

INFLUENCE OF PHASED RETIREMENT ON EMPLOYEE PERFORMANCE OF MEDICAL PERSONNEL IN KERICHO COUNTY REFERRAL HOSPITAL, KENYA

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DOI: <https://doi.org/10.5281/zenodo.8406525>

Published Date: 04-October-2023

Abstract: There is a need to tackle inadequate human resources for health with the focus mainly on flexible work arrangements and workforce performance. To help us understand how flexible work arrangements affect service delivery quality of medical personnel in Kenyan Hospitals. The study investigated the influence of influence of phased retirement on employee performance of medical personnel in Kericho County Referral Hospital, Kenya This research study utilized descriptive research survey design to fact find, formulate principles of knowledge and solve problems. This study's sampling design was simple random sampling method whereby the researcher encouraged respondents to the questionnaire to participate by selecting a representative sample from the target population with each respondent's chance of being selected for the study being equal and independent. This was done to ensure ease in data collection due to simple random methods simplicity and lack of bias. Responses and answers were confidential to protect the respondents and to encourage honest answers. The questionnaires developed were adopted from published literature with regards to the topic of this research i.e. Flexible Work Arrangements. This assisted during determining reliability and validity of research instruments and to reduce on work and effort needed in developing and testing of other instruments. University lecturers in particular my supervisors were used to ascertain face validity. Construct validity involved review of theoretical and empirical literature on Flexible working and employee performance while considering the respective indicators. Experts in HRM will be used to assess content validity. The aggregate Cronbach's Alpha coefficient was 0.79825. The research was therefore established to be reliable. The research instruments used in the study were distributed with the objective of obtaining primary data in the form of open and closed ended answers from participants. Data was analyzed using Statistical Package for Social Sciences (SPSS) Version 21. Phased Retirement was found not to be significant in improving employee performance. The study suggested that further research be carried on how phased retirement can be implemented to improve employee performance.

Keywords: Phased retirement, Employee Performance.

1. INTRODUCTION

DeMenzes and Keliher cited by CIPD, (2019) define flexible working arrangements as arrangements that vary the amount, timing, or location of work. It involves a wide range of working arrangement i.e. Phased retirement, Shift work and Work Family programs. The flexible working concept is about individual employees making applications to vary their working hours' i.e. stepping out of the default model in some way. Flexible working is about supporting working parents, utilizing different working patterns and looking at new ways of working. Flexible working should broadly rethink how employees work at a fundamental level. It's about replacing the olden days' command and control style of management with collaboration and communication. Flexible work is all about a truly inclusive working environment.

Since the period of industrial revolution work has continued to be done in a similar way and within a similar structure that is; travelling to a particular location where we will find others undertaking work for the same organization. Typically work took place between Monday and Friday (Although until recently working on Saturday was a norm). Work is therefore an activity we undertake and a place we go to.

Today most organizations are service driven and technology filled compared to the recent past where employees needed to travel to a particular place to physically undertake their work. This default model of work was not only dominant but also particularly resistant to change. In today's economy most of us undertake what is referred to as 'knowledge work' by applying their specialist experience and learning. As the shift towards an economy made up of increasing knowledge workers, many people can work from anywhere, any when as long as they have the necessary means such as a laptop and a reliable Wi-Fi connection. Also job roles that did not exist 20 years ago have emerged, other roles have disappeared altogether some of them due to their inability to adapt to changing cultures and customer demands. This flexibility can bring with it a wide range of benefits to all parties in the employment relationship. This translates to a Flexible working revolution. Research shows that many of us prefer flexible working arrangements with a high demand for flexible working by both men and women across all ages. This was attributed to two factors; workforce demographics and more supportive work cultures. Flexible working has yielded positive workplace results i.e. addressing shortage of skills, attracting, retaining talent and supporting diversity, Flexible work arrangement have also been seen to narrow gender pay gaps, support employee well-being and encouraging organizations to accept change.

Flexibility is at the very core of future work and therefore all organizations need to rethink their traditional approaches to work and working hours and embrace work flexibility. A recent report by Eurofound and the International Labour Office (2017) argues revolution of work life using Information Communication Technology and the internet alongside demographic and societal changes that have pushed for greater flexibility at work. Two earners in a family set up are beneficial although with its challenges. The traditional culture of male bread winners and females caring for homes is gradually disappearing as more women are becoming actively involved in work. This is because of the need to have two salary earners in the family to improve their livelihoods and enhance their family resources. Adisa, A., Osabutey, E. & Gbadamosi, G. (2017). Prompted by policy attention flexible working has benefitted older workers to stay in employment longer. Loretto, W. & Vickerstaff, S. (2015).

