

# INFLUENCE OF CHILD CARE SERVICES ON EMPLOYEE RETENTION OF COMMERCIAL BANKS IN KENYA

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**Abstract:** There is a growing awareness in today's workplaces that employees do not give up their lives for work. Employers have realized that the quality of an employee's personal and family life impact work quality and that there are concrete business reasons to promote work and non-work integration. Work and life remain the two most important domains in the life of an employed individual. The study assessed the influence of child care services on employee retention of commercial banks in Kenya. The study was supported by theoretical foundations of spill over theory which refers to the experiences (attitude, behavior, environment, demands, emotions, responsibilities, resources) of one role spilling over or affecting the other role. A descriptive survey was used to gather quantitative and qualitative data. The target population was 4,054 employees in Nairobi County from all the 40 listed and operating commercial banks in Kenya. Stratified random sampling design was used to select a sample size of 364 respondents. Primary data was collected using self-administered questionnaires. Quantitative data was analyzed using both descriptive and inferential statistics and analysis was done by use of SPSS as a statistical package. Qualitative data was analyzed by use of content analysis approach. The results of regression analysis revealed there was a significant positive influence ( $\beta = 1.705$ ,  $p < 0.001$ ) of child care services on employee retention. The study recommends that there is need to develop child care programmes aimed at fostering a work life balance and specifically put in place lactation units as expected by law.

**Keywords:** Employee Retention, Spill over, Work life Balance, On-site ESCC, lactation stations, baby crèches.

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## I. INTRODUCTION

The retention of employees in Africa has become a major challenge in many organizations in the 21<sup>st</sup> century. Globalization has tremendously enhanced mobility of skilled individuals, thereby accelerating the rate of employee turnover in organizations. Globalization has equally increased both competition among organizations and also created new window of opportunity for the workforce. The present economic situation of the world has increased the importance of talent management and retention. People, intellectual capital and talent are ever more critical to organizational strategic success. Retaining talented employees is the priority of many organizations and it is the key differentiator of human capital management (Hanief et al, 2013).

Competition in the banking industry has provided more opportunities for employees in the industry to explore better employment opportunities. As banks hunt for new talents through poaching, employees also move from one bank to the other in search of better opportunities and working conditions. To remain competitive, achieve objectives and increase market share, banks are poaching employees of other banks with attractive incentive packages. Although most managers consider retention of their best employees to be an important part of their long term business strategy, many organizations do not have a framework in place to effectively retain their employees (Mensah, 2014).

Major companies in Kenya are facing the challenge of retaining their talent to compete in the global markets. There is war for talent and organizations are working to reduce turnover in favor of the retention of talented employees. Kibui, (2015) asserts that Kenya faces the challenge of shortage of talent. These challenges include hiring, retaining and motivating professional talent (Lyria, 2014).

The banking sector across Europe has policies commonly referred to as family-friendly policies so as to reconcile work and non-work responsibilities. The European banks have embraced practices such as flexible working time, provision of workplace crèches, health and well-being support, child-care and dependent care support which includes childcare vouchers, cash payments, childcare allowances, teleworking, phased return to work after maternity among other initiatives (Muli, 2014).

The Ghanaian banks experience some level of employee turnover due to the immense competition from other banks as well as other sectors of the economy. Hence it is crucial that HRM practices that can boost retention are explored and instituted (Mensah, 2014). According to Obiageli, Uzochukwu & Ngozi (2015), the Nigerian banking sector is known for its long hour culture and high work load of employees. Most banks in Nigeria are most likely to be faced with issue of work life balance, due to the nature of the work environment. Policies are being made regarding work life balance but their implementation is an issue that needs to be looked into (Obiageli et al., 2015).

Kenyan employers have in the recent past put in place regulatory organizational policies and programs in cognizance of the central importance of work life balance. The government has encouraged private organizations and social services to deliberately introduce family friendly policies in the workplace to help employees to balance their work and family life. This is evidenced in for instance Eco bank which has introduced programs to assist the employees in achieving a balanced work life which include; flexible working hours, employee assistance programs and leave programs (Muleke, Wagoki, Kamau & Mukaya, 2013) as cited in (Mungaine (2017).

