

## **Reward Management as A Precursor of Employee Retention in Christian Faith-Based Health Institutions in Kenya: Moderating Role Transformation Leadership**

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### **Abstract**

Employee retention is one of the most critical issues facing health institution managers today. In Kenya, Health Sectors have experienced health workers' strikes and high employee turnover. Retaining staff in Christian Faith-Based Health institutions is a dilemma that many health institutions have to grapple with. This motivates the undertaking of the current study to assess reward management as a precursor of employee retention in Christian faith-based health institutions in Kenya. A descriptive research design was used. The target population was 10,124 staff from CHAK Organization. The sample size was 385. The study used primary data collected using a questionnaire. Findings indicated that reward management was a significant precursor for employee retention in Christian Faith-Based health institutions in Kenya ( $B=0.754$ ,  $P = .003$ ). An increase in reward management would impact positively on employee retention. The study concluded that reward management is a significant precursor for employee retention in Christian Faith-Based health institutions. The study also concluded that transformational leadership has a significant moderating effect on the relationship between reward management and employee retention. The study recommends that management in Christian Faith-Based health institutions should seek to measures manage rewards effectively.

**Keywords:** *Reward management, Employee retention, Transformational leadership*

### **1.0 Introduction**

The investment in human capital has profound implications for organizations. It is with this in mind that employees are viewed as an asset in any institution. It can be said that no technology can replace skilled communication problem solving and customer focus. Organizational leadership may find it easier to attract people; however, retaining them may be a great challenge as people are motivated by various factors (Hoch & Dulebohn, 2015). Employee retention is one of the most critical issues facing organizational managers because of the shortage of skilled workers, economic growth, and high employee turnover (Ntamon, Osuoha & Sow, 2016). Many organizations rely on the expertise of their employees to gain a competitive advantage in global economies (Sareen & Agarwal, 2016). In this economic environment, the retention of valuable employees becomes an extremely important strategy for human resources managers and organizational leaders.

Globally, the main reason for the internal and external movement of employees in Nongovernmental health institutions has been indicated to include ineffective career

development, locking employees from future opportunities for growth. Health workers are mainly important for the effective functioning of the health care system (Ntamon, Osuoha & Sow, 2016). An inadequate health workforce (with a high population-to-health-worker ratio) contributes to the general deterioration of health indicators (Dolvo, 2017). Mafini and Dlodlo (2015) in empirical research in the United Kingdom (UK) found that interventions of work demand into personal life such as working during the weekend resulted in heightened stress and emotional exhaustion among the employees. In Australian Telework, 70% of businesses that incorporated telework options reported several positive benefits, such as increased business productivity and reduced costs, improved employee flexibility and work-life balance, and increased workforce participation (Caesens, Stinglhamber & Ohana, 2016).

The availability of health personnel in Africa is considerably worse than in other regions of the world and it is one of the major obstacles to the delivery of adequate health care (Kessler, 2015). In Ugandan, health workers were leaving their workplaces due to the absence of career growth from work (Kumar, 2015). Health worker instability is worsened by, among others, internal and external movements or losses. When employees with their skills and knowledge leave the organization, it reduces the quality of the service of the organization, hampers the morale of the remaining employees, forces the organization to a huge amount of financial loss, and even increases the workload to the remaining workers. Health Organizations in the 21<sup>st</sup> century in Kenya is facing more challenges than ever before. The health institutions create a more favorable organizational climate for career advancement and job satisfaction and also embrace such practices as job security and quality of work by ensuring the availability of work tools, and safe and healthy work environments.

According to Nyanjom (2013) critical factors such as supervisory support, work-life balance, and workforce diversity defined the organizational climate that influences employee performance in public and private not-for-profit organizations including faith-based and mission hospitals, local and international NGOs in Kenya. Kigathi and Waiganjo (2017) indicate that leadership style, remuneration, promotion, training, and work environment contributed to the retention of health workers in Kenyatta National Hospital. In the public health sector, the training of health workers offered affected health workers' retention rate. Promotion of health workers, an improvement on non-monetary incentives like recognition, fair remuneration coupled with ethical leadership contribute to health workers' retention rate.