Flexible working is a relatively new concept in Kenya increasingly becoming a critical means of achieving organizational operational effectiveness. Content of relevant Kenyan and International Laws dealing with work life balance are included in the Legislative framework. These laws include the Kenyan constitution 2010, International Labour Organization conventions which are in chapter 226 of International Law and the Employment Act. It is important to note that Kenya does not have specific and direct legislation for promoting Work Life Balance and it is mainly linked to Labour laws.

To perform involves standardization of work towards achieving a desired objective. It involves working towards achieving pre-determined goals in the organization. Austin-Egole, Stella, I., Iheriohanma, E.B.J. & Iheanacho, (2022). Social exchange theory involves social behavior that results in maximum profit and reduced costs. George Homans developed this theory in 1958 in his publication social behavior as exchange. Employees benefit from flexibility of work whilst the time spent at work and loss of opportunity from employees committing to work will act as a cost. This theory apart from being the lead theory for this research will also be relevant during the implementation of work family programs.

Flexible working involves giving workers greater scheduling freedom in fulfilling their work responsibilities in order to meet both personal and family needs thereby achieving work life balance. Xiang, Y.T., Yang Y., Wen Li., Zhang L., Zhang Q., & Cheung T., et al. (2019). Hospitals engage in 24 hour operations and Flexible Work Arrangements enable hospitals to deliver services during the entire 24 hours. Flexible work arrangements differ according to organizational sizes and types. Therefore, there is a need to do an organizational assessment of what kind of flexible work arrangement fit with the nature of operations in the organization. Flexible working has become significantly common today especially with the current restrictions of the Coronavirus pandemic globally on organizations.

2. STATEMENT OF THE PROBLEM

Health Departments worldwide are under pressure to provide quality and affordable healthcare. Health care providers in Kenya are facing a challenge of being in a competitive environment with limited resources available despite the fact that health care is an essential service. This has resulted in hospitals setting performance standards to counter competition from other players. The level of performance resulting from flexible working in Kericho County Referral Hospital, Kenya is yet

to be determined i.e. as to whether flexible work arrangements contribution to work performance is below the set minimum standards of performance at the hospital and whether it is in line with meeting stakeholders' needs and expectations.

This programs include phased retirement, shift work, work family programs among others; with performance measures such as improved throughput whereby the amount of patients being treated in a day is determined for customer satisfaction. Reduced rework will result from Accuracy in diagnosis involving lack of client complaints of misdiagnosis. Reduced workplace injury showing professionalism of medical personnel, and their focus and commitment in their performance, personal development, reduced staff absenteeism and turnover whereby employees will become punctual in reporting to work, working in teams with gist and morale, attaining employee benefits at a lower competitive cost and ensuring continuity of work efficiently with employees maintaining patient care and safety whilst exercising control over their time.

An informational gap also arises here whereby the level of awareness of flexible work arrangement programs such as phased retirement, work family programs and shift work being implemented at Kericho County Referral Hospital is unknown to employees and how these programs can be utilized by health sector workers to their advantage in enhancing productivity and organizational performance. Problematically, when workers shift to accepted workplace norms and seek to work differently, this often negatively impacts on employee's careers and earnings as well as poorer perceptions being formulated about them as workers "The flexible work revolution" has brought about challenges some of which are significant but entirely possible to overcome with commitment and action.

There is a possibility of abuse of flexible work arrangements by organizations which will negatively impact on employee performance of medical personnel. Hospitals should therefore ensure responsiveness and efficiency in implementing flexible working arrangements. Whilst a range of research and surveys done by both academics and industrial bodies have identified multiple gains of flexible working arrangements, research also suggests the dissatisfaction of employees and organizations with their experiences and outcomes Clarke, S. & Holdsworth, L. (2017). There exists a gap between what is said to be done and what actually happens in practice. However, this is not to say that flexible working is not without its challenges. Flexible working has many benefits, but it can also have a negative impact when not managed or implemented appropriately. Flexible working can result in unlocking gender equality, but may result to problematic gender norms too. This research study thus sought to expound on knowledge by seeking to determine Flexible Work Arrangements and Employee Performance of Medical Personnel in Kericho County Referral Hospital, Kenya.

3. LITERATURE REVIEW

Theoretical Literature Review

The work social behavior as exchange by the sociologist George Homans introduced this theory in 1958. It utilizes economic analogies derived from cost benefit analysis involving an employee's anticipation for rewards such as; social approval, better standards of living, and autonomy. When risk derived from a relationship is higher than benefits the individual tends to quit the relationship. Munyiva, J.M. (2018). This theory was used to understand the interrelationship between employers and employees in enhancing performance through personal development and reduced absenteeism which will ensure employees attend to work punctually with improved focus on their performance. This will also minimize cases of staff turnover. Flexibility of work will act as a benefit to employees whereas employees will commit themselves to work by spending more time at the workplace and foregoing any lost opportunity. This will serve as the cost to the employee hence cost benefit analysis. This theory was the lead theory in this research acting as a basis for all the other theories applied in this research including psychological contract theory and social exchange theory. Apart from social exchange being a lead theory it also informed Work family programs discussed in this research.

