**UGANDA MANAGEMENT INSTITUTE**

**TALENT MANAGEMENT AND EMPLOYEE RETENTION: A CASE OF NILE BREWERIES LTD**

**BY:**

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**A DISSERTATION SUBMITTED TO THE SCHOOL OF CIVIL SERVICE PUBLIC ADMINISTRATION AND GOVERNANCE IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE REWARD OF A MASTER'S DEGREE IN MANAGEMENT STUDIES (PAM) OF UGANDA MANAGEMENT INSTITUTE**

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# DECLARATION

I, the undersigned do declare that this dissertation is my original work and has never been published or submitted in any other university or institution of higher learning for any award. The dissertation is a result of my own research and where other people's work was cited, they have been dully acknowledged.


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# APPROVAL

This is to certify that this dissertation has been submitted for examination in partial fulfillment of the requirement for the award of Master's Degree in Management Studies (PAM) with our approval as the candidate's Institute supervisors who oversaw the entire research process.

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# DEDICATION

This dissertation is dedicated to my dear husband Nelson, my children Jeremiah and Eliora for their encouragement and continuous support throughout my studies. To my Manager Mr. George Mbogo thank you for your support and encouragement throughout the study period. May God bless you all.

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To my family, you have been a great encouragement through this journey .To my dear husband Nelson, who stood by me, encouraged me and believed in me against all odds to accomplish my dream, God bless you. To my children Jeremiah Jayden Asiimwe and Eliora Naomi Ankunda, may this achievement help you to realize that you can get to any limits with determination.

To you all who made the completion of this work possible, may God bless you in a mighty way.

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# ABBREVIATIONS AND ACRONYMS

**CAP** Competence Acquisition Process

**CIPD** Chartered Institute of Professional Development

**HR** Human Resources

**HRM** Human Resource Management

**LTD** Limited

**NBL** Nile Breweries Limited

**TM** Talent Management

# ABSTRACT

Employee retention and talent management issues are becoming the most critical workforce management challenges of the immediate future. The objective of this study was to establish the effect of talent management on employees' retention in Nile Breweries Ltd. Specifically; the objectives were to establish whether performance management, employee engagement and career development influenced employee retention in Nile Breweries Ltd. The study adopted a descriptive survey design as it took a representative sample of its target group based on overall findings of the views of those targeted. The respondents were the heads of departments, employees, Executive team and HR managers in the organization. Random sampling was used to select the respondents from different departments of the brewery. A self-administered questionnaire was used as the main tool for data collection and was administered to a total of 140 respondents. To analyze the collected data, descriptive and inferential statistics were used. Statistical software used was SPSS version 20. The study findings indicated that talent management had a positive and significant effect on employee retention. Furthermore obtained results showed that there was a significant positive relationship between employees' engagement, performance management, and career development and employee retention in Nile Breweries. The study recommended that Nile Breweries Ltd should devise measures of retaining employees through employee engagement in decision making, performance management and career development. It further recommended that talent management strategy must be engraved in the business strategy characterized by the Brewery's regular analyzing talent and communicating the same talent strategy to employees. The study suggests future studies should look at the different levels of private organizations for a comparative study.

# CHAPTER ONE

## INTRODUCTION

## 1.0 Introduction

This study focused on Talent Management and Employee Retention a case of Nile Breweries LTD. Other components comprised in this chapter include; the background of the study which is looked at in four categories that is Historical, theoretical, conceptual and contextual, the problem statement, objectives of the study, hypothesis and research questions of the study, significance and justification of the study, scope of the study and operational definitions of the study.

## 1.1 Background of the study

The background of this study includes the historical, theoretical, conceptual and contextual background;

## 1.2.1 Historical Background

Talent management involves integrated strategies or systems designed to improve processes for recruiting, developing and retaining people with the required skills and aptitude to meet current and future organizational needs (Fegley, 2006).

Employee retention on the other hand is a systematic effort focused not only on retaining an organization's talented performers but also to create and foster a welcoming work environment and high-retention culture. The end result is an organization that operates more effectively and efficiently,

while becoming a great place to work. A major challenge faced by the employees today is retaining the hired employees in its organization (CIPD, 2014).

Retention of key productive employees is a major challenge for all organizations locally and internationally because the resulting churn created by replacing employees that voluntarily leave the organization costs the business both directly and indirectly (Taata,2015). In the recent rapidly moving dynamic, uncertain and highly competitive global markets, firms worldwide are facing major decisions and challenges in the global talent management (Schuler et al 2011).

In the late 1980's human resources as it was called,  became a more recognized profession and department exclusively committed to everything from screening, to development and processing of payrolls as well as the termination of human capital. Subsequently human resources management gave birth to talent management in the 1990's- this birth identified a heavy importance on the human resources and their valuable talent in establishing organizational goals and objectives (Marants, 2012)

Over the past few years, organizations have developed a keen interest in the field of talent management. With surveys showing that at least 75% of CEOs acknowledging that talent management is on top of their agendas (Chartered Institute of Personnel & Development [CIPD], 2007).

For the last ten years businesses and human resources departments have been heavily focused on building talent management strategies. Originally conceived as programs to help manage people from "pre-hire to retire,"

Recently people in human resources started talking about bringing together many of the individual practices within human resources into a new function called "Talent Management." At that point in time the economy was growing and experts were talking about "The War for Talent." The challenges included

a tight economy for critical skills and the need to build leaders around the world. This set of issues refocused human resources on building talent programs to recruit, develop, and better manage people (CIPD, 2004).

The idea, again, was to provide what vendors sometimes call "pre-hire to retire" HR processes with an integrated set of programs that all work together. And in the early days talent acquisition wasn't even considered a part of this process.

In the recent times almost every major corporation in the western world has a "vice president of Talent" or "vice president of Talent Management" and this person's job is to manage some combination of the human resources functions.

In the age of solid competition every organization tries its level best to give the best facilities to its employees but satisfying the human sources is one of the toughest tasks which majority of the organizations face today. Understanding and knowing what is going on in the human mind is very difficult, besides there are so many opportunities available for the skilled as well as talented human resources that it is becoming very tough and difficult for the employers to satisfy and retain employees (Bersin, 2014).

There is no single strategy or retention plan which may satisfy each and every employee in an organization. As we have different personalities as such we have different demands and expectations from the organization (Bersin, 2014).

Retaining talented employees has also become one of the major priorities of organizations and the key differentiator for human capital management (Glen, 2006). For many organizations, the ability to hold on to highly talented core employees is crucial for future survival. Therefore talent management is now

viewed as a tool to strengthen organizational capability through individual development, performance enhancement, career development and succession planning and hence improved employee retention.

## 1.2.2 Theoretical Background

The two-factor theory (also known as Herzberg's motivation-hygiene theory and dual-factor theory-1959) is the adopted theory for this study. It states that there are certain factors in the workplace that cause job satisfaction, while other factors cause dissatisfaction.

According to Herzberg, individuals are not content with the satisfaction of lower-order needs at work; for example, those needs associated with minimum salary levels or safe and pleasant working conditions. Rather, individuals look for the gratification of higher-level psychological needs having to do with achievement, recognition, responsibility, advancement, and the nature of the work itself. Herzberg added a new dimension to this theory by proposing a two-factor model of motivation, based on the notion that the presence of one set of job characteristics or incentives leads to worker satisfaction at work, while another and separate set of job characteristics leads to dissatisfaction at work. Thus, satisfaction and dissatisfaction are not on a continuum with one increasing as the other diminishes, but are independent phenomena.

Two-factor theory distinguishes between:

a) Motivators (e.g. challenging work, recognition for one's achievement, responsibility, purpose & opportunity to do something meaningful, involvement & participation in decision making, and growth and development) that gives positive motivation, arising from intrinsic (internal) conditions of the job itself, such as recognition, achievement, or personal growth.

b) Hygiene factors- satisfiers (e.g. work environment, job security, remuneration & benefits, skills & tools to match role, Team work, relations with colleagues and managers) that give positive

satisfaction or lead to higher motivation. The term "hygiene" is used in the sense that these are maintenance factors. These are extrinsic to the work itself, and include aspects such as company policies, supervisory practices, or wages/salary.

According to Herzberg, hygiene factors are what cause dissatisfaction among employees in a workplace. In order to remove dissatisfaction in a work environment, these hygiene factors must be dealt with. Motivation factors are needed to stimulate high performance in employees. Herzberg also further classified employee actions through the how and why employees do what they do, for example, if you perform a work related action because you have to, then that is classified as "movement", but if you perform a work related action because you want to then that is classified as "motivation".

Herzberg's solution for management was to provide an adequate level of the hygiene factors (satisfiers) to keep employees from being demotivated, and focuses on ways to introduce motivating factors, like empowering employees through job enlargement or rotating employees to give them new and different challenges thus relevant to talent management and employee retention as it is concerned with people well-being through employee engagement career management though job rotation and empowering employees at work places hence improving employee retention.

The two factor theory is therefore used in this study because it is noted that the present emphasis on self- and career development, Performance management as well as engagement are said to have evolved from Herzberg's theory (Mullins, 2010).

## 1.2.3 Conceptual Background

Key concepts in this study include; Talent management, employee retention, employee engagement, performance management and career management/development.

Talent Management is a set of entrepreneurial human resources processes and practices ensuring the sustainable effectiveness of the most skilled workers within an organization (CIPD, 2013). Talent

management is highly strategic. It aims at maintaining the company's innovation and performances relying on the long term capacity of its human resources. An effective talent management is one of the highest valuable assets an organization can have. If talent management is performed professionally it can become an organization's backbone for economic success. Talent management comprises three major pillars: Talent Acquisition, Talent Development and Talent Retention- (Serendi, 2007).

Employee Retention- refers to the ability of an organization to keep its employees. Employee retention is the efforts by which employers attempt to keep employees in their workforce (Serendi, 2007). One of the primary concerns of many organizations today is employee retention. Retention is viewed as a strategic opportunity for many organizations to maintain a competitive workforce (Oladapo, 2014). Attracting and retaining a talented workforce keeps many senior managers of HR thinking of possibilities and opportunities (Kaliprasad, 2006). Retention is improved when employees are offered compensation and benefits, have a supportive work culture, can develop and advance and balance work and life activities (Messmer, 2006).

Talent Retention- is a systematic effort focused not only on retaining an organization's talented performers but also to create and foster a welcoming work environment and high-retention culture. The end result is an organization that operates more effectively and efficiently, while becoming a great place to work (CIPD, 2013)

Employee engagement- refers to the commitment and energy that employees bring to work and is a key indicator of their involvement and dedication to the organization. Employees who are engaged are more productive, content and more likely to be loyal to an organization. When organizations put sound human resource practices in place, they are more likely to discover that employees feel satisfied, safe and will work to their full potential...and that means they are more likely to stay put (Wegner, 2011).

Performance Management - Miller, (2005) defines this as a process by which managers and employees work together to plan, monitor and review an employee's work objectives and overall contribution to the organization. More than just an annual performance review, performance management is the continuous process of setting objectives, assessing progress and providing on-going coaching and feedback to ensure that employees are meeting their objectives and career goals.

Armstrong, (2006) also defines Performance management as a systematic process for improving organizational performance by developing the performance of individuals and teams through getting better results, understanding and managing performance with in the agreed framework of planned goals, standards and competency requirements.

Career development/management - According to Armstrong, (2006) Career management is concerned with providing opportunities for people to progress and develop their profession and ensuring that the organizations has the flow of talent needed.

In addition Omotoye, (2011) noted that career management is a process that individual employees are primarily responsible for seeking opportunities for development and promotion in line with their own career aspirations. Individuals who are highly committed to their career will remain in the organization and employees with low career commitment have the highest turnover intentions because they did not care either about the company or their own career currently. Individuals with high career commitment tend to leave the organization because they do not believe that the organization can satisfy their career needs and goals.

Talent Acquisition- is the strategic approach to identifying, attracting and on boarding top talent to efficiently and effectively meet dynamic business needs (Pingle, 2014). There is always a huge potential

for highly talented resource globally and acquiring such talent has always been a challenging task for practioners.

Talent acquisition is the besieged recruitment/acquisition of high performing groups. Organizations needing external recruitment or head-stalking companies are now employing "talent acquisition" specialists, whose job it is to find approach and recruit high performing groups from competitors. This role is a highly particular role similar to that of a traditional recruiter/headhunter specialist then carrying greater prominence and strategic significance to a business (Vankatesh et al, 2014).

Gradually, talent acquisition is being lined as one element of a wider talent management strategy, attached from other basic HR disciplines. Organizations are regularly handled with the task of making quick occupancies in a market with great lack of talent. For managers to get the right talent at the right time, they will need to participate in proper recruitment activities and systems.

Talent Development- is defined as the developing and guiding those 'star' employees who are able to contribute to the company's success and growth (CIPD, 2013), such that, the key to continued success lies not only in the ability to retain these employees in the organization, but also in understanding, managing and developing their talents in the best possible way.

## 1.2.4 Contextual Background

Nile Breweries Limited was established in 1951 by a group of businessmen, associated with the Construction of Owen Falls Dam. A leading Asian-Ugandan entrepreneur Muljibhai Madhvani and Company bought and managed it from 1957 till 1972 when Idi Amin expelled Asians from Uganda. It remained a state enterprise until 1992 when the Uganda Government divested itself under a wide-ranging privatization programme. Nile Breweries was returned to the Madhvani Group.

In 1997, the Madhvani Group went into partnership with South African Breweries Ltd (SAB), with the latter acquiring a 40% stake. It was a happy marriage, quickly leading to SAB Ltd fully acquiring NBL in July 2001. In May 2002, SAB acquired Miller Brewing Company in the USA, thus forming SABMiller plc. SABMiller plc. Is the world's 2nd largest brewer with interests in over 75 countries.

Nile Breweries Limited, a leading beverage company in Uganda, also recognized as the best employer in Uganda for the years 2004, 2005 & 2009, was a subsidiary of SABMiller – the second largest brewing group (Annual human resources report, 2012-2013).

In 2014, Nile Breweries then introduced a talent management department to make the talent management way a reality for employees (Annual Human Resources Reports, 2013-2015).

Nile Breweries Ltd in the past years between 2011 and 2013 there was no focus on talent management and neither was there a talent management department, it is until recently in 2014 when this department was introduced to manage talented and key employees so as to curb employee turnover and employees who left the organization because they felt either not valued or they were not learning anything new at their jobs hence the creation of the 'Talent management Way' and a fully-fledged talent management department headed by a talent development manager (Annual reports, 2014).

The talent management department has introduced an electronic software known as 'Aspiration' to manage employee performance and competence acquisition processes popularly known as **'CAP'** which has made manager and employee relations and communication easier and faster thus time saving, this same department has also advocated for employer-employee focus on training needs through the training needs assessment with a plan to ensure that all employees are handled according to their training needs and none left out (Annual learning and Development reports, 2015).

In Nile Breweries Ltd whereas 'CAP' was introduced to manage performance and enhance skills for people development, many of the employees are not adhering to this process thus majority fall out on performance based reviews and also many are left out when promotions or moves are being made thus feeling detached and left out in company benefits.

More so with an entire department of talent management in Nile Breweries most of the training whether internal or external are permitted by the HUB offices in South Africa, thus majority of the employees feel their training needs are not met thus leaving many disgruntled.

