EFFECT OF CBA IMPLEMENTATION ON EMPLOYEE RETENTION AMONG MEDICAL OFFICERS IN COUNTY GOVERNMENTS IN KENYA

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Abstract

Following devolution of healthcare functions to Counties, retention of medical professionals has dealt heavy financial burdens on the County Governments in Kenya. This research examined how implementation of CBAs in Kenya's County Governments affected the retention of medical professionals. A descriptive research design was used to examine the consequences of implementing Collective Bargaining Agreements (CBAs) on retention of medical professionals within the County Governments of Kenya. With a targeted population of 930 medical professionals, a stratified random sampling technique, guided by the Krejcie and Morgan tables, was employed to select a representative sample of 272 participants. Primary data was acquired using mixed questionnaires distributed among selected respondents, complemented by supplementary information obtained from Kirinyaga County portal and repository, providing contextual insights into CBA implementation and medical employee retention. Data was analyzed using integrated descriptive and inferential statistics, including a regression model that explored the relationship between CBA predictors and employee retention. There was a moderately strong positive correlation (r = 0.641), indicative of the effect of CBA implementation on employee retention. Coefficient of determination (R2) further elucidated that 41.1% of the variance in employee retention could be attributed to CBA implementation. However, 58.9% of employee retention was influenced by unexplored factors. This led to the conclusion that adoption of CBAs affected retention of medical staff in Kenyan County Governments. There is need for County Governments to promptly execute collective bargaining agreements in order to predictably retain medical staff.

Keywords: - *Collective Bargaining Agreement, Employee Retention, Medical Staff.*

Introduction

Employers' capacity and efforts to create a work environment that motivates workers to stay are key to employee retention (Cloutier et al 2015). Thus employers use a range of employee retention strategies to protect the human resource asset to support achievement of the organization's goals and objectives.

Collective Bargaining Agreement (CBA) is a contract that outlines the terms of an agreement reached during discussions between an employer and a union (Katz 2021) and can only succeed if both the union and management have a positive mindset leading to promotion of industrial peace and progress.

Regardless of the accelerated strategies by unions, many nations have had difficulties keeping their medical professionals on staff, raising questions as to whether Collective Bargaining Agreements have a play in improving retention (McDonald et al 2018). According to World Bank report (2020), the current worldwide turnover of medical workers worldwide has continuously climbed, reaching a peak of 27% by 2020.

With the exodus of health workers to the Global North, the Human Resources for Health (HRH) crisis has become more acute in many developing nations around the world. The "Pull factors, such as higher earnings and better living conditions in the destination nations, are generally behind this 'skills drain,' but there are also 'push forces,' among them inadequate technology, limited training options, and poor wages (WHO 2019).

Statement of the Problem

According to the County Government of Kirinyaga's 2020 budget, the salaries of medical professionals were allotted 1.582 billion shillings or 55.63 percent of the overall budget for the County. The County has however reported an increasing rate of turnover of its medical workers in public health facilities despite significant County government expenditure and allocations of funds to health sector.

According to Kirinyaga County HR Office (2022), a total of 386 healthcare professionals, encompassing clinical officers, nurses, medical laboratory officers, chemists, and dentists, were terminated from their positions by the County Government in 2019 as a consequence of a strike. Extensive study has been conducted on labor relation techniques, although limited attention has been devoted to examining their impact on employee retention. The primary objective of this study was to address the existing knowledge gap by examining the impact of collective bargaining agreements on employee retention within the medical practitioner sector of County Governments in Kenya.

Specific objective

To find out the effects of collective bargaining agreement implementation on employee retention among medical workers in County Governments in Kenya.

Research Question

Does implementation of CBAs affect retention of medical staff in Kenya's County Governments?

Conceptualization of the study

Literature Review

Theoretical Framework

This research was based on the perception that workers' performance is influenced by workplace Human Relations characteristics. Thus, workers should be satisfied and find significance in their work because of favourable human relations characteristics including coordination, job satisfaction, and human treatment (Van der Meer and Wielers 2013). Thus managers should take more interest in their employee feelings, prioritize them and understand that they are social beings who are complex and therefore should not be treated as machines. Fundamentally, employees are more motivated when their basic requirements are met by their employers. Motivation refers to an individual's willingness to strive for and continue putting in efforts towards achieving organizational objectives (Asaari et al. 2019). Thus, the more motivated healthcare workers are, the higher the quality of treatment delivered. However, the contrary has been recorded in numerous healthcare institutions in East African nations including Kenya hence the need for improvement of working conditions to motivate healthcare personnel. One of the primary impediments to improving national healthcare systems is a chronic scarcity of trained healthcare personnel. Healthcare personnel's difficulties limit their desire to remain in the Kenyan health system as exhibited by their periodic strikes and continuous movement to the developed Northern Nations like United States of America, Canada, United Kingdom, Australia and South Africa among others.