Kenya's Health System faces a variety of human resources problems, lack of equipment in public hospitals, primarily an overall lack of personnel in key areas, which is worsened by high numbers of trained personnel leaving the health sector to work overseas and also to move to United Nations offices and other Non-Governmental Organizations. Furthermore, personnel who remain are inequitably distributed between urban and rural areas (Kigo & Gachunga, 2016). However, little has been done to authoritatively show the relationship between employee retention and leadership practices in Faith-Based Organizations offering health services. Several instances of negligence and lack of interest to help patients have been reported in the Kenyan Public Hospitals and such much-qualified personnel have gone to establish their private hospitals (Kigathi & Waiganjo, 2017). This has been attributed to a lack of commitment which is the result of de-motivation and job dissatisfaction. Faith-Based Institutions may not be an exception. According to the ICPAK report on Baseline Survey on Devolution in Kenya with respect to Public Financial Management System (Ruth, 2015), Nairobi County identified Health as a key priority. Other priorities include infrastructure, education, and agriculture in that order. The health sector is no exception to the challenge of staff retention in Kenya, particularly with core staff and these institutions will be increasingly obliged to make retention

of their staff a strategic priority. This study, seeks to address the precursors of employee retention in Christian Faith-Based Institutions in Kenya - Nairobi and Kiambu Counties.

### ***Problem Statement***

In the global organizational environment, employee commitment, productivity, and retention issues are emerging as the most critical workforce management challenges today and in the future (Sitati, Were & Waititu, 2016). Organizational success in a competitive market today is dependent on the ability to retain the right quality of employees and curb employee attrition (Jain, 2016). According to Huang, Hao and Chuang, (2016), during the exit of an employee, new employees have to be recruited, selected, oriented, and trained costing an organization approximately 1½ times the salary of the vacated position to replace an employee.

In Kenya Health Sectors have experienced health workers' strikes by the professionals and trade unions representing workers. According to KNBS (2017), the country recorded the migration of qualified health workers including doctors and nurses from both public and private health institutions. A survey by KIPPRA (2016) indicated that 75% of doctors do leave private health employment three years after absorption into the health workforce (Jindal, Agarwal, Garg, & Rastogi, 2016). The HRH ratio on staffing levels for key health workers' doctors, nurses, and midwives is 2.3 per 1000 population as compared to Kenya's 1.5 per 1000 population as many health organizations grapple with the challenge of retaining employees. It is estimated that about 300 medical doctors and nurses leave the Christian Faith based health institutions sector annually. These statistics suggest that the Christian health institutions' management has failed to motivate and keep the existing health care staff in the health facilities. While explanations for measures undertaken to address the problem of HRH retention have for a long time relied on the established existing policies and private initiatives as a supply side to ameliorate the situation, little is known from the demand side of the health sector, that is, the human resources for health (HRH). This raises the question as to what are the precursors of employee retention in Christian Faith-Based health institutions in Kenya.

Retaining staff in Faith-Based Health institutions is a dilemma that many health institutions have to grapple with (James, Breugh, & Kathleen, 2018). CHAK leadership is thought to contribute to the stay of a qualified and reliable workforce. This is as management in CHAK strives to the provision of Quality leadership in the faith-based health institutions, the extent to which it creates a setting that draws workers to the health facilities and fosters employees' stay in the institutions remains contested. The study sought to assess the link between leadership roles in precursors of employees' retention (CHAK, 2019). previous studies such as Kuttappa, (2016) and Mboya, Were and Otieno (2019) have also not Christian linked employee retention and leadership practices to the extent to which leadership management practice impacts employee retention in Faith-based Health Institutions. This study, sought to fill the existing knowledge gap by determining reward management as a precursor of employee retention in Faith-Based Institutions in Kenya.