Empirical Literature Review

Phased retirement is relevant for continuity of operations and management of short term knowledge in the organization. It promotes mentoring and training of employees' as a way of succession planning. Phased retirement also provides a platform for employees with experience to impart skill and expertise to new inexperienced personnel in the workplace. Under phased retirement the employer and employee agree to a working schedule to reduce the number of working hours or even allow almost retiring employees to work part time as a way of flexible working.

In a report to the special committee on aging, U.S Senate by the United States Government Accountability Office GAO, (2017); GAO examines; retiring employees how to adopt phased retirement so as to have minimal challenges and more benefits. GAO did this study by analyzing data from a study on health retirement (2004-2014) and a recent survey on population (2005-2016); GAO also did a review of regulations and relevant federal laws. The study apart from conducting

literature review interviewed 9 employers and 16 experts who offered or considered phased retirement. The study found out that there was increased participation of older workers in employment in the last decade with individuals aged 61-66 still maintaining a regular schedule of full time work. However, as this workforce planned to transition into retirement one quarter of them planned to practice phased retirement out of which fewer than 15% were gradually retiring.

The study found out phased retirement to be common among technical and professional workers with nine (9) of the sixteen (16) experts preferring phased retirement because of the difficulty in replacing them and also loss of knowledge and experience. Among the design and operational challenges of phased retirement are compliance with provisions and anti-discrimination laws. Despite this the study cited the following benefits of phased retirement; retention of employees, smooth transition into retirement, transfer of knowledge and succession planning. In my own opinion older workers show better work performance because they are highly motivated to take up the job task more seriously than younger employees. They are also more likely to show interest in Trainings as long as there is social support and career aspirations involved. This study was conducted in the US which presenting a contextual gap as the current study which will be done in Kericho County Kenya.

Papke (2019) did a study retirement choice by state and local public sector employees and analyzed effect of pension policies on the retiring public employees. The studies sample consisted of state and public employees. Proportional hazard model and time varying co-variants was used to analyze data to determine retirement as a dependent variable of pension and social security. The study found out that being eligible for pension significantly increases the probability of early retirement. In my opinion managers need to have the right strategies in place to enable them handle older employees issues objectively such as employees contributing towards their own retirement benefits thereby determining their own period of employment. These strategies include availability of phased retirement as an option in the organization. This study by Papke (2019) presented a conceptual gap in that the study variables retirement choices and their eligibility leading to early employee turnover differ with the current studies variables effects of phased retirement on employee performance of medical personnel.

Gathiira, Muathe and Kilika (2019) did a study Employee Separation Planning and Retirement Preparedness of Secondary School Teachers in Kenya and mentioned that preparation for retirement involves a deliberate planning process. Some employees lack to prepare for retirement hence the need for a sound HR practices on retirement. Multi stage sampling method was used when selecting a sample of 334 utilizing an interview guide and semi-structured questionnaires. Logit regression was used to establish variable interrelations and test the null hypothesis. The study concluded that employers should offer conducive retirement plans and recommended the government of Kenya to enact a framework that enforces, monitors and evaluates diversified HR practices for employers on retirement. This can be achieved in my opinion through flexible work arrangements policies such as phased retirement being offered at the institutional level. This study presented a methodological gap using interview guides and semi-structured questionnaires to collect data whereas the current study will utilize semi- structured questionnaires using simple random sampling.

4. RESEARCH METHODOLOGY

This research study utilized descriptive research survey design to fact find, formulate principles of knowledge and solve problems. This study's sampling design was simple random sampling method whereby the researcher encouraged respondents to the questionnaire to participate by selecting a representative sample from the target population with each respondent's chance of being selected for the study being equal and independent. This was done to ensure ease in data collection due to simple random methods simplicity and lack of bias. Responses and answers were confidential to protect the respondents and to encourage honest answers. The questionnaires developed were adopted from published literature with regards to the topic of this research i.e. Flexible Work Arrangements. This assisted during determining reliability and validity of research instruments and to reduce on work and effort needed in developing and testing of other instruments. University lecturers in particular my supervisors were used to ascertain face validity. Construct validity involved review of theoretical and empirical literature on Flexible working and employee performance while considering the respective indicators. Experts in HRM will be used to assess content validity. The aggregate Cronbach's Alpha coefficient was 0.79825. The research was therefore established to be reliable. The research instruments used in the study were distributed with the objective of obtaining primary data in the form of open and closed ended answers from participants. Data was analyzed using Statistical Package for Social Sciences (SPSS) Version 21. Phased Retirement was found not to be significant in improving employee performance. The study suggested that further research be carried on how phased retirement can be implemented to improve employee performance.

