



## **Employee Job Promotion Practices and Employee Retention among Non-Governmental Organizations in Kenya**

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# Employee Job Promotion Practices and Employee Retention among Non-Governmental Organizations in Kenya

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## Abstract

Employee retention is a vital issue for all organizations, as it affects their performance and growth. However, retaining a skilled and talented workforce is not easy, especially in the context of global competition and labour mobility. The study examined the relationship between employee job promotion practices and employee retention in non-governmental organizations in Kenya. An explanatory research design was used in the study. The research was conducted in Nairobi County. The target population was selected from the NGOs registered in Nairobi, which amounts to 1,191 organizations. The study's respondents were the top managers of each of these NGOs. A sample size of 20% was chosen, which equated to 238 individuals out of the total target population of 1,191. The study used simple random sampling technique to select one top manager from each of the 238 sampled NGOs. IBM SPSS version 24 was used to carry out the analysis of data. The correlation results revealed a positive and statistically significant association between employee job promotion practices and employee retention ( $r=0.567$ ,  $p=0.000$ ). The regression results revealed that employee job promotion practices is related to employee retention in non-governmental organizations in Kenya ( $\beta=0.514$ ,  $p=0.000$ ). The R square was 0.322 (32.2%). This implied that employee job promotion practices could account for 32.2% of the variations in employee retention in Kenyan non-governmental organizations. The study concludes that employee job promotion practices such as vertical, horizontal, and dry promotion are essential for organizational growth and employee satisfaction. The study recommends a consistent approach to job promotions to improve employee retention in non-governmental organizations (NGOs) in Kenya. A balanced mix of vertical, horizontal, and dry promotions, customized to individual and organizational needs, is necessary. Vertical promotions, being the most desired for their career advancement potential, should be supplemented by horizontal promotions that offer valuable cross-functional experience and skill diversification. Dry promotions, while less attractive, can be used wisely to acknowledge potential and responsibilities when budget constraints limit financial rewards.

**Keywords:** *Employee job promotion practices, Employee Retention, Non-Governmental Organization, Kenya*

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## 1.0 Background of the Study

Organizations today operate in a highly competitive environment. During the past 20 years, enormous changes have caused many organizations to think about better ways of doing business (Soe, 2022). The primary responses to transforming human resource management are competition, globalization, and continuous changes in the market and technology (Lentawa, Gesimba, & Gichuhi, 2021). The new strategic role of human resource management in a marketplace characterized by the war for talent has been defined based on the conditions of competitive global markets (Mwema, 2022). Organizations around the world are having difficulty attracting and retaining employees. Dealing with organizational challenges, such as employee retention, necessitates collaboration between academia, business, and government (Cavico & Mujtaba, 2020). Employee retention can be improved through effective reward management. The current world of work, characterized by a diverse workforce, global competition, enhanced technological advancement, dynamic work environment, and emerging global knowledge economy make companies continuously seek to improve their accomplishment and effectiveness ahead of the competition (Munro, 2021).

The organization should differentiate itself by acting proactive and retaining brilliant employees (Solnet & Kandampully, 2020). Employee retention provides a competitive advantage and ensures that the organization can compete and meet market expectations. Retention is a strategy used by businesses to keep an effective workforce while meeting operational needs (Mita, 2020). The primary goal of retention is to keep competent employees from leaving the organization, which could have a negative impact on production and profitability. Reward management is a human resource strategic tool used by businesses to achieve business goals through various methods such as the use of processes, policies, and practices to support operations (Kumar, 2020a). There are two types of rewards: tangible and intangible, which management uses for effective outcomes such as attracting the appropriate personnel for the appropriate tasks, job, retaining the best workers, and motivating them to give of their best ability (Kumar, 2020a). According to Armstrong (2020), in order for an organization to achieve an extremely committed business condition and its overall business goal, a reward management strategy must be developed to ensure that the commitment individuals make to achieving organizational or group objectives is valued, recognized, and rewarded. It must be emphasized that reward management is concerned with non-financial rewards such as recognition, learning and development opportunities, and increased job responsibility as well as monetary compensation and other financial benefits.

The study examined the impact of promotion as an indicator of reward management on employee retention. The study used promotion as an indicator of reward management to examine its influence on employee retention. Employee promotion is a reward for better work performance and organizationally approved behaviour. Effective employee job promotion practices practices are essential for motivating employees, retaining top talent, and ensuring the long-term success of the organization (Neem, 2013; Kosteas, 2009). They should be fair, transparent, and aligned with the organization's overall goals and culture. Employee job promotion practices practices are crucial for employee growth and organizational development. The promotion practices can be classified into vertical, horizontal, and dry promotion. Vertical promotion involves employees ascending to higher positions, which often come with increased responsibilities, status, and pay (Mubarok, 2022). This type of promotion is highly sought after, as it signifies career progression and recognition of an individual's contributions and capabilities. Vertical promotions are not only

a reward for past performance, but also a sign of trust in an employee's potential to handle more significant roles, contributing to enhanced job satisfaction and retention (Sinitsyn, 2020).