### **Statement of the Problem:**

A report by Deloitte (2014) on Global Human Capital Trends showed that retention and engagement ranks as the most urgent trend to be addressed by organizations. The Central Bank of Kenya for instance noted deficiencies in the human competencies in the commercial banks in Kenya. Kahiro (2015) cites that CBK noted and predicted a potential problem of talent management because of increased employee turnover.

In their study to determine the relationship between strategic recruitment and employee retention in the Commercial Banks in Kenya, Mbugua, Waiganjo & Njeru (2015) found out that 12.5% of employees said that the turnover rate was high. The study sought to find out how long the respondents intended to stay in the bank and results show that 40.0% of employees were not sure whether to continue working for the respective banks or not. 50% of respondents showed that they would seek employment elsewhere given the opportunity and 70% indicated that they would take any better or attractive job elsewhere.

Kamau, Mukaya & Wagoki (2013) study on work-life balance practices on employee job performance at Eco Bank Kenya cite that 69% of employees report that work is a significant source of stress and 41% say they typically feel tense or stressed out during the workday. Conflict between work and family roles was found to lower the perceived quality of both work and family life which in turn, influences organizational outcomes such as productivity, absenteeism and turnover (Kamau et al., 2013).

The banking sector in Kenya is said to be the most affected by work life imbalances ranking 3 in a list of 24 industries rising concerns from key stakeholders in the country because of work life conflict and life work conflicts (Mungania, 2017). To remain competitive, Kenyan banks have increased opening hours, introduced more products, opened up more branches and adopted the latest IT Infrastructure. This has led to their employees working longer hours, having a greater and more complex workload, being moved from one branch to another hence experiencing a lot of work pressure and creating a culture of poor work life balance resulting to high job dissatisfaction. This has led to high labor turnover and has caused banks to incur huge losses caused by employee negligence (Mukururi & Ngari 2014).

### **Objectives of the Study:**

- i. To assess the influence of child care services on employee retention of commercial banks in Kenya.
- ii. To find out the moderating effect of personal characteristics on the influence of child care services on employee retention of commercial banks in Kenya.

### **Research Hypotheses:**

H<sub>ai</sub>: Child care services have a significant positive influence on employee retention of commercial banks in Kenya.

H<sub>aii</sub>: Personal characteristics have a significant positive moderating effect on the influence of child care services on employee retention of commercial banks in Kenya.

**Scope of the study:**

The study focused on only listed and operating commercial banks in Kenya. All employees in the 40 listed and operating commercial banks was therefore covered.

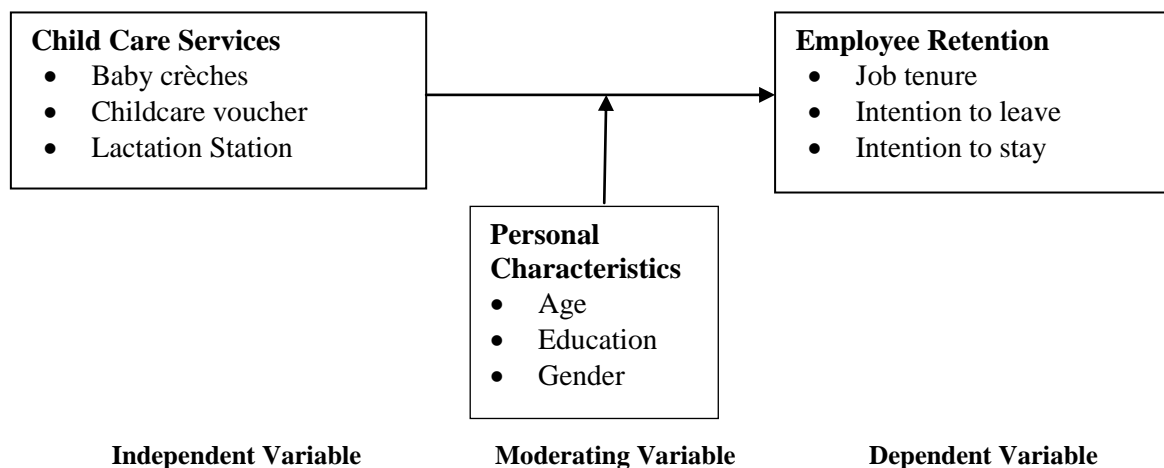
**II. LITERATURE REVIEW****Theoretical Review**

