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ABSTRACT

People in organizations remain the most valued asset an organisation has and their management is key to the organizations achievement. Acquisition and retention of skilled employees assume significant purpose in any organisation, since skills and knowledge of employees are paramount to organisation's capability to be economically competitive. Managers in both service and production sectors do realize that it is the individual ultimately within an organisation that ensure its perpetual existence. This heavily depends on proper selection and recruitment that support retention of the employees in the organisation. This study therefore determined the effect of selection and recruitment practices on employee retention in SACCOS in Kakamega County. The study adopted a cross-sectional survey research design. Proportionate random sampling technique was employed in the study. The target population was made up of 138 respondents out of which 103 were sampled. Research instrument reliability and validity was obtained by a test re-test method from the pilot study. The computed Cronbach's Alpha reliability was 0.792 thus above accepted threshold of 0.7 in social research. Questionnaire was utilized to collect data. Collected data was the subjected to descriptive and inferential analyses with the aid of Statistical Package for Social Sciences version 20. Descriptive and inferential analyses were displayed using frequency distribution tables, frequencies, and percentages. The study found out that selection and recruitment accounts for 24.6% of the variability in employees retaining in SACCOS in Kakamega County, Kenya. Selection and recruitment had the greatest forecasting ability on the changes on employee retention. The study thus recommended that organizations who wish to retain their staff should put in place elaborate selection and recruitment practices. This is because the study found out that selection and recruitment results to high employees' retention.

Key word: Recruitment, selection, employees' retention, SACCOS

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INTRODUCTION

The objective of this research was to determine the effect of Recruitment and Selection Practices on Employee Retention in SACCOs in Kakamega County. The research hypothesis adopted was:-

H_0 : Recruitment and Selection Practices have no Effect on Employee Retention in SACCOs in Kakamega County.

The study was conducted in six SACCOs located in Kakamega County in the following Sub-counties; Ikolomani; Malava; Mumias West & East; Butere; Shinyalu; Lugari; and Likuyani. The researcher undertook the study in a period of six months running from January, 2017 to June, 2017.

LITERATURE REVIEW

As far as Herzberg's motivation-hygiene theory, factors that make worker like their work are not quite the same as components that make them feel awful about their work. As per Herzberg workers who are fulfilled at work credit their fulfillment to inner components, while disappointed employees attribute their conduct to outside elements. Variables that assume a job in adding as per the general inclination of employees are called inspirations, while hygiene factors add to work disappointment. These two elements are likewise called the intrinsic (inward) and extrinsic (outer) factors. Combination of different HR practices can be used to achieve employees' level of satisfaction internally and externally. The study utilized hygiene factors as factors of motivation to encourage employees' retention (Schulz *et al.*, 2003).

It is a significant objective of all organizations to guarantee that the individual who are hired via the selection and recruitment process are the ideal individuals for the job (Hosain, 2016). The staff enrollment process assumes a basic role during workforce planning procedure. In spite of the fact that recruitment standout amongst the most troublesome assignments confronting firms, it has extensive effect on performance of organization,

which might be estimated by low turnover rates, motivated workers, suitable skills with positive conducts that ensure performance of organization is optimum (Größler and Zock, 2010). As per (Armstrong 2010), recruitment are outlined in types such as role profiles, description of job and individual determinations where the last sets out the characteristics required in the state of conduct and technical competencies and the sort of capabilities and experience that they are probably going to create these competencies.

Electronic recruitment work as sub procedures for example, short and long-term candidate fascination, contracting or application processing, pre-screening, on-boarding of new recruits and generation. Advertisement of job online on corporate sites and job boards on the internet, online CV databases, and various types of applications which are electronic based, management system which handle applications, corporate expertise databases, and Information System bolstered work processes for the contracting stage are just couple of instances of the different ways by which data frameworks today bolster employee recruitment procedures (Gurol, Wolf and Ertemsir, 2010). The point of selection is to survey the reasonableness of applicants by anticipating the degree to which they will most likely do a job effectively. It includes choosing how much the attributes of candidates as far as their capabilities, experience, capabilities, education and training to match the individual determination (Armstrong 2010). When recruitment process is well done, the process promotes an organizations human resource who can deliver desired results of HR retention strategies.

METHODOLOGY

The researcher used cross-sectional survey research design to determine the effect of Recruitment and Selection Practices on Employee Retention in SACCOs in Kakamega County. The study population consisted

of 21 active SACCOs with 138 employees in the twelve Kakamega County sub counties (CGK, 2016). According to Krejcie and Morgan statistical table for

determining sample size, a population size of between 130 and 140 provides a sample size of 103.