## **2.0 Literature Review**

The expectancy theory was proposed by Victor Vroom in 1964. Vroom stresses and focuses on outcomes, and not on needs. The theory suggests that organizational members have certain expectations for the structural properties at work (Sangaran & Jeetesh, 2015). Expectancy theory assumes that management discovers what employee's value; employees have different expectations and levels of confidence about what they are capable of doing. Management must discover what resources and supervision employees need and the perception of employees as to whether they will get what they desire even if it has been promised by a manager (Sareen &

Agarwal, 2016). Management must ensure that promises of rewards are fulfilled and that employees are aware of that. Vroom suggests that an employee's beliefs about Expectancy, Instrumentality, and Valence interact psychologically to create a motivational force such that the employee acts in ways that bring pleasure and avoid pain.

### ***Rewards Management***

Reward is critical for employees because it is one of the main reasons for which people work and remain in organizations (Oladapo, 2014). Reward Management is concerned with the formulation and implementation of strategies and policies that aim to reward people fairly equitably and consistently following their value to the organization (Iles, 2010). In the ideal situation, employees feel they are paid what they are worth, are rewarded with sufficient benefits, and receive some intrinsic satisfaction. Employee reward system resulted in the retention of talented employees and better organizational performance in Indian firms (Jain, 2013).

An empirical study by Sitati, Were and Waititu, (2016) determined the effect of job promotion on employee retention in hotels in Kenya. The purpose of this study was to examine the effects of job promotion on employee retention in the hotel industry in Kenya. This research problem was studied through the use of a survey research design. The target population of this study comprised 213 hotels registered under the Kenya Association of Hotelkeepers and Caterers in Kenya. A representative sample of 137 hotels was selected from each hotel region using stratified random sampling. Data were collected using a structured questionnaire administered by the researcher to get a response from the sample population. Descriptive and inferential statistics were used to analyze the data. The results indicated that job promotion coupled with significant achievement in life contribute to employee retention in the hotel industry. A replica study in health sectors will be critical to providing a broad view of the results.

Mabaso and Dlamini (2018) investigated the impact of total rewards on organizational commitment measured by the Total Rewards Scale and Organizational Commitment Questionnaire. Motivation for the study: There is a paucity of research on the impact of total rewards on organizational commitment. Commitment of academic staff is significant as higher education institutions are influential in the development of a country. Research design adopted was a quantitative research method using a survey design. A semi-structured questionnaire was used to collect survey data. A sample of 279 academic staff, which was the total population of participants, was selected for this study. The results show a positive and significant correlation between elements of total rewards (performance management, 0.387; recognition, 0.335; talent development and career opportunities, 0.328; compensation, 0.231; benefits, 0.213; work-life balance, 0.024) and organizational commitment. A variance of 52.3% of total rewards explained organizational commitment. Performance management, compensation, benefits, recognition, talent development, and career opportunities significantly predicted organizational commitment.

Alhmoud and Rjoub (2019) examine the influence of total rewards—comprising extrinsic, intrinsic, and social rewards—on employee retention in Islamic banks in Jordan, with a particular focus on the employee perspective. A questionnaire is used to collect data from the study sample, which consists of 500 employees working in various Islamic banks across Jordan. The study hypotheses are then tested using the Partial Least Squares (PLS) technique by applying structural equation models (SEMs). Results show that extrinsic, intrinsic, and social rewards are all important factors in achieving employee retention. Interestingly, social rewards were shown to have the highest level of influence on employee retention. This research



is new in the Jordanian context; it offers a deeper understanding of some of the most important factors in retaining talent and thereby increasing organizational productivity and competitive advantage. It furthermore provides new insights into the relationship between total rewards and employee retention within the context of the Middle East, a combination previously uncharted.

### ***Employees Retention***

Ren and Hamann (2015) define retention as an obligation to continue to do business or exchange with a particular organization on an ongoing basis. Retention is “customer liking, identification, commitment, trust, readiness to recommend, and repurchase intentions, with the first four being emotional-cognitive retention constructs, and the last two being behavioral intentions. Employee retention is driven by several key factors, which ought to be managed congruently: organizational culture, strategy, pay and benefits philosophy and career development systems (Amah, 2017). If companies cannot retain their employees, the economic results could be devastating for an organization.