This study was anchored on spillover theory by Guest (2002). It postulates the conditions under which spillover between the work micro system and the family micro system occurs which either can be positive or negative. If work- family interactions are rigidly structured in time and space, then spill over in terms of time, energy and behavior is negative. When flexibility occurs which enables individuals to integrate and overlap work and family responsibilities in time and space, there is positive spill over which is instrumental in achieving healthy work life balance Obiageli, Uzochukwu & Ngozi (2015).

Spillover theory can help explain the reciprocal relationship between work and family by accounting for both the positive and negative influence of multiple roles (Suman & Bhavana, 2013). Spillover refers to the experiences (attitude, behavior, environment, demands, emotions, responsibilities, resources) of one role spilling over or affecting the other role. The relevance of this theory to the study is that organizations are expected to adopt positive work life balance policies that will enable employees have a positive work life balance. Raising children often times conflicts with work as lots of care is needed and this leads to one duty spilling over to the other and hence the research hypothesis that child care services have a positive influence on employee retention of the commercial banks in Kenya.

**Conceptual Framework:**

The study conceptualized an interconnection between the independent variables and the dependent variable as illustrated in the figure below:



**Figure 1: Conceptual Framework**

**Empirical Review of Relevant Literature:**

Natalie & Janine (2013) cited Payne et al., (2012) who investigated the relationship between childcare use and work-family outcomes. They observed that employees with pre-school aged children who had access to high quality and convenient childcare had lower family-to-work conflict, and this in turn was associated with lower turnover intentions and increased worker wellbeing.

Morrissey & Warner (2011) as cited in Natalie & Janine (2013) found that over 70 percent of workers using an employer-provided scheme to reduce childcare costs agreed that this arrangement reduced their work-family stress and had a positive impact on their intention to continue working (Natalie & Janine, 2013). The study and findings of Anderson & Geldenhuys (2011), indicated that those respondents without access to an on-site Employer Sponsored Child Care (ESCC) facility showed significantly higher absenteeism rates than respondents with access to an on-site facility, regardless of whether or not they used it.

Child care services for example lactation stations are private, clean, sanitary and well ventilated rooms or areas in the workplace where nursing mothers can wash up, breast feed or express their milk and hygienically preserve it (The Health Act, 2017). These help breastfeeding female employees to feed or express breast milk for their babies who are still breastfeeding. There is collective commitment by the Kenya private sector, Ministry of health (MOH) and UNICEF to strengthen workplace support for breastfeeding mothers. Many private and public sector partners have committed to the initiative branded “Better Business Practices for Children.” Some organizations have provided breastfeeding facilities and even childcare spaces: Examples -Safaricom Kenya, Kenya Red Cross Society, International Medical Corps, Finlay Tea Farm, Oserian Flower Farm, Karen Roses Flower Farm, National Bank, Kenya Women Finance Trust, Red land roses. This has led to improved retention of female employees -retention of valuable skills and experience, lessening recruitment and retraining costs (MOH, 2017).

### III. RESEARCH METHODOLOGY

The study used a descriptive survey. Kothari (2014) describes a descriptive survey design as a design that seeks to portray accurately the characteristics of a particular individual, situation or a group. This type of research design attempts to describe or define a subject by creating a profile of a group of problems, people or events through collection of data and tabulation of frequencies on research variables.