According to Parashakti et al (2020), healthcare personnel are highly motivated by an excellent work environment that is safe, supportive, and conducive for work. Poor working conditions, excessive workload, delayed pay, low wages, and long-term strikes demotivate healthcare workers in Kenya, making them less inclined to stay in the country and contributing to the country's healthcare system's vulnerability. Because of the excellent working conditions at nonprofit and foreign institutions, healthcare workers are driven to leave public hospitals and relocate to these locations Parashakti et al., (2020)

According to Hellwig (2021), unhappiness with irregular salary payments, wage increases, or remunerations based on the provisions of the work contract is the most common reason for this dissatisfaction. Dissatisfaction among employees may be expressed either formally or informally. Thus, unlike formal techniques, which are pre-planned and structured, informal methods tend to come out of the blue and surprise management. There are both official and informal disagreements in the workplace. Formalized industrial disputes, such as strikes, are often organized by a labour organization (Hellwig 2021).

The theory was useful in this research because it provided an understanding that employees are social beings with needs and demands and would only stick with an employer who prioritizes their needs. In this regard, the theory helped understand the importance of collective bargaining implementation in motivating employees to stay with an organization.

Empirical Review

Tuoi and Huyen (2021), evaluated the impact of collective bargaining on employee retention in Vietnam. Participants in 95 constructions, textile, and apparel industries were sent 285 questionnaires and the response rate included 255 questionnaires. The research incorporated both qualitative and quantitative research designs and data analyzed using SPSS 20.0. It was observed that implementation of collective bargaining agreement was positively correlated with the retention of workers in the enterprises.

Joseph, (2015) studied effect of environmental pressures on Collective Bargaining Agreements in Canadian public sector from 1998 to 2013. The study analyzed metrics on union membership, pay agreements, strike action, and employee representation and observed that public sector unions' relative bargaining power fell throughout this period and predicted that collective bargaining in the public sector would continue being constrained in the future.

According to Nana (2017), collective bargaining agreements had a positive impact on employee retention. A random purposive selection technique was used to recruit 15 participants from five labour unions in Washington, DC, for semi-structured face-to-face and telephone interviews. Collective bargaining agreements, had an impact on employee retention. The author recommended that unionized businesses in the Washington DC metropolitan region should consider adjusting their negative hiring and retention policies.

Methodology

A descriptive research strategy was used for this research. From a population of 930 medical professionals employed by the Kirinyaga County Government, a sample size of 272 was determined using the tables created by Krejcie and Morgan (1970) and stratified random sampling. Questionnaires were used to collect primary data while secondary data was obtained from the website and database of Kirinyaga County Government. After administering the Cronbach Alpha reliability test to a sample of doctors working at

Embu Level V Hospital, the resulting value of 0.813 suggested that the research instrument was valid for its intended purpose. Statistical software SPSS 24.0 was used to analyze the data. The study used a simple regression model, with the following form:

$Y = \beta_0 + \beta_1 X_1 + e$, where,

Y= Employee Retention

β_0 = constant (coefficient of intercept)

X_1 = CBA implementation

e= error term

Analysis and Findings

Response rate

There was a 66.2% participation rate.

Descriptive statistics for Collective bargaining agreement implementation

Presence of a collective bargaining agreement between employee and employer

		Frequency	Percent
Valid	Yes	160	88.9
	No	20	11.1
	Total	**180**	**100.0**

Based on the findings, 11.1% of the respondents indicated that they were not aware of any CBA between them and their employer. The majority of respondents, (88.9%) accepted that they had a collective bargaining agreement with the County Government. These results showed that indeed there were collective bargaining agreements signed between the medical practitioners and their employers.

Descriptive Statistics on CBA implementation

Descriptive statistics on opinions on CBA implementation

Statement	Strongly disagree %	Disagree %	Undecided %	Agree %	Strongly agree %	Mean	Std. Dev
Employee representation and consultation in the CBA process affect employee retention	3.3	9.4	8.3	45.6	33.3	3.96	1.05
My trade union uses collective bargaining agreements to negotiate for better pay and workplace protection	4.4	10.0	3.9	44.4	37.2	4.00	1.10
CBA is consistently implemented across all cadres of employees	38.9	45.6	5.6	6.7	3.3	1.90	1.00
My salary has always been adjusted upward after the CBA process	45.6	44.4	1.7	5.6	2.8	1.76	0.94
Availability and implementation of CBA affect my decision to stay with my current employer	5.0	10.0	4.4	47.2	33.3	3.94	1.11
My trade union has a significant influence on my terms and conditions of employment	6.7	15.6	10.0	40.0	27.8	3.67	1.22

78.9% (mean 3.96, SD = 1.05) of respondents indicated that employee representation and consultation affected retention of workers 8.3 were undecided 9.4% disagreed while 3.3% strongly disagreed with the statement that employee representation and consultation in the CBA process affected their retention. This implied that employees valued their consultation before an agreement was made and that this gesture affected their retention.