Agarwala (2017), studied employee retention in the private sector in an exploratory study in the state of Kuwait. The result of their study shows that benefits factors such as salary and compensation were rated as most important to the private sector workforce in the state of Kuwait followed by leave benefits and differed compensation. They explained that the three strategies rated most important to the private sector workforce are rewards and recognition, annual performance appraisal and training opportunities. Cheese (2017) elucidated those past studies have found that employee intentions to stay with an organization comprised three main groups of variables which are employee personal features such as gender, age, position level; the nature of an employee’s present work; and ample working conditions including such aspects 31 as the quality of manager supervision, opportunities for promotion, available career development, and quality of communication channels within the organization.

### ***Employee Retention***

A study by Osisioqu (2017) in Tanzania shows that in work organizations, human resource succession planning is not much practiced. This has affected manpower planning of different work organizations including public and private ones. For instance, despite the effort done by the ministry of health and social welfare in staffing the health facilities at all levels, there is still more work to be done. There is a general shortage of qualified staff at all levels, but the shortage is more evident at the lower levels and in the hardship working environment areas.

Cheruto, Were, and Odhiambo (2019) explored the antecedents of employee engagement and turnover intention in the banking sector in Nairobi City County in Kenya. The study was anchored in organizational support theory, theory of justice, conservation of resource theory, job characteristic theory, leader manager exchange theory, social identity theory, and an empirical review of literature relevant to the study. A -cross-sectional survey design was used on a population comprising top-level and middle-level management which totals 1,760 where a sample of 326 respondents, the data was collected using questionnaires and analyzed using SPSS version 22 where analysis of descriptive statistics, correlation, and logistic regression analyses was done. Perceived Organisation Justice and Turnover Intention were negatively and significantly related. Value Congruence and Turnover Intention were negatively and significantly related. This implies that an additional unit of Value Congruence decreases the probability of turnover intention by 0.968 points holding other factors constant. Job Characteristics decrease the probability of turnover intention holding other factors constant. Perceived Supervisor Support and Turnover Intention were negatively and significantly related. The study found that there was an increase in the value of R<sup>2</sup>, implying that Employee

Commitment boosts the level of explanation of independent variables on the variation of the dependent variable. Employee commitment moderates the relationship between the employee engagement antecedents and turnover intention in the banking sector in Nairobi City County in Kenya.

### 3.0 Research Methodology

The current study adopted a descriptive research design. The target population was 10,124 staff from CHAK Organization. The sample size was 385. The study used primary data which was collected using a questionnaire. The method of data collection that was used for this study is the drop and pick later technique. Data analysis was done using descriptive and inferential statistics techniques.

### 4.0 Results and Discussion

Results were presented in terms of descriptive and inferential statistics.

#### *Reward Management*

**Table 1: Reward Management**

Statement	SA	A	N	D	SD	Mean	Std Dev
It has salary rewards for employees	84%	15%	1%	0%	0%	4.566	0.788
The commission compensates in monetary terms the overtime work	68%	31%	1%	0%	0%	4.378	0.513
Offering paid leaves	81%	19%	0%	0%	0%	4.566	0.657
Employees are engaging in decision making	79%	16%	4%	1%	0%	4.127	0.783
The institution set up work-life balance programs for employees	50%	37%	10%	3%	0%	3.806	0.624
Offering employees with gifts for excellent work done	7%	29%	64%	0%	0%	2.973	0.581
Offering employees paid holidays	9%	2%	12%	41%	36%	2.415	0.697
Creating a good working environment for employees	65%	31%	4%	0%	0%	4.447	0.615
Engage employees in work-life balance programs	55%	34%	10%	1%	0%	3.798	0.712
Promotion is offered for employees on merits	57%	31%	8%	3%	1%	3.903	0.674
There are training opportunities that influence promotions	61%	28%	9%	2%	1%	4.176	0.883

Salary reward was the first item for employees. With respect to these indicators, 84% of the respondents strongly agreed, 15% agreed while 1% were neutral. This implied that salary rewards is an indicator to reward management in Faith-Based health institutions in Nairobi, Kenya. This implies that salary rewards are key to the retention of employees in organizations. Oladapo (2014) revealed that salary reward is critical for employees because it is one of the main reasons for which people work and remain in organizations.