In conclusion much as Nile breweries Ltd has put in place all the measures to train and retain its employees, workers are still leaving the organization at a high rate.

## 1.3 Problem Statement

Nile Breweries Limited is the leading beverage company in Uganda and a subsidiary of SABMiller – which is the second largest brewing group in the world (Annual SABMiller performance reports, 2013). Employee retention is one of the challenges faced by many organizations both public and private (Kibui, 2015). Retention of talented employees has become a bigger challenge confronting human resource practitioner because talented candidates in the global job skills market have a luxury of choice. Employee Retention is considered as a strategic opportunity for many institutions to maintain a competitive workforce, but also an enduring health and success of any organization majorly depends upon the retention of its key employees (Kibui, 2015). Talent management on the other hand is an effective tool for creating mutual relationship between talent and the organization to dramatically mend employee retention and quicken performance improvements (Chowdhury, 2004).

Nile Breweries Ltd in its efforts to mend employee retention has established five values to drive this and these include; our people are our enduring advantage, we work and win in teams, we respect and value our consumers, accountability is clear and personal and our reputation is indivisible. Management has also invested in both the learning & development department as well as talent management departments which departments are guided by the annual training calendars to cater for individual training and development needs, where various trainings are scheduled for employees on a monthly and quarterly basis to cater for career advancement, employee engagement and equipping the rightful knowledge and skills as well as look out for the welfare of its skilled employees (Audit Reports, 2011-2014). Further still the brewery conducts annual employee performance management trainings for each new employee as part of the induction plan with the aim of creating team work, initiation of company values, mission and vision to the new members, and this same platform is used by management for employee engagement and shaping career paths with the aim of making employees feel valued, have a sense of belonging and loved at their work place.

Despite all the accomplishments above like setting aside welfare departments, creating a  training and performance management budget and calling for employees to set individual training and development needs, the brewery has repeatedly lost its talented staff  almost in all departments especially between financial year F12-F14 (2012-2014), and this trend is demeaning the company image. For example; out of 30 employees appointed in 2012 for the malting plant, 20 employees representing 66.6% had voluntarily resigned while also out of 12 employees recruited in 2012 under the human resources department, 5 of them representing 41.6% have voluntarily resigned for greener pastures (HR monthly head count Report, 2012-2014).

It is feared that if this situation is not checked, the brewery will continue suffering the high rate of labor turnover, skills shortage, high risk of losing talent & experience, high costs in recruitment, demoralization and disengagement amongst employees hence calling for further investigation. This study therefore seeks to find out if talent management contributes to employee retention and the role of talent management in employee retention.

## 1.4 Purpose of the study

The Purpose of this study was to establish whether talent management contributed and influenced employee retention in Nile Breweries Ltd.

## 1.5 Objectives of the study

The study aimed at achieving the following objectives;

1. To establish the contribution of employee engagement on employee retention at Nile breweries ltd;

2. To assess the relationship between career development and employee retention in Nile breweries ltd;

3. To analyze the role of performance management on employee retention in Nile Breweries ltd

## 1.6 Research Questions

The Study sought to answer the following Questions;

1.      What is the effect of employee engagement to Employee retention in Nile Breweries Ltd?

2.      What is the impact of Performance management on Employee Retention in Nile Breweries Ltd?

3.      What is the role of career management to Employee Retention in Nile Breweries Ltd?

## 1.7 Hypothesis of the study

The Study tested the following hypotheses

1. There is no significant influence of employee engagement on employee retention in Nile Breweries Ltd.

2. There is no significant influence of career development on employee retention in Nile breweries Ltd

3. There is no significant influence of Performance management on employee retention in Nile Breweries Ltd.

**1.8 Conceptual Framework**

**RELATIONSHIP BETWEEN TALENT MANAGEMENT AND EMPLOYEE RETENTION;**
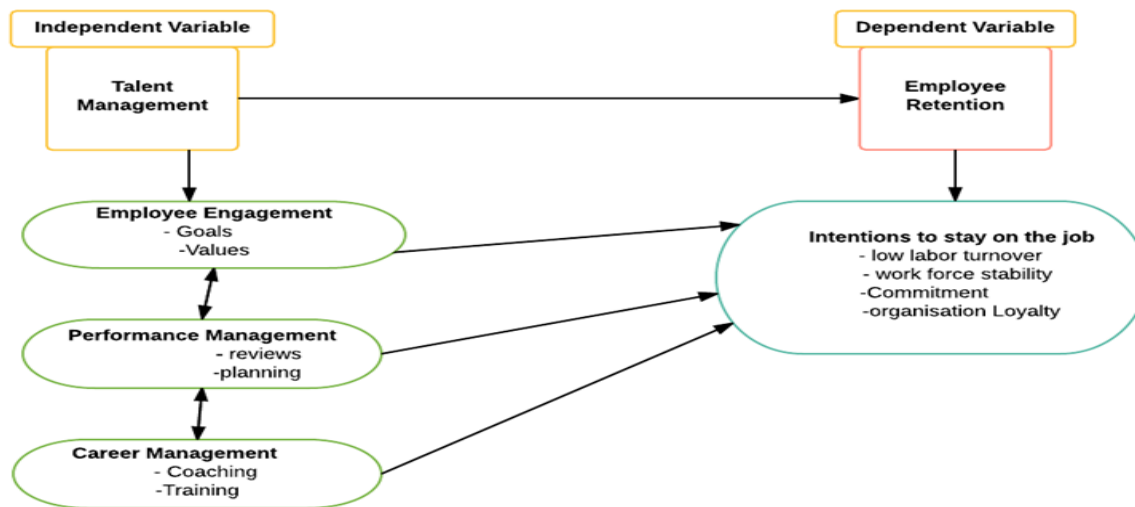


Figure 1: **Conceptual Framework**

**Source: Literature (Chitsaz-Isfahani; Boustani, 2014).**

**Fig 1** above shows the conceptual framework of the study, in the Study talent management was operationalized by Employee engagement, Performance management and career Management while Employee retention was operationalized by employee intentions to stay on job, low labor turnover, workforce stability, commitment and organization loyalty.

Talent and knowledge management are linked together to form an important source of competitive advantage, talent management should be a strategic business priority in order to retain employees.

Talent management in the role of employee retention cannot be seen in isolation, it needs to be considered along with other factors influencing job satisfaction and employee retention like the push' or 'pull' factors influencing the employee's decision to leave the organization such as culture clash and/or hostility at work and/or lack of recognition and the spirit of being an entrepreneur and personal growth/new challenges.

Talent management and employee retention are interrelated in a way that if intense effort is made to hire talent, equally intense effort should be expended to retain talent through employee engagement, performance management and career management. Employee engagement is a specific element of talent management as it boosts a company's ability to hold on to its talented employees. People stay with companies they value. The more an employee is allowed and encouraged to engage in job, team, and company efforts, the more she sees the value. People stay with managers they trust. The more managers and employees engage in continuous communication about expectation, the more trust develops in their relationship. People stay with companies that offer opportunities for personal and even professional growth (Wright, 2014).

## 1.9 Significance of the study

The study of talent management & employee retention in private organizations like Nile Breweries Ltd is important because of the probable possibility it has on generating information which may help in solving high labor turnover and the findings of this study will improve understanding of talent management and how it leads to employee retention.

The results of the study may be shared with management and policy makers of Nile Breweries Ltd to help improve on the efficiency and effectiveness of the brewery human resources & recruitment policies to bring about reduced labor turnover.

Uganda employees and employers countrywide may also be of focus as well, thereafter creating a thriving workforce by providing meaningful jobs and facilitating social change in an organizations or work place.

The study will also be of assistance to academicians, scholars and other stakeholders as a platform for further research on role of talent management on employees' retention in Uganda.

The Study may also add to the body of knowledge and benefit the public as a whole.

The information collected will also be a basis for identifying areas of further research and best practice development in relation to Employee retention.

## 1.10 Justification of the study

Over the years talent management and employee retention has become a global concern. Retaining talented employees has become one of the major priorities of organizations and the key differentiator for human capital management (Glen, 2006). Studies have shown that talent management has not been accepted by organizations and those that embrace it are facing challenges (Garrow & Hirsh 2009). There are few studies that have been done on Talent Management & Employee Retention majority focusing on the public sector, yet Uganda has a number of private companies which also face a problem of retaining skilled labor (Taata, 2014).

The study may be used to come up with measures on employee engagement & involvement in a work place thus enabling employee retention which will help reduce labor turn over.

## 1.11 Scope of the study

### Geographical Scope

Geographically the study focused on Nile Breweries Ltd-Jinja area to assess the role of Talent Management in Employee Retention. NBL has 3 Branches, NBL- Jinja Plant located on Plot M90 Yusuf

Lule Road Njeru Jinja, NBL-Mbarara located on plot 768,769 &262 Rwizi Mbarara, and NBL Kampala located on Plot 6/10 Port bell Road Luzira. The Study focused on Nile breweries Ltd- Jinja Plant.

**Content Scope**

The content scope of this study covered Talent Management as the independent variable and Employee Retention as the Dependent Variable.

## Time Scope

The time scope of the study was limited between the years 2011 to 2014 after NBL-Jinja had undergone numerous changes including changing and transitioning with new management, merging of Rwenzori Bottling Company with Nile Breweries Ltd under SABMiller, the moving of the head office and major offices from Jinja to Kampala as well as the opening of another plant in Mbarara which are quite too many changes to handle and contain in three (3) years.

## 1.12 Operational Definitions

**Talent Management**:  is the systematic attraction, identification, development, engagement, retention and deployment of those individuals who are of particular value to an organization, either in view of their 'high potential' for the future or because they are fulfilling business/operation-critical roles (CIPD, 2013).

**Performance Management:** this as a process by which managers and employees work together to plan, monitor and review an employee's work objectives and overall contribution to the organization (CIPD, 2013).

**Career Management/development:** is a process that individual employees are primarily responsible for seeking opportunities for development and promotion in line with their own career aspirations (Armstrong, 2006).

**Employee engagement:** refers to the commitment and energy that employees bring to work and is a key indicator of their involvement and dedication to the organization.

**Employee Retention:**  Walker, (2007) defines this as the efforts by which employers attempt to keep employees in their workforce for a longer period of time.

# CHAPTER TWO

# LITERATURE REVIEW

## 2.1 Introduction

This Chapter comprises relevant literature about the role of Talent Management in Employee Retention in private organizations.

The chapter covers the dimensions of the Independent variable-Talent management being investigated in Employee engagement, Performance management and Career management and how these affect Employee Retention in the private Organizations and a summary.

## 2.2 Theoretical Review

Herzberg argued that employees are motivated by internal values (Intrinsic) rather than external values (Extrinsic) to work, (Schulz, et al 2012). In other words, motivation- comes from within (internally) and propelled by variables that are intrinsic to work which Herzberg called "Motivators" these may include achievement, recognition, the work itself, responsibility, advancement & growth. Equally certain factors cause dissatisfaction to employees and these factors largely result from non-job related variables (Extrinsic) and these Herzberg called "Hygiene" which may include; Policies, remuneration, co-worker relations, and supervisory styles- (Samuel et al, 2009). Although these do not motivate employees they must be present in a workplace for employees to be happy. As cited in Samuel et al, (2009). Herzberg argued further that eliminating the causes of dissatisfaction through "Hygiene" factors wouldn't result into a state of satisfaction instead it would result into a neutral state.

Motivation would only occur as a result of the use of Intrinsic factors (Sharma, 2009). Empirical studies have however, revealed that intrinsic (Hygiene) factors such as a competitive salary, good interpersonal relations, a friendly working environment and job security were cited by employees as satisfiers variables that influence their stay in organizations. This suggests that management of Nile Breweries Ltd should not rely on intrinsic factors only to influence employee retention but rather combine both intrinsic and extrinsic factors for effective employee retention (Samuel et al, 2009).

## 2.3 Employee Engagement & Employee Retention:

Employee engagement illustrates the commitment and energy that employees bring to work and is a key indicator of their involvement and dedication to the organization. Employees who are engaged are more productive, content and likely to be loyal to an organization. When organizations put sound HR practices

in place, they are more likely to discover that employees feel satisfied, safe and will work to their full potential and that means they are more likely to stay put.

Wegner, (2011) argues that in order for organizations to remain competitive in their market, they need employees who understand and promote the organization's vision. A critical element for achieving an engaged workforce is to recognize what factors influence employee engagement. Employees who are committed and engaged with their organization perform and act in ways that support the organization's mission.

It has been noted that 66% of highly engaged employees reported that they had no plans to leave their company, while only 3% of them were actively looking for greener pastures, compared to 12% and 31%, respectively, for disengaged employees (Perrin, 2003).

Kevin Kruse (2013), noted that employees with lower engagement are four times more likely to leave their jobs than those who are highly engaged yet highly engaged employees were 87 percent less likely to leave their companies than their disengaged counterparts. He goes on to say that Companies with highly engaged employees beat average revenue growth in their sector by 1 percent while companies with low engagement were behind their sector's revenue growth by an average of 2 percent. And that engaged employees in the UK take an average of 2.69 sick days per year; the disengaged take 6.19.

Kruse goes on to say that it was found that engaged employees were five times less likely than non-engaged employees to have a safety incident and seven times less likely to have a lost-time safety incident.

Gullup (2005) put forward that a high number of engaged employees will help an organization attract more talented people while disengaged employees will cost the organization such as lower productivity, higher absenteeism, recruitment and training costs.

Perrin (2003) indicates that there is a linkage between engagement and retention. Towers Perrin studied 50 multinational companies and found out that the companies with high employee engagement level outperformed the companies with lower level of engagement levels.

Organizations talent management approach should contribute to employee engagement and effective recruitment as this will create positive employer brand and employees will minimize turnover (Oladapo, 2014).

It is very vital for employees to feel engaged by their employer for them to feel valued and attached to the organization hence reducing the risk of labor turnover.

## 2.3.1 Employee Engagement and Goals

There is a strong correlation between a successful company and an effective goal setting process. Managers and the entire executive team need to be a part of the system to help each employee set goal—thereby, fully engaging the workforce and encouraging everyone across the company to focus and successfully achieve these goals together. By including all members of the company, the stage is set for each employee to feel a greater sense of loyalty and commitment to the company and to perform at higher levels. Engaged employees not only plan to stick around—helping to lower recruiting costs—but they are also enthused and motivated to impact the bottom line. During difficult times their energy and effort can help the organization not simply survive, but thrive (Gomez, 2014).

## 2.3.2 Employee Engagement and Values:

Values are often manifested in organizational and employee behaviors. Values are deeply rooted ideals and beliefs that have a major influence on how individuals approach work and make decision. Individual values are expressed through personal behavior, while organizations reflect their values through systems and processes (Hewitt's, 2009). Values shape corporate culture which defines an organization's

competitive advantage in terms of being resilient and adaptive; in attracting and keeping talented people; and in building and sustaining high performance. Interestingly, the perceived difference in an organization's espoused and executed values and employee engagement. Values can be those that are espoused, or those that management communicates both orally and in writing and are executed, or those values which are executed, or those values which actually drive daily decisions. When values of the organization are aligned with values of the individuals, it guarantees superior levels of involvement and result in greater levels of accountability, trust, innovation and performance (Hewitt's, 2009)

## 2.4 Performance Management & Employee Retention:

Performance management is a process by which managers and employees work together to plan, monitor and review an employee's work objectives and overall contribution to the organization. More than just an annual performance review, performance management is the continuous process of setting objectives, assessing progress and providing on-going coaching and feedback to ensure that employees are meeting their objectives and career goals (CIPD, 2013).

