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Influence of Work Engagement on Millennial Employees Retention among Insurance Industry in Kenya

J. Kimani Gichuhi

Lecturer, Nazarene University, Africa, Kenya

J. Mueni Mbithuka

Human Resource Manager, Invesco Assurance Company Limited, Kenya

Abstract :

Establishing a balance between the young and the older generation is a desire of any organization and is good for posterity. However, having young people who are engaged is becoming a tall order for many organizations today. This generation that has realized that remaining loyal to an organization does not automatically bring rewards or stable job security in current economic situation. This study sought to establish the factors that influence millennials' engagement in selected insurance companies in Kenya. The study specifically focused on the effects of compensation, growth opportunity, work-life balance and work environment on millennials' engagement on selected insurance companies in Nairobi. The study adopted a descriptive research design. This study was conducted in Nairobi County where head offices of the selected insurance companies are situated. The rationale behind the selection of this region was based on the fact most of the employee population is found in the head offices of these companies or report in the head office regularly. The sample population for the study consisted of 96 respondents selected from the target population of 598. The study used primary data which was collected using questionnaires, through simple randomized sampling to come up with the final sample. In this study, descriptive statistics, which involves frequencies and percentages, Standard Deviation Mean were used in analysis. The others that were used to analyse the relationship of the dependent and independent variable were inferential statistics; regression coefficient and bivariate correlation. The study established that presence of growth opportunity and working environment had a positive and statistically significant relationship with millennial engagement. The study further established that compensation and work life balance had a positive but statistically insignificant relationship with millennial retention. The study also concluded that having proper compensation schemes, offering growth opportunity, providing adequate work environment and ensuring a good work life balance can reduce the high level of turnover among millennials who are always on the lookout for better opportunities. The companies should hire millennials who will be satisfied with what the company offers in terms of salaries, rewards and other benefits to increase retention. Companies should also have channels through which millennials can share their views on the type of compensation their company offers. The study also recommends that insurance companies should foster millennials skills development by trainings, career management, providing opportunities and meaningful challenging assignments, as these are perceived to be more critical to Millennials than long term employment. The study also recommends that companies should have provisions to ensure work life balance among millennial employees.

Keywords: *The key words are engagement, millennial, employees, retention, growth, compensation, work life balance and work environment*

1. Background of the Study

Older members in the workforce are nearing retirement and younger members are starting their careers, this calls for organizations to start being gradually dynamic in how they will manage the younger members. The reason behind this is that the older members worked during a period when people usually stayed in a job for life which is not the norm nowadays (Reisenwitz & Iyer, 2009). Therefore, organizations should be keen to know and understand the needs, wants and work preferences of different generational cohorts by carrying out comparative benchmarking studies across the various generations (Reisenwitz & Iyer, 2009).

Kowske, Rasch and Wiley (2010) indicated that members of the same generation are around the same age and have experienced more of less the same events such as unrest, social movements and momentous technological growth. Generations that are preview to the same happening in the history and share common values and the world perceptions and have common socio-economic and political situation can be referred to as a generational cohort (Özçelik, 2015).

The generational category currently in employment and regarded oldest is known as the baby boomer which are supposedly to have been born between 1946 and 1964 and are approaching their retirement age (Zemke, Raines & Filipczak,

2013). Generation X whose date of birth is between 1965 and 1980 follows the baby boomer and this is a generation have generally thrived in their careers. This study considered a generation born between 1981 and 2000 best described as the Millennium Generation, other refers to it as the Net Generation or the Generation Y and most of them are at the beginning of their career journey or are about to start depending on their year of birth (Ricketts, 2016).

This is a generational cohort that is growing and will soon become the largest group in the workplace. This Generation has different perceptions of economy, history and social events which are opposite from other generations and have different characteristics and expectations (Sayers, 2007). Shaw and Fairhurst (2008) argue that Millennials are different from the earlier generations both as employees and consumers because their needs and wants are very unique to them and from the other generations. This generation is known to possess some unique characteristics with respect to employment preferences, learning behaviour, self-achievement, orientation, motivation and commitment. It is noted that with the recent entrance of this generation in the workforce, the switching of jobs experienced now is unprecedented (Westerman & Yamamura, 2007).

Shaw and Fairhurst (2007) cite that some scholars have revealed divergent viewpoints regarding Generation X and the millennials and differ in opinion and argue that they have analogous logical outlook on life. Nonetheless, the exposure to technology may have led to ever-changing their work commitment quicker than preceding cohorts.

Though hiring qualified candidates is essential to organizations, retaining them is most important objective of an organization because huge amounts of money and time is usually spent on orientation and training of the new employees (Costanza, Badger, Fraser, Severt & Gade 2012). Research done has established that the cost of replacing employees who have left the organization with new ones is estimated to be up to twice the employee's annual salary. Twenge (2010) states that when an employee leaves employment, organizations lose employees together with the customers and clients affiliated to the employee, ongoing works, organisation history and giving the competitor an edge.

