

ABSTRACT

The problem of employee retention is global and affects organizations in developing and developed countries. Even though a lot has been done towards stemming the low retention rate problem in private security firms, the situation has continued to be experienced among these firms in Kenya. Efforts to ensure employees remain engaged will always ensure that employees remain encouraged and happy in their place of work and not search for new jobs. Low workforce retention increases organizations' cost of operation and brings about a negative effect on employee morale. The main objective of this study was to determine the influence of employee engagement on retention in private security firms in Nairobi City County Kenya. The Specific objectives of this study were to: determine the effect of employee commitment, employee loyalty, job involvement, and team orientation on retention. The work environment was used as a moderating variable. This research was anchored on Kahn's theory of employee engagement, two-factor theory, and theory X and Y. The study adopted a descriptive research design. The target population of this research was 50 private security firms in Nairobi City County Kenya registered with Kenya Security Industry Association. The respondents of the study were human resource managers or their equivalent from all the security firms under study. Primary data was collected using a close-ended questionnaire. Data was analyzed with the aid of SPSS version 25.0 and presented using descriptive, inferential statistics, tables and figures. Diagnostic tests, for example, normality, multicollinearity, and heteroscedasticity were carried out to test if the assumptions of regression hold. Simple and multiple regression analysis was used to establish the relationship between variables and the t-statistic at a 95% significance level was adopted in testing the hypothesis. The overall significance was tested using F-test. The study established a positive significant effect of employee commitment on retention with a regression coefficient of 0.799 with a p-value of 0.000. Further, employee loyalty and job involvement had a regression coefficient of 1.583 and 0.722 and p-values of 0.000 and 0.000 respectively. Team orientation had a regression coefficient of 0.431 with a p-value of 0.072 indicating it is insignificant. The interaction between work environment and employee engagement had a regression coefficient of 1.1996 and a p-value of 0.025. The study concluded that employee commitment, employee loyalty, and job involvement had a significant effect on retention in private security firms in Nairobi City County Kenya and recommends that private security firms ought to put strategies that encourage employee commitment, loyalty and job involvement which in turn would lead to increased retention. On the other hand, team orientation was found to be insignificant therefore it does not affect retention. Work environment was found to positively alter the relationship between employee engagement and retention. The findings of the research will contribute to theory, policy making, and human resource management practices to ensure an increase in employee retention rate