Horizontal promotion, on the other hand, offers a different path for employee development. According to Salim (2020) and Gathungu et al. (2015), horizontal promotions involve moving an employee to a different role at the same hierarchical level. This practice allows employees to gain a broader experience and develop new skills without necessarily increasing their level of responsibility. Koh et al. (2021) and Sitati et al. (2019) highlight that horizontal promotions can keep the work environment dynamic and engaging, encouraging employees to stay within the organization by offering diverse career paths. Dry promotion involves an increase in job title or responsibilities without a corresponding increase in compensation (Kosteas, 2009). Armstrong (2019) and Whitehall (2020) suggest that while dry promotions can be used to acknowledge an employee's hard work and dedication, they must be handled carefully to ensure they do not lead to dissatisfaction or decreased motivation due to the lack of financial reward. The alignment of these promotion practices with the organization's overall strategy and culture is crucial for retaining talent.

Wan et al. (2020) and Njagi (2020) emphasize the need for a transparent and fair promotion process that is clearly communicated to all employees. Transparency in promotion practices helps to manage expectations and create a positive organizational climate, where promotions are seen as attainable, and merit based. The integration of vertical, horizontal, and dry promotion practices should consider the individual aspirations and motivations of employees. Sitati et al. (2019) advocate for a personalized approach to promotions, where employee performance, potential, and career goals are all considered. This tailored approach ensures that promotions contribute to both employee satisfaction and organizational needs, fostering a supportive and growth-oriented work environment. A strategic application of vertical, horizontal, and dry promotions plays a vital role in employee retention and organizational success (Kipkebut, 2020). By recognizing and addressing the diverse needs and aspirations of their workforce through well-structured promotion practices, organizations can enhance employee engagement, foster loyalty, and drive sustainable growth. The study thus examined the relationship between employee job promotion practices and employee retention in non-governmental organizations in Kenya.

### **1.1 Statement of the Problem**

Employee retention is a vital issue for all organizations, as it affects their performance and growth. However, retaining a skilled and talented workforce is not easy, especially in the context of global competition and labor mobility. The Hay Group (2013) predicted that the global turnover rate would reach 23% due to the expansion of labor markets. Ng'ethe, Iravo, and Namusonge (2012) also highlighted employee retention as a major challenge for various sectors, as globalization increased the demand and movement of knowledgeable workers. This challenge was evident in the NGOs in Kenya, where previous studies reported a high turnover rate of 26% (National Council of NGOs, 2015). Several NGOs faced employee attrition, such as Asante Africa Foundation (12%), Program for Appropriate Technology and Health– PATH (10%), and John Hopkins (28%). Mbwaya (2020) revealed that the high turnover at ILRI over a decade adversely affected its organizational efficiency, leading to staff shortages, project delays, and service disruptions. Consequently, a high turnover rate can undermine an organization's mission, as it results in the loss of continuity, institutional knowledge, and replacement costs.

One of the main causes of the high turnover rate was the lack of effective reward management practices (Njoroge et al., 2017; Lunglaho and Mukanzi, 2018). NGOs struggled to develop reward structures that aligned with the donor financial management framework, which made employees switch to better-paying organizations. Therefore, NGOs needed to adopt diverse reward mechanisms beyond traditional compensation to engage their workforce. It was essential to recognize that employees were motivated by different factors, such as career advancement, recognition, and development opportunities. By customizing reward systems to suit individual needs, NGOs could improve employee retention, satisfaction, and motivation, creating a more dynamic and committed organizational culture. This comprehensive approach to employee rewards acknowledged the complexity of human motivation and the need to address it holistically.

Studies have attempted to identify the critical factors affecting employee retention in NGOs in Nairobi (Onyango, 2013; Nyaga, 2015; Njoroge et al., 2016; Ndinya et al., 2017; Wachira, 2018). However, these studies did not clearly demonstrate the direct relationship between employee job promotion practices and employee retention in non-governmental organizations in Kenya. They also left a knowledge gap in terms of conceptual and methodological approaches. To address this gap, this study aimed to generate data that could be generalized and used to develop appropriate and sustainable retention strategies for NGOs, which was a pressing challenge. Thus, the current study was important for policy formulation. The study explored the actual impact of employee job promotion practices on employee retention in non-governmental organizations in Kenya.