#### Research Philosophy:

The philosophical foundation for this study was based on the positivist paradigm. Positivism views that only factual knowledge gained through observation, including measurement is trustworthy. The research was limited to data collection and interpretation through objective approach. The research findings were observable and quantifiable leading to statistical analysis (Mensah, 2014). The researcher therefore was independent and only concentrated on the facts collected. Minimal interaction with the research participants was maintained while conducting the research and hence the study was purely objective. As Crowther & Lancaster (2008) note, positivism studies usually adopt deductive approach. The researcher therefore adopted the positivist approach because it is commonly used in social science research and the constructs being researched can be objectively defined and established through theoretical models, analyzed and interpreted.

#### Target Population:

The target population was all the 40 listed and operating commercial banks in Nairobi County. Muli (2014) studies shows that Nairobi County comprises of 12% of all employees in the commercial banks in Kenya. The study therefore focused on 12% of 33,786 (4054) employees in Kenya comprising of the management, supervisory and clerical levels as stratified by the CBK (2015).

#### Sampling Techniques and Sample Size:

A representative sample size with known confidence and risk levels was selected based on the work of Yamane’s (1967) formula (Muchiti & Gachunga, 2015).

$$n = \frac{N}{1 + N(e)^2}$$

Where;

n = sample size,

N = population size

e = error term

N = 4054,

$\epsilon = .05$

Hence,  $n = \frac{4054}{1 + 4054 (.05)^2}$

= 364

**Data Collection Methods:**

The study adopted the use of both closed and open ended questionnaires to collect primary data. The questionnaire contained both open ended and close ended questions with the quantitative section of the instrument utilizing both a nominal and a Likert-type scale format. The Likert-type format was selected because this format yields equal-interval data, a fact that allows for the use of more powerful statistics to test research variables (Kieess & Bloomquist, 2009).

**Pilot Testing:**

A pilot test was conducted to detect weaknesses in design and instrumentation to provide proxy data for selection of probability sample. Pilot study enabled the researcher to obtain assessment of validity and reliability of data collection tools as well. The research instrument was pre-tested using a sample of 10 % of the actual sample size which is within the acceptable range as per Mugenda & Mugenda (2003)

**Validity and reliability of the Research Instruments:**

Validity is the extent to which the instrument measures what it purports to measure (Healy & Perry, 2000). After the design, the questionnaire was given to supervisors and experts for their comments and suggestions. This was done to ensure refinement and content validity. Besides testing validity with experienced researchers, the researcher pre-tested instruments on potential respondents. Feedback was used to improve the data collection instruments by eliminating any ambiguities and inadequate terms. The research used Cronbach's Alpha as a measure of internal consistency to measure reliability of the instruments.

**Statistical Modelling:**

The study used multiple regressions analysis to analyze the collected data. The study was therefore guided by the following regression model:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 * M + \epsilon$$

Where;

Y = Employee Retention

B<sub>0</sub> = The Constant

X<sub>1</sub> = Child Care Services

ε = The error term

M = The hypothesized moderator (Personal Characteristics-Age, Gender and Education level)

B<sub>2</sub> = the beta coefficients of the independent variables

β<sub>2</sub>X<sub>2</sub>\*M, is the interaction terms of the personal characteristics on the influence of child care services on employee retention.

**IV. RESULTS AND DISCUSSION****Child Care Services:**

The study analyzed the influence of child care services on employee retention. 53.8% of the respondents being the majority indicated that they disagreed that the banks had baby crèches and a further 44.8% strongly disagreed that there existed baby crèches/ baby cares on site. 50.2% indicated that the banks did not pay for external services to take care of the employee's babies while 46.6% strongly disagreed that there existed such kind of arrangement. Majority, 48.9% also strongly disagreed that the banks provided for child support vouchers.

On whether there existed lactation units, 46.2% strongly disagreed, 20.8% neither disagreed nor agreed while only 13.1% agreed. The fewer banks indicted by the 13.1% to have lactation stations could be those banks which have complied with the Kenyan Laws that require employers to have lactation units at the work place. However, there is a slight indication that employees after their maternity/paternity leave are allowed to report a little late or leave a little earlier to attend to their newborns. This is shown by 30.7% of the respondents agreeing while a 31.6% showed mixed feelings as they neither agreed nor disagreed. This kind of arrangement could be the possible reason why a majority, 33.9%, though on a lower side, felt it was easy to bring up children while working.

