EFFECT OF ORGANIZATIONAL FACTORS ON RETENTION OF GENERATION Y EMPLOYEES IN PARASTATALS: A CASE OF KENYA REVENUE AUTHORITY

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ABSTRACT

Recruitment of personnel plays an important role in assisting the organization to adapt and remain competitive. Kenya Revenue Authority employs a wide variety of workers. Thus, the sources of applicants and types of methods used to expand the applicant pool vary depending on the occupational classification being considered. The purpose of this study was to investigate the effect of organizational factors on retention of generation Y employees in Kenya Revenue Authority. The study examined the effect of career development and remuneration on retention of Generation Y employees in Kenya Revenue Authority. The research used descriptive survey design and stratified sampling technique. The sample size was 285 respondents. The study used primary data collected using pre-determined questionnaires. The analysis was done using Statistical Package for Social Sciences (SPSS) version 21. The finding indicated that the generation Y employees were not comfortable with the way the organization offered opportunity for career development. They didn't think there were proper structures to offer guidance in how they could develop. The employees were not comfortable with the salaries, bonuses, and awards they get as recognition. The organization was not fair in promotion of employees. Generation Y were found to be productive if they were to be offered better packages. The management did not participate in promoting career development programs. There were also unfair practices that derailed the performance of the employees. The organization should formulate a clear career development for generation Y since it was found they there was no program to handle that. Opportunities for further research still existed in this area. This study examined only two factors that influenced retention of generation Y employees: career development and remuneration in one organization. Therefore, there is need for further research on other factors that influence retention of generation Y employees in other organization.

Key Words: Career Development, Remuneration, Generation Y Employees, Kenya Revenue Authority

INTRODUCTION

Globally, employees are the backbone of any organization and therefore employee retention is key to keeping the organization on track (Werner and Simone, 2009). Retention of great employees has never been so critical, but the way to get the job done has also changed drastically because employees view their work differently than they used to in the yester years. This has given rise to an increased demand on all organizations to invest in employee retention programmes and practices (Shivangee & Pankaj, 2011; Werner & De Simone, 2009).

The different generations of employees include the silent generation (those born before 1946), Baby Boomers (1946 to 1964), Generation X (1965 to 1980), and Generation Y (1981 to 2001). To better understand generation Y employees, it is critical look at the preceding age groups. (Dries, 2008; Zemke, 2000) provide a general description of the characteristics of each generation of employees. They describe the traditional Baby Boomers as workaholics who rarely job hop. They are dedicated, diligent, self-motivated employees who expect to be promoted based on their seniority and loyalty.

The millennial generation, born between 1980 and 2000 now entering employment in vast numbers, will shape the world of work for years to come. Attracting the best of these millennial workers is critical to the future of the organization. Their career aspirations, attitudes about work, and knowledge of new technologies will define the culture of the 21stcentury workplace. This is according to a research conducted by Pricewaterhouse coopers in 2008.

Gursoy (2008) stressed that, members of generations who come of age in lean times or war years tend to think and act differently than those born in peace and abundance. Therefore, the significant life experiences of individuals belonging to each generational group tend to shape their unique characteristics, aspirations, and expectations (Cennamoand Gardner, 2008).

Boomers perceive the Generation X employees as more laid-back and the Generation Y employees as technologically more adept than them. Gen X employees, tend to work smart and they prefer to balance their lives between work and family activities (Gursoy; 2008). They are efficient problem solvers but where possible, they prefer not to take on additional work. Comparatively, Gen X employees are more materialistic and skeptical than the Boomers as they worry more about the uncertain future. They resent being repeatedly told and reminded what to do and how the Boomer employees are much better than them

(Zemke et al., 2000) asserts that Generation Y employees are confident, civic-minded, and fast learners who are easily motivated by prompt praises and recognition. They dislike inflexible work schedules and rigid policies and procedures that control them. Generation Y employees would remain longer in organizations that invest in sophisticated technologies and make their jobs interesting, challenging and entertaining.