"Managers who simply go through the norms with performance appraisals not only risk employee non retention, but also limit the success of the business," said Adam Miller, CEO and founder of Cornerstone on Demand. Furthermore "Performance management should be about developing employees to help them succeed and stay aligned with the goals of the organization. "Especially now at a time when companies are challenged to find skilled workers, it is important to invest in the training and development of people in order to build strong pools of talent and recruit from within," Miller said. "Employees who have access to training, resources and tools to improve their performance and reach their career goals are happier, more engaged and more empowered to become champions for their company."

Performance management is a means of increasing the engagement and motivation of people by producing positive feedback and recognition (Armstrong, 2006).

Improving performance management processes, according to Miller (2014), is about evolving processes and investing in the right tools to support the way people work. This includes providing more frequent feedback and blending traditional performance technology solutions for goal setting and appraisals with social functionality for just-in-time feedback. "If you think about traditional performance management processes, they're very transactional," Miller said. "But performance management should no longer be just one-time events or annualized cycles. Social tools can help make these processes more interactional, ongoing, transparent and feedback-based."

"While a lot of organizations are set up as hierarchies, how work actually gets done is in more of a matrix-based structure," Miller said. "With this in mind, it makes sense to allow for reviews from peers, project leaders or clients that people work with on a daily basis."

## 2.4.1 Performance Management and Reviews

The performance assessment or appraisal meeting is an opportunity to review, summarize and highlight the employee's performance over the course of the review period.

Self-assessment is a standard part of most performance appraisals. By using the performance plan and assessment form as a guide, employees can assess their performance in preparation for the appraisal meeting. This process can identify gaps between the employees' self-perceptions and the views of the manager and can allow for more in depth discussion of these performance points during the meeting.

Managers should review their performance management notes and documentation generated throughout the year in order to effectively assess the employee's performance. Only issues that have already been discussed with the employee should be part of the assessment documentation and meeting. This will

ensure that managers deal with performance problems when they arise and that there are no surprises during the performance assessment meeting (CIPD, 2013).

## 2.4.2 Performance management and Planning

CIPD (2013), a strategic plan and the planning process are the tools to deliver what is needed for performance management. Employees define the changes needed to positively impact the company key indicators and answers why the changes are important. Without a clear strategy, units of the organization will define their own agenda, there will be uncoordinated, unfocused efforts to improve, and the impact on performance will be dramatically diluted. In short, a strategic plan defines both how and why employees will achieve their performance management goals.

## 2.5 Career Management and Employee Retention:

According to Armstrong, (2006) Career management is concerned with providing opportunities for people to progress and develop their career and ensuring that the organizations has the flow of talent needed. In addition Omotoye, (2011) noted that career management is a process that individual employees are primarily responsible for seeking opportunities for development and promotion in line with their own career aspirations. Individuals who are highly committed to their career will remain in the organization and employees with low career commitment have the highest turnover intentions because they did not care either about the company or their own career currently. Individuals with high career commitment tend to leave the organization because they do not believe that the organization can satisfy their career needs and goals.

Garrow and Hirsh (2008) define the term talent management as encompassing career development by the organization's HR taking up the responsibility of developing human capital. Research shows that an opportunity for training and development has a significant (perceived) ability to retain talented people

and in line with the psychological contract, high performers often perceive development as a benefit which they are entitled.

This is in line with earlier researchers that high career committed people consider leaving the company if development opportunities are not provided by the organization (Chang 1999). The Individual is expected to take control of his or her career while the institution plays more of a supportive role in this self-management process (Omotoye 2011).

Individuals become effectively committed to the organization when they perceive that the organization is pursuing internal promotion opportunities, providing proper training that supervisor's do a good job in providing information and advice about career management (Chang 1999). Although salary and benefits play a role in recruiting and retaining employees, people are also looking for opportunities to learn, the challenge of new responsibilities and the prospect of personal and professional growth (Wagner, 2000). Omotoye (2011), noted that employees at all job levels, value learning, however, people in small companies value the learning more than those in big companies, those employees who work more than 45 hours a week inclusive of lunch show above average preference for learning. People in professional world & business services like information technology & construction firms show a significantly above average preference to learn and grow than workers in other industries. However Barnett & Bradley, (2007) emphasize that career management/development is the role of both the individual and the organization although with the changing environment in organizations like restructuring, downsizing has made individuals manage their own career than wait to rely on the organization. In this competitive environment where it is increasingly difficult and costly to attract employees with the necessary skills, organizations need to convince the employees that their organization is supportive of their career path by providing more opportunities & rewards compared to their competitors (Barnett et al, 2007).

Organizations with high levels of engagement provide employees with the opportunities to develop their abilities, learn new skills, acquire new knowledge and realize their potential. Learning and development

programmes are essential components in the process of talent management, ensuring that people acquire and enhance skills and competencies they need (Armstrong, 2006).

Therefore it is better for the organization overall to have employees and supervisors as mentors dedicated to employees performance & growth Sadanghann (2010). Supervisors and Managers have a responsibility of sustaining these aspirations by encouraging their subordinates to take advantage of various opportunities that are presented with in the company (Omotoye, 2011).

## 2.5.1 Career Development and Coaching

Coaching and career development are fundamental parts of every job. Studies show those managers who provide regular, ongoing coaching and feedback to help employees develop skills and improve performance, and define and realize career goals have more successful and productive teams. Successful coaches listen well and provide plenty of opportunities for learning and growth.

Career development is a two-way commitment that employees and employers make to each other. The employee commits to acquiring the skills and knowledge needed to stay valuable to the company, and the employer commits to supporting the employee by offering opportunities for development and growth. Growth doesn't have to mean a move up the corporate ladder; it can mean offering employees opportunities for broadening their current skills so that they continue to feel challenged and marketable in a changing economy. Coaching is one of the best ways to develop and retain valuable employees in an organization (Gaines and Adelaide, 2005)

## 2.5.2 Career Development and Training

The challenges associated with the changing nature of work and the workplace environments are as real for everyone everywhere. Rapid change requires a skilled, knowledgeable workforce with employees who are adaptive, flexible, and focused on the future.

One of the key responsibilities of a company is to develop its staff. Encourage growth and career development of employees select training and development activities that match employees' career development objectives and job needs hence helping employees achieve their personal goals above and beyond through providing adequate training hence encouraging staff development and opportunities for growth".

The employers' support of training and development creates a "Win" for the employees and for a workplace. Then the company will achieve employees with upgraded skills, working to their full potential and equipped to deal with the changing demands of the workplace; employees with higher morale, career satisfaction, creativity, and motivation; increased productivity and responsiveness in meeting departmental objectives (Kevin, 2014).

### 2.5.3 Employee Retention

Employee retention is still a primary concern for many organizations today. Hiring knowledgeable people for the job is essential for an employer but retention is even more important (Kibui, 2015). Retention is a voluntary move by an organization to create an environment which engages employees for long term. Employee retention includes talent management which is the use of an assimilated set of activities to ensure that the organization attracts, retains, motivates and develops talented people it needs now and at a later time.

The aim of retention is to avoid the loss of key and competent employees from an organization which could result into low productivity and thus poor service delivery. The objective of any organization is not only to recruit personnel but also to maintain, develop and retain such manpower. Organizations ought to put in place effective retention tools to keep their employees. The retention plan should address

each of the areas in which disengagement can arise which would include jobs performance, training, career development, commitment, conflict with managers, recruitment, selection and promotions.

## 2.6 Summary of Literature Review;

Employers should focus on not losing their talented employees to competitor companies due to the high costs involved in recruiting and retaining these talented employees. Organizations should identify high performers and talented employees try to understand their needs including career path, family life, interests, compensation and culture so as to be able to continuously meet expectations of these employees.

Talented employees want a better remuneration most importantly, though they also want to feel passionate about their jobs - a sense of belonging and have a purposeful meaning to work, they want to feel excited by their jobs and work (engagement), enriched by their career opportunities, inspired by the company leaders –involved and assured by their management as well as motivated by the sense of the company mission and vision in order to work well. When this does not happen these employees will definitely find reason to move to another place where they can possibly find most of these requirements (Sadanghann, 2010).

Cunningham, (2007) noted that Learning & Development activities alone cannot solve Talent Management issues but rather the organization needs to look at other areas like, compensation & benefits, recruitment structures like talent acquisition and development, work environment , level of engagement to ensure that all basics are met in order to retain its talented employees.

Organizations need to also benchmark from competitor companies for share learning on how best they can retain their talented and skilled employees.

Despite all efforts research has still found gaps to this that need to be addressed like being  an employer of choice- who is one with whom people want to work for and associate with  (Armstrong, 2003).

There is need to improve work and free time balance; an employer that may retain employees is one that recognizes the fact that employees also have a life outside work and reduce the long hours of work so that people can have time to do other hobbies and rest to be refreshed to work harder and smarter.

The review of the related literature on the title unanimously acknowledges that successful organizations share a fundamental philosophy of valuing and investing in their employees and managing retention of promising employees "is considered as fundamental of mean of achieving competitive advantage amongst organization".

Schuler (2011) explained that the current situation of talent management is global competitive market. Though literature has shown that talent management is crucial to employee retention, it is clear that the predictors of retention differ and therefore management needs to carry out a need based survey on specific organizations to identify what keeps the employees committed to those organizations.

The reviewed literature demonstrates that while there is much prescription about the need for integrated approaches to talent management practices, there is little rigorous research on relationship between talent management and employees retention in the private organizations like Nile Breweries Ltd.

**CHAPTER THREE**

**METHODOLOGY**

## 3.1 Introduction

This chapter discusses the methodological approach of the study and it comprises the research design, population sampling, data collection and data analysis.

## 3.2 Research Design

A descriptive survey design was used for this study as this enables the researcher to summarize and organize data in an operational way (Kireru, 2014).

Mugenda and Mugenda (2003) define descriptive research as a process of collecting data in order to test hypothesis or answer questions concerning the current status of the subjects in the study. This study adopted a descriptive research design since the design helps to understand the characteristics of a group in a given situation, offer ideas for further research and help to make certain decisions (Sekaram, 2003).

Other Scholars, (Kimani & Waithaka, 2013; Njoroge, 2012; Kibui, 2015) who have researched on related topics have used a similar research design in the studies.

## 3.3 Research Techniques:

Both qualitative and quantitative research techniques were used during this study (Yin, 1994). Qualitative approach was used to generate the extent of the respondents' opinions on the study variables; this enabled respondent to speak freely about how talent management affects employee retention. Mugenda & Mugenda, (1999) noted that quantitative approach yields numbers, charts and tables that are easy to understand and are seemingly more convincing. Whereas qualitative approach helped the study to get an in-depth understanding of underlying reasons and motivations from both written material and those on ground hence enabling the researcher get concrete conclusions and recommendations.

## 3.4 Study Population

Nile Breweries Ltd- Jinja employees including technical sections and other directorates like; Heads of departments (20), Executive team (9), HR Team (12) brewing (84) and Chibuku (4), quality assurance(12), packaging (86), procurement (6), site services (4), Sales team (20), Finance (15) and engineering (10) were the study population during the study of whom these included a few key informants totaling up to 282 respondents .

Solely the study population comprised of Nile Breweries employees 282 overall total who have worked in the brewery for a minimum of one year.

## 3.4.1  Target Population

 This study was carried out at Nile Breweries Ltd from a population of 282 people comprising of 241 general staff, 20 Heads of Departments and 21 HR Team and Executive Team members.

### 3.4.2 Sample size

Jensen and Rogers (2001) define accessible population as the number of potential respondents that the study is able to get in contact with at a given period of time using available resources without the intended outcome of the research being affected. The accessible population of this study was 150 (Krejcie and Morgan, 1970).

### 3.5 Accessible Population

Nile Breweries Ltd had 282 people as a total number of employees, 150 employees were the sample size for this study, available respondents at Nile Breweries Ltd – Jinja (Human Resource Head Count Report, 2015). The sample size for this study was determined using the Krejcie & Morgan (1970) sample size determination table. The sample used was drawn using simple random and purposive sampling.

The respondents included Nile Breweries Ltd Executive directors, top managers as well as the rest of the employees from various departments, due to the larger size of respondents hence random and purposive sampling helped to avoid bias during the study as respondents were selected.

### 3.6 Sampling Techniques

The study employed both random and purposive sampling techniques to select the study respondents. Purposive sampling is also known as judgment, selective or subjective sampling where representative respondents are selected, it is a type of non-probability sampling that is most effective when one needs to study a certain cultural domain with knowledgeable experts inclusive. Purposive sampling may also be used with both qualitative and quantitative research techniques. Choosing the purposive sample is fundamental to the quality of data gathered; thus, reliability and competence of the informant must be ensured. Purposive sampling was used on various categories of respondents from whom the researcher wished to get specific information and these are known as 'key informants' who included the heads of

department and functional directors. This was done with the aim that this classification of people may have necessary knowledge on the topic under consideration. Whereas Random Sampling is where a subset of individuals are chosen from a large group and each member of the group has an equal chance to be selected to ensure that interests of the population are represented. Random sampling was used for the rest of the respondents to obtain in depth information of the variables in study.

**Table 1: Shows how the different techniques were used among the respondents.**

*Table 1:* **showing the study tools and technics to be used in find out the role of talent management in employee retention.**

| Category | Population | Sample size | Technique |
|---|---|---|---|
| **Interview guide respondents** | | | |
| National Executive Team | 9 | 5 | Purposive Sampling |
| Human Resources Team | 12 | 5 | Purposive Sampling |
| **Questionnaire respondents** | | | |
| Heads of Departments | 20 | 20 | Purposive Sampling |
| Employees | 241 | 120 | Random Sampling |
| **Total** | **282** | **150** | |

Table 1 above covered the different techniques that were used in the study, whereas majority of the members were randomly selected to participate in the study to minimize bias, the heads of departments and executive teams were purposively sampled to get every detail of information on talent management and also get that information that the rest of the employees may not have at hand.

## 3.7 Data Collection Methods

**3.7.1 Questionnaires**- Is a set of pre-determined list of questions. In this study structured questionnaires were used and this method entailed collecting information off a large sample of people compared to

interviews (Key, 1997) this was used to generate information in order to answer research hypothesis. Questionnaires are also appropriate for exploring sensitive topics where participants may not discuss in groups or in interviews. The study identified practices and a deep understanding of typical organizational talent management programs to ensure that the questionnaire covers the broadest spectrum of tangible and intangible aspects of the work environment in relation to talent management and employee retention.

**3.7.2 Document review** - this is the secondary analysis of available information to guide the study like reports, journals, articles and newspapers. This involves a wide range of information including; Nile Breweries Ltd reports, policy statements and the Nile Breweries Ltd organization structure.

Document review is a good source of background or historical information and further detailed information that may not easily be got from the respondents. Also document review helps in clarifying further about the organization and organization plans which may not be known by the respondents.

Bailey, (1994) notes that's documentary reviews adds authenticity, credibility, representativeness and significant to the study.