## **1.2 Research Objective**

To examine the relationship between employee job promotion practices and employee retention in non-governmental organizations in Kenya.

## **1.3 Research Hypothesis**

H<sub>0</sub>: Employee job promotion practices has no significant relationship with employee retention among non-governmental organizations in Kenya.

## **2.0 Literature Review**

The literature review was presented in sections.

### **2.1 Theoretical Review**

The study was supported by Frederick Herzberg's Two-Factor Theory. Frederick Herzberg's Two-Factor Theory provided support for the study. In 1959, Frederick Herzberg developed his well-known Two-Factor theory. Based on feedback from two hundred engineers and accountants in the United States about their personal feelings about their working environment. While Herzberg demonstrated that in order to keep employees motivated, organizations must provide a work environment, leadership, interpersonal relationships, monetary rewards, prominence, and security. Employees are motivated by additional benefits such as recognition, a sense of accomplishment, growth and promotional opportunities, responsibility, and the meaning of their work. The essential hygiene factors pacify employees if they are adequate, but they do not necessarily motivate them because they meet psychological needs, and they include aspects such as pay, company policies, fringe benefits, physical working conditions, status, interpersonal relations, and job security (Loiseau, 2019). Extrinsic factors are also known as job context factors. These factors serve as guidance for employers in creating a favourable working environment where employees feel



comfortable working inside. The theory was appropriate for the study because it forms the basis of rewards, the theory have two essential elements of financial and non-financial factors that are like the two-dimensional paradigm factors in the theory of employees' attitude around work. This is so because Herzberg concluded that hygiene factors which are not motivators are like; supervision, company policy, interpersonal relations, salary, and working conditions, but they can still cause dissatisfaction if not taken care of well (Maritim, 2020). Herzberg then stated that in contrast, motivators are those aspects that enrich an employee's job like; recognition, work, advancement, achievement and responsibility (Maritim, 2020). These factors are also in line with the two key elements of the total rewards. This theory supports employee job promotion practices variables in that it helps employees to feel more valued, appreciated and recognized, and in turn a high level of job satisfaction and return by increasing responsibility, job autonomy, recognizing them for their work and providing opportunity for growth and increased performance.

## 2.2 Empirical Review

Employee employee job promotion practices, such as vertical, horizontal, and dry promotions, play a significant role in enhancing employee retention within organizations (Gathungu et al., 2015; Prasad, 2020). Vertical promotions, which involve moving an employee to a higher position with increased responsibilities and pay, are traditionally seen as a clear indicator of career progression, serving as a strong motivational factor for employees (Mubarak, 2022). This upward mobility is not only a recognition of an employee's past performance but also an investment in their potential, encouraging loyalty and long-term commitment. Horizontal promotions, on the other hand, offer employees the opportunity to expand their skill set and experience by moving to different roles at the same level within the organization (Simitsyn, 2020). Koh et al. (2021) argue that horizontal promotions can lead to increased job satisfaction by providing variety and new challenges, which in turn can reduce the desire to seek opportunities outside the organization.

Dry promotions, which recognize an employee's contributions with increased responsibilities or a new title without a corresponding increase in compensation, can have mixed effects on retention (Salim, 2020). While they can serve as a form of recognition, their effectiveness in retaining talent is limited if not paired with other forms of rewards or career development opportunities (Kosteas, 2009; Kipkebut, 2020). The lack of financial incentive may lead to dissatisfaction among employees who feel their increased efforts are not adequately compensated (Zubair et al., 2021). Armstrong (2019) and Whitehall (2020) suggest that for dry promotions to positively impact retention, they should be carefully implemented within a broader strategy that includes clear communication about career paths and other non-monetary forms of recognition. By adopting a holistic approach to job promotion that recognizes the diverse motivations and aspirations of employees, organizations can significantly enhance their retention strategies and build a more resilient and engaged workforce.