Millennials matter because they are not only different from those that have gone before, they are also more numerous than any since the soon-to-retire Baby Boomer generation – millennials already form 25% of the workforce in the US and account for over half of the population in India. By 2020, millennials will form 50% of the global workforce. But although they will soon outnumber their Generation X predecessors, they remain in short supply, particularly in parts of the world where birth rates have been lower. They will also be more valuable this generation will work to support a significantly larger older generation as life

expectancy increases.

In South Africa, generation Y is estimated to be twice the size of the preceeding generation X and will make up the bulk of the skilled workforce in the future (Hewlett et al; 2009). The supply of talent is, however, dwindling as generation Y workers are leaving their workplaces at an alarming rate (Crow & Stichnote, 2010). Many companies are facing shortages in critical areas where the need to attract and retain highly skilled talent has become paramount (Erickson,Schwartz &Ensell,2012).

Retaining young talent in South Africa as in other countries, is challenging because of the struggle for talent, skills, shortages, employee mobility and the imminent retirement of baby boomers (Masibigiri & Nienaber, 2011). Sixty two percent (62%) of generation Y employees believe that 'super tasking' will be the most coveted skill in an organization by 2020,with just under a third of them believing that the skill rely does equate to more productivity in the workplace (Masibigiri & Nienaber, 2011).

Kenya Revenue Authority is a Government agency that runs its operations in the same way as a private enterprise. It was established by an Act of Parliament on July 1st 1995 Cap. 469 for the purpose of enhancing the mobilization of Government revenue, while providing effective tax administration and sustainability in revenue collection.

A Board of Directors, consisting of both public and private sector experts, makes policy decisions to be implemented by Kenya Revenue Authority Management. The Chairman of the Board is appointed by the President of the Republic of Kenya .The Chief Executive of the Authority is the Commissioner General who is appointed by the Minister for Finance.

Generation Y are individuals that were born between the years 1979-2001.This generation is the first generation to be wired 24 hours a day with cell phones and the Internet (Smola and Sutton 2002). They are the best educated of all the generations. It is thought that because Gen X-ers craved higher salaries and desired to be more financially sound, Generation Y will want even more (Smola and Sutton 2002).

Generation Y was brought up on self-esteem building and personal autonomy. They also tend to be more optimistic, idealists, multi-skilled, risk takers, have respect for authority, and a more global outlook. Generation Y-ers also dislike micromanagement and slowness (Lowe et al., 2008).

Generation Y is the most culturally and ethnically diverse of all the generations. Additionally, the presence of multicultural families and alternative lifestyles has been more a part of Generation Y's daily lives than any other generation. Consequently, Generation Y is more tolerant to any differences in race, religion, culture, sexual orientation, and economic status than previous generations as Millennials have grown up in a more diverse society (Blain, 2008).

Statement of the Problem
Across the globe 70 percent of tomorrow's future leaders might 'reject' what businesses offer traditionally, preferring to work independently by digital means in the long term. This and other findings in Deloitte's millennial survey (2014), point to significant challenges facing business leaders if they are to meet the expectations of the millennial generation.

According to a research done by Pricewaterhouse Coopers in 2013, dubbed a global generational study, youngest generations of professionals were

leaving their jobs in growing numbers after just a few years. Additionally, and perhaps even more alarmingly, a significant majority of them appeared to lack interest in the traditional professional service career path, one that required an intense work commitment early in their career in exchange for the chance to make partner later.

Two thirds of Kenyans in formal employment and aged below 30 are not satisfied with their jobs (Synovate: generation Y shakes up the workplace, 2011). Majority are not willing to stay in the same job for more than a couple of years. As a result the cost of recruitment for companies has risen and will continue to rise as more of generation Y enters the workforce.

Millennials represent a majority of employees; two out of three of KRA's staff are in their twenties and early thirties (KRA database, 2015). Within this group, most are unmarried (75%) and without children (92%), and for three out of four of them, KRA is their first job out of college. Parastatals rely on the proficiency of their Generation Y employees in order to compete favorably and indeed survive in the ever-changing local and international environment.

Kenya Revenue Authority did not meet its target in revenue collection in the year 2014. The performance fell short of the initial treasury projection of 24.6% growth (KRA returns, 2015). Further, more of this generation Y employees after being taken up by KRA, most of them don't sign their contract, while others are taken up by other organizations (KRA database, 2015).