Majority of employees neither agreed nor disagreed that they intended to stop working to first take care of their babies. This was indicated by 32.6% while 24.3% disagreed and 20.2% strongly disagreed that they intended to stop working. This could be because of the economic needs the employees must fulfill in order to bring up their children well. 68.8% of the respondents however indicated that they wished they had more time with their children and still work. This shows how important the provision of baby crèches for example is important to employees.

When asked whether the baby crèches were well equipped, a majority of respondents at 54% strongly disagreed while 33.5% disagreed. Only 1.4% agreed that the crèches were well equipped. Majority of respondents, 52.1% indicated they were looking for organizations that support young parents in child upbringing.

The study deduced that there were very little child care services offered by commercial banks in Kenya which may lead to low employee retention. The study findings are in agreement with Babu, & Raj (2013) who noted that employers are in the habit of cutting costs and that childcare assistance is one such work-life balance practice that adds minimal cost to the employers but adds many benefits to the bottom line like improved retention, increased performance, reduction of employee stress and there by increases Organizational Productivity.

The study also concurs with Burden & Googins (2014) who indicated that because of a lack of adequate child care arrangements, over 40 percent of the employees reported that they had to bring their children to the worksite during work hours and almost half had brought them during non-work hours. Most of them said it happened several times during the year. The alternative to this practice would, of course, be increased worker absence or to leave the children home unattended, at the cost of increased parental worry and stress. Burden & Googins (2014) concluded by saying that while the worksite child care centers get most of the attention, they are fairly rare despite their importance. Their studies deduced that companies which had implemented child care programs had greater benefits. The most common benefits cited were a reduction in turnover, enhanced response to recruitment efforts, a better public image, increased productivity, and lower absenteeism.

The study sought to establish whether the respondents had children as it affects the work life balance. The study established that majority of the respondents 67.0% had children while 33.0% had no children. That meant that 67.0% of the respondents had family commitment outside of work and had relevant experience in work-life balance that informed this study.

The study equally sought to establish the life stages of children of the respondents as it is likely to affect work life balance. The study established that majority of the respondents 24.6% had children less than 5 years, 19.2% had children between 5-10 years, 17.9% had children between 10-18 years while 5.4% had children above 18 years. This indicates that the most respondents had young children to take care of which is likely to demand for a work life balance. The responses are summarized in the table below:

**Table 1: Influence of Child Care Services on Employee Retention**

|   | N   | SDI (%) | D (%) | NDA (%) | A (%) | SA (%) | Mean   | SD      |
|---|-----|---------|-------|---------|-------|--------|--------|---------|
| We have a baby care/ baby crèche in my bank   | 221 | 44.8    | 53.8  | 1.4     | 0     | 0      | 1.5656 | .52353  |
| My bank pays for external services to take care of employees' young children  | 221 | 50.2    | 46.6  | 1.4     | 1.8   | 0      | 1.5475 | .62067  |
| My bank gives vouchers to support bringing up employees' children   | 221 | 48.9    | 48.0  | 1.4     | 1.8   | 0      | 1.5611 | .61948  |
| We have lactation stations for mothers to express and safely store breast milk for employees' young babies at home                                  | 221 | 46.2    | 18.6  | 20.8    | 13.1  | 1.4    | 2.0498 | 1.14902 |
| After maternity/paternal leave, employees are allowed to report to work a little late or leave work a little earlier to take care of their newborn. | 212 | 24.1    | 9.9   | 31.6    | 30.7  | 3.8    | 2.8019 | 1.21927 |