Gathungu, *et al.*, (2015), carried out a study on the effect of promotion on the organization commitment of banking sector employees in Kenya. The study divided the target population into 2 groups: those on contract and permanent employees. The results showed that promotion had a significant relationship with commitment for contract employees. Neem (2013) shows that by promotion an employee's satisfaction increases, as they feel confident about their job performance and a sense of justice. Past studies established that promotion minimizes discontent and unrest, attract capable individuals: necessitates logical training of advancement and reward for loyalty and co-operation and long service (Prasad, 2020; Neem 2013). Promotion is used by firms as a form

of reward to induce better work performance and other firm approved types of behaviours, refers to advancement in the firm by an individual from one position to another with higher responsibilities and seemingly with increased prestige, which then motivates the person to exert more effort (Koh, Teh, San, & Abdullah, 2021; Sitati et al., 2019). This then implies that firms that have good promotion systems can lead to greater efficiency as well as high level of morale in the workers, which leads to satisfaction hence low intentions to leave and high retention (Koh et al., 2021; Sitati et al. 2019). Employee job promotion practices such as vertical, horizontal, and dry promotion are essential for organizational growth and employee satisfaction. Vertical promotion means an employee moving up to a higher position with more responsibilities and usually higher pay within the same organization. Horizontal promotion means an employee moving to a different role at the same level, often to acquire a wider range of skills or experiences. Dry promotion means an employee getting a new title or more responsibilities without an increase in pay, often used as a recognition of their performance or potential. Employees can be highly motivated by promotion because it demonstrates that their efforts and contributions are appreciated and rewarded.

Employee job promotion practices and employee retention are closely linked within non-governmental organizations (NGOs). Studies have shown that organizations with well-defined and transparent promotion policies tend to have higher levels of employee satisfaction and loyalty. For example, a survey conducted by the Non-Profit Times found that 68% of employees in NGOs with clear promotion pathways reported being highly engaged in their work, compared to only 42% in organizations lacking such policies (Smith, 2019). Furthermore, research by Lee and Wilkins (2021) revealed that NGOs offering skill development programs and mentorship opportunities to support employee advancement had an average retention rate of 85%, significantly higher than the sector average of 65%. Conversely, the absence of fair and consistent promotion practices can lead to increased employee turnover in NGOs. A case study by Johnson et al. (2020) examined an international humanitarian organization that struggled with high staff attrition rates. The study found that the lack of transparency in promotion decisions and the perception of favoritism led to widespread discontent among employees. As a result, the organization experienced a 30% turnover rate within a single year, with many high-performing staff members leaving for better opportunities elsewhere. This finding is consistent with the work of Ngo and Poon (2018), who argued that NGOs must prioritize the development and implementation of equitable promotion policies to foster a sense of fairness and trust among employees, thereby improving retention rates and organizational stability.

Sitati et al. (2019) carried out a study on the effects of reward management practices on employee retention in the hotel industry in Kenya found that employee job promotion practices has a significant influence on employee retention. She further notes that employee job promotion practices should not be an increase in roles and responsibilities only but should be accompanied by an increase in salary and allowance. Amutuhaire (2020) established that salary and term of service influence staff retention. Crucial about promotion is that firms should consider aspects like the justification that it is deserved, education, performance and expertise because when promotions are justified, employees are motivated to give of their best because the result of good performance is rewarded. This is so because promotion means more pay, authority, responsibility, status, and independence hence it determines the level of satisfaction for the employee. Saporta and Farjoun (2021) state that promotion practices can contribute employee retention and it motivates them to perform and in the long run it reduces costs associated with recruitment, training, and turnover (Koh et al., 2021; Saporta & Farjoun, 2021).

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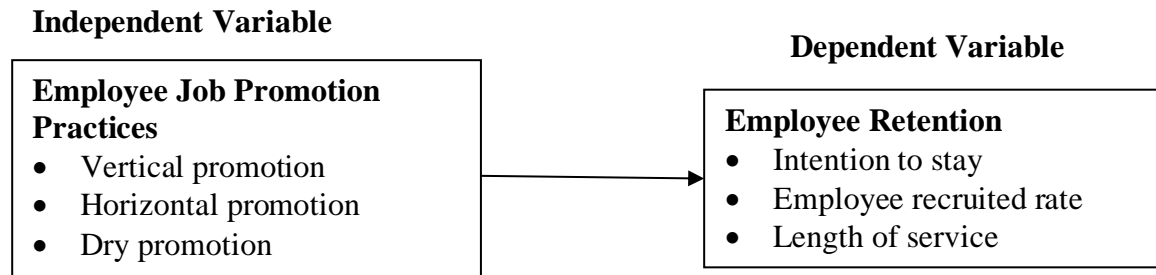
Tuwei, *et al.*, (2013) affirm that employees are more committed to their work when they believe that the organization, they work for pursues a promotion from within policy. If they believe a promotion from within policy is not exercised, they would feel less uncertain regarding the future of their career in the organization, becoming more motivated to consider career change. Overall, employees often feel satisfied with these incentives and are stimulated to perform better in the new job. With better jobs, employees may decline any opportunities at other organizations (Tuwei, *et al.*, 2013). Hence promotion can increase employee's loyalty to the organization and reduce intention to change careers. Kosteas (2009) discovered that having received a promotion within the last two years leads to higher job satisfaction, even when controlling for the worker's current wage, wage rank within her/his peer group, and wage growth. He goes on to say that workers who believe they will be promoted within the next two years have higher job satisfaction, which increases retention. Kipkebut (2020) discovered that role conflict, promotional opportunities, and age were some of the factors that influenced employees' intentions to stay or quit in a study on organizational commitment and job satisfaction in higher educational institutions in Kenya.