Inspite of the great importance of employee retention to an organization, Kenya Revenue Authority has not addressed this issue to the maximum. This was shown by a survey conducted to determine the employee satisfaction index at the

institution in 2012/2013 financial year which showed a drop in: Reward system by 20%, promotions by 25%, training of employees by 26%, employee involvement in decision making by 28% and delegation of work from supervisors 10% from what was got in 2009/2010 financial year's reports (Annual report 2013). It is against this background that the study sought to establish the effects of organizational factors on retention of generation Y employees in Kenya.

Objectives of the Study

The general objective of the study was to establish the effect of organizational factors on Generation Y employee retention at Kenya Revenue Authority. The specific objectives were:

- To determine the effect of career development on retention of Generation Y employees in Kenya Revenue Authority.
- To establish the effect of remuneration on retention of Generation Y employees in Kenya Revenue Authority.

LITERATURE REVIEW

Theoretical Review

Equity Theory

This theory attempts to explain relational satisfaction in terms of perceptions of fair/unfair distributions of resources within interpersonal relationships. The theory posit that generation Y employees seek to maintain equity between the input they bring into a job (education, time, experience, commitment and effort) and the outcome they receive from it (promotion, recognition and increased pay) against the perceived inputs and outcomes of other employees.

Failure to find equity leads to various actions one of which may be for Generation Y employees to leave the organization.(Adams,1963) The belief is that

people value fair treatment which causes them to be motivated to keep the fairness maintained within the relationships of their co-workers and the organization. The structure of equity in the workplace is based on the ratio of inputs to outcomes. Inputs are the contributions made by the employee for the organization.

Adams (1963) asserts that the major strength of this theory is that, it recognizes that individual inputs such as education, experience, effort should be recognized in such a way that equity is experienced which will enhance an individual's career development and career aspirations, thus giving and individual more reasons to stay loyal to the organization.

This theory also shows that individual employees are part of the larger system. Beardwell et al (2007) concludes therefore that this theory guides in understanding what may influence Generation Y employees to leave in that they keep on comparing what these staffs earn in other organizations in order to realize a balanced state between the inputs-outcome ratios. In turn this contributes to labor mobility within and outside the organization.

Social Identity Theory

According to Tajfel and Turner (1979) social identity theory is best described as a theory that predicts certain intergroup behaviours on the basis of perceived group status differences, the perceived legitimacy and stability of those status differences, and the perceived ability to move from one group to another (Tajfel & Turner, 1979).

Social identity theory states that social behavior will vary along a continuum between interpersonal behavior and intergroup behaviour. Completely interpersonal behaviour would be behaviour determined solely by the individual characteristics and interpersonal relationships that exists between two or more people. Completely intergroup behaviour would be behaviour determined solely by the social category memberships that apply to two or more people (Turner, 1999).

A key assumption in social identity theory is that individuals are intrinsically motivated to achieve positive distinctiveness. That is, individuals "strive for a positive self-concept" meaning they want to be recognized positively and applauded for a job well done (Haslam, 2001). As individuals to varying degrees may be defined and informed by their respective social identities (as per the interpersonal-intergroup continuum) it is further derived in social identity theory that "individuals strive to achieve or to maintain positive social identity" (Turner, 1999).

Often, individuals who are members of certain groups define themselves to an extent in terms of their group membership (Chrobot-Mason & Ruderman, 2004). This phenomenon has been explained by social identity theory. Social identity theory states that that people seek to classify themselves (Tajfel & Turner, 1979) and that social identification is defined as an individual's perception of oneness with a group (Ashforth & Mael, 1989).

