



EFFECT OF STAFF BENEFITS ON EMPLOYEE RETENTION: A CASE OF UNCLAIMED FINANCIAL ASSETS AUTHORITY

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ABSTRACT

Staff benefits are important elements in an organization. These are strategies or initiatives which have been put in place in a company to help to keep the employees. The essence is to make them not leave but be dedicated and committed to serve the organization with undivided attention. It is a common labour practice that an employee may leave for different reasons ranging from working conditions or terms of employment. The general objective for this study was to explore the effect of staff benefits on employee retention at Unclaimed Financial Assets Authority. The study was guided by the following objectives: to examine the effect of medical insurance cover and to establish the effect of retirement plan on employee retention at Unclaimed Financial Assets Authority. The study was anchored on four theories, Maslow Hierarchy of Needs and McClelland's Acquired Need theory. The target population was 60 employees of UFAA using census sampling method. Descriptive survey design method was used to analysis the data and results or outcomes presented in tables and pie charts using IBM Statistical Package for Social Sciences (SPSS) version 27.0. Structured questionnaires were used to collect primary data. All variables had coefficients above 0.7 which is the threshold for measuring reliability, the overall alpha coefficient was 0.895, indicating the research instrument was reliable. Based on the findings on the first objective on medical insurance cover, it is concluded that employees at UFAA are influenced to stay by the provision of in-patient and out-patient medical insurance cover. The organization has also included the dependents of the employees in the medical cover, provision of maternity, dental and optical benefits, access to a pool of specialists of medical practitioners, and acceptability of the medical insurance in major hospital facilities by the individual employees and their beneficiaries. All these aspects contribute to retention of staff at Unclaimed Financial Assets Authority. In addition, based on findings of the third objective on retirement plan, the study concluded that employees at UFAA are influenced to stay because of their pension benefits being protected and is transferable to another public institution if jobs are changed. The contribution of the employer is more than that of the employee and cumulatively together with interest earned from both parties' funds is eligible to the staff as provided in the retirement benefits laws in Kenya. Based on the findings of the study, it was shown that there is a moderately positive correlation between medical insurance coverage and employee retention, indicating a significant relationship. The results suggest that employers should pay more attention to ensuring that health-related matters are well-covered to protect employees from the high costs of medication and treatment

Key Words: Staff Benefits, Medical Insurance Cover and Retirement Plan

Background to the Research Study

Employers should endeavor to create an enabling environment at the workplace that will create a positive image about the organization. The favorable conditions would make the institution perceived as an employer of choice whom people would wish to work for. It also creates a sense of belonging and ownership in the employees. Employees become more committed to organization in their routine work and are likely to stay longer (Zahara, 2022). When employees stay longer at an organization, it minimizes turnover and by extension reduces human capital management cost in terms of recruitment overheads, time consumed during the process of recruitment and selection, less disruption of work, innovation and creativity that leads to specialization and facilitates better organizational business planning.

Retaining employees also helps in consolidating value from experience attained in-the-job training which may not simply get to be quantified. Sambhaji (2022), indicated that employee retention can be referred to the ability of an organization to retain its employees by adopting various policies and practices which attract employees to work for a longer period in an organization. According to Zahara (2022), the global economic environment is changing drastically. Due to continuous changes and new developments in the economic environment, globalization, technological changes together with growing competition among businesses, it has become necessary on the part of an organization to retain the skills of its employees.

Employee retention is about keeping or losing workers. Abubakar, Omayo and Umar (2022), postulated that to keep or lose the best workers can be critical on whether an organization can maintain a competitive advantage and if at all operations in the organization can continue to run smoothly and efficiently. This assertion can be a possibility in modern society where competition of skilled human resources has become the determinant of success. Employee retention has been defined by different authors as the ability of an organization to make employees stay for a longer period till the end of their tour of duty (Nithya, 2022).

Retention of employees requires that apart from the remuneration of salaries and wages, an organization should have other benefits (Kidom, 2018). Therefore, it is critical that employers put in place mechanisms to get employees engaged for it to achieve business objectives. Due to stiff labour market and growing inflation affecting the economy performance both locally and globally, employees have progressively desired to have added benefits and incentives at their workplace to meet their upkeep and sustained livelihoods. It is good practice for employers to set up benefits or incentives that would make employees feel valued and their welfare taken care of (Zahara, 2022).