Table 1: Sample Distribution

S/No	Sub county	Target Population	No of Female employees	No of male employees	Sample size
1	Ikolomani	1	-	1	1
2	Malava	5	3	2	5
3	Mumias West & East	39	17	22	29
4	Butere	5	4	1	5
5	Shinyalu	16	6	10	11
6	Lugari	1	-	1	1
7	Likuyani	3	2	1	1
8	Lurambi	68	42	26	50
9	TOTAL	138	74	64	103

Source: Kakamega County Trade Department (2018)

Proportionate random sampling was utilized as the technique to determine how many employees in each SACCO to participate in the study. In this study, a structured questionnaire was used to facilitate in data collection. In the study the content validity of the research questionnaire was determined through

consultation by the supervisor whose opinion is deemed to be sufficient. The questionnaires from respondents were sorted, checked and edited for completeness and consistency. The study used descriptive and inferential statistics to analyze data. The study results were presented using tables.

RESULTS

Table 2: Response rate of respondents

		Frequency	Percentage
Valid	Correctly filled questionnaires	72	69.9%
	Not returned	31	30.1%
Total		103	100

Source: Field data (2018)

Inferential analysis

Table 3: Retention of Employees in relation to Selection and Recruitment

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.496 ^a	.246	.235	.63452

a. Predictors: (Constant), Recruitment and selection

ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	9.180	1	9.180	22.801	.000 ^b
	Residual	28.183	70	.403		
	Total	37.364	71			

a. Dependent Variable: retention

b. Predictors: (Constant), Recruitment and selection

Coefficients^a

Model		Unstandardized Coefficients		Standardized	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.268	.617		6.918	.000
	Recruitment and selection	.755	.158	.496	4.775	.000

a. Dependent Variable: retention

Source: Field data (2018)

The output in Table 3 indicated that practices of selection and recruitment of employees has significant and direct effect on the employee retention at 95% confidence level ($R=0.496$, $\alpha=.000$ and $P=0.05$ thus $\alpha < \text{value of } P$). The outcome from model summary revealed an R-Square of .246 indicating that selection and recruitment accounts for 24.6% of the variation in the retention of employees. The outcome of this objective can be deduced as, selection and recruitment practices of HRM results to an improvement in employee retention in SACCOS in Kakamega County. The ANOVA results depicted that, $F=22.801$ at a significance level of 0.000. Overall output denoted that regression model was useful in the appropriateness of the study model to measure retention of employees as well as selection and recruitment variables.

Based on the study beta coefficient as indicated Table 3, the model of simple linear regression was presented as; $Y=4.268+0.755X_1+e$. where Y =employee retention, X_1 stands for recruitment and selection and e is the error term. A beta value of 0.755 implies for each 0.755 units of use of recruitment and selection, there is a resultant unit increase in retention of employees. The outcome likewise implied that recruitment and selection is a statistically significant ($\alpha=.000$, $p\text{-value}=0.05$) measure of employee

retention. From the evidence provided, the significance level of t value was significant; the study failed to retain the null hypothesis one and deduced that, retention of employees in SACCOS in Kakamega County was positive and significantly related with recruitment and selection practices. Gobler and Zock (2010) contended that that selection and recruitment practice has considerable influence on various performance indices of a firm which is a reflection of the study results.

CONCLUSION

Selection and recruitment practices among the SACCO's have a fairly high association with retention of employees and is found to have the greatest forecasting ability on employee retention. This means efforts at improving retention should focus more on the recruitment and selection exercise. It is the beginning of aligning employee goals to that of the organization. Open up the opportunities to all, be fair, and place each employee at the right desk with proper job description.

The study correlation results revealed that there is a significant and positive effect selection and recruitment on retention of employees at 95% confidence level. The results on model summary R-Square showed that recruitment and selection accounts for 24.6% of the variability in the retention

of employee. The result of the study was interpreted as, recruitment and selection practices results to an increase in employee retention. The results also showed that recruitment and selection is a statistically significant measure of employee retention. Since the t-statistic is significant, the study rejected the first null hypothesis and concluded that, there is a significant and positive relationship between recruitment and selection and employee retention in SACCOs in Kakamega County.

The study concluded that there is a significant and positive relationship between recruitment and selection and employee retention in SACCOs in

Kakamega County. SACCO's managers should pay close attention to recruitment and selection to retain their employee. SACCO managers should also improve on the reward system by providing adequate rewards in the forms that employees prefer. A properly designed and implemented motivation and compensation policy may enhance job satisfaction and consequently increase retention. The study thus recommended that organizations that wish to retain their staff should put in place elaborate selection and recruitment practices. This is because the study found out that selection and recruitment is precursor of high employees' retention.

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