It is therefore reasonable to believe that generation Y employees may seek to classify themselves with a particular age group, cohort, or level of experience within a particular role so as to be recognized for their effort and input they bring to an organization. This occurs because they perceive oneness with one of these generational classifications on the basis of congruent values between member and generation

Generational Cohort Theory

Strauss and Howe (1991) popularized Generation Cohort Theory in their book Generations. Their general thesis is that social cycles repeat themselves every four generations. Each of these generations is
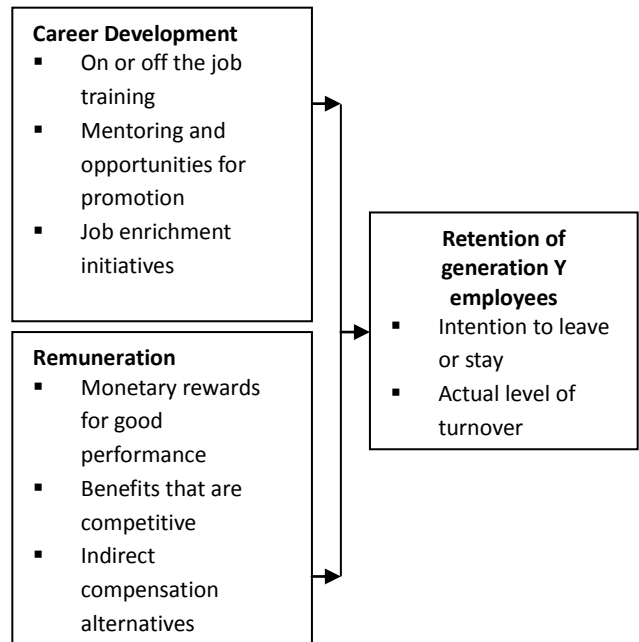
called a cohort. Generational cohort theory explains these changes across generations (Edmunds & Turner, 2005; D'Amato & Herzfeldt, 2008).

According to this theory, important historical events and social changes in society affect the values, attitudes, beliefs, and inclinations of individuals. These events might include traumatic episodes like wars, sizeable shifts in the distribution of resources, heroic figures such as Martin Luther King (Sessa, Kabacoff, Deal, & Brown, 2007). Events that unfold during the formative rather than later years of individuals are especially consequential. Therefore, individuals born during a particular time, and thus corresponding to the same cohort, will often share specific inclinations and cognitive styles. Furthermore, these effects are assumed to persist over time (Jurkiewicz & Brown, 1998).

Zemke et al. (2000) describe generational cohorts as groups of people who share birth years, history, and a collective personality as a result of their defining experiences. Generational profiles, while not infallible, help us to understand how the life experiences of a generation capture the attention and emotions of millions of individuals at a formative stage in their lives and ultimately affect personal core values. Although there is no absolute beginning or end to generational groups, they typically span 15 to 20 years.

The historical, political, and social events experienced by generational cohorts help to define and shape their values, work ethics, attitudes toward authority, and professional aspirations (Duchscher & Cowin, 2004).

Conceptual Framework

Career Development
- On or off the job training
- Mentoring and opportunities for promotion
- Job enrichment initiatives

Remuneration
- Monetary rewards for good performance
- Benefits that are competitive
- Indirect compensation alternatives

Retention of generation Y employees
- Intention to leave or stay
- Actual level of turnover

Independent Variables   Dependent Variable

Figure 1: Conceptual framework

Empirical Review

Organizations are especially concerned about the retention of key workers such as high performers and those with scarce and critical skills (Allen et al., 2010). It has been shown that high unemployment rates have little impact on the turnover of high-performing employees or those with scarce skills (Trevor, 2011).

The recruitment of valuable employees still occurs in economic downturns and the retention of high-performing and scarce employees is still paramount (Smith, 2009). Highly educated workers with portable knowledge and skills can easily transition to alternative employment opportunities if provided with an incentive to resign and move (Solimano, as cited in Rahman, 2012).

Additional research regarding employee retention is warranted. According to Allen et al. (2010) there is a gap between science and practice in understanding the management of employee retention. The authors indicate that even though turnover scholars are usually looking to come up with generalisable

principles of retention, managers and practitioners could be more interested in findings directly applicable to their specific context. It is therefore valuable to conduct in-depth qualitative research regarding retention.

Studies have shown that Generation Y engineers act differently with regard to their turnover behaviour. A study conducted by Rose and Gordon (2010) among engineering and technical professionals in Australia found that, in line with generational differences, factors relating to attraction, retention and turnover intention among staff were different across age groups. The authors suggest that generational differences should thus be taken into account when deciding on retention strategies. In the same vein, Karlsson (2008) studied retention among young (Generation Y) engineers in Sweden and found that these employees act differently from other occupational groups with regard to turnover.

