retention in County Government of Meru. With the highest recorder mean score of 4.27, 399(79.8%) respondents agreed on presence of an effective communication within the organization. 179(35.8%) respondents also agreed on employees being engaged in various organizational issues (mean=3.40). Similar average mean score was recorder on the statement regarding presence of an effective evaluation policy in the organization with 200(40%) respondent's neutral to the statement. Additionally, 179(35.8%) respondents agreed on employees being engaged in various issues affecting the organization as shown by the recorded mean of 3.40. With the lowest recorded average mean score of 2.50, 140(28%) respondents remained neutral to job placement being done properly. The implication of the above findings is that presence of an active engagement in organization issues, proper job placement, effective evaluation systems and effective communication channels play a great role in enhancing employee retention.

Respondents were further asked to provide suggestions on how employee retention can be enhanced in their respective departments. Findings were recorded as in Figure 2.



#### **Figure 2: Employee retention Suggestions**

The findings imply that employee retention in Meru County Government can be enhanced in several ways. These are; having a well-defined HR, rewarding employees, operationalizing staff union committee, providing opportunities for career growth, permanent employment and effective communication channels.

#### 4.3 Correlation Analysis

Pearson's correlation was used to establish the correlation between career development and employee retention in the County Government of Meru. The results are shown in Table 3.

#### **Table 3: Correlation Matrix**

|                              |                     | Career<br>Development | Employee<br>retention in<br>County<br>Government of<br>Meru |
|------------------------------|---------------------|-----------------------|---|
| Career Development           | Pearson Correlation | 1                     |   |
|                              | Sig. (2-tailed)     |                       |   |
|                              | N                   | 500                   | 500   |
| Employee retention in County | Pearson Correlation | .521**                | 1   |
| Government of Meru           | Sig. (2-tailed)     | .000                  |   |
|                              | N                   | 500                   | 500   |

Results from Table 3 revealed a direct association between career development and staff retention in the County Government of Meru (r=0.521, p value=0.000). The findings imply that improvement in career advancement is accompanied by increase in retention of staff in the County Government of Meru. This means that efforts by the county management to boost career development of employees would also be accompanied by increase in their retention.

### 5.0 CONCLUSION

Based on the findings, career development had a positive and significant relationship with employee retention. The study concluded that offering on job training, off-the-job and overseas training are key contributors in career development that affect employee retention in the County Government of Meru.

#### 6.0 RECOMMENDATIONS

In order to ensure employee retention in the County Government of Meru, the study recommended the need for the County Government to enhance training of employees. This could be done through facilitations to take senior management courses and funding further studies.

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