CORPORATE REPUTATION, GENERATIONAL COHORTS, PERCEIVED ORGANIZATIONAL JUSTICE AND EMPLOYEE RETENTION IN KENYAN STATE CORPORATIONS

JOYCE DAUDI NZULWA

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ABSTRACT

Employee retention continues to be a great challenge for organizations around the globe. This is in spite of the various generic retention efforts put in place by organizations. Researchers have been engaged in debates over the matter and offered suggestions on the need for organizations to seek new ways to salvage the situation. The current study was founded on the resource based theory which espouses that unique configuration of firm resources results to superior firm outcomes like employee retention. Some researchers found that Corporate Reputation influenced Employee Retention, while others suggested that the effect of Corporate Reputation on Employee Retention was weak or did not exist at all. As a result, this study investigated the relationship between Corporate Reputation and Employee Retention and how Generational Cohorts and Perceived Organizational Justice singularly or jointly moderated that relationship. It was guided by four objectives seeking to examine the causal relationships between the variables in perspective. To achieve these objectives, six hypotheses were tested. The review of literature provided conceptual and empirical conclusions that anchored the study and guided the development of the conceptual hypotheses. A descriptive cross sectional survey design was employed to a sample of 384 employees out of the targeted 205,430 employees in all the 210 Kenyan State Corporations. The study realized a response rate of 71.3% which was deemed to be good. Both qualitative and quantitative data were collected using questionnaires and desk review of relevant documents and reports. The data collection instrument was tested for reliability and validity. The data analysis was undertaken by use of cross tabulation, Pearson moment correlation and regression analysis, T-tests and ANOVA tests. The study found that Corporate Reputation had a significantly strong positive effect on Employee Retention. The study also found that Perceived Organizational Justice positively and significantly influenced Employee Retention as well as significantly moderating the relationship between Corporate Reputation and Employee Retention. Generational Cohorts had a significant inverse relationship with Employee Retention as well as strongly influencing the relationship between Corporate Reputation and Employee Retention. The study also established that the joint moderating role of Generational Cohorts and Perceived Organizational Justice on the relationship between Corporate Reputation and Employee Retention was significant. The study therefore places corporate reputation at the centre of HRM theoretical framework as well as directing HRM policy and practice interventions. Future researchers can concentrate on extending this study in other contexts particularly in the private sector, replication in other geographical contexts, use other methodologies like case studies, use of other data collection tools like the focused group discussions and also engage other viable moderator variables in the relationship.