The general types of compensation found in organizations are either financial or non-financial and can be classified as direct or indirect in nature (Chase, 2022). In the current work environment, some indirect benefits include sick leave, compassionate leave, maternity/paternity, adoption leave, use of company car, company cellphone, flexi-working hours, provision of paid staff tea and mails, availability of or company subscription to recreational facilities for use by employees for better health wellness such a gym or sports clubs. Others comprises of medical or healthcare insurance, group accident and life insurance covers, retirement plans, negotiated low interest loan facilities and or sponsored training programs. The aim of staff benefits is to cushion employees of high cost of living adjustments (COLA) trends from time to time. This will enable them to comfortably accommodate their families and sustain themselves during any economic downtime (Rusli, Nor & Zakaria, 2020).

Chase (2022) stated that direct compensation is used to pay employees for the work done, while what is referred to as indirect compensation and non-financial compensation are used to enhance salaries and wages. Providing employees with indirect compensation package such as staff benefits is one way of attracting and retaining talent at an organization and further helps to build a company loyalty. Apart from attracting and retaining talent in an organization, there are advantages to entrenching staff benefits. An organization will endeavor to comply with

legal requirements, promotion of inclusion at work for example when one is given parental leave, increased employee satisfaction, engagement and loyalty hence reduces staff turnover (Robles, 2018). Besides it promotes a healthy workforce thus increasing productivity and less absenteeism. Fringe benefits, however, will apply as defined in an organization.

In Kenya a state corporation commonly known as a parastatal is a semi-autonomous government organization which is established under the State Corporations Act. The Unclaimed Financial Assets Authority is a public State Corporation established under the National Treasury pursuant to the Unclaimed Financial Assets Act No. 40 of 2011. The primary mandate of the Authority is to receive unclaimed financial assets from the holders of such assets on behalf of the Government, safeguard and re-unite the assets with their rightful owners. The mandate of the Authority is wide as provided in the UFA Act: which is summary is to receive, safeguard, invest and disburse unclaimed financial assets to the rightful owners.

The Authority started its full operations from the year 2014 and based on the core mandate of the organization to receive the unclaimed financial assets from holders the current financial assets fund is worth over Kshs.57 billion shillings as provided in organization's website. It started with an initial staff complement of 39 with gradual expansion to sixty to support in the management of growing demands and achievement of the institution's mandate. The unclaimed financial assets concept is new in the continent and therefore Kenya is the pioneer in the East Africa region hence making Unclaimed Financial Assets Authority a benchmarking model in the region.

The Unclaimed Financial Assets Act requires any holder such as Banks, Insurance Companies, Sacco Societies, Listed Companies at the stock exchange and even public or private companies to remit any assets that are not claimed by the owners to the Authority. Some classes of the financial assets are for example dormant bank accounts, unredeemed matured insurance policies, unpaid dividends, unpaid salaries and wages, stale or unrepresented cheques, inactive shares in various listed companies among other categories as defined in the law governing the Authority.

Research Problem Statement

Employee retention has become an important aspect that each employer ought to consider. The cost of investment in capacity building through job training and experience earned over time by employees is quite significant. Donna (2023) proposed that to retain employees, organizations need to do more than offer competitive salaries and benefits. Employers also must keep employees satisfied and engaged. Rose and Nicholas (2022) conducted a study to determine the relationship between fringe benefits and employee retention in tertiary institutions in Adamawa State Nigeria which were facing high employee turnover. From the empirical findings, it showed that for the institutions to do better in retaining employees, they needed to understand the dimensions or categories of fringe benefits. Such benefits needed to be appealing for employees to stay because of the huge cost related with employee turnover.

According to Carey, Sheldon and Andriescu (2018), employers are increasingly recognizing that benefits play a key facet in the race for global talent. Further it does enhance employee engagement and retention leading to improved productivity and overall organizational performance eventually. Maru and Omodu (2020) conducted investigative research by using purposive method to determine the association between compensation and employee retention practice in Niger insurance plc in Port Harcourt. The resultant findings showed that there is significant relationship between non-monetary benefit and employee retention practice.

This study will seek to establish if the benefits available for employees at Unclaimed Financial Assets Authority have an impact on retention. Further if an employee is likely to stay longer and when they are motivated may be fully engaged in discharging their responsibilities. It is

however noted that there is limited empirical study conducted to show the effects of staff benefits to retention in a public state corporation. Wayahi and Ogolla (2019) in a study on effects of benefits on employee retention at Safaricom PLC stated that the study only covered Kenyan private sector. Therefore, alluded that there was a gap for further research on other sectors particularly those in the Kenyan business sector mainly involved in commercial and business agenda.