In regards to the extent the respondents agreed that commission compensation in monetary terms for overtime work, 68% strongly agreed, 31% agreed while 1% were neutral. This implied that compensating employee-using commission for overtime is a key indicator in employees reward management Results in Table 1 81% of respondents strongly agreed that institutions offered paid leave while 19% agreed. This demonstrated that offering paid leave is an effective indicator of reward management in Christian Faith-Based health institutions. Ahmed and Ali (2018) observed that recognition programs contributed to employee satisfaction and improve employee retention in organizations.

Findings in Table 1. Indicated majority 79% of the respondents strongly agreed that employees were engaged in decision-making, 16% agreed, 4% were neutral while 1% disagreed. This demonstrated that Faith Based health institutions engage employees in decision-making. This was evidenced by the mean of 4.127 with a standard deviation of 0.783.

Results in Table 1. 50% of the respondents strongly agreed that the institution set up work-life balance programmes for employees, 37% agreed, 10% were neutral while 3% disagreed. The mean of 3.806 with a standard deviation of 0.624 supported the results. From the results, 64% were indifferent to being offered gifts for excellent work done, 29% agreed while 7% strongly agreed. The mean of 2.973 with a standard deviation of 0.581 indicated that offering gifts for excellent work done was unlikely. This demonstrated that Faith Based Health institutions were unlikely to offer gifts to employees for work done. In regards to offering employee paid holidays, 41% disagreed, 36% strongly disagreed, 12% were neutral, 9% strongly agreed while 2% agreed. This indicated Faith-based health institutions are unlikely to offer paid holidays in reward management. Mabaso and Dlamini (2018) revealed that total rewards on organizational commitment measured by the Total Rewards Scales such as compensation, benefits, recognition, talent development and career opportunities significantly predicted organizational commitment and Organizational Commitment contributes to employee retention.

On indicator working environment, 65% of the respondents strongly agreed on institutions creating good working conditions for employees, 31% agreed, and 4% were neutral. Creating favorable condition for employees enhance their commitment to the institutions. To know the extent institutions set up work-life balance programmes in reward management, 55% of the employee strongly agreed, 34% agreed, 10% were neutral and 1% disagreed. This implied work-life balance programmes were set up as reward management schemes for employees in Faith-Based Institutions in Kenya. Ahmed and Ali (2018) observed that reward management and recognition programs contributed to employee satisfaction and performance and established that reward systems improve employee retention in organizations. On the promotion of employees on merits as an indicator for reward management, 57% strongly agreed, 31% agreed 8% were neutral 3% disagreed while 1% strongly agreed. This implied that Faith-Based Institutions used promotions of employees as a reward management instrument. Sitati, Were and Waititu, (2016) indicated that job promotion coupled with significant achievement in life contribute to employee retention in the hotel industry. Organizations use training for promotion opportunities as reward management schemes. The findings in Table 1, majority 61% strongly agreed there is training opportunities that influence promotions, 28% agreed, 9% were neutral, 2% disagreed while 1% strongly disagreed. The respondents indicated that effective reward management schemes play a significant role in the retention of employees in Christian Faith-Based health institutions in Kenya. The results concurred with Lathitha (2012) that effective reward programs always focus on employee retention due to positive reinforcement.

### ***Employee Retention***

Respondents were asked to indicate the extent to which they agreed with the following statement on employee retention.

**Table 2: Employee Retention in Christian Faith-Based Health Institution**

Statement	SA	A	N	D	SD	Mean	Std Dev
The rate of employees leaving an organization is low	31%	39%	21%	9%	7%	4.231	0.602
The organization experience a low level of attrition	28%	33%	16%	12%	11%	3.789	0.838
Have no intention of leaving the organization	41%	32%	13%	9%	5%	4.525	0.871
The employee leaving organization is minimal compared with the acquisition of new staff	30%	17%	12%	21%	20%	3.463	0.587
I see a future with the current organization	31%	19%	17%	12%	21%	3.529	0.794
Given a chance, I will continue working in the institution	25%	17%	10%	26%	22%	3.463	0.627
Employees love working for this company	76%	21%	2%	0%	1%	4.549	0.715
If it were up to me, I will be working for this company for the next five years.	36%	58%	3%	2%	1%	4.091	0.546
Employees are satisfied within the organization	41%	21%	24%	13%	1%	4.518	0.874
Have no intention of leaving the organization	29%	16%	13%	11%	22%	3.158	0.823