A research done by Price Waterhouse Coopers (2011) showed that the needs and expectations of the millennials regarding life and working are so dynamic today than previous years. It also showed that this is a generation that is so sensitive to their working arrangements and this makes it very difficult to retain them. Price Water House Coopers research further states that the primary qualities of the millennials are obvious and more prominent than before and therefore emphasize the fact that this generation requires a clear strategy in attracting and retaining or rather getting the best out of them. According to this research, this is a generation that has realised that remaining loyal to an organization does not automatically bring rewards or stable job security in current economic situation Specifically their study also established that 38% of the millennials questioned and who are currently working said they were on the lookout for new opportunities and a further 43% said they were not actively looking but would be open to offers.

A millennials ideal job is that which appeals to their essential individualities. When millennials enjoy their jobs it gives them better experience both within the work environment and outside the office work. The deep dedication to commitment is more an echo of their childhood where they are engaged in various undertakings to develop and appear better-rounded (Thompson, 2011). With the acquaintance to a busy routine, inactivity can lead to boredom. They do not want to stay inactive and the need for constant stimulus and commitment often finds them multitasking which is one of their perceived hallmark traits (Thompson, 2011). Tubey, Kurgat and Rotich (2013) argue that millennials are perceived "fluent visual thinkers," and they should therefore have a sensitive capacity to scan evidence quickly and also multitask.

Carrier, Rosen, Cheever, and Lim (2008) note that though Millennials multitask more frequently than preceding generations they are not essentially better at it. Smith (2010) dismissing the argument that while millennials may like to multitask, they are not becoming more useful. That said, (Kingori 2015) states that Millennials have shown the insatiable appetite for doing multiple jobs ignorant on the effect on their productivity.

1.2. Insurance Industry in Kenya

The Insurance Regulatory Authority (IRA) indicates that there are 55 insurance companies operating in Kenya, out of these, 25 companies write non-life insurance business only, 14 write life insurance business only while 16 are composite (both life and non-life). The industry is structured under the Association of Kenya Insurers (AKI) which was established in 1987 as an independent non-profit making consultative and advisory body. The industry is however characterised by high turnover. The reason behind this is that the skills that employees possess in the insurance industry are transferable and can be used across various sectors like banking. This explains why millennial employees have been passing through the insurance industry on their way to other careers.

Statement of the Problem

It has been argued that millennials have an exceptional distinctiveness and this character determines how they approach adulthood (Thompson, 2011). As the group of about 76 million continues to enter the workplace, organizations globally are trying urgently to establish how to entice, encourage and retain them to be prolific employees, but occasionally the commitment drivers require measured changes rather than extreme shakeups (Thompson, 2011).

Globalization may have led to a fresh pattern shift where a workplace has no limitations (Baldonado, 2013). In their study on winning over the next generation of leaders, Deloitte Touche Tohmatsu (2016) reported that millennials have little loyalty to their current employers and many are already planning their exit. There are various factors that play a role in their lack of loyalty such as feelings of being underutilized and not being developed as leaders. Price Waterhouse Coopers (2011) revealed

in their research that only 18 percent of fresh graduates interrogated had long terms plans of staying in one organization and only one in five (21%) admitted they wished to continue and grow with their current employer.

Thompson (2011) conducted a study in this field and focused on strategies for retention of millennials in California United States, while the current study will determine factors that motivate retention of millennials in selected insurance companies in Kenya. Baldonado, (2013) on the other hand focused on motivating generation Y and virtual teams. A more recent study conducted by Özçelik (2015) focused on engagement and retention of the millennial generation in the workplace through internal branding while Price Waterhouse Coopers (2011) focus on millennial at work, reshaping the workplace none of the above studies analyzed factors that motivate millennials retention in the insurance industry in Kenya.

The focus of this current study was to establish some of the factors that motivate the retention of millennials in the insurance industry in Kenya. The study specifically focused on establishing the role of compensation, growth opportunity, work life balance and work environment on millennials' retention at selected insurance companies. This study therefore addressed the gaps in knowledge by conducting an empirical study to establish how compensation, growth opportunity, worklife balance and work environment motivate millennials' retention.

1.3. Objectives of the Study

The main objective of this study was to establish the factors that motivate retention of millennials within insurance industry in Nairobi County. Specifically the study aimed to determine how compensation, growth opportunity, worklife balance and work environment motivates retention of millennials within the insurance industry in Kenya.

2. Theoretical Review

The study was grounded on three theories that is Maslow's need hierarchy, Process Theory and Social Exchange Theory. Maslow's need hierarchy theory conceptualized that once a lower need is met then the next highest need becomes the focus of the individual until this need is satisfied (Maslow, 1954). However, self-satisfaction is difficult as man always creates new needs for himself. Important to note here is that the motivator is only there in as far as the particular need is unfulfilled hence this becomes the force that energizes the individual. However, the lower needs still exists, even if they stagnate at some point in time as the prime movers and people constantly return to previous needs that have been satisfied (Maslow, 1954).