81.6% (mean 4.00, SD = 1.10) of the respondents unanimously agreed with the statement that trade unions used CBA to negotiate for better pay and workplace protection, 3.9 were undecided, 10.0%disagreed and 4.4% strongly disagreed. These findings were in line with observations of Takupiwa (2019), who established that for CBA to be successful, there ought to have been negotiations between the union and the management representatives to come up with an agreement on wages and other work-related issues.

84.5% (mean 1.90, SD = 1.00) of the respondents disagreed with the statement that implementation of CBA took place across all cadres of employees, 5.6% were undecided, 6.7% agreed while 3.3% strongly agreed with the statement. These observations implied that the employer only implemented the CBA for a few medical cadres and disregarded the others.

The majority of the respondents 90% (mean 1.76, SD = 0.94) were in disagreement with the statement the medical workers' salaries were always adjusted upward after the CBA process, 1.7% were undecided, 5.6% were in agreement while 2.8% strongly agreed with the statement. This implied that the medical practitioners' salaries were not always adjusted by the employer even after the CBA.

80.5% (mean 3.94, SD = 1.11) of the respondents indicated that implementation of CBA affected their decision to stay, 4.4% were undecided, 10% disagreed while 5% strongly disagreed with the statement. This implied that the medical practitioners valued the implementation of CBA and based their decision to stay with the employer based on the same. These findings are in line with previous observations (Tuoi and Huyen 2021, Joseph 2015, Nana 2017) who all concluded that collective bargaining agreements had a significant effect on employee retention.

Opinion on whether CBA Implementation Affects Employee Retention

		Frequency	Percent
Valid	Yes	145	80.6
	No	35	19.4
	Total	**180**	**100.0**

Based on the findings, 80.6% of respondents agreed that CBA implementation affected their retention while 19.4% felt otherwise.

Correlational Analysis

		Employee Retention	CBA implementation
Employee Retention	Pearson Correlation	1	.641**
	Sig. (2-tailed)		.001
	N	180	180
CBA implementation	Pearson Correlation	.641**	1
	Sig. (2-tailed)	.001	
	N	180	180

These results revealed a moderately strong positive correlation between collective bargaining agreements and employee retention implementation as indicated by the correlation coefficient (r = .641, P = 0.001). Since the P values were (<0.05), this implied that the correlation between the dependent and independent variables was significant.

Regression analysis for collective bargaining agreement implementation and employee retention

Model	R	R Square	Adjusted RSquare	Std. Error of the Estimate
1	.641[a]	.411	.404	0.11615

Implementing a collective bargaining agreement was found to have a moderately substantial positive link with employee retention (r = 0.641). Implementation of a collective bargaining agreement explained 41.1% of the variation in doctor turnover in County Governments, as measured by the coefficient of determination (R2 =.411). This demonstrates that variables other than the implementation of the CBA accounted for 58.9% of the retention of employees.

ANOVA analysis for CBA implementation and employee retention

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	20.692	1	38.628	25.693	.003[b]
	Residual	172.448	178	4.464		
	Total	193.14	179			

a. Dependent Variable: Retention

b. Predictors: (Constant), CBA

At the 95% confidence level, the F-test results were (F= 1, 178 = 25.693) and P = 0.003, indicating that the model was significant.

Conclusion

Based on the results of the descriptive research, 80.6% of the respondents concurred with the statement that CBA implementation had a major effect on employee retention. A moderate positive connection (R = 0.641) was found between CBA adoption and staff retention. Implementation of the CBA explained 41.1% of the variance in employee retention, as measured by the coefficient of determination (R2 =.411). These results suggest that CBA implementation accounted for just 41.1% of the variation in employee retention. At a 5% significance level, the model was found to be significant (P = 0.003) and had an F- test value of (F= 1, 178 = 25.693).

These observations are consistent with previous reports on the subject.

Recommendation

There is need for County governments to honor the collective bargaining agreements reached with employees in order to retain employees.

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