According Swaroopa and Sudhir (2019) in their study on employee retention strategies and factors specifically focusing on IT industry in India concluded that this field needed further investigations to be conducted concerning employee retention to better understand this complex field of retention in human resource management.

The literature reviewed covered studies done in telcos, insurance, teaching and IT sectors. From the available literature, there is none that has investigated retention of staff in terms of staff benefits in the unclaimed financial assets industry and largely in the public sector. No specific research literature was found discussing the mix of strategies that influenced retention of staff in public sectors handling unclaimed financial assets and particularly in UFAA. Matters relating to unclaimed assets is a new regime locally in Kenya and the region, therefore with a portfolio estimated at over Ksh.57 billion, with a lean staffing, it is important to explore the gap of retention of employees. With this noted gap, there is need to conduct a study to examine if the benefits which have been put in place like medical insurance cover, staff loan schemes, retirement or pension plan and professional development through training opportunities aimed to retain employees has an impact. This study therefore will explore the relation between staff benefits and employee retention at Unclaimed Financial Assets Authority through analysis of whether the four independent variables influence staff to continue working for UFAA.

General Objective

The general objective of this study sought to assess the effect of staff benefits on the retention of employees at the Unclaimed Financial Assets Authority.

Specific Objectives

- i. To examine the effect of medical insurance cover on employee retention at Unclaimed Financial Assets Authority
- ii. To establish effect of retirement plan on employee retention at Unclaimed Financial Assets Authority

Theoretical Framework of the Research Study

Maslow's Hierarchy of Needs

Back in 1943, in his paper “A Theory of Human Motivation”, Abraham Maslow a humanist psychologist proposed a theory that he called the Hierarchy of Needs. Maslow believed that humans all have needs that must be satisfied, from the most basic needs to the most complex. According to Maslow (1943) the five basic needs are categorized as: physiological needs, safety needs, social needs, esteem needs, and self-actualization needs. Maslow theory posits that once the needs at one level are satisfied, it ceases to motivate, and the desire shifts to the next level. Maslow theorizes that unsatisfied needs influence behavior and can lead to decisions which may turn out as a demotivator. Therefore, the lower needs such as adequate pay must be met before focusing on high level needs. Demil (2021) while applying the Maslow theory carried out a study to determine job satisfaction and other factors that contributed to high attrition rates on educators and the entire school community in a California State University in the U.S. The study was to assess what made the educators stay and not walk away and one of the factors considered included the health and safety of employees which is an important indicator in employee satisfaction that results in retention.

According to Ndekugri and Fluker (2019) several factors that affect employee motivation and relate to Maslow Hierarchy theory are varied which include general employee welfare,

compensation, training and development, work environment and opportunities for promotion. The availability of these aspects in an organization was found to encourage employee retention but their absence may cause the employees to leave. The study was on motivational factors influencing employee retention in hospitality industry in Nigeria.

According to Stefan, Papa & Albu (2020), the importance of Maslow hierarchy of needs among employees established that it was critical for institutions to meet the basic needs of the employees to retain them. From this theory, the factors which make an employee stay on in an organization will continuously change as the hierarchy of needs progress. A study in South Africa found that public institutions needed to find ways of retaining employees and reduce turnover and losing employees to the private sector by considering the employees' psychological welfare (Stefan, *et al* (2020). Maslow theory is applicable in this study because one of the needs is being able to have provision of healthcare services. Employees are settled and motivated when they are in good health. The benefit of medical cover which extends to employee dependents such as the maternity, dental and optical has become one of the modern human resources management strategies for retaining employees.

McClelland's Acquired Need Theory

David McClelland invented one of the human motivation theories (also known as the Three Needs theory) which suggests that everyone has one of three basic needs namely power, achievement, and affiliation. McClelland's theory implies that an employee's behavior is substantially impacted by these needs. Therefore, to increase retention, employers must keep on top of satisfying these basic needs for their employees. This theory is important to the study in that individuals acquire three types of needs because of their life experience which include the need for achievement, the need for affiliation, and the need for power. McClelland embedded these three needs within a general theory of motivation (McClelland, 1965).