|   |     |      |      |      |      |      |        |         |
|---|-----|------|------|------|------|------|--------|---------|
| I can have children while am still working here since it will be very easy to bring up the child while working                        | 221 | 28.1 | 24.4 | 13.6 | 33.9 | 0    | 2.5339 | 1.22288 |
| Most of the employees don't intend to stop working to first take care of their baby as the bank has favorable child care services     | 218 | 20.2 | 24.3 | 32.6 | 21.6 | 1.4  | 2.5963 | 1.07865 |
| Most of the employees wish they can have more time with their children and still work   | 218 | 0    | 4.6  | 6.4  | 68.8 | 20.2 | 4.0459 | .67045  |
| The baby care centre/crèche is well equipped. Most employees are comfortable leaving their baby there as they work                    | 215 | 54.0 | 33.5 | 11.2 | 1.4  | 0    | 1.6000 | .74130  |
| Most of the employees are looking for employment in an organization that support young parents to bring up the children while working | 219 | 3.2  | 2.7  | 11.0 | 52.1 | 31.1 | 4.0502 | .90475  |
| Valid N (listwise)  | 207 |      | 0    |      |      |      |        |         |

Key: SDI=Strongly Disagree, D=Disagree, NDA=Neither Disagree nor Agree, A=Agree, SA=Strongly Agree, SD=Standard Deviation

### Employee retention:

The study analyzed the employee retention in commercial banks in Kenya. 37.1% of the respondents indicated neither disagreeing nor agreeing on whether employees had a strong desire to leave the bank as a result of not being able to balance between work and non-work aspects of life while 20.5% disagreed. When asked whether they intended to resign since the banking environment does not favor raising families, majority, 44.2% disagreed while 22.8% agreed with the statement. Majority, 27.1% indicated preference to work in organizations with environment that favored attendance to family matters while still working.

When asked whether they sometimes asked doctors to write sick off whenever they didn't feel like going to work, majority, at 33.9% disagreed while 22.8% strongly agreed. Majority, 37.1% disagreed that they hated their banks since they were so rigid while 20.5% strongly agreed. When asked whether they were willing to work for the banks for long, majority, 31.7% disagreed that they were not going to work for the banks for long while 24.6% agreed to the statement. 31.3% disagreed that they were working for the respective banks for lack of alternatives while 23.2% agreed with the statement.

The researcher sought the respondents' views on reasons why employees resign from their bank. They indicated that they were dissatisfied because some of the work- life balance practices such as childcare services, flexible schedules (compressed week and flexi hours), provision of social and family events, mental relaxation programmes and child education schemes were not in place.

The researcher sought the respondents' views on programs or activities they would recommend the bank to adopt to make them enjoy their work and hence not have a desire to leave or resign. They recommended comprehensive medical covers or access to free treatment, child care services, flexi working arrangements such as compressed week, flexible hours and part- time working be introduced to enable employees attend to personal issues. They also recommended for family support in the event of death of staff member or a member of their family and occasional staff retreats and group recreational programs for relaxation and bonding.

These observations are in line with the findings of Thompson & Prottas (2005) and Yanadoria & Katob (2010) who examined the relationship between employee turnover intention and organization support such as supervisor support, flex time, work family culture and co-worker support and concluded that organizational support to employees reduced the employee turnover intention. This is in line with the findings of Lockwood, (2003) and Landaur, (1997) who asserted that work-life balance programs have the potential to significantly improve employee morale, reduce absenteeism and retain organizational knowledge, particularly during difficult economic times. Rahman and Nas (2013) assert that obtaining a balance between work and life has a great role in employee's decision to remain with the organization.

The responses are summarized in the table below:

**Table 2: Employee Retention and Work life Balance Practices**

|  | N   | SDI (%) | D (%) | NDA (%) | A (%) | SA (%) | Mean   | SD      |
|--|-----|---------|-------|---------|-------|--------|--------|---------|
| Employees in this bank have a strong desire to leave because they are not able to balance between work and non-work aspects of life  | 224 | 5.4     | 20.5  | 37.1    | 17.4  | 19.6   | 3.2545 | 1.14918 |
| I intend to resign from this bank because the environment does not allow for starting or raising a family  | 224 | 6.3     | 44.2  | 21.4    | 5.4   | 22.8   | 2.9420 | 1.28852 |
| I would prefer working in any other firm rather than this bank because I would able to attend to family matters and still work very well   | 221 | 2.3     | 31.2  | 21.3    | 18.1  | 27.1   | 3.3665 | 1.24191 |
| Many employees have resigned from this bank in less than two years because they prefer working somewhere they are able to work at the same time go to school and have quality time with family | 224 | 5.4     | 15.6  | 38.8    | 17.4  | 22.8   | 3.3661 | 1.15207 |
| Employees don't stay in this bank long enough because they are not valued well   | 224 | 3.6     | 28.6  | 33.5    | 13.8  | 20.5   | 3.1920 | 1.16516 |
| In my opinion, employees will stay here long if the bank provided clear career growth structure/mechanism  | 224 | 3.6     | 1.3   | 5.4     | 21.4  | 68.3   | 4.4955 | .93270  |
| I sometimes ask my doctor to write for me a sick off when I don't want to go to work   | 224 | 7.1     | 33.9  | 15.6    | 20.5  | 22.8   | 3.1786 | 1.31029 |
| I hate working for this bank because it is so rigid. You can't have your time even if you requested for some   | 224 | 15.6    | 37.1  | 14.7    | 12.1  | 20.5   | 2.8482 | 1.38674 |
| I will not work for this bank for long since management doesn't values employees and neither supports employees to strike a balance between work and non work aspects                          | 224 | 3.6     | 31.7  | 20.1    | 20.1  | 24.6   | 3.3036 | 1.24806 |
| I am working in this bank for lack of an alternative employer  | 224 | 16.1    | 31.3  | 17.4    | 12.1  | 23.2   | 2.9509 | 1.41811 |
| Valid N (listwise)   | 221 |         |       |         |       |        |        |         |

Key: SDI=Strongly Disagree, D=Disagree, NDA=Neither Disagree nor Agree, A=Agree, SA=Strongly Agree, SD=Standard Deviation

### Reliability Statistics for Variables

Cronbach Alpha was used to ensure reliability of the instrument. Child Care Services had a coefficient of 0.822 which was above the suggested value of 0.7 (Sekaran, 2010). The study was thus reliable.

**Table 3: Reliability Statistics for Variables**

| Variables                             | Reliability Cronbach's Alpha | Number of items | Comments |
|---------------------------------------|------------------------------|-----------------|----------|
| Child Care Services (X <sub>1</sub> ) | 0.822                        | 10              | Accepted |

### Hypothesis Testing

Hypothesis was done to determine the influence of Child care services on employee retention of commercial banks of Kenya. H<sub>a</sub>: Child care services have a significant positive influence on employee retention of commercial banks in Kenya. For X<sub>1</sub>: H<sub>a</sub>: B<sub>1</sub>=0, since t=2.535, p=0.012 is less than 0.05. X<sub>1</sub> (child care services) has significant influence on Y (employee retention)



### Regression Analysis of Influence of Child Care Services on Employee Retention

The results of the regression analysis revealed that there is a significant positive influence ( $\beta=1.705$ ,  $p < 0.001$ ) of child care services on employee retention. This means that increase in the use of child care services in the organization will lead to increase in employee retention in commercial banks in Kenya. The independent variable reported R value of 0.781 and  $R^2=0.610$  which means that 61% of corresponding variations in employee retention can be explained by child care services.

The F test gave a value of  $F(1, 202) = 315.715$ ,  $p < 0.001$  which is relatively large enough to support the goodness of fit model explaining the variations in the dependent variable. This validates that child care services is a useful predictor of employee retention. The results of regression analysis revealed there was significant positive influence ( $\beta= 1.705$ ,  $p < 0.001$ ) of child care services on employee retention. This implies that employees who experience higher or better child care services tend to work for longer period in the commercial banks in Kenya.