**3.7.3 Interviews**- A face to face interaction with respondents to the study, this was used to collect qualitative information from key informants and this helped to explore the views, experiences, beliefs and motives of individuals on specific matters. Interviews are believed to provide deeper understanding of the phenomena compared to purely quantitative methods like questionnaire (Silverman, 2005). In this study semi-structured interviews will be used to allow more detailed responses and a broader understanding of the variables in question. Interviews have also been found most appropriate where little is already known about the study phenomenon or where detailed insights are required from individual participants. They are also particularly appropriate for exploring sensitive topics, where participants may not want to talk about such issues in any given setting (Silverman, 2000).

According to Denscombe, (1998) triangulation of methods of data collection enhances the reliability of the data for investigation of research problems. This study used triangulation of methods including

questionnaires, interviews and documentary review. Interviews helped in providing rich data, explore, dig deep and understand complex issues raised by respondents. The questionnaire was helpful in reaching out to a large group of respondents. It also allowed confidentiality and anonymity on the part of respondents. Documentation review further aided in finding rich data and this data was obtained by studying corporate documents like organizational structure, reports and journals.

## 3.8 Data Collection Instruments

### 3.8.1 Questionnaire

The first research instrument that was used during this study were structured questionnaires which are question format that limit respondents with a list of answer choices from which they must choose to answer the questions required. The instrument was developed basing on the concepts identified in the literature review and objectives of the study. Questionnaires allow the researcher to collect systematic data and address the research issues in the consistent and reasonable as questionnaires make it easier to collect data from a large group of respondents in a limited time.

According to Mugenda & Mugenda, (1999) structured or close ended questions are easier to analyze since they are in an immediate usable form. They are easier to administer as possible answers follow each item. This was useful due to limited time and resources. Questions were scored on a five point Likert scale ranging from 5-1 i.e. strongly agree-5, agree-4, not sure-3, disagree-2 and strongly disagree-1. The researcher administered the questionnaires by self and these questionnaires were pre-tested in order to ensure reliability and validity as well as to build confidence that this instrument would yield good results.

### 3.8.2  Interview Guide

The study also used interview guides more so when collecting data from key informants in Nile Breweries ltd-Jinja who included executive teams and heads of departments. The study interview guide was developed basing on the concepts identified in the literature review and study objectives. The guide maintained the study keeping on track while conducting the interviews. Interviews with Key informants in Nile Breweries ltd were conducted by the researcher to allow interaction and confidentiality with the key respondents or informants.

### 3.8.3  Documentation Checklist

The study incorporated the use of documentary review checklist to guide in the extraction of data that is relevant to this study. The researcher obtained data from reviewing records of the organization like corporate structures, Audit and Human resources reports and journals. These supported in giving a clearer picture of the situation on ground and help to cross check data collected through the primary sources.

### 3.9 Validity and Reliability

### 3.9.1 Validity

Validity refers to the appropriateness of the research instruments (Amin 2005). In this study, validity tests were carried out prior to the administration of these instruments. This was done to find out whether the questions were capable of capturing the intended responses. Validity study played an important role towards generalization of the gathered data to reflect the true characteristics of the study problem. The researcher consulted expert judgment in order to assess the content validity index (CVI) for each item.

For the instrument to be acceptable as valid, CVI of at least 0.7 or above was considered (Amin, 2005). The CVI was given by the following formula below:

CVI = Number of items declared valid = 37/39 = 0.95

       Total number of items

The instrument was therefore found to be valid, since the CVI of 0.95 is much greater than 0.7 as recommended by Amin (2005), that for the instrument to be valid, the C.V.I should be at least 0.7.

## 3.9.2 Reliability

Sekeran, (2003) defines reliability as the measure of degree to which a research instrument yields consistent results, According to Sekeran (2003), a pilot study is necessary for testing the reliability of data collection instruments. It is an indicator of the suitability, repeatability and consistency with which the instrument measures concepts. The researcher conducted a pre-test of the instruments with 10 respondents within Nile breweries Ltd- Jinja to helped uncover and identify the inconsistencies that were in turn be corrected. The cronbach Alpha coefficient which is used to estimate reliability in a study was used and computed for the minimum reliability index of 0.7 which is the required measure for reliability (Amin, 2005).

The Cronbach Alpha coefficient was computed using the formula below:

$\alpha = (K/K-1) \ 1-\sum SD2i/SD2t.$

Where;

$\alpha$    =    Reliability

K     =    Number of questions in the questionnaire

SD2i  =    Standard deviation squared (Variance) for each individual item

SD2t  =    Variance of total items in the questionnaire

Below are the values of Cronbach's alpha for each variable and for the entire instrument.

The δ range of 0.7 and above indicates reliability of research instruments as asserted by Amin (2005).

Below are the alpha Cronbach's coefficients computed using SPSS

**Table 2: Reliability Analysis Table**

| Variable | Alpha Cronbach's coefficient | No. items retained |
|---|---|---|
| Employee engagement | 0.767 | 10 |
| Career development | 0.715 | 11 |
| Performance management | 0.724 | 8 |
| Employee retention | 0.823 | 8 |
| Entire data collection tool | 0.825 | 37 |

*Source*: *Primary Data*

Table 2 above shows a Cronbach alpha of 0.767 for Employee engagement with 10 items, 0.715 for Career development with 11 items, 0.724 for Performance management with 8 items, 0.823 for Employee retention with 8 items, 0.825 for all the variables under study totaling 37 items. The tool therefore passed the test of reliability for each of the variables and for all the variables since they were all greater than 0.7, given that the level of Cronbach that is adequate is any value equal to or greater than 0.7 (Amin, 2005). The instruments were therefore suitable for data collection.

## 3.10 Procedure of Data Collection

Upon approval of the proposal the researcher obtained an introductory letter from the Institute (Uganda Management Institute) this was followed by the recruitment of research assistants. The researcher collected both primary and secondary data for this study. The researcher collected primary data at source while secondary data was collected from published reference materials such as reports and journals. The

questionnaires were self- administered with assistance from the research assistants. Self-administered questionnaires are advantageous in that they cost less than personal interviews and also enable the researcher to contact participants who might otherwise be inaccessible.

## 3.11 Data Analysis

### 3.11.1 Quantitative Data Analysis

On completion of data collection the researcher embarked onto data analysis for data interpretation. All data was checked, edited, coded and entered into the computer statistical package- SPSS for processing and analyzing in order to make meaning of it. All quantitative data consisting of numeric values was analyzed using descriptive statistics which helps in making data meaningful and visual as well as inferential statistics which enable generalization of information obtained from a sample of a population for hypothesis testing, drawing conclusions, determining relationships between variables and making recommendations..

### 3.11.2 Qualitative Data Analysis

Qualitative data was analyzed systematically and thematically based on objectives of the study. The researcher categorized and summarized all the data collected for ease analysis. During and after the study, the researcher recorded observations, made general summaries, coded the data where applicable and summarized data.

Qualitative data analysis was involved 'content analysis' which is the procedure for the categorization of verbal or behavioral data, for purposes of classification, summarization and tabulation also referred to as categorizing and indexing data and the aim of content analysis was to make sense of the data collected and to highlight the important messages, features or findings.

## 3.12 Measurements of Variables

For qualitative data, codes and labels were assigned to emerging themes, while in quantitative data; a likert scale which measured a single trait in a unit of study was used to measure the variables. The variables were measured by a five point likert scale of 5-1 (i.e. strongly agree-5, agree-4, not sure-3, disagree-2, strongly disagree-1).

## 3.13 Ethical Considerations

A study on talent management and employee retention is a contentious issue to which most organizations face and are seeking solutions. This then calls for privacy and confidentiality of the information got from the respondents.

To ensure privacy, the respondents were informed prior to the study that names will not be required and it was made clear to them that it was upon their consent that this study would be conducted. There was no coercion by anybody to anyone to answer the questions for the study (Mugenda & Mugenda, 2003).

For confidentiality purposes, the respondents were told during the study that the information was purely for academic purposes and the data obtained would be treated with confidence (Amin, 2005).

In conclusion therefore, interviews and review of secondary data were the qualitative methods of data collection, while structured questionnaires were the quantitative methods of data collection in research but triangulation of all methods was applied to obtain accurate information during the study.

# CHAPTER FOUR

## PRESENTATION, ANALYSIS AND INTEPRETATION OF FINDINGS:

## 4.1 Introduction

This chapter describes the results obtained in order to achieve the study objectives. The data analysis was carried out in line with the study objectives from which the patterns were investigated, interpretations done and conclusions drawn. The main objective of the study was to establish the effect of talent management on employee retention in Nile Breweries Ltd. Specifically the study sought to establish the effect of employee engagement on employee retention in Nile Breweries Ltd; To find out the effect of performance management on employee retention in Nile Breweries Ltd; To establish the effect of employee career development on employee retention on Nile Breweries Ltd. Both descriptive and inferential statistics were used to analyze the data.

## 4.2 Response Rate

A total of 150 questionnaires were distributed and 131 were fully filled and returned, while a total of 10 interviews were scheduled with National Executive Team and Human Resources Team and 7 were successfully conducted and returned. The response rate for the questionnaires was therefore 88.6%, while that for interviews was 70.0%, giving an overall response rate of 87.3% as shown in the table below.

**Table 3: Response Rate:**

| Category | Sample size | Actual number of respondents | Response rate |
|---|---|---|---|
| **Interviews** | | | |
| National Executive Team | 5 | 3 | 60.0% |
| Human Resources Team | 5 | 4 | 80.0% |
| Sub total | 10 | 7 | 70.0% |
| **Questionnaires** | | | |
| Heads of Departments | 20 | 16 | 80.0% |
| Employees | 120 | 108 | 90.0% |
| Sub total | 140 | 124 | 88.6% |
| **Total** | **150** | **131** | **87.3%** |

**Source:** Primary data

Table 3 shows a summary of the response rate for the study. The response rate was considered satisfactory since Mugenda and Mugenda (2008) asserted that a response rate of 50% is adequate for analysis and reporting; a rate of 60% is good and a response rate of 70% and above is excellent. The success rate was attributed to the self-administration of the questionnaires applied by the researcher from which the intended respondents were pre -notified prior to the date of data collection from which the researcher agreed on the actual date and venue for the data questionnaire administration. Follow-up calls to clarify queries were made thus enhancing the high response rate.

## 4.3 Background Characteristics of Respondents.

The personal and contextual characteristics collected included age, gender, work experience, highest level of academic qualification, means of supporting talent retention in an organization and organization objective in talent retention discussed as follows.

### 4.3.1 Respondents Age

The study sought to identify the different age categories of the respondents and the findings are in Table 4 below.

**Table 4: Age of respondents**

| Age | Frequency | Percent |
|---|---|---|
| 20-30 years | 46 | 37.1 |
| 31-40 years | 52 | 42.0 |
| 41-50 years | 24 | 19.3 |
| Over 50 years | 2 | 1.6 |
| **Total** | **124** | **100.0** |

**Source:** Primary data

Table 4 shows that the highest number of respondents, 52 representing (42.0%) were aged 31-40 years, closely followed by 46 (37.1%) aged 20-30 years, while 24 (19.3%) were aged 41-50 years and 2 (1.6%) only were aged over 50 years. Therefore the sample was representative enough to capture the views of different age groups in Nile Breweries Ltd and the respondents were mature enough to participate in the study.

The study findings imply that majority of the staffs were less than 40 years and that the respondents were old enough to provide valuable responses that affects talent management in Nile Breweries Ltd.

This is further strengthened by the fact that some of the respondents had stayed in Nile Breweries for more than ten years hence conversant with the talent management in this place. It is said that young workers have high expectations from their work places and hence at risk of turnover, older workers on the other hand prefer to retain their status quo, since they do not want to disrupt their benefits such as terminal benefits.

**Graph 1: Age of respondents**
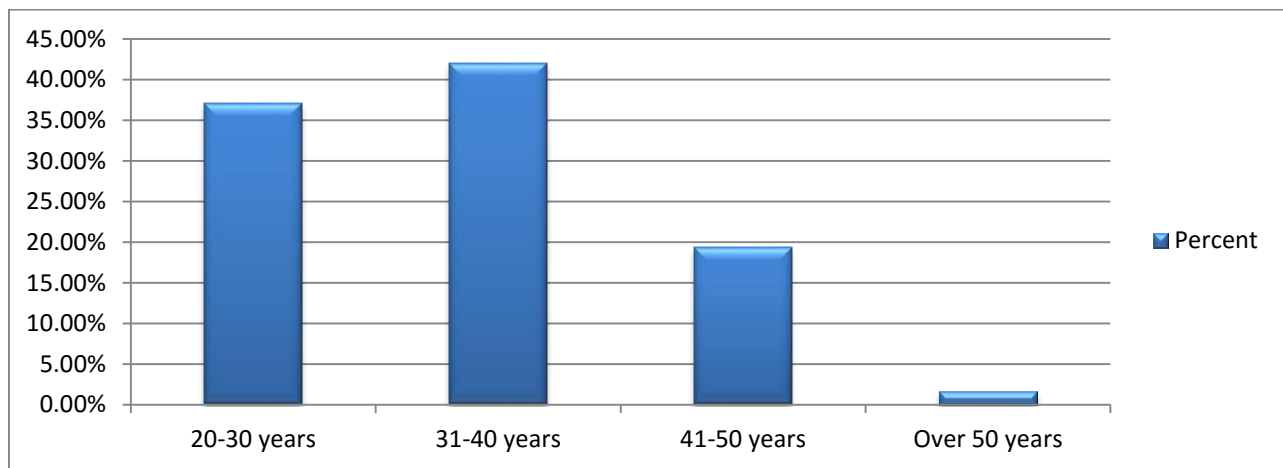


Graph 1 shows that majority of respondents were between ages 31-40 years of age accounting for 42% of the population, closely followed by ages 20-30 years accounting for 37% , then 41-50years who are 19% with the last group being over 50 years accounting for 1.6%.

This therefore depicted that majority of the respondents were mature enough to participate in the study and aware of the talent management process in Nile Breweries Ltd.

## 4.3.2 Respondents Work Experience

The study further required, to establish the distribution of the respondents by work experience at Nile Breweries Ltd and the findings are in table 5 below.

**Table 5: Work Experience of respondents.**

| Experience | Frequency | Percent |
|---|---|---|
| Less than 5 years | 76 | 61.3 |
| 5-9 years | 24 | 19.4 |
| 10-15 years | 18 | 14.5 |
| Over 15 years | 6 | 4.8 |
| **Total** | **124** | **100.0** |

**Source:** Primary data

Table 5 shows that the majority of the respondents, 76 (61.3%) had less than 5 years' of experience, while 24 (19.4%) had 5-9 years' of experience, 18 (14.5%) had 10-15 years' of experience and 6 (4.8%) only had over 15 years' of experience. This suggests that the majority of the respondents have not worked for the company for a long time hence with brief knowledge of talent management in Nile breweries ltd.