Nithyajothi (2018) posits that the Needs theory shows affiliation is the motivation to establish and maintain friendly relationships with others. This is like what applies in Maslow's social needs that while people who are high in the need for affiliation, they desire the approval of others and often conform to the wishes of others. The need for power is the need to control and influence the behavior of others. It involves taking charge and making an impact. The need for achievement is the need to demonstrate high performance levels and high standards of excellence (Aburab, 2020). People who have a high need for achievement are motivated by opportunities for personal improvement and self-success. When employees proceed for retirement, they desire to be of relevance, attract respect, and recognition among the community or society of residence. There is a need to ensure that they still yield some power and are presumed to have achieved in life hence all measures should be put in place to facilitate their comfort post-retirement. In a study by Wayahi & Ogolla, (2019), found that a retirement benefits package provided employees with a sense of security and helps to attract and retain employees.

Empirical Literature Review

Medical Insurance Cover and Employee Retention

Medical insurance covers are designed to cushion employees from significant financial commitments against unexpected health incidence due to sickness. Most of the medical insurance often covers outpatient hospital attendance, hospitalization, surgery, accidental injury expenses, maternity health care, among others. A study by Wayayi and Ogalla (2019), found that the employee benefits programs had an influence on the rates of employee retention at Safaricom PLC. The benefits included medical, or health care insurance covers are commonly accepted benefit that both employee and employer give the priority. The findings revealed a positive link between health or medical insurance and employee retention at Safaricom Limited. It is reckoned that medical health wellness covers a wide range of benefits from inpatient, outpatient, maternity, dental and optical benefits among others.

According to Robles (2018), in a study to examine factors influencing employee retention at five-star hotels in Nairobi Kenya stated that health care insurance and medical coverage has become critical in an employment setting. This is due to the generally high cost of healthcare services. From the findings of the study, it recommended that for the organization to enhance retention, it needed to offer increased medical package among other benefits. It is imperative that employers find it necessary that their employees are cushioned against the high cost of hospitalization or medical care expenses by putting in place a health insurance cover or plan. This is an important benefit that helps significantly to retain employees in an organization. Medical cover includes general medical care, dental care, optical care, psychological challenges that may arise due to drug abuse, alcoholism other mental illness that may affect employees.

The impact of having medical and health insurance cover in place would increase the well-being of staff as such reduces absenteeism due to sick-off, enhanced productivity and satisfaction among the employees. According to Kurdi, Alshurideh & Afaishat, (2020) when employees have calm and stress-free mental health, it contributes to an organization's productivity and happiness among the workforces. It also has an impact on an organization's reputation. It is expected that an employer while designing the health care insurance plan should clearly indicate whom to cover whether it is both the employee and dependents, including type and benefits limits per individual or per family.

Retirement Plan and Employee Retention

Retirement benefit is viewed as a reward for those long-servicing staff who get to benefit after attaining retirement which could be either on early retirement or upon attaining the retirement age as per the retirement regulations in various countries. However, a successful retirement does not always just happen easily, thus requires good planning. According to Kerry and Embretson (2018), retirement planning is a systematic way of setting aside resources from a business project and time for the purpose of providing income at the old age. Many employees often consider their continuity or joining an organization based on the anticipated comfort of their future lives after retirement. It is human nature to be able to enjoy a relatively relaxed and easy lifestyle once they are out of active employment without being a burden and bother to their families or children. Therefore, preparation for retirement takes planning and continual evaluation and helps in the understanding of the retirement process in financial terms because many life events that are out of control may arise. Gregory, (2019), stated that part of social protection includes cushioning the citizens of a country live a comfortable life in old age. The goal of social protection is not mere survival, but social inclusion and preservation of human dignity, therefore require early preparation for future life in old age.

Conceptual Framework of the Research Study

The conceptual framework for this research study was developed by reviewing various aspects that could influence employee retention. The study aims to determine the impact of staff benefits on employee retention. To achieve this objective, the study will model employee retention as a function of the five variables mentioned in Figure 2.1. The independent variables, including medical insurance coverage, loan schemes, retirement plans, and professional development, were analyzed to determine their influence on employees' decision to continue working at UFAA.