Kennedy and Diam (2010) studied retention and engagement in an engineering environment in the USA and based on their findings, recommended that researchers further investigate the antecedents of engagement and also that existing practices be evaluated to determine whether they are associated with engagement and retention. In light of the above I expect that understanding the lived work experiences of Generation Y engineers will contribute valuable insight into how to better retain and engage them.

Previous researchers suggested several factors which play pivotal role in employee retention Cappelli (2000). The factors which are considered and have direct effect are; career development opportunities, work environment existing leave and organizational image. Employee stay and are loyal with such organization where employee and have value, sense of pride and work to fulfill their full potential Cole (2000).

Zeehan Shamji (2011) opines that an ambitious business that want to recruit the best talent need to identify what makes generation Y tick in order to attract them. But it does not end there, the management need to work hard to retain them. They have to find out which is the most suitable management style that enables this type of employee achieve their maximum best and be able to retain them Crooks,(2008).

Allen, (2000) did a research on career development as an organization strategy to increase rate of employee retention and concluded that organizations need to analyze employee aspirations and abilities and align them to their roles and responsibilities assigned to them. Mulwa, (2010) carried out research on benefits as a factor that affects employee retention in World vision and recommended that a review of existing benefits plan is needed to address staff expectations.

Career Development and Generation Y Employee Retention

Nel (2008) define career development as a formal approach by the organization to ensure that employees with proper qualifications and experience are available when needed. To realize this goal, the organization needs to support career development and be committed to it.

Growth and development are the integral part of every individual's career. If employees, especially the Generation Y category, cannot foresee their path of career development in their current organization, there are chances that they will leave the organization as soon as they get an opportunity (Bratton and Gold, 2003). The important factors in employees' growth that employees look for themselves are work profile, personal growth and dreams, and training and development.

Thus, opportunities for career development are

considered as one of the most important factors affecting Generation Y employee retention. Any organization that wants to strengthen its bond with its Generation Y employees must invest in the development of these employees (Hall and Moss, 1998; Hsu et al., 2003; Steel et al., 2002; Woodruffe, 1999). This not only involve the creation of opportunities for promotion within the company but also opportunities for training and skill development that allow employees to enhance their employability on the internal and/or external labor market. Roehling (2000) advice that organizations should look into other factors relating to career development including the provision of mentoring or coaching to employees, the organization of career management workshops and the set-up of competency management programs.

In their study Allen et al. (2003) found that employees' perceptions of growth opportunities offered by their employer reduced turnover intentions. Steel et al. (2002) reported empirical data indicating that lack of training and promotional opportunities were the most frequently cited reason for high-performers to leave the company. Also, retention factors relates to employees' job content, more specifically the provision of challenging and meaningful work. This is built on the assumption that people do not just work for the money but also to create purpose and satisfaction in their life (Mitchell 2001 & Pfeffer, 1998).

Steel (2002) also warns that when Generation Y employees' work mainly consists of the routine-based performance of tasks, the likelihood of demotivation and turnover is relatively high. By thinking carefully about which tasks to include in which jobs, organizations can affect their retention rates. According to Buttler and Waldrop (2001), this is referred to as job sculpting; the art of matching people to jobs that allow their deeply embedded career interests.

Generation Y wants personal and professional development (Deloitte; Parment, 2008; Martin & Tulgan, 2001). The average Generation Y'er is planning to stay on his first position one-two years (Deloitte, 2001). Then he believe to have learned everything he can on that position and it is time to move on, either to the next level within the organization or to a different organization altogether.

For the Y'ers, the opportunity to grow, through for example promotion, in-house training or mentoring, is the most important incentive according to the Deloitte survey, and the second most important (after compensation). Generation Y'ers have an idea of what their career might look like, and they know that they would rather be loyal to their career than to the organization which employs them (Parment, 2008). That means that if the organization cannot provide the opportunities they seek, they will move on.

The Deloitte survey shows that even though most Generation Y'ers have an idea of their career, they do not have a clear picture of it, nor career plan. This gives managers the opportunity to help their Generation Y'er employees develop a career plan with their organization, both giving the Generation Y'er a path to follow and enhancing the chances of him staying with the organization (Deloitte, 2001).