**Graph 2: Experience of respondents**
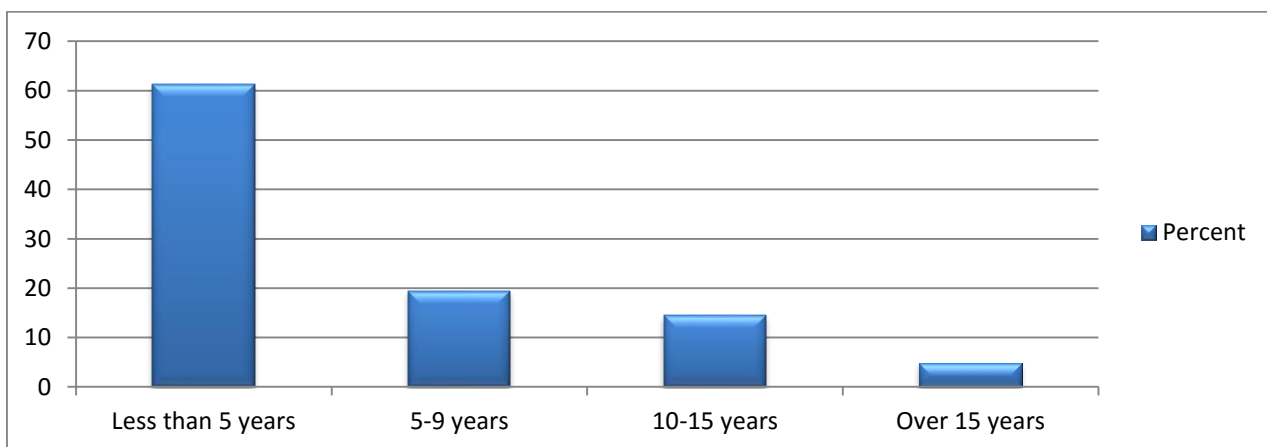


Graph 2, shows that many of the respondents at Nile Breweries Ltd had less than 5 years of experience followed by respondents who had experience raging between 5 to 9 years, a few more accounting for respondents who had 10 to 15 years of experience and the least being respondents who over 15 years of

working experience. Thus majority of the respondents had not worked long enough with Nile Breweries Ltd and hence might have had shallow knowledge of talent management processes in the company thus this information was not be used conclusively of the study.

### 4.3.3 Respondents Gender

The study pursued to establish the distribution of the respondents by their gender to assess participation in the study and the findings are shown in the Table 6 below.

**Table 6: Respondents' Gender**

| Gender | Frequency | Percent |
|--------|----------:|--------:|
| Male | 93 | 75.0 |
| Female | 31 | 25.0 |
| **Total** | **124** | **100.0** |

**Source:** Primary data

The study findings in Table 6 revealed that majority of respondents were male at, 93 (75%) while female respondents were 31 (25.0%). This implies that the males are more engaged in brewery work than their female counterparts, this because the nature of brewery work is more suitable for males as compared to females as it is more manual. Both genders were sampled to generate representative data.

**Chart 1: Gender**
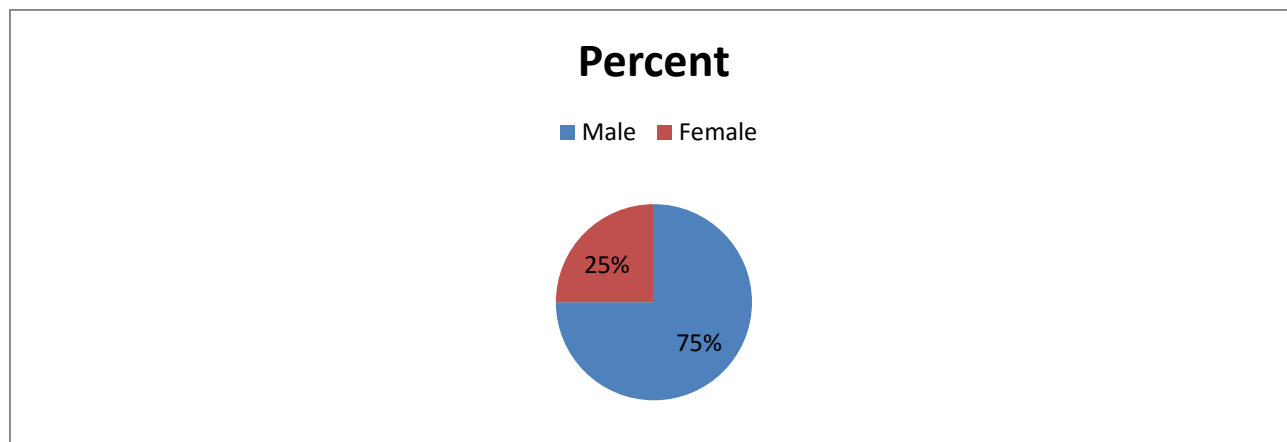
Chart 1 above depicted that majority of Nile Breweries workers are male who are 75% while the female counter parts are only 25% thus implied that the male workers are more involved in brewery work given that it is mainly manual as compared to their female counterparts.

### 4.3.4 Respondents Education level.

Since the brewery provides services at different levels and to different people therefore the study sought to find out education level of the respondents which was categorized into; diploma, bachelors, masters and other qualifications so as to measure their ability to answer the questions raised during the study and also find out if the employees have the right qualifications for their different roles, the findings show that the respondents had sufficient academic qualifications not only to head departments but also to understand and appreciate the importance of talent retention policy programmes. And the details are in Table 6 below.

**Table 7: Education level**

| Education level | Frequency | Percent |
|-----------------|-----------|---------|
| Diploma | 36 | 29.0 |
| Bachelors | 69 | 55.6 |
| Masters | 16 | 12.9 |
| Others | 3 | 2.4 |
| **Total** | **124** | **100.0** |

**Source:** Primary data

Table 7 shows that the majority of the respondents, 69 (55.6%) are degree (Bachelors) holders, while those with Diploma were, 36 (29.0%), followed by Master's holders that comprised 16 (12.9%) and 3 (2.4%) had other levels of education like (post graduate diplomas) other than those categorized. This

therefore suggests that all the respondents were educated to understand the subject under research and therefore provided appropriate and reliable responses for this study.

**Graph 3: Education Level**
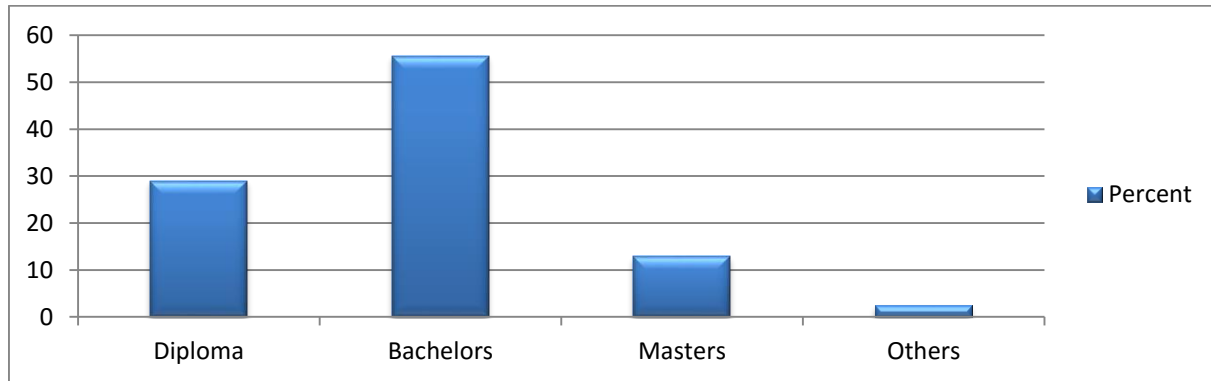


Graph 3 above showed that more of the respondents held bachelor while the second biggest group were diploma holders, followed by master's holders and the remaining few others who had other unclassified qualify cations. This therefore, showed that majority of the respondents from Nile Breweries Ltd were literate enough to understand the purpose of research thus provided reliable responses.

## 4.4 Empirical findings on the contribution of talent management to employee retention in Nile Breweries Ltd.

The empirical findings of this study are presented using descriptive statistics of frequencies (both absolute values and percentages) to describe and summarize the data, and using inferential statistics of Pearson's correlation coefficients to establish degree and direction of relationship between talent management and employee retention and regression analysis to test the hypotheses.

On a five point Likert Scale the respondents were requested to indicate their level of agreement of 5=strongly agree, 4 = Agree, 3= Not sure, 2 = Disagree, and 1 =strongly disagree was used as responses to the statements used to measure the variables under study. Strongly agree and agree responses shall be

presented as "Agree", while strongly disagree and disagree responses shall be presented as "Disagree", and Not sure responses shall be presented as "Not sure" all through the interpretation of the findings.

## 4.4.1 Employee retention in Nile Breweries Ltd;

Employee retention in Nile Breweries Ltd was measured using questionnaire through eight statements to which the respondents were asked to indicate their level of agreement or disagreement and the quantitative findings from the 124 respondents that answered the questionnaires are as in Table 8 below.

**Table 8: Employee retention**

| Statements | SA | A | NS | D | SD |
|---|---|---|---|---|---|
| I feel its right to stay in this company even if I am offered a job elsewhere | - | 40 (32.3) | 15 (12.1) | 69 (55.6) | - |
| Most of the staff I found working in this organization are still around | 30 (24.2) | 70 (56.5) | - | 24 (19.4) | - |
| A number of people are eager to join our organization if an opportunity arises | 75 (60.5) | 37 (29.8) | - | 12 (9.7) | - |
| I would be very happy to spend the rest of my career with this organization | - | 28 (22.6) | 15 (12.1) | 81 (65.3) | - |
| This organization has a great deal of personal meaning for me | - | 94 (75.8) | - | 30 (24.2) | - |
| I feel a strong sense of belonging to my organization | 15 (12.1) | 55 (44.4) | - | 54 (43.5) | - |
| I believe that a person must always be loyal to his or her organization | 30 (24.2) | 70 (56.5) | - | 24 (19.4) | - |
| I believe working from organization to organization is unethical | - | 43 (34.7) | - | 12 (9.7) | 69 (55.6) |

**Source:** Primary data

*"Nile Breweries Ltd is a good employer in many aspects if you compare it with many organizations. The monthly pay cheque is good, and it goes with a good employee welfare package. Besides that the work environment is generally good".*

When respondents were asked further whether a number of people are eager to join the organization if an opportunity arises, 60.5% strongly agreed, while 29.8% agreed and 9.7% only disagreed. This meant that the majority, 90.3% agreed that a number of people are eager to join our organization if an opportunity arises. As outlined earlier, Nile Breweries Ltd is a good employer and because of that many people are yarning to join the company.

When the respondents were further asked whether the organization has a great deal of personal meaning for them, 75.8% strongly agreed, while 24.2% were not sure. This implies that the majority, 75.8% agreed that the organization has a great deal of personal meaning for them. And when asked further whether they feel a strong sense of belonging to the organization, 12.1% strongly agreed, while 44.4% agreed and 43.5% disagreed. This implies that the majority, 56.5% agreed that they feel a strong sense of belonging to the organization, although a substantial number of 43.5% disagreed to this effect. Furthermore on whether they believe that a person must always be loyal to his or her organization, 24.2% strongly agreed, while 56.5% agreed and 19.4% disagreed. This implied that the majority, 80.7% agreed and believe that a person must always be loyal to his or her organization. When an organization offers good welfare package and good remuneration to its employees as well as a good working environment, loyalty comes naturally, because employees feel indebted to the company. Majority of the respondents attest that Nile Breweries is a good employer or an employer of choice.

Respondents were also probed whether they felt it right to stay with Nile Breweries Ltd even if they were offered a job elsewhere, 32.3% agreed, while 12.1% were not sure and 55.6% disagreed. This implies that the majority, 55.6% disagreed and felt it was not right to stay with company especially if they were offered a job elsewhere, although a substantial number of 32.3% agreed that they would stay with the company even if offered a job opportunity elsewhere. When examined further whether respondents would be very happy to spend the rest of my career with Nile Breweries Ltd, 22.6% agreed, while 12.1% were not sure and 65.3% disagreed. This suggested that the majority of employees, 65.3%

disagreed that they would be very happy to spend the rest of their careers with Nile Breweries Ltd. Yet still when asked whether they believe working and moving from one organization to another organization is unethical, 34.7% agreed, while 9.7% disagreed and 55.6% strongly disagreed. This implies that the majority, 65.3% disagreed that working/hopping from one organization to another organization is unethical and hence found no problem in switching job with various organizations if an opportunity arose, this further shows that some employees are settled in their jobs and would work in one organization for a long period who may include age bracket forty years and above however there are the alarming majority of people who will not settle for less in their careers and these may be the youth between age bracket twenty five to thirty years of age since they are very ambitious.

*"Nile is really an employer of choice to many of us, looked forward to working with this company and when I got the job in this dream company I felt proud, I have spent close to 20 years with NBL hence feeling so attached to it in that most of my friends are my colleagues- I never think of leaving until I retire".*

## 4.4.2 To establish the contribution of employee engagement on employee retention at Nile breweries Ltd

In order to understand the views of the respondents and so as to ascertain whether employee engagement contributes to employee retention at Nile breweries Ltd, the researcher used ten statements through questionnaire to which the respondents were required to indicate their level of agreement or disagreement and the findings are presented in Table 9 below.

**Table 9: Employee engagement**

| Statements | SA | A | NS | D | SD |
|---|---|---|---|---|---|
| Tasks in my department are shared out according to employee abilities. | 35 (28.2) | 45 (36.3) | 9 (7.3) | 29 (23.4) | 6 (4.8) |
| Staff in my department know what is expected of them | 52 (41.9) | 57 (46.0) | 3 (2.4) | 12 (9.7) | - |
| Important decisions in the department are always made by the supervisor | 31 (25.0) | 44 (35.5) | 9 (7.3) | 32 (25.8) | 8 (6.5) |
| My department recognizes good performance among staff | 43 (34.7) | 48 (38.7) | 6 (4.80) | 27 (21.8) | - |
| Staff in my department are consulted on important matters before they are implemented | 10 (8.1) | 29 (23.4) | 3 (2.4) | 57 (46.0) | 25 (20.2) |
| Staff always updated about organizational issues through internal communications | 72 (58.1) | 47 (37.9) | - | 5 (4.0) | - |
| Staff in my department are built through encouragement and affirmation | 36 (29.0) | 58 (46.8) | 3 (2.4) | 24 (19.4) | 3 (2.4) |
| I often get opportunities to share information and new ideas | 5 | 24 | 6 | 54 | 35 |

|  | | | | | |
|---|---|---|---|---|---|
|  | (4.0) | (19.4) | (4.8) | (43.5) | (28.2) |
| Staffs in this organization are given the opportunity to handle tasks and responsibilities that are outside their domain. | 18 (14.5) | 49 (39.5) | - | 48 (38.7) | 9 (7.3) |
| All supervisors in this organization have a good relationship with staff | 17 (13.7) | 49 (39.5) | 12 (9.7) | 41 (33.1) | 5 (4.0) |

**Source:** Primary data

Table 9 shows that the majority of the respondents agreed to eight and disagreed to two out of the ten statements used to measure employee engagement are explained below.