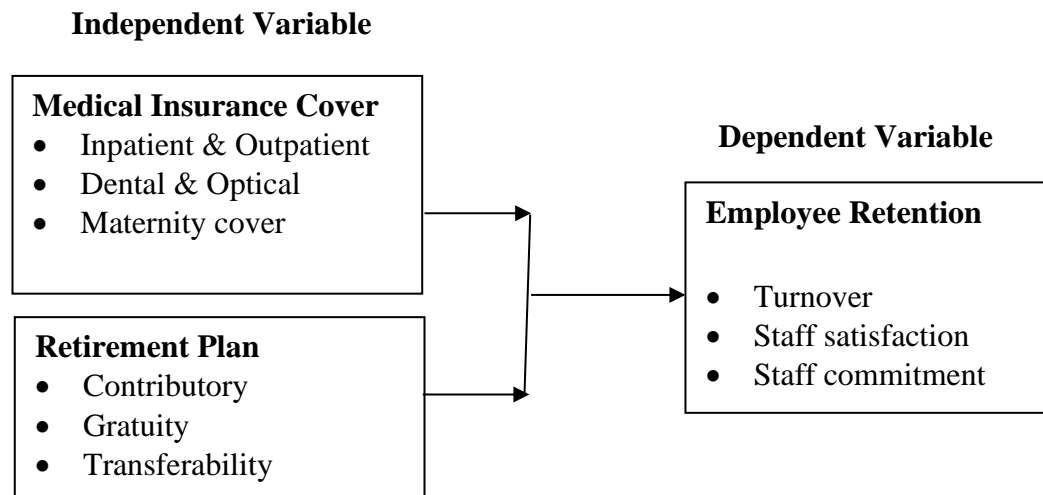


Figure 2.1: Conceptual Framework
Source: Author (2023)

Medical Insurance Cover

In a study conducted by Wayayi & Ogolla (2019), it was concluded that there is a positive correlation between health or medical insurance and employee retention. This applies to all workers in employment, and it is the responsibility of every employer to ensure that arrangements are in place to safeguard the health of their employees. When employees are in good health, they become more efficient and productive, resulting in less absenteeism (Omar, 2019). Health or medical insurance benefits have become a common and accepted benefit that both employers and employees prioritize equally. The impact of having medical and health insurance coverage in place increases the well-being of staff, especially when it is designed by the employer to cover the employee and their dependents. This enhances productivity and satisfaction among employees. Periodic general check-ups, such as dental or optical, were found to have a positive relationship with employee retention (Robles, 2018). The medical coverage benefit can also impact an organization's reputation or image in the market. This variable examines how the medical coverage offering, including inpatient, outpatient, dental, optical, and maternity benefits for UFAA staff, influences retention. It also examines whether employees are satisfied with the medical coverage benefit provided by the Agency.

Retirement Plan

It is natural for humans to desire a relaxed and comfortable lifestyle after retiring from active employment, without becoming a burden to their families or children. Therefore, retirement planning requires ongoing evaluation and preparation to understand the financial aspects of the retirement process, as unexpected life events may occur. Social protection aims to provide citizens with a comfortable life in their old age, not just survival, but also social inclusion and preservation of human dignity (Gregory, 2019). This study analyzed various pension plans, employer and staff contribution rates, and transferability upon leaving an organization.

RESEARCH METHODOLOGY

Research Design

This study adopted a descriptive research survey design which is a type of research design that aims to systematically obtain information to describe a phenomenon, situation, or population (Mugenda & Mugenda, 2019). It helps answer the what, when, where, and how questions regarding the research problem rather than the why. Descriptive research survey design is used when the researcher wants to describe specific behavior as it occurs in the environment (Creswell & Clark, 2018).

Population of the Study

A population has been defined as the entire group of individuals, events or objects having a common observable characteristic, while a target population is a list of components that a sample is based on (Cooper & Schindler, 2018). Due to the number of staff at the organization of study, the population is defined as all the employees of UFAA, hence the census method was used. The population of employees and the departments they serve in is provided in Table 3.1.

Table 3.1: Target Population

Department	No. of Employees	Percentage (%)
Unclaimed Financial Assets Line	12	20
ICT & Database	6	10
Corporate Communications	5	8
Audit and Risk Management	3	5
Finance and Accounting	8	13
Human Resource and Administration	10	17
Board Secretarial and Legal Services	4	7
Supply Chain Management	5	8
Strategy & Planning	3	5
CEO and Managing Trustee office	4	7
Total	60	100

Source: HR & Admin Department: UFAA (2023)

Sample and Sampling Techniques

Data Collection

A close-ended structured questionnaire was used to collect data from respondents. A questionnaire approach is preferred because it facilitates asking all participants identical questions which allow for meaningful comparison of responses. It is also an efficient tool for collection of primary data in a relatively objective and easy way while it is also easier to analyze. The questionnaire also requires less time, is less expensive and allows collection of data from many people at the same time in a simplified way and is free of bias. In addition, it is easy to administer and limits the respondent to the subject (Kothari, 2019).