Armstrong (2019) asserts that to maintain a stable workforce employers should learn to plan to provide career opportunities from within by providing employees with wider expectations, encouraging promotion from within and developing equitable promotion procedures. According to Whitehall (2020) posit that promotion must not only be fair, but be seen to be fair, so that generally speaking the main basis for promotion should be merit and ability. Sitati *et al.* (2019) conclude that it is important to base promotion on merit in order to motivate employee performance and productivity and serve as a retention strategy. Wan *et al.*, (2020), argue that employees that perceive promotion decisions as fair are more likely to be committed to the organization, experience career satisfaction, perform better and subsequently have a lower intention to leave the organization. Promotion has its importance due to the fact that it carries a significant change in the wage package of the employee, increases one status in the workplace, span of authority and control. Promotion represents an important aspect of internal selection system, mitigate the turnover process and are important outcomes for an organization member influencing effective reaction to the job and organization (Njagi, 2020; Prasad, 2020; Wan *et al.*, 2020). Sitati *et al.* (2019) found that when chances and hopes for employee job promotion practices increase, employee retention increases and when chances and hopes for employee job promotion practices decrease, employee retention decreases. They further state that for employee job promotion practices to have an influence on employee retention, it must be accompanied by raising of remuneration and allowance.

### 2.3 Conceptual Framework

A conceptual framework is a diagrammatical representation that shows the relationship between dependent and independent variables. Figure 1 presents a conceptual framework that will reveal the relationship between employee job promotion practices and employee retention.





**Figure 1: Conceptual Framework**

### 3.0 Research Methodology

The study used an explanatory research design to investigate the cause-and-effect relationship between job-related factors and employee retention among managers in non-governmental organizations (NGOs) in Nairobi, Kenya. A positivist research philosophy, aligned with scientific methods and allowing for objective testing of hypotheses, was adopted. The target population comprised 1,191 registered NGOs in Nairobi, and the sample size included 238 top managers selected through simple random sampling. Data were collected using questionnaires that had both open-ended and closed-ended questions. The pick-and-drop method was used for distributing and collecting the questionnaires, and the study obtained the necessary research permits. Prior to the main study, a pilot test was conducted with 24 respondents to ensure the reliability and validity of the tools. IBM SPSS version 25 was used to process and analyze the collected data. The descriptive statistics were used in the analysis. The data was summarized using percentages, means, and standards and is presented in the form of tables and charts. The inferential statistics that were used included correlation and regression analysis. The study conducted some diagnostic tests that included normality tests, linearity test, multicollinearity and heteroscedasticity to ensure the requirements for regression are met.

### 4.0 Research Findings and Discussions

#### 4.1 Response Rate

The study used a sample size of 238, with one top manager chosen from each of the 238 NGOs under consideration. Out of the selected sample, responses were obtained from 229 managers. The results are shown in Table 1, with a response rate of 96.22%. According to Ahmad and Halim (2017), a response rate of more than 60% of the sample size is adequate for analysis and inference. Similarly, Freiman, Chalmers, Smith, and Kuebler (2019) suggest that a response rate of more than 50% is acceptable for analysis. Furthermore, Hendra and Hill (2019) contend that a response rate of greater than 70% is appropriate for analysis and recommendations. In light of these arguments from distinguished scholars, it's important to note that the response rate in the current study exceeded 80%, making it highly appropriate for the analysis and resulting inferences. The high response rate adds further credibility and reliability to the study's findings.