Generation Y'ers does not see moving forward in their career as the only important growth opportunity. They also want on- or off-the-job-training, mentoring, and other job enrichment initiatives, and they will not settle for a job that does not offer those opportunities (Deloitte; Martin & Tulgan, 2001).

Remuneration and Generation Y Employee Retention

Salary and other monetary benefits have been important incentives for employees since the

creation of the labor market, and it is a significant factor for Generation Y too (Deloitte; Parment, 2008; Martin & Tulgan, 2001). Like for generations before them, one top concern for Generation Y'ers is their salary (Deloitte, 2001). The Y'ers had grown up getting rewards for good behavior and they were expecting the same thing in their working life. While in their childhood the rewards might have been a big smile or encouraging words, at the job the Y'ers are expecting mainly financial rewards.

Although the salary itself is important to the Y'ers, they also rank other benefits, for example health and dental care, and paid vacation, as important incentives when looking for, and staying at, a job (Deloitte, 2001). A majority of the Y'ers in the surveys is not expecting to "pay dues" to their organization, i.e. they will not accept a low salary with a promise of raises to come later (Martin & Tulgan, 2001; Parment, 2008). Instead, they expect the effort that they put in to pay of instantly.

Through Generation Y's entrance on the labor market, employers will experience a change in the way employees view themselves and their relationship with an organization (Gherson, 2001). Gherson writes: "Increasingly, employees are behaving more like investors than assets, and are seeking the best return on their investment of time and energy with an employer". As a result, organizations must offer an appealing compensations package to attract and retain employees.

A compensations package is a combination of different rewards and can include tangible rewards, such as pay – base salary, variable pay, stock etc; and benefits – health care, retirement savings, paid vacation etc; and intangible rewards, such as learning and development, and a satisfying work environment (Gherson, 2001; Jensen, McMullen & Stark, 2007).

Even though money is not the only incentive for staying at a job (Taylor, 2000), a fair compensations package is a basic condition for employee satisfaction. Generation Y is expecting to receive both a competitive base salary, and monetary benefits such as health insurance or college tuition reimbursement.

Hertzberg (1959) discussed salary as one of five hygiene factors, or dissatisfiers. By that he meant that salary is something which is expected. If the expectation is not met, employees will be dissatisfied. Even though base salary and benefits constitutes hygiene factors for the Y'ers, other parts of the compensation package will work as motivators. That includes, for example, monetary rewards for good performance.

However, research shows that there is much inter-individual variability in the importance of financial rewards for employee retention (Pfeffer, 1998; Woodruffe, 1999). A study by (Bevan, 1997) reveals that only ten percent of people who leave their employer give dissatisfaction with pay as the main reason for leaving. Moreover, due to the trend towards benchmarking, it is becoming increasingly difficult for organizations to set themselves apart from their competitors by means of remuneration, which reduces the impact of financial rewards on employee retention (Cappelli, 2001).

However, despite the fact that many studies show financial rewards to be a poor motivating factor, it remains a tactic used by many organizations to commit their employees to the organization by means of remuneration packages (Cappelli, 2001; Woodruffe, 1999). A recent study Horwitz et al. (2003) found that the most popular retention strategies reported by HR managers of firms still related to compensation.

RESEARCH METHODOLOGY

The study adopted a descriptive survey aimed at investigating organizational factors impacting on retention of Generation Y employees at Kenya Revenue Authority. The study population comprised of all employees in organizations in Kenya. It comprised of the top level management, middle level management and lower level management. These were made up of the administrative managers, assistant managers, supervisors and support officers from all the sections at Kenya Revenue Authority. This was because these are the people best placed to provide the required information.

Stratified random sampling technique was employed for the survey. Both primary and secondary data sources were adopted in collecting data. The primary sources of data used mainly entailed the questionnaire.

Data processing and analysis was qualitative and quantitative in nature. Qualitative data obtained from open ended questions in the questionnaires was edited and classified into groups with common themes. The content within the themes was then be analyzed guided by the research objectives.