The questionnaire method of data collection is a widely accepted method in social science research in that it captures information in a manner that it can easily be analyzed. Data collected using the help of questionnaires are often correct and consistent since the responses are provided at will without any influence (Mahadevan & Yap, 2019). The questionnaire covered six areas: section A captured demographic information. Section B - medical insurance cover construct, section C – loan scheme facilities construct, section D - retirement plan, section E captures professional development construct (all independent variable), and section F captures employee retention the (dependent variable). A likert scale of five levels was used to measure the respondent opinion on the questions of the construct ranged from 1-5 denoting – 1SD - strongly disagree, 2D- disagree, 3N- neutral, 4A- agree and 5SA – strongly agree.

Data Analysis and Presentation

Data analysis refers to the process of doing an inspection, cleaning, transforming and modeling data into useful information to assist draw conclusions and also support decision making (Sideridis, 2018). Data analysis was conducted at two levels – descriptive statistics level and inferential statistics level. Descriptive statistics was used to summarize the data and profile respondents. Inferential statistics was used to establish the relationship between the independent and dependent variables (Mugenda & Mugenda, 2019). Simple and multiple linear regressions was used to test the hypothesis from the responses. The Pearson correlation coefficient was used to determine the strength or degree of a relationship between the independent variable and the dependent variable (Sekaran & Bougie, 2020). Cronbach alpha

coefficients was used to determine the reliability of the measuring instruments while, all the statistical tests were conducted at 95 percent confidence level. The Statistical Package for Social Sciences (SPSS) Program (IBM SPSS 27.0), was used to analyze the descriptive and inferential statistics and determine the relationships between various data sets.

The researcher captured the data, analyze using tables, pie charts and graphs, and also adopt the simple regression model, which is provided below:

$$Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \varepsilon$$

Where:

Y = Employee Retention (Dependent Variable)

β_0 = Constant Term; β_1 , β_2 , and β_3 are Beta coefficients

X_1 = Health Care Insurance

X_2 = Retirement Plan

ε = Error term

DATA ANALYSIS, PRESENTATION, AND INTERPRETATION

Analysis of Study Variables

Medical Insurance Cover

The study sought to establish the level at which respondents agreed with the indicators or statements on provision of Medical Insurance Cover at UFAA. The results for the variable are presented in Table 4.1.

Table 4.1: Medical Insurance Cover

Statement (N= 36)	Mean	Std. Deviation
The in-patient medical cover is good and influences my continued stay at UFAA	4.03	1.028
The out-patient medical cover is good and influences My continued stay in UFAA	4.09	1.008
The arrangement that staff dependents are covered in the corporate medical corporate cover influences my continued stay in UFAA	4.12	1.031
Maternity, Dental and Optical benefits in place are good and influence my continued stay in UFAA	3.89	.920
Acceptability of the medical cover in most major hospital facilities influence my continued stay in UFAA	4.08	1.045
Access to specialists from the pool of medical practitioners in the cover influence my continued stay in UFAA	3.95	1.037
Average	4.03	1.012

Source: Research Data, (2023)

Study findings revealed that majority of the respondents agreed that the following influenced their stay at UFAA; provision of in-patient medical cover (M=4.03, SD =1.028), provision of out-patient medical cover (4.09, SD =1.008), inclusion of dependents on the corporate medical cover (M=4.12, SD =1.031), provision of Maternity, Dental and Optical benefits (M=3.89, SD =0.920), acceptability of medical cover in major hospital facilities (M=4.08, SD=1.045), and accessibility to specialists from the pool of medical practitioners (M=3.95, SD=1.037). Therefore, Medical Insurance Cover (MIC) influences employee retention at UFAA with average result of (M=4.03, SD=1.012).

The results affirm the findings of Wayayi & Ogolla (2019), which established a positive correlation between health/medical insurance and employee retention at Safaricom. The study pointed out that having a medical benefit scheme for staff enhances employee engagement and boosts productivity at the workplace.

Retirement Plan

The study was to establish the level at which respondents agreed with the indicators or statements relating to influence of Retirement Plan on employee retention at UFAA and the results are presented in Table 4.2.