When the respondents were asked whether tasks in their department are shared out according to employee abilities, 28.2% strongly agreed, while 36.3% agreed, 7.3% only were not were not sure, while 23.4% disagreed and 4.8% only strongly disagreed. This implies that the majority, 64.5% agreed to the fact that tasks in their respective department are shared out according to employee abilities. One key informant elaborated on tasks being shared according to employee abilities, when she said;

*"Tasks are executed primarily through what is stipulated in one's job description, and the descriptions are derived from the required qualifications for a particular job. Therefore tasks are shared out according to employee abilities. Additional tasks may be shared according to the prevailing need and circumstances".*

When asked further whether employees in their department know what is expected of them, 41.9% strongly agreed, while 46.0% agreed, 2.4% only were not sure and 9.7% disagreed. This implies that the majority, 87.9% agreed that staffs in their department know what is expected of them. Furthermore when

asked whether important decisions in the departments are always made by the supervisor, 25.0% strongly agreed, while 35.5% agreed, 7.3% were not sure, while 25.8% disagreed and 6.5% strongly disagreed. This implies that the majority, 60.5% agreed that important decisions in the department are always made by the supervisor, although a substantial number of 32.3% disagreed. Under normal circumstance important decisions in whatever department or even companies are always made by the supervisor, there are however situations that may require other staff members to make such decisions. A key informant elaborated and said;

*"In my department when customers have delivery issue like delayed delivery of stock, other staff must make a decision to ensure quick delivery. Even the supervisor will appreciate the circumstance that led such a staff from making such a decision".*

On the issue of whether their department recognizes good performance among staff, 34.7% strongly agreed, while 38.7% agreed, 4.8% only were not sure and 21.8% disagreed. This implies that the majority, 73.4% agreed that their department recognizes good performance among staff. Asked further whether employees are always updated about organizational issues through internal communications, 58.1% strongly agreed, while 37.9% agreed and 4.0% only disagreed. This implies that the majority, 96.0% agreed that employees are always updated about organizational issues through internal communications thus good communication at the brewery. When probed further whether employees in their department are built through encouragement and affirmation, 29.0% strongly agreed, while 46.8% agreed, 2.4% only were not sure, while 19.4% disagreed and 2.4% only strongly disagreed. This implies that the majority, 75.8% agreed that staffs in their department are built through encouragement and affirmation like a word of thank, did a good job, well done and even recognizing employees among their peers.

When the respondents were examined whether employees in the organization are given the opportunity to handle tasks and responsibilities that are outside their domain, 14.5% strongly agreed, while 39.5% agreed, 38.7% disagreed and 7.3% strongly disagreed. This implies that the majority, 54.0% agreed that employees in the organization are given the opportunity to handle tasks and responsibilities that are outside their domain, although a substantial number of 46.0% disagreed to this effect. Still when employees were asked further whether all supervisors in the organization have a good relationship with staffs, 13.7% strongly agreed, while 39.5% agreed, 9.7% only were not sure, while 33.1% disagreed and 4.0% strongly disagreed. This implies that the majority, 53.2% agreed that all supervisors in the organization have a good relationship with staffs, although a substantial number of 37.1% disagreed. A good working relationship between supervisors and subordinate employees is crucial in any organization. However there are some factors that may create a bad working relationship as noted by a key informant below;

*"Insubordination is one of the issues that create a bad relationship between supervisors and other staff, while pride is the main factor on the side of the supervisors. When subordinate staffs are more qualified than supervisors it also creates a bad situation".*

The majority of the respondents were however in disagreement on two of the statements used to measure employee engagement; Like whether staffs in their department are consulted on important matters before they are implemented, 8.1% strongly agreed, while 23.4% agreed, 2.4% only were not sure, while 46.0% disagreed and 20.2% strongly disagreed. This implies that the majority, 66.2% disagreed that staffs in their department are consulted on important matters before they are implemented, although a substantial number of 31.5% agreed. And on whether they often get opportunities to share information and new ideas, 4.0% only strongly agreed, while 19.4% agreed, 4.8% only were not sure, 43.5% disagreed and 28.2% strongly disagreed. This implies that the majority, 71.7% disagreed that they often get

opportunities to share information and new ideas. On average the respondents agreed that employee engagement influenced employee retention

### 4.4.2.1 The contribution of employee engagement on employee retention

The researcher proceeded to statistically establish whether employee engagement has a significant contribution on employee retention in Nile Breweries Ltd. This was guided by the following hypothesis:

 Hypothesis: *Employee engagement does not have a significant contribution on employee retention in Nile Breweries Ltd*.

### 4.4.2.2 Correlation Analysis

The hypothesis was preliminarily tested at a 95% level of significance (two-tailed) using Pearson's product-moment correlation coefficient, which measured the degree and direction of relationship between employee engagement employee retention. The results are in Table 10 below.

**Table 10: Correlation matrix for employee engagement employee retention**

| Variables | | Employee engagement | Employee retention |
|---|---|---|---|
| Employee engagement | Pearson Correlation | 1 | .328[*] |
| | Sig. (2-tailed) | | .000 |
| | N | 124 | 124 |
| Employee retention | Pearson Correlation | .328[*] | 1 |
| | Sig. (2-tailed) | .000 | |
| | N | 124 | 124 |

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

Table 10 shows that there is a weak positive relationship between employee engagement employee retention, (r=0.328 p=0.000 n=124). The relationship is statistically significant at 95% confidence level since p-value (Sig.) is less than 0.050 (=0.000). This implies that improvements in employee engagement shall be related to improvements in employee retention. Similarly decline in employee engagement shall be related to decline in employee retention.

## 4.4.2.3 Regression Analysis

Regression analysis was used to establish the extent to which employee engagement contributes to employee retention. The coefficient of determination (R Square) was used and the results are presented in the Table 11 below.

**Table 11: Model Summary**

| Model | R | R Square | Adjusted R Square |
|---|---|---|---|
| 1 | .328[a] | .108 | .100 |

 a. Predictors: (Constant), Employee engagement

Table 11 shows that the coefficient of determination (Adjusted R Square) is 0.100. This implies that employee engagement accounts for 10.0% of the variance in employee retention. There are therefore other factors other than employee engagement that contribute to the greater percentage of employee retention.

To assess the overall significance of the model, Analysis of Variance (ANOVA) was generated and the results are presented in the table below.

**Table 12: Analysis of Variables (ANOVA)**

| Model | Df | F | Sig. |
|---|---|---|---|
| Regression | 1 | 14.737 | .000[b] |

a. Dependent Variable: Employee retention

b. Predictors: (Constant), Employee engagement

In determining whether a regression model is significant, the decision rule is that the calculated p-value (level of significance) must be less than or equal to 0.05. Since the calculated p-value of 0.000 is less than 0.05, the regression model was found to be statistically significant (F=14.737, df = 1, p< 0.05 (=0.000)). This means that employee engagement has a significant contribution to employee retention. Therefore improved employee engagement shall have a significant positive contribution to employee retention. Nile Breweries ltd should strive to engage its employees in decision making so as to increase levels of retention.

Research findings from correlation analysis established that employee engagement has a weak positive statistically significant relationship with employee retention. Findings from regression analysis further revealed that employee engagement has a significant positive contribution to employee retention. Therefore the hypothesis that was stated that "*Employee engagement does not have a significant contribution on employee retention in Nile Breweries Ltd*" was rejected.

## 4.4.3 To assess the contribution performance management on employee retention in Nile breweries Ltd

In order to establish the effects of **performance management on employee retention**, the study took eleven statements from the questionnaire and to achieve this, respondents were required to state their level of agreement or disagreement and the findings from the 124 respondents that answered the questionnaires are presented in Table 13 below.

**Table 13: Performance management**

| Statements | SA | A | NS | D | SD |
|---|---|---|---|---|---|
| Promotion in my organization is not based on seniority but on performance | 40 (32.3) | 32 (25.8) | 15 (12.1) | 30 (24.2) | 7 (5.6) |
| Targets and their due date are clearly communicated to staff in my department | 61 (49.2) | 50 (40.3) | - | 13 (10.5) | - |
| The organization has instruments in place to ensure performance and feedback | 45 (36.3) | 47 (37.9) | - | 32 (25.8) | - |
| Good performance is rewarded in my organization | 4 (3.2) | 16 (12.9) | 9 (7.3) | 62 (50.0) | 33 (26.6) |
| Staff in my department are provided with opportunities for growth and development | - | 28 (22.6) | 15 (12.1) | 81 (65.3) | - |
| My organization conducts performance reviews regularly | 62 (50.0) | 38 (30.6) | 3 (2.4) | 18 (14.5) | 3 (2.4) |
| Performance reviews in my organization provide me with accurate information about my strengths, weaknesses and development areas. | 37 (29.8) | 53 (42.7) | 3 (2.4) | 28 (22.6) | 3 (2.4) |

| | | | | |
|---|---|---|---|---|
| The weaknesses detected in the appraisals always lead to training and development of staff | - | 40 (32.3) | 15 (12.1) | 69 (55.6) | - |
| I provide staff in my department with regular feedback on their performance | 36 (29.0) | 50 (40.3) | 9 (7.3) | 29 (23.4) | - |
| Internal appointments in this organization are done in a fair manner | 28 (22.6) | 34 (27.4) | 9 (7.3) | 44 (35.5) | 9 (7.3) |
| Before a vacancy is advertised ,effort is made to tap from the internal talent pool | 29 (23.4) | 29 (23.4) | 9 (7.3) | 46 (37.1) | 11 (8.9) |

**Source:** Primary data

Table 13 shows that the majority of the respondents agreed to six and disagreed or had mixed reactions to five out of the eleven statements used to measure performance management as explained below. When the respondents were asked whether promotions in the organization are not based on seniority but on performance, 32.3% strongly agreed, while 25.8% agreed, 12.1% were not sure, while 24.2% disagreed and 5.6% strongly disagreed. This implies that the majority, 58.1% agreed that promotion in the organization is not based on seniority but on performance, although a substantial number of 29.8% disagreed to this. And when asked whether performance targets and their due date are clearly communicated to staff in my department, 49.2% strongly agreed, while 40.3% agreed and 10.5% disagreed. This implies that the majority, 89.5% agree that targets and their due date are clearly communicated to staff in my department. Furthermore when probed whether the organization has tools in place to ensure performance and feedback, 36.3% strongly agreed that performance reviews and

feedback are done regularly, while 37.9% agreed and 25.8% disagreed. This implies that the majority, 74.2% agreed that the organization has tools in place to ensure performance and feedback and that these are done regularly.

When respondents were requested on whether the organization conducts performance reviews regularly, 50.0% strongly agreed, while 30.6% agreed, 2.4% only were not sure, while 14.5% disagreed and 2.4% only strongly disagreed. This implies that the majority, 80.6% agreed that the organization conducts performance reviews regularly. Asked further whether performance reviews in the organization provide them with accurate information about their strengths, weaknesses and development areas, 29.8% strongly agreed, while 42.7% agreed, 2.4% only were not sure, while 22.6% disagreed and 2.4% only strongly disagreed. This implies that the majority, 72.5% agreed that performance reviews in the organization provide them with accurate information about their strengths, weaknesses and development areas. Furthermore on whether they provide staff in their department with regular feedback on their performance, 29.0% strongly agreed, while 40.3% agreed, 7.3% only were not sure and 23.4% disagreed. This implies that the majority, 69.3% agreed that they provide staff in their department with regular feedback on their performance.

The majority of the respondents r expressed mixed reactions on five of the statements used to measure performance as explained below.

When the respondent were asked whether good performance is rewarded in the organization, 3.2% only strongly agreed, while 12.9% agreed, 7.3% only were not sure, while 50.0% disagreed and 26.6% strongly agreed. This implies that the majority, 76.6% disagreed that good performance is often rewarded in the organization. When asked further whether employees in their department are provided with opportunities for growth and development, 22.6% agreed, while 12.1% were not sure and 65.3% disagreed. This implies that the majority, 65.3% disagreed that employees in their department are provided with opportunities for growth and development. Furthermore when probed if the employee

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weaknesses detected in the performance reviews always lead to training and development of staff, 32.3% agreed, while 12.1% were not sure and 55.6% disagreed. This implies that the majority, 55.6% disagreed that the weaknesses detected in the performance reviews always lead to training and development of staff, although a considerable number of 32.2% agreed.

On the issue of whether internal appointments in the organization are done in a fair manner, 22.6% strongly agreed, while 27.4% agreed, 7.3% only were not sure, while 35.5% disagreed and 7.3% only strongly disagreed. This implies that half (50.0%) of the respondents agreed that internal appointments in the organization are done in a fair manner, although a substantial number of 42.8% disagreed. Furthermore on whether before a vacancy is advertised, effort is made to tap from the internal talent pool, 23.4% strongly agreed, while 23/4% agreed, 7.3% only were not sure, while 37.1% disagreed and 8.9% only strongly disagreed. This implies that a significant number of respondents, 46.8% agreed that before a vacancy is advertised, effort is made to tap from the internal talent pool before sourcing externally. Therefore, employee retention is influenced by performance management.

*"I joined the company 6 years ago as an operator but because of my hard work in two years I was promoted to an artisan role after a series of internal interviews- I strongly commend our HR team"*


*"The system is not fair at all, I have been applying for most internal job but to my surprise I see external candidates coming through, I feel the system is manipulated.*

## 4.4.2.1 The contribution of performance management on employee retention

The study proceeded to statistically establish whether performance management has a significant contribution on employee retention in Nile Breweries Ltd. This was guided by the following hypothesis:
 Hypothesis*: Performance management does not have a significant contribution on employee retention in Nile Breweries Ltd*.

## 4.4.2.2 Correlation Analysis

The hypothesis was preliminarily tested at a 95% level of significance (two-tailed) using Pearson's product-moment correlation coefficient, which measured the degree and direction of relationship between performance management and employee retention. The results are presented in the table below.

**Table 14: Correlation matrix for performance management employee retention**

| Variable | | Performance management | Employee retention |
|---|---|---|---|
| Performance management | Pearson Correlation | 1 | .344[*] |
| | Sig. (2-tailed) | | .000 |
| | N | 124 | 124 |
| Employee retention | Pearson Correlation | .344[*] | 1 |
| | Sig. (2-tailed) | .000 | |
| | N | 124 | 124 |

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

Table 14 shows that there is a weak positive relationship between performance management **and** employee retention, (r=0.344 p=0.000 n=124). The relationship is statistically significant at 95% confidence level since p-value (Sig.) is less than 0.050 (=0.000). This implies that improvements in performance management shall be related to improvements in employee retention. Similarly decline in performance management shall be related to decline in employee retention.

## 4.4.2.3 Regression Analysis

Regression analysis was used to establish the extent to which performance management contributes to employee retention. The coefficient of determination (R Square) was used and the results are presented in the table below.

**Table 15: Model Summary**

| Model | R | R Square | Adjusted R Square |
|---|---|---|---|
| 1 | .344[a] | .118 | .111 |

a. Predictors: (Constant), Performance management

Table 15 shows that the coefficient of determination (Adjusted R Square) is 0.118. This implies that performance management accounts for 11.8% of the variance in employee retention. There are therefore other factors other than performance management that contribute to the greater percentage employee retention.

To assess the overall significance of the model, Analysis of Variance (ANOVA) was generated and the results are presented in the Table 16 below.

**Table 16: Analysis of Variables (ANOVA)**

| Model | Df | F | Sig. |
|---|---|---|---|
| Regression | 1 | 16.357 | .000[b] |

a. Dependent Variable: Employee retention

b. Predictors: (Constant), Performance management

In determining whether a regression model is significant, the decision rule is that the calculated p-value (level of significance) must be less than or equal to 0.05. Since the calculated p-value of 0.000 is less than 0.05, the regression model was found to be statistically significant (F=16.357, df = 1, p< 0.05 (=0.000)). This means that performance management has a significant contribution to employee retention. Therefore improved performance management shall have a significant positive contribution to employee retention.