**Table 1: Response rate**

Response	Targeted respondents	Response (Those responded)	Percentage
Top managers	238	229	96.22%

#### 4.2 Descriptive statistics

The study used a Likert scale of 1 to 5 where 1 was strongly disagree, 2 disagree, 3 neutral, 4 agree, and 5 strongly agree. The study examined whether most of the respondents agreed or disagreed that employee job promotion practices such as vertical promotion, horizontal promotion, and dry promotion can influence the employee retention. The study results from Table 2 show that the majority, 79.70% (23.60%+56.10%), of the respondents disagreed that in their organization, they practice horizontal promotion, while 14.60% (10.80%+3.80%) agreed with the statement, and 5.70% remained neutral. The mean score was 2.15 with a standard deviation of 1.03. This implied that most of the respondents disagreed that in their organization, they practice horizontal promotion. In addition, for the statement about vertical promotion in organizations, a significant majority, 87.50% (38.90% strongly disagreed and 48.60% disagreed), did not believe that vertical promotion is practiced within their organizations. Only 11.00% (7.00% agreed and 4.00% strongly agreed) believed vertical promotion was a practice, while 1.50% remained neutral on the subject. The mean score for this question was 2.04, with a standard deviation of 1.20, indicating widespread opposition to the practice of vertical promotion in these organizations.

In terms of dry promotion, the study found that 82.50% of respondents (32.50% strongly disagreed and 50.00% disagreed) denied its existence in their organizations, while only 8.60% (5.40% agreed and 3.20% strongly agreed) confirmed it. A notable 8.90% remained neutral. The mean score was 1.97, with a standard deviation of 0.96, indicating that most respondents strongly opposed the concept of dry promotion in their workplaces. In addition, when it came to having a structured promotion pattern, 72.30% of participants (20.10% strongly disagreed and 52.20% disagreed) believed their employer lacked it, while 23.20% (21.30% agreed and 1.90% strongly agreed) felt the opposite. A minority of 4.50% remained neutral. The mean score was 2.30, with a standard deviation of 1.06, indicating majority disagreed that their employers have a structured promotion pattern. The frequency of job promotions within organizations was also questioned, with 81.50% of respondents (33.40% strongly disagreed and 48.10% disagreed) reporting that promotions are infrequent. In contrast, 13.70% (8.60% agreed and 5.10% strongly agreed) supported the frequency of promotions, while 4.80% remained neutral. The mean score was 2.04, with a standard deviation of 1.09, indicating widespread agreement about the infrequency of job promotions.

The study also investigated whether job promotions were based on seniority and found that 76.10% of respondents (32.20% strongly disagreed and 43.90% disagreed) disagreed with this premise, while 19.40% (10.20% agreed and 9.20% strongly agreed) agreed and 4.50% were neutral. The mean score was 2.20, with a standard deviation of 1.25, indicating majority of the respondents disagreed that promotion is based on seniority. The study found that 65.60% of participants (34.10% strongly disagreed and 31.50% disagreed) disagreed that promotions are merit-based while 26.40% agreed with the statement (17.50% agreed and 8.90% strongly agreed). The neutrality rate was 8.0%. The average score for this statement was 2.34, with a standard deviation of 1.34, indicating that majority of the respondents disagreed that promotions are merit-based.

The promotion and reward of talents within organizations was also addressed, with 88.50% of respondents disagreed (28.70% strongly disagreed and 59.80% disagreed), 8.80% agreed (6.10% agreed and 2.70% strongly agreed), and a mere 2.70% remaining neutral. The mean score was 2.06, with a standard deviation of 1.05, indicating a strong consensus against recognizing and rewarding talent in terms of promotions. Transparency in the promotion process was another concern, with 81.50% of respondents (33.10% strongly disagreed and 48.40% disagreed) believing there is a lack of transparency, while 16.60% (11.20% agreed and 5.40% strongly agreed) believed in the fairness and objectivity of the process, and 1.90% were neutral. The mean score was 2.04, with a standard deviation of 1.10, indicating that majority of the respondents disagreed there is transparency in the promotion process to maintain fairness and objectivity.

Overall, the average mean score across all statements was 2.13, with an average standard deviation of 1.12, indicating that majority of the respondents generally disagreed with most of the statements of the job promotions in the organizations. Other aspects of promotions that influence employee retention include salary, position, responsibilities, status, and benefits. Employee promotion is a main goal and expectation of hard-working employees. If employers do not fulfill this expectation, they may lose employees. Promotion often includes a pay raise, which motivates employees. Promotion is also a crucial part of an organization’s rewards and recognition program. Therefore, organizations should view promotion as a key factor for employee retention.