Table 4.2: Retirement Plan

Statement (N=36)	Mean	Std. Deviation
The fact that my pension is protected and can be transferred to another public institution if I change jobs influence my continued stay in UFAA	4.07	.845
Pension plan contribution of 15% by employer and 7.5% by employee is adequate and has influenced my stay in UFAA	4.04	.860
The rule that staff are entitled to total contributions from both self and employer when I leave influence my continued stay in UFAA	3.92	1.079
The fact that my contribution to retirement plan reduces individual tax liability per month influence my continued stay in UFAA	4.01	.765
The fact that the pension contribution can be utilized as a security for housing loan encourages my staying on at UFAA	3.95	1.084
The knowledge that I am entitled to interest earned from the pension investment cumulatively with the principal contributions influences my stay at UFAA	4.05	.869
Average	4.01	0.917

Source: Research Data, (2023)

The results shows that majority of the respondents agreed that the following influenced their stay at UFAA; pension is protected and can be transferred to another public institution if an employee change jobs (M=4.07, SD=.845), Pension plan contribution of 15% by employer and 7.5% by employee is adequate (M=4.04, SD .860), employees are entitled to total contributions from both self and employer when one exits the institution (M=3.92 SD =1.079), employee's contribution to retirement plan reduces individual tax liability per month (M=4.01 SD=.765), pension contribution can be utilized as a security for housing loan (M=3.95, SD=1.084), and entitlement of employee to interest earned from the pension investment cumulatively with the principal contributions (M=4.05 SD=.869). Consequently, the existence of a Retirement Plan facilitates employee retention with average mean result of (M=4.01, SD=.917). The findings resonate with the findings of Wayayi & Ogolla (2019), which established a positive relationship between retirement benefits/pension and employee retention at Safaricom PLC.

Inferential Statistics

Inferential statistics were used to establish the direction of association between variables and the relationship between independent variables and dependent variables by conducting correlation analysis and multiple regression analysis.

Correlation Analysis

To establish the relationship between the variables being investigated and the direction of association between variables, Pearson's Correlation analysis was performed, and results obtained are presented in Table 4.3.

Table 4.3: Correlation Coefficients

		Medical Insurance Cover	Retirement Plan	Employee Retention
Medical Insurance Cover	Pearson Correlation	1		
	Sig. (2-tailed)			
Retirement Plan	Pearson Correlation	.666**	1	
	Sig. (2-tailed)	.000		
Employee Retention	Pearson Correlation	.660**	.704**	1
	Sig. (2-tailed)	.000	.000	

Source: Research Data, (2023)

According to Said (2018), a criterion for classifying values obtained after performing correlation analysis presented in a matrix as follows: correlation values of 0.0 to 0.30 indicates no correlation, 0.3 to 0.5 shows weak correlation, 0.5 to 0.70 indicates moderate correlation, 0.70 to 0.90 strong correlation, while above 0.9 signifies very strong correlation.

The results presented in the correlation matrix indicated that Pearson correlation of loan scheme facilities and medical cover was found to be moderately positive and statistically significant relation ($r = .596$, $p < .001$); Retirement Plan and Medical Insurance Cover had a moderately positive and statistically significant relation ($r = .666$, $p < .001$); Retirement Plan and Loan Scheme Facilities had a strong positive and statistically significant relation ($r = .783$, $p < .001$); Employee Retention and Medical Insurance Cover had moderately positive and statistically significant relation ($r = .660$, $p < .001$); Employee Retention and Retirement Plan had a strong positive and statistically significant relation ($r = .704$, $p < .001$); Hence, at 95% confidence interval, all independent variables for the study were positively correlated.

Regression Model

Multiple regression analysis was performed to investigate whether independent variables had a significant effect on employee retention at UFAA. The results are presented in three tables namely Model summary, ANOVA Table and Table of Coefficients.

Table 4.4: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.736 ^a	.542	.483	.36472

a. Predictors: (Constant), Medical Insurance Cover and Retirement Plan

Source: Research Data, (2023)

The study results revealed that independent variables (Medical Insurance Cover and Retirement Plan) jointly explained 48.3% of the variation on employee retention at Unclaimed Financial Assets Authority. The difference of 51.7% of the variation in employee retention is explained by other factors not included in the model and thus there is need to undertake a further study to establish specific factors not captured by the model.