DATA ANALYSIS, PRESENTATION AND INTERPRETATION OF FINDINGS

From the data obtained, out of the 368 administered, 285 questionnaires were returned. The study involved the procurement officers, support service, custom department staff and financial officers. The 285 questionnaires represented a 77.44% response rate, which was considered satisfactory to make conclusions for the study

Based on the gender of the respondents, majority 157 (55%) of the respondents were male while 128 (45%) were male. It implies that the study sampled both gender and the findings are a reflection of both genders. It might also mean that KRA had more male employees. On age basis, majority 91 (32%) of the respondents aged between 30-39 Years, followed closely by 74 (26%) who were aged between 21-29 years, while 68 (24%) were aged between 40-49 years and only 43 (15%) who aged above between 50-59 years. On the length of services, majority of the KRA officers respondents 80 (28%) had worked for a period of 3 - 5 years they are followed by 68 (24%) who had worked between 1 – 2 years. On level of education, majority of the officers 222 (78%) had undergraduate degree as their highest level of education. They are followed by 34 (12%) who had masters degree as their highest level. The rest had certificate and doctorate. This implies that the officers are qualified to understand how career development and remuneration influences retention of Generation Y employees.

The findings concurred with Brown and Duguid (2003) who found that highly skilled personnel enhance production of high quality outcomes and effective quality improvement in an enterprise.

Career Development and Retention of Generation Y employees

The study investigated the influence of career development on retention of generation Y employees by probing the presence of written career development in the organization. The study also investigated the frequency of career development interventions within the organization. Staff perceive of there being a fair and transparent process for filling open positions. The frequency of career development interventions within the organization, supervisors having been adequately trained to support the career development policy and factors in career development of employees.

Majority 182 (64%) of the respondents indicated that there was no written career development policy in their organization while 57 (20%) not sure. A few 46 (16%) indicated that they had a written

career development. This meant that the organization did not properly manage career development of the generation Y employees. This caused them to leave and join other organizations.

The study then investigated staff perceive of there being a fair and transparent process for filling open positions. majority 174 (61%) of the respondents disagreed that there is a fair and transparent process for filling open positions while a few 43 (15%) agreed there was fair and transparent process. This meant that the generation Y employees were not satisfied with how promotions are done in the organization. This dissatisfaction caused the retention of the employees in the organization to be hard.

On Frequency of career development interventions within the organization Majority 185 (65%) of the respondents indicated that the organization rarely did career coaching as a means for career development interventnion. Another 166 (58%) indicated that their organization sometimes used career pathing as a career development intervention. There was never cross training as revealed by 145 (51%) of the respondents while 182 (64%) indicated that their organization they rarely had dual career paths for career development intervention of the employees. This meant that the organization had no clear career path intervention that might have influenced retention of generation Y employees.

On whether supervisors was adequately trained to support the career development policy, majority 178 (62%) of the respondents indicated that they disagreed that supervisors having been adequately trained to support the career development policy while a few 48 (17%) agreed. This meant that the poor training of the employees on career development might have been influencing the retention of generation Y in the organization.

The findings indicated that the organization was dedicated to the employee's professional growth. The findings indicated that the employees were not satisfied with the investment their organization made in their career growth. The findings also indicated that the employees were not pleased with the career advancement opportunities that were available to them. The organization had not set up opportunities to apply talents and expertise.

Remuneration and Retention of Generation Y employees

The study investigated the influence of remuneration on retention of generation Y employees by probing the existence of a written remuneration policy covering all employees. The level of employees' satisfaction on the salaries paid and if the remuneration had a competitive advantage over the others in the market.

On the existence of a written remuneration policy covering all employees, majority 171 (60%) of the respondents agreed that existence of a written remuneration policy covering policy covering all employees while a few 114 (40%) disagreed. This therefore meant that the generation Y employees did not have a protected policy for proper remuneration. This lead to them leaving the organization due to being insecure. However the remuneration package was indicated to have a competitive advantage over others in the market since it was highlighted to be high.

On Employees satisfaction of their organization, majority of the respondents indicated that they were satisfied with the salary they received. The majority neither satisfied with the bonus they received. Majority of the respondents were dissatisfied with the process used to determine annual raise. Majority of the respondents neither satisfied nor dissatisfied with the process used to determine promotions. This meant that the

generation Y employees were not satisfied with the way the organization handled their remuneration.