**Table 2: Descriptive Statistics of Employee job promotion practices**

Statements	Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Mean	Standard deviation
In our organization, we practice horizontal promotion	23.60%	56.10%	5.70%	10.80%	3.80%	2.15	1.03
In our organization, we practice vertical promotion	38.90%	48.60%	1.50%	7.00%	4.00%	2.04	1.20
In our organization, we practice dry promotion.	32.50%	50.00%	8.90%	5.40%	3.20%	1.97	0.96
Our employer has a structured promotion pattern	20.10%	52.20%	4.50%	21.30%	1.90%	2.30	1.06
In our organization, job promotion is done frequently	33.40%	48.10%	4.80%	8.60%	5.10%	2.04	1.09
In our organization, job promotion is based on seniority	32.20%	43.90%	4.50%	10.20%	9.20%	2.20	1.25
In our organization, promotions are merit -based	34.10%	31.50%	8.00%	17.50%	8.90%	2.34	1.34
Our organization promote and reward talents	28.70%	59.80%	2.70%	6.10%	2.70%	2.06	1.05
In our organization, there is transparency in the promotion process to maintain fairness and objectivity	33.10%	48.40%	1.90%	11.20%	5.40%	2.04	1.10
<b>Average</b>						<b>2.13</b>	<b>1.12</b>

### 4.3 Correlation Analysis

Table 3 shows that there is a positive and significant association between employee job promotion practices and employee retention ( $r=0.567$ ,  $p=0.000$ ). The study findings are consistent with the findings of Gathungu et al., (2015), who discovered that promotion had a significant relationship with employee commitment. According to Saporta and Farjoun (2021), promotion practices help

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with employee retention. Tuwei et al. (2013) assert that employees are more committed to their jobs when they believe their company has a promotion-from-within policy. According to Kostea (2009), receiving a promotion leads to increased job satisfaction.

**Table 3: Correlation Results**

		Employee retention	Employee job promotion practices
Employee retention	Pearson Correlation	1.000	
	Sig. (2-tailed)		
Employee job promotion practices	Pearson Correlation	.567**	1.000
	Sig. (2-tailed)	0.000	

#### 4.4 Diagnostic Tests

The study conducted normality tests, linearity test, multicollinearity and heteroscedasticity to ensure the requirements for regression are met.

##### Normality Tests

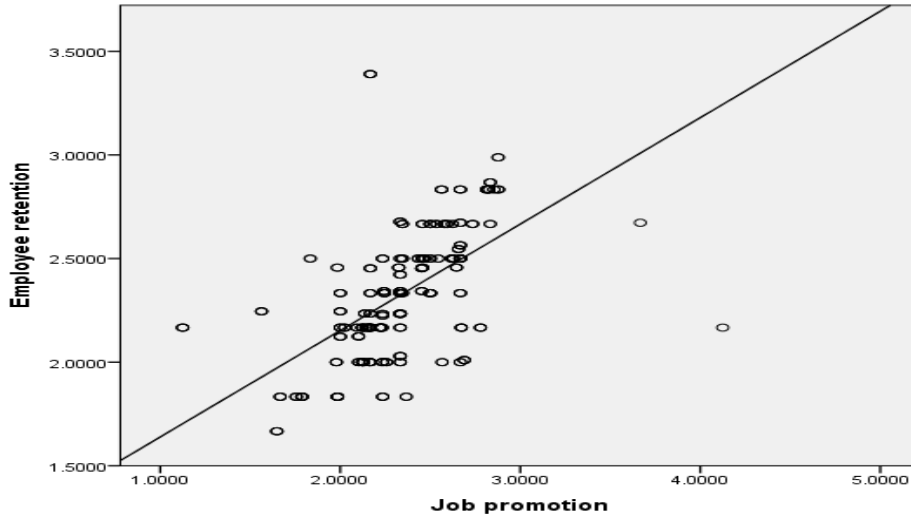
In this study, the Kolmogorov-Smirnov test was utilized to determine whether the collected data adheres to a normal distribution. The normality test serves as an indicator of whether the sampled data can be presumed to originate from a population with a normal distribution. As indicated by the findings in Table 4, the data under examination demonstrated normal distribution since the p-value for employee job promotion practices was significantly greater than 0.05. This leads us to conclude that the collected data follows a normal distribution pattern.

**Table 4: Normality Test of Employee job promotion practices**

Variables	Kolmogorov–Smirnov test.		
	Statistic	df	Sig.
Employee job promotion practices	0.089	229	0.104

##### Linearity Test

The data represented in Figure 2 indicates a linear relationship between employee job promotion practices and employee retention. This implies that there is a direct correlation between these two variables - as employee job promotion practices increase, there is a corresponding increase in employee retention. This linear relationship signifies that promotions within the workplace could potentially be a key factor in an employee's decision to stay with the organization.