Table 4.5: Analysis of Variance

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	4.876	2	2.438	9.164	.000 ^b
	Residual	4.124	31	.133		
	Total	9.000	35			

a. Dependent Variable: Employee Retention

b. Predictors: (Constant), Professional Development, Medical Insurance Cover, Loan Scheme Facilities, Retirement Plan

Source: Research Data, (2023)

The study utilized analysis of variance to establish the significance of the model in predicting the influence of employee benefits and staff retention. The ANOVA results are presented in

Table 4.6. The results show that p-value obtained is less than 0.05 ($p=0.000 < 0.05$). This implies that the model is statistically significant in predicting how medical insurance cover and retirement plan affects employee retention, meaning that the model has less than 0.05 probability of predicting wrong results. Hence the model has highly reliable since the calculated F (9.164) was greater than F critical value ($F=2.67867$), implying that the model was fit and appropriate for the study.

Table 4.6: Regression Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.944	.337		8.724	.000
	Medical Insurance Cover	.447	.096	.772	4.643	.000
	Retirement Plan	.498	.168	.328	2.952	.004

a. Dependent Variable: Employee Retention

Source: Research Data, (2023)

After performing multiple regression analysis, regression coefficient results were established for the four variables which were used to determine their effect on employee retention at the Authority as presented in the regression coefficients Table 4.17. The regression equation is given by,

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \varepsilon \dots\dots\dots (1)$$

Substituting coefficients obtained from Table 4.17 into the respective independent variables, the regression model is given by:

$$Y = 2.944 + .447 X_1 + .498 X_2 + \varepsilon \dots\dots\dots (2)$$

Where Y = Employee Retention, X_1 = Medical Insurance Cover, X_2 = Retirement Plan.

From regression equation 2, it is established that when all independent variables being investigated in the study are assumed to be constant at zero, employee retention at the Authority is 2.944. The results show that by taking all other factors constant, a unit increase in medical Insurance Cover will lead to a 0.447 unit increase effect on employee retention at UFAA, with p-value of .000, which is found to be less than alpha value of 0.05, meaning that the overall effect was significant. A unit increase in Retirement Plan and holding other variables constant, leads to 0.498 increase on Employee retention, p-value is 0.004 which is less than p-value ($\alpha=0.05$), inferring that it was statistically significant.

Conclusion of the Research Study

Based on the findings on the first objective on medical insurance cover, it is concluded that employees at UFAA are influenced to stay by the provision of in-patient and out-patient medical insurance cover. The organization has also included the dependents of the employees in the medical cover, provision of maternity, dental and optical benefits, access to a pool of specialists of medical practitioners, and acceptability of the medical insurance in major hospital facilities by the individual employees and their beneficiaries. All these aspects contribute to retention of staff at Unclaimed Financial Assets Authority.

Based on findings of the third objective on retirement plan, the study concluded that employees at UFAA are influenced to stay because of their pension benefits being protected and is transferable to another public institution if jobs are changed. The contribution of the employer is more than that of the employee and cumulatively together with interest earned from both parties' funds is eligible to the staff as provided in the retirement benefits laws in Kenya. The

fact that pension contributions is tax allowable reduces the tax liability per month as well as possibility of using the pension contribution as security for housing loan contribute to the retention of staff at Unclaimed Financial Assets Authority.

Recommendations of the Research Study

Medical Insurance Cover

Based on the findings of the study, it was shown that there is a moderately positive correlation between medical insurance coverage and employee retention, indicating a significant relationship. The results suggest that employers should pay more attention to ensuring that health-related matters are well-covered to protect employees from the high costs of medication and treatment. It is also recommended that employers continually review areas that require more attention, such as maternity, dental, and optical care, and assess the availability of a broad range of medical specialists to address emerging health or medical challenges that may arise from time to time. Additionally, it is advisable to consider extending insurance coverage to include employees' families or dependents. This will enhance employees' satisfaction and encourage them to stay with the organization when they feel that their medical needs are well taken care of.

Retirement Plan

The study's findings revealed a strong, positive, and significant correlation between employee retention and retirement plans. The researcher discovered that employees are more likely to remain with an organization if they feel their future is secure after leaving active employment. To achieve this, organizations may need to consider implementing a joint contributory pension scheme, where the employer contributes at a higher rate than the employee. The study highlights the importance of employers educating their staff on the benefits of starting to save for retirement early. Providing information on the transferability and entitlement of cumulative contributions, including interests arising from pension savings, can enhance employee buy-in and ultimately improve retention rates. Additionally, employees should understand that pension contributions are tax-deductible, reducing their monthly income tax liability.

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