**Table 4: Model Summary Influence of Child Care Services on Employee Retention**

| Model | R       | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|---------|----------|-------------------|----------------------------|
| 1     | .781(a) | .610     | .608              | 6.79853                    |

a Predictors: (Constant),  $X_1$

**Table 5: ANOVA**

| Model |            | Sum of Squares | df  | Mean Square | F       | Sig.    |
|-------|------------|----------------|-----|-------------|---------|---------|
| 1     | Regression | 14592.375      | 1   | 14592.375   | 315.715 | .000(a) |
|       | Residual   | 9336.448       | 202 | 46.220      |         |         |
|       | Total      | 23928.824      | 203 |             |         |         |

a Predictors: (Constant),  $X_1$

b Dependent Variable: Y

**Table 6: Coefficients**

| Model |            | Unstandardized Coefficients |            | Standardized Coefficients | t      | Sig. |
|-------|------------|-----------------------------|------------|---------------------------|--------|------|
|       |            | B                           | Std. Error | Beta                      |        |      |
| 1     | (Constant) | 74.901                      | 2.377      |                           | 31.517 | .000 |
|       | $X_1$      | 1.705                       | .096       | .781                      | 17.768 | .000 |

a Dependent Variable: Y

### The moderating effect of personal characteristics on the influence of Child Care services on employee retention

The study sought to establish the effect of the moderating variable (personal characteristics) on the influence of child care services on employee retention of commercial banks in Kenya.

**Table 7: Coefficients Moderating Effect of Personal Characteristics**

| Model   | Unstandardized Coefficients |            | Standardized Coefficients | t      | Sig. |
|---|-----------------------------|------------|---------------------------|--------|------|
|   | B                           | Std. Error | Beta                      |        |      |
| 1 (Constant)  | 72.703                      | 1.304      |                           | 55.765 | .000 |
| Child Care Services $X_1$                               | .264                        | .104       | .123                      | 2.535  | .012 |
| 2 (Constant)  | 66.636                      | 4.820      |                           | 13.826 | .000 |
| Child Care Services $X_1^*$<br>Personal Characteristics | .227                        | .108       | .106                      | 2.099  | .037 |

a Dependent Variable: Employee Retention (Y)

The co-efficient results show that there was a positive significant moderating effect of personal characteristics on the influence of child care services on employee retention of commercial banks in Kenya with the unmoderated model, child care services ( $\beta = 0.264$ ,  $p=0.012$ ) while the moderated model, child care services ( $\beta = 0.227$ ,  $p=0.037$ ) as shown in tables above.

## V. SUMMARY, CONCLUSION AND RECOMMENDATIONS

The findings showed that child care services had a significant positive effect on employee retention. The results of regression analysis revealed that there is a significant positive influence ( $\beta=1.705$ ,  $p< 0.001$ ) of child care services on employee retention. This means that increase in the use of child care services in the organization will lead to increase in employee retention in commercial banks in Kenya. This implies that employees who experience higher or better child care services tend to work for long period for the commercial banks. Therefore, the hypothesis of the study is supported which states that child care services have a significant positive influence on employee retention in the commercial banks in Kenya. Hence, accept the alternative hypothesis.

### Conclusions:

The study concluded that child care services positively and significantly influenced employees' retention of commercial banks in Kenya. Despite the importance of child care services, the study results generally revealed that there were little child care services offered by commercial banks in Kenya which may lead to low employee retention. Employees with pre-school aged children who have access to convenient childcare service could have lower family-work conflicts, which can lead to lower turnover intentions and increased worker wellbeing. In addition, child care program helps to attract and retain employees who have young children, hence promote proper employee diversity management.

### Recommendations:

The study recommends implementation of child care services to meet the educational, social, physical and emotional needs of the employees' children as a strategy to curb absenteeism, presentism and henceforth employee turnover. These programmes are likely to attract and retain employees as the findings show that majority of employees have children and are in the child bearing age. In addition, it is recommended that organizations comply with the requirement of the labour laws that require employers to put in place lactation stations (one of the ways of child care service) in the workplace where nursing mothers can wash up, breast feed or express their milk and hygienically preserve it. This will help breastfeeding female employees feel more secure at the workplace where they are assured that the health of their children is not at stake. In addition, working in organizations where employees are not frequently disrupted by issues such as bad health of their children improves morale, job satisfaction, performance and henceforth increase employee retention.

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