**Figure 2: Scatter Plot of Employee job promotion practices against Employee Retention**

**Multicollinearity**

The Variance Inflation Factor (VIF) was used in the study to perform a multicollinearity test, which evaluates the interrelationships between the independent variables. Table 5 shows that the VIF value for the variable 'employee job promotion practices' in this case was less than 10. According to Katrutsa and Strijov (2017), VIF values less than 10 indicate that multicollinearity is not a concern among the variables under consideration. In other words, the variable 'employee job promotion practices' is not highly correlated with any other independent variable in the model, enhancing the validity of the findings in this study.

**Table 5: Multicollinearity Test of Employee job promotion practices**

Variables	VIF
Employee job promotion practices	1.217

**Heteroscedasticity**

The Breusch-Pagan test was used in the study to determine whether heteroscedasticity exists. The p-value is greater than 0.05, according to the results in Table 6. Because the reported value is  $0.104 > 0.05$ , the null hypothesis is not rejected at a critical p-value of 0.05. The conclusion is that the data did not exhibit heteroscedasticity.

**Table 6: Heteroscedasticity Test of Employee job promotion practices**

Breusch-Pagan / Cook-Weisberg test for heteroscedasticity		
Ho: Constant variance		
Variable: fitted values of Employee Retention		
chi2(1)	=	1.291
Prob > chi2	=	0.104



#### 4.5 Regression analysis

The model fitness, analysis of variance (ANOVA) and regression coefficients were presented in the regression analysis. The findings in Table 7 show that employee job promotion practices have a positive impact on employee retention in Kenyan non-governmental organizations. The R square, or coefficient of determination, was 0.322 (32.2%). This meant that employee job promotion practices could account for 32.2% of the variations in employee retention in Kenyan non-governmental organizations.

**Table 7: Model Fitness of Employee job promotion practices and Employee Retention**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.567a	0.322	0.319	0.248352

a Predictor: (Constant), Employee job promotion practices

Based on the study results presented in Table 8, the p-value was found to be 0.000, which is less than 0.05; thus, employee job promotion practices are significant in explaining employee retention in non-governmental organizations in Kenya. This implies that employee job promotion practices are critical in determining employee retention in non-governmental organizations in Kenya.

**Table 8: Analysis of Variance (ANOVA) of Employee job promotion practices and Employee Retention**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	9.12	1	9.12	107.58	.000b
	Residual	19.244	227	0.085		
	Total	28.364	228			

a Dependent Variable: Employee Retention

b Predictors: (Constant), Employee job promotion practices

Table 9 shows that employee job promotion practices are positively and significantly related to employee retention in non-governmental organizations in Kenya ( $\beta=0.514$ ,  $p=0.000$ ). The study rejects the null hypothesis because the P value (0.000) is less than 0.05. Therefore, employee job promotion practices has a statistical significant effect on employee retention among non-governmental organizations in Kenya. The model is;

$$Y = 1.125 + 0.514X$$

Where: - Y= Employee Retention; X= Employee job promotion practices

**Table 9: Regression Coefficients of Employee job promotion practices and Employee Retention**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.125	0.099		11.227	0.000
	Employee job promotion practices	0.514	0.042	0.567	12.160	0.000

a Dependent Variable: Employee Retention

<https://doi.org/10.53819/81018102:5312>

## 5.0 Conclusion

It is concluded that employee job promotion practices had positive and significant effects on employee retention in non-governmental organizations (NGOs) in Kenya. The null hypothesis was rejected. Therefore, employee job promotion practices had statistically significant effect on employee retention among NGOs in Kenya. Promotions can give employees a sense of achievement and make them feel more committed to their work and their organization. Employee job promotion practices such as vertical, horizontal, and dry promotion are essential for organizational growth and employee satisfaction. Vertical promotion means an employee moving up to a higher position with more responsibilities and usually higher pay within the same organization. Horizontal promotion means an employee moving to a different role at the same level, often to acquire a wider range of skills or experiences. Dry promotion means an employee getting a new title or more responsibilities without an increase in pay, often used as a recognition of their performance or potential. Employees can be highly motivated by promotion because it demonstrates that their efforts and contributions are appreciated and rewarded.

## 6.0 Recommendations

The study strongly recommends a consistent approach to job promotions to improve employee retention in non-governmental organizations (NGOs) in Kenya. In addition, the study recommends a balanced mix of vertical, horizontal, and dry promotions, customized to individual and organizational needs. Vertical promotions, being the most desired for their career advancement potential, should be supplemented by horizontal promotions that offer valuable cross-functional experience and skill diversification. Dry promotions, while less attractive, can be used wisely to acknowledge potential and responsibilities when budget constraints limit financial rewards. A transparent, fair, and inclusive promotion policy, aligned with both employee aspirations and organizational goals, is vital for enhancing motivation, satisfaction, and long-term employee retention.

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