5. FINDINGS

The descriptive statistics results of phased retirement are presented in Table 1.

Table 1: Phased Retirement

Statement	N	Mean	S.D
Phased retirement ensures new inexperienced employees acquire skills and knowledge from older experienced employees.	85	4.21	.818
Phased retirement is a platform for mentoring and training of employees for succession planning	85	4.22	.822
Phased retirement is a good avenue for health affordability.	85	3.67	1.159
Replacing older workers result into loss of knowledge, experience and expertise.	85	3.81	1.118
Older workers wellbeing is ensured when they participate in employment.	85	3.61	1.206
Valid N (list wise)	85		

In the table 1 the respondents agreed (Mean 4.21 S. D 0.818) that phased retirement ensured new inexperienced employees acquire skills and knowledge from older experienced employees and mentoring and training is a platform for mentoring and training of employees for succession planning (Mean 4.22 S. D 0.822). However, respondents differed with the statement Phased retirement is a good avenue for health affordability (Mean 3.67 S. D 1.159). This variance could be as a result of phased retirement not having a great popularity in organizations as old workers are considered unproductive. Responses from the open ended question on phased retirement and employee performance elicited mixed reactions such as phased retirement being relevant to improving performance in that it allows fresh blood into the organization and gives older workers a sense of purpose and connection to the organization. This is despite the fact that some respondents were of the view that those affected by phased retirement never go for training, never give room for newly trained staff to explore their skills and had burnout due to old age. Most of the respondents were of the opinion that phased retirement is relevant to employee's performance as lost knowledge means lost efficiency and revenue.

United States Government Accountability Office, (2017) did a study on Older workers: Phased retirement programs, although uncommon, provide flexibility for workers and Employers and asserted that in the last decade, inclusion of older workers in the labour market had significantly increased. Also, that the difficulty in replacing skilled expertise had resulted into phased retirement being offered in organizations. Pakpe (2019) in their study Retirement choices by state and local public sector employees: The role of eligibility and financial incentives realized that the probability of early retirement had been greatly increased by the availability of Pension.

6. RESULTS OF REGRESSION ANALYSIS

The Model Summary 2 below show findings of the multiple regression analysis conducted to test the influence of independent variable on the dependent variable.

Table 2: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.542 ^a	.293	.267	.53692

From table 2 above, predictors present a positive correlation (R=.542) with the dependent variable. The coefficient of determination r^2 from the table is 0.293 i.e. the independent variable of the study explain 29.3% percent of the variance. The remaining 70.4% can be explained by other factors not studied in this research such as fringe and financial benefits.

Table 3: Coefficients

Model		Unstandardized Coefficients		Standardized t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta		Tolerance	VIF
1	(Constant)	2.229	.384		5.798	.000	
	Phased Retirement	-.027	.091	-.033	-.299	.766	.736 1.359

The above regression equation proves that, factoring Phased Retirement at Zero constant, the performance of Medical Personnel at Kericho County Referral Hospital would be 2.229. If all other variables are kept constant, one unit rise in Phased Retirement will result in -0.027 decrease in performance of medical personnel in Kericho County Referral Hospital. At 95% confidence level, Phased Retirement (p-value= 0.766) is insignificant variables in the model.

Following the illustrated output, the regression model will therefore be represented as follows;

$$Y = 2.229 - 0.027 (\text{phased retirement})$$

7. CONCLUSIONS

Majority of the respondents were of the opinion that phased retirement ensures acquisition of skills and knowledge by new inexperienced employees from their older counterparts. Phased retirement was also realized to be a good platform for mentoring and training of employees for succession planning. As a result of this employees will acquire practical hands on knowledge and skills. Also, chances of workplace injuries if any will reduce. A practical explanation for this variance of insignificance of phased retirement could be as a result of know it all attitudes of young energetic employees, lack of sensitization on phased retirement as phased retirement does not have great popularity in organizations and also as a result of the perception that old workers are unproductive. This perception can be diffused by sensitizing workers and management on the benefits of phased retirement being offered in organizations..

8. RECOMMENDATIONS

The study's recommendations are based on the study's findings and conclusions. The study recommends flexible working arrangements to be offered in Kericho County Referral Hospital so as to enhance Medical Personnel's performance. Phased retirement should be emphasized to Medical Personnel at Kericho County Referral Hospital so as to ensure imparting of knowledge and skill by retirees to young Medical Personnel and in so doing also enable the retiring employees to benefit from the healthcare and wellness programs being offered by the Hospital.

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