Rate of employees leaving the institution measures employee retention. Respondents were asked to rate whether the rate of employees leaving the organization is low. 31% strongly agreed, 39% agreed, 21% were neutral 9% disagreed while 7% strongly agreed. The mean of 4.231 with a standard deviation of 0.602 denotes that respondents agreed that faith-based health institutions experience a low rate of employee leaving. Attrition is a key indicator of employee retention in an organization. On whether an organization experience a low level of attrition, 28% strongly agreed, 33% agreed, 16% were neutral, 12% disagreed while 11% strongly agreed. The mean of 3.789 and standard deviation of 0.838 demonstrate faith-based health institutions experience low levels of attritions with some cases of employee leaving also being experienced.

On whether employees have no intention of leaving the organization, 41% of the respondent strongly agreed, 32% agreed, 13% were neutral, 9% disagreed while 5% strongly agreed. This demonstrated that the retention rate of employees in faith-based health institutions was reported.

In regard to the employee leaving the organization, is minimal compared with the acquisition of new staff. 30% strongly agreed, 21% disagreed, 20% strongly disagreed, 17% agreed while 12% were neutral. The respondents were indifferent on whether the employees' leaving organization is minimal compared with the acquisition of new staff. The respondents were asked whether employees viewed the future with the current organization. From the findings,



31% strongly agreed, 19% agreed, 17% were neutral 12% disagreed while 21% strongly disagree. This demonstrates that shortly, faith-based health institutions would experience a low rate of employees leaving the institutions. In regards to whether respondents given a chance would continue working in the institution, 26% disagreed, 25% strongly agreed, 22% strongly disagreed 17% agreed while 10% were neutral. This demonstrates mixed reactions of the employee remaining with the organization hence their precursors that would influence the decision to leave or remain with the organization.

The respondents were asked to agree with the statement, that if it were up to them, they will be working for this company for the next five years. From the results, 36% strongly agreed, 58% agreed, 3% were neutral, 2% disagreed while 1% strongly disagreed. This demonstrated that the employee had no intention to leave the institution in the next five years.

Respondents were asked to rate the level of agreement among employees who were satisfied within the organization. From the results, 41% of the respondents strongly agreed, 21% agreed, 24% were neutral 13% disagreed and 1% strongly disagreed. Most employees were satisfied and were in a position of remaining with the institution. On whether the respondents did not intend to leave the organizations, 29% strongly agreed, 16% agreed, 13% were neutral, 11% disagreed while 22% strongly agreed. This implied that the rate of employees leaving Christian faith-based health institutions could be at least low.

***Rewards Management to staff retention in Faith-Based Health institutions in Kenya***

To test the research hypothesis, regression analysis was employed. The model equation  $Y = \beta_1 X_1 + \epsilon$  explained 57.61% as measured by the goodness of fit (R-square) in Table 3. This demonstrated that rewards management explained 57.61 % of the variance in employee retention in Faith-based health institutions in Kenya explained by the model  $Y = \beta_1 X_1 + \epsilon$ . This revealed that reward management has a significant influence on employee retention in Faith-based health institutions in Kenya.

**Table 3: Model Summary**

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Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.759	.5761	.5548	3.657

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Rewards Management

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The model,  $Y = \beta_1 X_1 + \epsilon$ . was significant and therefore, supported the objective that reward management influenced employee retention in Christian Faith based health institutions in Kenya.

The unstandardized beta coefficient (Table 4) where  $B = 0.754$ ,  $P = 0.003$ ,  $t = 12.465$ . Therefore the study rejected the null hypothesis and accepted the alternative hypothesis which stated that rewards management has a significant influence on employee retention in Christian Faith based health institutions in Kenya.