Research findings from correlation analysis established that performance management has a weak positive statistically significant relationship with employee retention. Findings from regression analysis

further revealed that performance management has a significant positive contribution to employee retention. Therefore the hypothesis that was stated that "*Performance management does not have a significant contribution on employee retention in Nile Breweries Ltd*" was rejected.

## 4.4.4 To examine the contribution of career development on employee retention in Nile Breweries Ltd

In order to understand the views of the respondents as to whether career development affects employee retention at Nile breweries Ltd, the study used eight statements from the questionnaire to which the respondents were required to indicate their level of agreement or disagreement and the findings from the  respondents are presented in Table 17 below.

**Table 17: Career development**

| Statements | SA | A | NS | D | SD |
|---|---|---|---|---|---|
| My organization always plans on employee career growth | 9 <br><br> (7.3) | 48 <br><br> (38.7) | 18 <br><br> (14.5) | 49 <br><br> (39.5) | - |
| Staff are frequently mentored to grow professionally | 4 <br><br> (3.2) | 42 <br><br> (33.9) | 4 <br><br> (3.2) | 21 <br><br> (16.9) | 53 <br><br> (42.7) |
| Employee career development benefits are in place in this organization | 37 <br><br> (29.8) | 49 <br><br> (39.5) | 9 <br><br> (7.3) | 26 <br><br> (21.0) | 3 <br><br> (2.4) |
| Employee career development programs offered are linked to each employee's career needs | 15 | 41 | 21 | 41 | 6 |

|  | | | | | |
|---|---|---|---|---|---|
| | (12.1) | (33.1) | (16.9) | (33.1) | (4.8) |
| Every effort is made to use skills or create capacity before outsourcing | 10 (8.1) | 38 (30.6) | 9 (7.3) | 63 (50.8) | 4 (3.2) |
| In my organization, progress and career development policy is clearly outlined and known to all employees | 15 (12.1) | 53 (42.7) | 3 (2.4) | 45 (36.3) | 8 (6.5) |
| My organization has provision of career mentors | - | 28 (22.6) | 15 (12.1) | 81 (65.3) | - |
| My organization has an employee development strategy which is clearly understood by all the employees. | 30 (24.2) | 70 (56.5) | - | 24 (19.4) | - |

**Source:** Primary data

Table 17 shows that the majority of the respondents agreed to three and disagreed or had mixed reactions to five out of the eight statements used to measure career development as explained below.

When the respondents were asked whether employee career development benefits are in place in this organization, 29.8% strongly agreed, while 39.5% agreed, 7.3% were not sure, while 21.0% disagreed and 2.4% only strongly disagreed. This implies that the majority, 69.3% agreed that employee career development benefits are in place in this organization. When asked further whether in the organization, progress and career development policy is clearly outlined and known to all employees, 12.1% strongly agreed, 42.7% agreed, 2.4% only were not sure, while 36.3% disagreed and 6.5% only strongly disagreed. This implies that the majority, 54.8% agreed that in the organization, progress and career development policy is clearly outlined and known to all employees, although a sizable number of 42.8%

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disagreed. Furthermore when employees were probed whether the organization has an employee development strategy which is clearly understood by all the employees, 24.2% strongly agreed, while 56.5% agreed and 19.4% disagreed. This implies that the majority, 80.7% agreed that the organization has an employee development strategy which is clearly understood by all the employees.

Majority of the respondents were in disagreement or expressed mixed reactions on five of the statements used to measure career development performance as explained below.

When the respondents were queried whether the organization always plans on employee career growth, 7.3% only strongly agreed, while 38.7% agreed, 14.5% were not sure and 39.5% disagreed. This implies that a large number, 46.0% agreed that the organization always plans on employee career growth, although another alarming number of 39.5% disagreed. When Employees were asked whether they are frequently mentored to grow professionally, 3.2% only strongly agreed, while 33.9% agreed, 3.2% only were not sure, while 16.9% disagreed and 42.7% strongly disagreed. This suggests that majority, 59.6% disagreed that employees are frequently mentored to grow professionally, although a sizable number of 37.1% agreed.

On the issue of whether employee career development programs offered are linked to each employee's career needs, 12.1% strongly agreed, while 33.1% agreed, 16.9% were not sure, while 33.1% disagreed and 4.8% strongly disagreed. This implies that a substantial number, 45.2% agreed that employee career development programs offered are linked to each employee's career needs, although another substantial number of 37.9% disagreed. Asked further whether every effort is made to use skills or create capacity before outsourcing, 8.1% strongly agreed, while 30.6% agreed, 7.3% were not sure, while 50.8% disagreed and 3.2% strongly disagreed. This implies that the majority, 54.0% disagreed that every effort is made to use skills or create capacity before outsourcing, although a substantial number of 38.7% agreed. Furthermore on whether the organization has provision of career mentors, 22.6% agreed, while

12.1% were not sure and 65.3% disagreed. This implies that the majority, 65.3% disagreed that the organization has provision of career mentors.

*"Career mentors went about 7 years ago when the HR team had mature and motherly people, right now the team is young thus not supportive in career development at all."*

## 4.4.4.1 The contribution of career development on employee retention

The researcher proceeded to statistically establish whether career development has a significant contribution on employee retention in Nile Breweries Ltd. This was guided by the following hypothesis:

Hypothesis*: Career development does not have a significant contribution on employee retention in Nile Breweries Ltd.*

## 4.4.4.2 Correlation Analysis

The hypothesis was preliminarily tested at a 95% level of significance (two-tailed) using Pearson's product-moment correlation coefficient, which measured the degree and direction of relationship between career development and employee retention. The results are presented in the Table 18 below.

**Table 18: Correlation matrix for career development and employee retention**

| Variables | | Career development | Employee retention |
|---|---|---|---|
| Career development | Pearson Correlation | 1 | .246[*] |
| | Sig. (2-tailed) | | .006 |
| | N | 124 | 124 |
| Employee retention | Pearson Correlation | .246[*] | 1 |
| | Sig. (2-tailed) | .006 | |
| | N | 124 | 124 |

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

Table 18 shows that there is a weak positive relationship between career development and employee retention, (r=0.246, p=0.000 n=124). The relationship is statistically significant at 95% confidence level since p-value (Sig.) is less than 0.050 (=0.000). This implies that improvements in career development shall be related to improvements in employee retention. Similarly decline in career development shall be related to decline in employee retention.

### 4.4.4.3 Regression Analysis

Regression analysis was used to establish the extent to which career development contributes to employee retention. The coefficient of determination (R Square) was used and the results are presented in the table below.

**Table 19: Model Summary**

| Model | R | R Square | Adjusted R Square |
|---|---|---|---|
| 1 | .246[a] | .060 | .053 |

a. Predictors: (Constant), Career development

**Table 19** shows that the coefficient of determination (Adjusted R Square) is 0.060. This implies that career development accounts for 6.0% of the variance in employee retention. There are therefore other factors other than career development that contribute to the greater percentage employee retention.

To assess the overall significance of the model, Analysis of Variance (ANOVA) was generated and the results are presented in the Table 20 below.

**Table 20: Analysis of Variables (ANOVA)**

| Model | Df | F | Sig. |
|---|---|---|---|
| Regression | 1 | 7.834 | .006[b] |

a. Dependent Variable: Employee retention

b. Predictors: (Constant), Career development

In determining whether a regression model is significant, the decision rule is that the calculated p-value (level of significance) must be less than or equal to 0.05.   Since the calculated p-value of 0.000 is less than 0.05, the regression model was found to be statistically significant (F=7.834, df = 1, p< 0.05 (=0.000). This means that career development has a significant contribution to employee retention. Therefore improved career development shall have a significant positive contribution to employee retention.

Research findings from correlation analysis established that career development has a weak positive statistically significant relationship with employee retention. Findings from regression analysis further revealed that career development has a significant positive contribution to employee retention. Therefore the hypothesis that was stated that "*Career development does not have a significant contribution on employee retention in Nile Breweries Ltd*" was rejected.

# CHAPTER FIVE

## SUMMARY, DISCUSSION, CONCLUSION AND RECOMMENDATIONS

### 5.1 Introduction

This chapter presents the summary, discussions, conclusions and recommendations got from the research findings directed by the research objectives. The specific objectives were as follows: To establish the contribution of employee engagement on employee retention at Nile breweries Ltd; To assess the contribution performance management on employee retention in Nile breweries Ltd; To examine the contribution of career development on employee retention in Nile Breweries Ltd;

### 5.2 Summary of findings

For organizations today, the capability to hold on to greatly talented and crucial employees is vital for their future survival. The purpose of the study was to establish whether talent management contributes to employee retention in Nile Breweries Ltd. There were three independent variables, namely; employee engagement, performance management and career development, while employee retention was the dependent variable. Data was collected through the use questionnaires, interviews and use to existing literature, data was then analyzed by use of frequencies to describe and summarize the findings, and Pearson's product moment correlation coefficient and regression analysis to test the hypotheses. Findings from the study indicated that;

### 5.2.1 The contribution of employee engagement on employee retention

Employee engagement is a key driver of organizational effectiveness and performance. Findings under this objective established that tasks for staff in respective department are shared out according to employee abilities and that staff in their department know what is expected of them and the department

recognizes good performance among staff. It was also recognized that employees are always informed about organizational issues through internal communications thus good communication at the brewery and that employees in the organization are given the opportunity to manage tasks and responsibilities that are outside their domain.

However it was revealed that important decisions in the department are generally shared between employees and the supervisor though the supervisor determines majority of the decisions and that employees in their department are not built through encouragement and words of affirmation like 'thank you'.

Furthermore it was established that not all supervisors in the organization have a good relationship with their staff and that employees in their department are not consulted on important matters before they are executed, the employees also felt that they do not often get opportunities to share information and new ideas with the rest of the business.

Findings from correlation analysis established that there is a weak positive relationship between employee engagement and employee retention, (r=0.328 p=0.000), which means that that improvements in employee engagement shall relate to an improvement in employee retention. Regression analysis revealed that employee engagement accounts for 10.0% of the variance in employee retention. This means that employee engagement has a significant contribution to employee retention.

## 5.2.2 The contribution of performance management on employee retention

Findings under objective two revealed that targets and their due date are clearly communicated to staff in their various departments and that the organization has tools in place to ensure performance and feedback which are done regularly. It was also established that the organization conducts performance reviews regularly, and that these reviews provide them with accurate information about their strengths, weaknesses and development areas.

There was no consensus on whether promotion in the organization is based on seniority and not on performance and whether internal appointments in the organization are done in a fair manner.

However it was evident that before a vacancy is advertised, no effort is made to tap from the internal talent pool before sourcing externally and that good performance is generally not rewarded in the organization. Furthermore it was also established that employees in their department are generally not provided with opportunities for growth and development and that the weaknesses detected in the performance reviews is generally not always used for staff training and development.

Findings from correlation analysis established that there is a weak positive relationship between performance management and employee retention, ($r = 0.344$ $p=0.000$), which means that that improvements in performance management shall be related to improvements in employee retention. Regression analysis revealed that performance management accounts for 11.8% of the variance in employee retention. This means that performance management has a significant contribution to employee retention.

## 5.2.3 The contribution of career development on employee retention

Findings under objective three established that employee career development benefits are in place in Nile Breweries Ltd, progress and career development policy is clearly outlined and known to all employees and an employee development strategy is in place and is clearly understood by all the employees.

There was however no unanimity on whether the organization always plans for employee career growth and whether employee career development programs offered are linked to each employee's career needs and also whether every effort is made to use skills or create capacity before outsourcing.

Further findings evidently proved that employees are generally not mentored to grow professionally and the organization does not have provision of career mentors.

Findings from correlation analysis established that there is a weak positive relationship between career development and employee retention, (r=0.246, p=0.000), which means that that improvements in career development shall be related to improvements in employee retention. Regression analysis revealed that career development accounts for 6.0% of the variance in employee retention. This means that career development has a significant contribution to employee retention.

## 5.3 Discussion of the findings

In this section the researcher discusses the findings of the study according to the study objectives. The quality of an organization is symbolic of the quality of its staff. The main purpose of this study was to establish whether talent management contributes to employee retention in Nile Breweries Ltd- Jinja. The results obtained indicate that there is indeed a significant and positive relationship between talent management and employee retention in Nile Breweries Ltd- Jinja.

## 5.3.1 The contribution of employee engagement on employee retention

The dimensions of employee engagement which were considered for this study were: tasks are shared according to employees abilities, decisions are always made by their supervisors; staff know and do what is expected of them, staff are built through encouragement and affirmation, employees have a good relationship with their supervisors and employee engagement influences employee retention.

On average the respondents in the current study agreed that employee engagement has a positive significant influence on employee retention. The findings however further made known that employees in their department are not consulted on important matters before they are implemented and do not often get opportunities to share information and new ideas.

Therefore, these findings show that the research which sought to establish the contribution of employee engagement onto employee retention in Nile Breweries Ltd was achieved and it established that there is a significant positive influence of employee engagement on employee's retention.

These establishments agree with Kevin Cruise (2014) discussions that employees with lower engagement are four times more likely to leave the organization as compared to those that are engaged. This revealed that for an organization to retain its staff there's need for the employees to be and feel engaged in all aspects of their work so as to share a common vision as with the company.

Omotoye (2011) further shows that lower retention, high absenteeism and poor productivity are attributed by weak employee engagement.

Employee engagement is about the means to achieve the organizations strategic goals by building the conditions for employees to thrive and that each staff member is 'fully switched on in their best efforts to the best interest of the business', employees need to have a sense of belonging and share in the organizations vision and find their role in the organization (Kibui, 2015).

The current research therefore concludes that employee engagement contributes to employee retention and therefore Nile Breweries Ltd, should focus and improve on engaging its employees not only for retention purposes but also for competitive advantage.

## 5.3.2 The contribution of performance management on employee retention

In order to enhance organization's ability to survive through turbulent environment, most organizations take care in managing the performance measures of their employees. The findings from this study show that there's regular performance reviews done for employees and these are done with fairness, and that there's reward for good performance.

Therefore, these findings show that the research objective which sought to establish the influence of performance management on employee retention in Nile Breweries Ltd was achieved and the findings also recognized that there is a significant positive influence of performance management and employee's retention.

The formations hence agree with Adam Miller (2014), discussions that managers who simply go through the norms of performance management not only risk employee retention but also limit the success of the business. For an organization to retain its employees, performance management should dwell at developing employees to help them succeed at their jobs as well as to stay aligned with the goals of the organization, if this is not done, performance management then becomes routine and boring hence meaningless to the employees. Nile Breweries Ltd hence needs to redefine performance management to align it to the employee and company needs, to recognize, develop and retain talent.

### 5.3.3 The contribution of career management on employee retention

Talent management is career management from the employers' point of view. The employee desires to align their expertise, training, performance feedback and growth so as to have a successful career. The employer on the other hand wants to incorporate the same jobs to ensure that it is using its business talent in the best way possible.

Both regression and correlation analysis showed that there is enough evidence to merit rejection of the hypothesis which stated that there is no significance influence of career development on employee retention in Nile Breweries Ltd.

It is evident from the study that majority of the respondents strongly agree that career development benefits are in place and that the career development policy is clear and understood by all employees hence, the study therefore concludes that there is a significant positive influence of career development onto employee's retention in Nile Breweries Ltd.