Retention of Generation Y Employees

The researcher investigated the influence of cost of operation on an organization performance by studying if it leads to low supply costs, is as a results of the urge to achieve savings, saving of indirect costs, better cost control and the shifting of fixed cost to variable cost.

Majority 202 (71%) of the respondents were somewhat satisfied with them working in the firm while 58 (20%) were extremely satisfied. A few 25 (9%) were somewhat dissatisfied. This meant that generation Y employees were not overly satisfied with the organization and this tampered with their retention.

The findings indicated that employees agreed that their jobs gave them opportunity for personal growth. Majority disagreed that they had the tools and materials needed to do their jobs. Employees agreed that they were able to balance between work and personal life. Employees agreed that they had the support of their supervisors at work. The employees were also proud to be employees of the organization. The findings indicated that generation Y employees were not satisfied with the motivation offered by the firm. They would want to have personal growth career wise and be supported in their daily work through provision of necessary materials and tools for work.

Majority 154 (54%) of the respondents indicated that employees often thought of leaving the organization. Majority 168 (59%) of the respondents indicated that they were not sure to look for a new job the following year. Majority 228 (80%) of the employees indicated that they would quit their current organization as soon as they found a better job. Majority 179 (63%) indicated that they were not sure given a chance to choose again, they would

work for the current organization. Majority 162 (57%) of the employees respondents indicated that they would not turn down an offer from another organization at that point in time.

On whether the firm was doing enough for the employees, majority 242 (85%) of the respondents indicated that their organization was not doing enough to retain generation Y employees. The reason highlighted was that the organization did not have a proper programme for career development of the employees. The employees were not motivated by the management. This must be negatively influencing retention of generation Y employees.

Majority of the respondents agreed that generation Y commanded higher levels of education as indicated by a mean of 1.43 and standard deviation of 2.11. Majority indicated that general Y had socioeconomic status which positively correlated with higher rates of volunteerism. Role of managers was found to be crucial in staff retention. Manager couldn't help promote an organization and make it attractive to generation Y. Generation Y employees needed more than money to stay with an organization. This therefore meant that generation Y offered a lot of benefit to the organization and therefore the management had to do what they could to retain them in the firm.

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATION

Summary of Findings

Effect of Career Development on Retention of Generation Y Employees

The findings indicated that majority of the respondents indicated that there was no written career development policy in their organization. This meant that the organization did not properly

manage career development of the generation Y employees. Majority of the respondents disagreed that there was a fair and transparent process for filling open positions. This meant that the generation Y employees were not satisfied with how promotions were done in the organization. Majority of the respondents indicated that the organization rarely did career coaching as a means for career development interventnion. Another indicated that their organization sometimes used career pathing as a career development intervention. There was never cross training as revealed by some of the respondents while majority indicated that their organization they rarely have dual career paths for career development intervention of the employees. Majority of the respondents indicated that they disagreed that supervisors had been adequately trained to support the career development policy.

Effect of Remuneration on Retention of Generation Y Employees

Majority of the respondents agreed that existence of a written remuneration policy covering policy covering all employees. This therefore meant that the generation Y employees did not have a protected policy for proper remuneration. This lead to them leaving the organization due to being insecure. However the remuneration package was indicated to have a competitive advantage over others in the market since it was highlighted to be high.

Conclusion

Basing on the findings, it ws clear that career development ppositively influenced retention of generation Y employees. The generation Y employees were not comfortable with the way the organization offers opportunity for career development. They didn't think there were proper structures to offer guidance in how they can develop.

It was concluded that remuneration influenced the retention of generation Y employees. The employees were not comfortable with the salaries, bonuses and awards they got as recognition. The organization was not fair in promotion of employees. Generation Y were found to be productive if they were to be offered better packages.

Recommendation

The organization should formulate a clear career development for generation Y since it was found they there was no program to handle that. There is need for better remuneration as a motivation for the generation Y employees. The organization should increase the salaries and wages in order to retain the generation Y employees.

Area for Further research

Opportunities for further research still exist in this area. This study examined only two factors that influenced retention of generation Y employees: career development and remuneration in one organization. Therefore, there is need for further research on other factors that influence retention of generation Y employees in other organization.

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