**Table 4: Regression Coefficients**

Model		Unstandardized Coefficients	Std. Error	Standardized Coefficients	t	Sig.
1	Reward management	.754	.06048	0.736	12.465	.003

**Moderating Effect**

**Table 5: Moderating effect**

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.885 <sup>a</sup>	0.783	.731	.63239
2	0.907	0.822	0.794	.60178

Predictors: (Constant), reward management

Predictors: (Constant), reward management, and Transformational Leadership Practices

b. Dependent: Employee retention in Christian Faith based health institutions

The findings presented in Table 5 shows that upon introduction of transformational leadership to the relationship between precursors of employee retention and employee retention as a moderating variable, R-squared improved from 0.783 to 0.822. This, therefore, implies that 82.2% % of employee retention could be explained by precursors of employee retention in the presence of transformational leadership as a moderating variable from the initial 78.3.0%.

The ANOVA finding further revealed that at 95% confidence level, the variables produce statistically significant values and can be relied upon to explain the moderating effect of transformational leadership practices on the relationship between precursors of reward management and employee retention in Christian Faith based health institutions in Nairobi County, Kenya.

**Table 6: ANOVA**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	87.764	4	21.941	37.9735	.0001 <sup>b</sup>
	Residual	187.207	324	0.5778		
	Total	274.991	328			
2	Regression	82.252	4	20.563	58.4048	.0001 <sup>c</sup>
	Residual	113.918	324	0.3516		
	Total	196.1704	328			

a. Dependent Variable: retention

b. Predictors: (Constant), Reward Management

c. Predictors :(Constant), Reward Management and Transformational Leadership Practices

The F-critical change from 2.133 to 7.220 while the F-calculated change from 37.9735 to 58.4048. This showed that F-calculated was greater than the F-critical and hence there was a linear relationship between the independent variables, moderating variable and the dependent variable. In addition, the p-value was 0.000, which was less than the significance level (0.05). Therefore, the model attained goodness of fit for the data and hence it was appropriate in predicting the moderating effect of transformational leadership practices on the relationship between precursors of employee retention on employee retention in Christian Faith based health institutions.

**Table 7: Regression coefficients**

Coefficients a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.577	.311		11.503	.0000
	Reward Management	0.569	.038	.484	14.986	.0014
2	(Constant)	7.492	.6104		12.8050	.0000
	Reward Management	0.6120	.0380	.484	16.106	.0017
	Transformational leadership practices	0.7830	.0731	.398	10.712	.0011

a. Employee retention

The Beta coefficient ( $\beta$ ) for the relationship between reward management and employee retention increased to 0.6120 from 0.569 reporting a positive change of 0.043 upon introducing transformational leadership practices as moderating variable.

## 5.0 Conclusion

The study concluded that reward management is a significant precursor for employees' retention to Christian Faith Based health institutions as there is a strong and positive relationship between reward management and retention of employees in Christian Faith based health institutions in Kenya. Management of rewards such as salary rewards, commissions, compensations in monetary terms for overtime work, payment of leaves involvement employee in decision making, offering paid holidays in reward management, and providing effective work-life balance programmes for employees foster high employees stay in the institutions. Effective reward management schemes play a significant role in the retention of employees in Christian Faith-Based health institutions in Kenya. The study concluded that transformational leadership Practices had a significant moderating effect on the relationship between reward management and employee retention.

## 6.0 Recommendations

The study recommends that management in Christian Faith-Based health institutions should sought measures to manage rewards effectively. This is informed by the results that reward programs always focus on employee retention due to positive reinforcement. The study concluded that reward management is a significant precursor for employee retention of

Christian Faith Based health institutions as there was a strong and positive relationship between reward management and retention of employees in Christian Faith-based health institutions in Kenya. Management of rewards such as salary rewards, commissions, compensations in monetary terms for overtime work, payment of leaves involvement employee in decision making, offering paid holidays in reward management, and providing an effective work-life balance programmes for employees foster high employees stay in the institutions. Effective reward management schemes play a significant role in the retention of employees in Christian Faith-Based health institutions in Kenya. The study recommends that management in Christian Faith based health institutions should adopt and practices transformational leadership to foster precursors of employees' retention in Faith-based health institutions organizations.

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