These revelations thus concur with Omotoye (2011), findings that career management is a process that individual employees are primarily responsible for seeking opportunities for development and promotion in line with their career aspirations. For an organization to secure its talented employees there's need to take on a support role in managing career paths and aspirations for its employees for them to feel valued and loved in the organization hence curbing retention. Nile Breweries Ltd therefore needs to continue with career management with its employees as this makes employees feel recognized for their strengths and creates opportunities to develop their abilities hence retention.

## 5.4 Conclusion

Failing to retain key talent in Nile Breweries Ltd is costly just like for any other organization due to costs associated with employee turnover.

## 5.4.1 The Contribution of employee engagement on employee retention at Nile breweries ltd;

The study found out that the engagement of employees in Nile Breweries Ltd management influenced their retention positively. This indicates that an increase in employee engagement through decision making increases the likelihoods of employee retention in the brewery. Therefore, the supervisors and management should continuously engage the junior staff in their respective departments as decision makers in order to minimize their levels of attrition in an organization.

## 5.4.2 The Contribution of performance management on employee retention in Nile Breweries ltd

The study findings revealed that there was a positive significant effect between performance management and employee retention. This implied that, performance management does affect employee

retention. Therefore, the study concluded that Nile Breweries could continue with performance management parameters for their employees so as to be able to have measurable outputs and hence reducing employee turnover.

## 5.4.3 The contribution career development and employee retention in Nile breweries ltd;

The study found that there was a significant positive influence between career development and employee retention. This implied that an increase in career development patterns increases the chances of employee retention in Nile Breweries Ltd. Thus, the brewery management could develop programs aimed at fostering career management in Nile Breweries Ltd through which employee retention will be enhanced.

The study concluded that there was a positive significant relationship between all the independent variables for the study and employee retention in Nile Breweries Ltd.

## 5.5 Recommendations

## 5.5.1 The contribution of employee engagement on employee retention at Nile breweries ltd;

Employee engagement is a key driver of organizational effectiveness and performance. On average, the respondents in the current study agreed that employee engagement has a positive significant influence on employee retention. Hence the study recommended that management of Nile Breweries Ltd could endorse talent management policies employee involvement programs that promote engagement through empowering employees with the power to participate in decision making thus promoting retention in the brewery.

### 5.5.2 The contribution of career development and employee retention in Nile breweries ltd;

An employer's primary responsibility is retention of his or her talented employees and this can only be achieved by managing talent well, through career management. The brewery therefore, should have an in-house career development program to develop its employees, encourage personal growth and development as well as improve on employee retention with in the brewery. A people balance sheet (PBS) should be in place to enhance succession planning, lateral moves to create cross functional experience and internal promotions & moves for employees should be put in place for careers to be developed,

### 5.5.3 The contribution of performance management on employee retention in Nile Breweries ltd

The study findings highlight the importance of performance management in employee retention. The study therefore recommends that the performance management approach should be included in the business strategy and regularly analyzing performance and communicating the same management strategy to employees.

The study also recommends that Nile Breweries employees should embrace performance management as an employee retention strategy through adopting performance ratings and appraisals/reviews that are as open and clear as possible to motivate performance, break the routine norms of appraisals and align employees to business goals.

## 5.6 Areas for Further Research

It would be beneficial for future research to consider the following suggestions: this study was concerned with Nile Breweries Ltd- Jinja; a similar study should be carried out in other private sectors so as to confirm the applicability of the results got. The current study was hinged on career development, performance management and employee engagement; future studies should consider other variables like job experience, gender and reward & recognition.

There are different levels of firms; future studies should compare the different firms such as public-private firms, public firms for further studies

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**APPENDIX 1: QUESTIONNIARE**

My name is Patience Kamarunga Mugisha, a Masters student at Uganda Management Institute Kampala. This questionnaire has been developed to facilitate a study aimed at establishing the role of talent management on employee retention in Nile Breweries Ltd. You have been scientifically identified as a critical player in this field. Your input in this study would therefore be most valuable.

I'm therefore requesting for your assistance to fill the attached questionnaires by ticking where appropriate or filling in the required information on the spaces provided as honestly and precisely as possible. The information given will be handled confidentially, and will only be used only for academic intention.

**SECTION I: BIO DATA**

**Tick the most appropriate answers**

1. Age in years:

**a.** [ ] 20-25   **b.** [ ] 26- 30   **c.** [ ] 31-35   **d.** [ ] 36-40   **e.** [ ] 41-45   **f.** [ ] over 50

2. Gender:

**a.** [ ] Male      **b.** [ ] Female

Job title…………………………………

3. Department …………………………….

5. Highest academic qualification.

**a.** [ ] Diploma **b.** [ ] Bachelors **c.** [ ] Masters **d.** [ ] PhD **e.** [ ] Others (Specify)...............................

6. How many years have you worked with the Brewery?......................................

8. How many years has the longest serving employee in your department worked……………?

9. In what ways does your organization support talent retention?...................................................

10. What is the objective of your organizations talent management policy? (Tick all that apply)

**a)** [ ] To develop and retain talent

**b)** [ ] For employee engagement

**c)** [ ] For employees career development

**d)** [ ] As a guide to employees performance management

**SECTION II: Factors Influencing Retention**

1. Please indicate the extent to which each of the statements in the matrix represented below influences employee retention in your organization. Please record your answer by ticking at the space provided, by the scale indicator.

*Key: 5 = Strongly Agree; 4 = Agree; 3 = neither Agree nor Disagree; 2 = Disagree; 1 = Strongly Disagree;*

| Employee Engagement | 5 | 4 | 3 | 2 | 1 |
|---|---|---|---|---|---|
| a) Tasks in my department are shared out according to employee abilities. | | | | | |
| b) staff in my department know what is expected of them | | | | | |
| c) Important decisions in the department are always made by the supervisor | | | | | |
| d) My department recognizes good performance among staff | | | | | |
| e) Staff in my department are never consulted on important matters before they are implemented | | | | | |
| f) staff always updated about organizational issues through internal communications | | | | | |
| g) Staff in my department are built through encouragement and affirmation | | | | | |

| | 5 | 4 | 3 | 2 | 1 |
|---|---|---|---|---|---|
| h) I rarely get opportunities to share information and new ideas | | | | | |
| i) Staff in this organization are given the opportunity to handle tasks and responsibilities that are outside their domain. | | | | | |
| j) All supervisors in this organization have a good relationship with staff | | | | | |

2. In your own opinion what do you understand by employee involvement/engagement?

----------------------------------------------------------------------------------------------------------------

3. In your opinion, do you think involving staff in decision making in your organization increases employee retention? [ ] Yes [ ] No

4. Kindly tick from the scale provided the estimated degree of increase on staff retention motivated by staff engagement.

[ ] 1 – 25 % [ ] 26 – 50% [ ] 51 – 70% [ ] 70 -100%

5. What areas in regard to employee engagement should your organization improve to encourage staff retention?........................................................................................

**SECTION III: Factors Influencing Retention**

1. Please indicate the extent to which each of the statements in the matrix represented below influences employee retention in your organization. Please record your answer by ticking at the space provided, by the scale indicator.

*Key: 5 = Strongly Agree; 4 = Agree; 3 = neither Agree nor Disagree; 2 = Disagree; 1 = Strongly Disagree;*

| **Performance Management** | 5 | 4 | 3 | 2 | 1 |
|---|---|---|---|---|---|
| a) Promotion in my organization is not based on seniority but on performance | | | | | |

| | | | | |
|---|---|---|---|---|
| b) Targets and their due date are clearly communicated to staff in my department | | | | |
| c) The organization has instruments in place to ensure performance and feedback | | | | |
| d) Good performance is rarely rewarded in my organization | | | | |
| e) Staff in my department are provided with opportunities for growth and development | | | | |
| f) My organization conducts performance reviews regularly | | | | |
| g) Performance reviews in my organization provide me with accurate information about my strengths, weaknesses and development areas. | | | | |
| h) The weaknesses detected in the appraisals always lead to training and development of staff | | | | |
| i) I provide staff in my department with regular feedback on their performance | | | | |
| j) Internal appointments in this organization are done in a fair manner | | | | |
| k) Before a vacancy is advertised ,effort is made to tap from the internal talent pool | | | | |

2) In your opinion what do you understand by Performance management?

----------------------------------------------------------------------------------------------------------------------------

3) In your opinion, do you think performance management practices in your organization increase employee retention?

[ ] Yes [ ] No

4) Kindly tick from the scale provided the rate of increase of staff retention in your organization motivated by performance management practices.

[ ] 1-25% [ ] 26-50% [ ] 51-75% [ ] 76-100%

5) What areas in regards to performance management practices should your organization improve to encourage staff retention?.......................................................

**SECTION IV: Factors Influencing Retention**

1. Please indicate the extent to which each of the statements in the matrix represented below influences employee retention in your organization. Please record your answer by ticking at the space provided, by the scale indicator.

*Key: 5 = Strongly Agree; 4 = Agree; 3 = neither Agree nor Disagree; 2 = Disagree; 1 = Strongly Disagree;*

| Career development | 5 | 4 | 3 | 2 | 1 |
|---|---|---|---|---|---|
| a) My organization always plans on employee career growth | | | | | |
| b) Staff are frequently mentored to grow professionally | | | | | |
| c) Employee career development benefits are in place in this organization | | | | | |
| d)Employee career development programs offered are linked to each employee's career needs | | | | | |
| e) Every effort is made to use skills or create capacity before outsourcing | | | | | |
| f) In my organization, progress and career development policy is clearly outlined and known to all employees | | | | | |

| | | | | |
|---|---|---|---|---|
| g)My organization has provision of career mentors | | | | |
| h) My organization has an employee development strategy which is clearly understood by all the employees. | | | | |

2) What do you understand by Career development?

-------------------------------------------------------------------------------------------------------------------

3) In your opinion, do you think the opportunities for career growth offered to the employees in your organization increases their retention?

[ ] Yes [ ] No

4) Kindly tick from the scale provided the rate of increase of staff retention driven by career development opportunities offered by your organization.

[ ] 1 – 25 % [ ] 26 – 50% [ ] 51 – 75% [ ] 76 -100%

5) In your opinion, is lack of adequate career development opportunities by your organization one of the main reasons why employees leave for employment elsewhere?

[ ] Yes [ ] No

6) What issues of employee career growth and development should your organization address to improve staff retention?................................................................................................................

**APPENDIX 2: INTERVIEW GUIDE FOR THE HR, HEADS OF DEPARTMENTS AND EXECUTIVE TEAMS: TALENT MANAGEMENT & EMPLOYEE RETENTION**

1. Approximately how many employees in total have left the organization between 2012 and 2014…………………………………………?

2. What category of staff are the majority among those who have left the organization between 2010 and 2013?

3. In your exit interview with the staff what was the main reasons cited for leaving……………………………………………………..………………………………

4. In your opinion, would you say that job experience is a factor in employee intention?

ii)          If          your          answer          is          yes          kindly elaborate………………………………………………………………………………..

5. Which category of experienced people are mostly affected in issues of turn over?

a) Below 10 years of experience [ ]

b) 10- 20 years of experience [ ]

c) 20- 30 years of experience [ ]

d) Above 30 years of experience [ ]

6 In your opinion, would you say that talent management has contributed to employee retention in your organization..............................................................................?

7. What percentage would you assign the following aspects of talent management being the reason why staffs leave the organization?

a) Employee engagement [ ] 1-25% [ ] 26-50% [ ] 51-75% [ ] 76-100%

b) Career development [ ] 1-25% [ ] 26-50% [ ] 51-75% [ ] 76-100%

c) Performance management [ ] 1-25% [ ] 26-50% [ ] 51-75% [ ] 76-100%

8. Which one among the following factors if improved would have the greatest positive impact on staff retention in the organization?

a) Employee engagement [ ]

b) Career development [ ]

c) Performance management [ ]

d) All the above [ ]

e) None of the above [ ]

**Thank you**

# APPENDIX 3: UMI AUTHORIZATION LETTER

## UGANDA MANAGEMENT INSTITUTE

| Telephones: | 256-41-4259722 /4223748 /4346620 | Plot 44-52, Jinja Road |
| | 256-31-2265138 /39 /40 | P.O. Box 20131 |
| | 256-75-2259722 | Kampala, Uganda |
| Telefax: | 256-41-4259581 /314 | Website: http://www.umi.ac.ug |
| E-mail: | admin@umi.ac.ug | |

Your Ref:

Our Ref: G/35                                              02 September 2016

### TO WHOM IT MAY CONCERN

**INTRODUCTORY LETTER FOR MS KAMARUNGA PATIENCE**

**Ms. Kamarunga Patience** Registration Number – **15/MMS/26/KLA/DAY/0058** is a Student of Masters in Management Studies, specializing in Public Administration and Management at Uganda Management Institute.

In partial fulfillment of the requirements for award of the Masters, she is conducting a research study titled *"Talent Management and Employee Retention: A Case of Nile Breweries Ltd.;*

The purpose of this letter is to formally request you to allow this participant to access any information in your custody/organisation, which is relevant to her research.

Dr S. Kugonza
**DEAN, SCHOOL CIVIL SERVICE PUBLIC ADMINISTRATION AND GOVERNANCE**

# APPENDIX 4: SAMPLE SIZE DETERMINATION TABLE

| N | S | N | S | N | S | N | S | N | S |
|---|---|---|---|---|---|---|---|---|---|
| 10 | 10 | 100 | 80 | 280 | 162 | 800 | 260 | 2800 | 338 |
| 15 | 14 | 110 | 86 | 290 | 165 | 850 | 265 | 3000 | 341 |
| 20 | 19 | 120 | 92 | 300 | 169 | 900 | 269 | 3500 | 346 |
| 25 | 24 | 130 | 97 | 320 | 175 | 950 | 274 | 4000 | 351 |
| 30 | 28 | 140 | 103 | 340 | 181 | 1000 | 278 | 4500 | 354 |
| 35 | 32 | 150 | 108 | 360 | 186 | 1100 | 285 | 5000 | 357 |
| 40 | 36 | 160 | 113 | 380 | 191 | 1200 | 291 | 6000 | 361 |
| 45 | 40 | 170 | 118 | 400 | 196 | 1300 | 297 | 7000 | 364 |
| 50 | 44 | 180 | 123 | 420 | 201 | 1400 | 302 | 8000 | 367 |
| 55 | 48 | 190 | 127 | 440 | 205 | 1500 | 306 | 9000 | 368 |
| 60 | 52 | 200 | 132 | 460 | 210 | 1600 | 310 | 10000 | 370 |
| 65 | 56 | 210 | 136 | 480 | 214 | 1700 | 313 | 15000 | 375 |
| 70 | 59 | 220 | 140 | 500 | 217 | 1800 | 317 | 20000 | 377 |
| 75 | 63 | 230 | 144 | 550 | 226 | 1900 | 320 | 30000 | 379 |
| 80 | 66 | 240 | 148 | 600 | 234 | 2000 | 322 | 40000 | 380 |
| 85 | 70 | 250 | 152 | 650 | 242 | 2200 | 327 | 50000 | 381 |
| 90 | 73 | 260 | 155 | 700 | 248 | 2400 | 331 | 75000 | 382 |
| 95 | 76 | 270 | 159 | 750 | 254 | 2600 | 335 | 1000000 | 384 |

Note: N is Population Size;  S is Sample Size                    Source: Krejcie & Morgan, 1970