Maslow's need hierarchy has been well cited as the original theory but the main dissension is in the fact that it is intuitive in nature and hence should not be portrayed as a strait jacket for all people. One person's key priority may not be the same in another hence the progression will be differentiated accordingly. Armstrong and Taylor (2014) argue that Maslow himself expressed doubts about the validity of a completely rigid hierarchy. This theory has been used by managers with the assumption that employees want to meet survival needs and that once pay and benefits are assured then results are expected. The theory therefore relates to the needs that must be met to increase millennials loyalty, commitment and work engagement therefore enhancing their retention. This theory was relevant to this study since it informs that millennials retention will highly rely on the needs and expectations of the individuals at that point in time therefore providing the environment necessary for millennials to achieve their immediate goals will ensure they remain commitment and highly engaged to their work.

Process theory is also known as cognitive theory since it is concerned with how employees perceive their working environment and the ways in which they interpret and understand it. Guest (2011) stated that this theory took a different approach than those by Maslow and Herzberg. The argument was that this theory could be more suitable for a manager than the needs theory as regards the motivation techniques with emphasis on realistic guidance. The first emphasis was on expectations that are the expectancy theory.

The second emphasized the achievement of goals and named it the goal theory and the third focused on feelings of equity hence the equity theory (Guest, 2011). The focus in this theory is different as people have expectations and they need to know where they are going in relation to the organization's goals and objectives. They also need to know whether in the current organizational structure there is justice and fairness in pay and benefits; and in allocation of opportunities and resources. Hence motivation is only attained in so far as these three conditions are met. This theory was relevant to the study since it informed the study on the need for millennials to understand working environments and the role it plays in overall millennials retention.

Social exchange theory as defined by Homans is the exchange of activity tangible or intangible and more or less rewarding or costly between at least two persons. The theory emphasized that employees exhibit positive or negative behaviour as a response to the treatment they receive from their leaders. The theory further states that social exchange involves a set of interactions which then lead to several obligations (Svensson & Wood 2011) and hence a continuous cycle is created wherein the employee reciprocates depending on previous benefits received as a result of work performed (Dulac, Coyle-Shapiro, Henderson, & Wayne 2008).

This theory is used as foundation in many studies on relationships within organizations and workplace behaviour and focuses on the role leader's play in influencing how employees feel obliged to do something (Voon, Lo, Ngui, & Ayob 2011). This theory was relevant to this study because it addresses the work environment and millennials retention with regard to leadership styles, communication channels and the role they play in making employees feel compelled to do something.

2.1. Compensation and Millennials' Retention

Rewarding systems in firms aim at motivating youthful employees to be more engaged. Iqbal, Karim and Haider (2015) conducted a study on the impacts of leadership and rewards on employee's engagement in Pakistan banking industry. Their study used Correlation Coefficient for the data analysis. The results presented a positive relationship between rewards and employee engagement and also a positive relationship between leadership and employee engagement.

Martin, Ottemann and Hall (2016) investigated the impact of rewards programs on employee engagement. Results obtained showed that 39% to 45% of respondents either agreed or strongly agreed that the efforts to engage employees through total rewards programs had reduced employee complaints about fairness and equity in pay and also reduced turnover, absenteeism and employee conflicts (Martin, et al., 2016). The findings also showed that efforts to increase engagement through rewards programs were strongly correlated with the organizations effectiveness in fostering high levels of employee engagement and motivation. These findings indicated that organizations which link engagement to total rewards are more likely to effectively engage and motivate employees.

A study by Khan, Zarif and Khan (2011) on Al-Karam Towel Industries further clarifies the effects of recognition based rewards on employees' competence and efficiency. A close-ended questionnaire was used in this study to deduce the relations between supervisor's recognition (independent variable) and employees' performance, their wish to remain with the organization and their success in the organization in the long term (dependent variables). The results of the study showed significant positive relationship between recognition based rewards and employees engagement.

A study was carried out by Adekeye, Aremu, and Ademuwagun (2012) on effects of rewards on test performance. This study inspected the effects of motivation on test performance of first year University students. The study adopted pre-test, post-test experimental design. Sixty (60) students aged between 15 and 18 years were the respondents and they were randomly selected and assigned to three conditions using autonomous group design. The independent variable in the study was motivation and the dependent variable test performance. The two hypotheses were analysed using Mann-Whitney U test. The findings showed a significant difference between the result of the unrewarded students in the control group and students rewarded with verbal praise in the experimental group.

2.2. Growth Opportunity and Millennials' Retention

A study by Özçelik (2015) demonstrated that the younger the employees, the more eager they are to move upwards on the career ladder at a fast rate and they have a greater expectation of achievement than a high salary. Hewlett, Sherbin and Sumberg (2009) findings show that Generation Y rate rewards like recognition from their organization or immediate supervisor and promotion more than remuneration. This is because Millennials are keen on being informed that they have made meaningful contribution to the organization they work for. Subsequently, these organizations should willingly give constructive feedback to this generation how their input has improved the growth of the organization.

A study conducted by Ferri-Reed (2015) established millennials would want to work for organizations which constantly foster their skills development by trainings, career management, providing opportunities and meaningful challenging assignments, and these are perceived to be more critical to Millennials than long term employment. Leadership programs should be implemented for those who show promise and Human Resource departments should endeavour to ensure that this the millennial generation have opportunities for challenging assignments and job enrichment (Ferri-Reed, 2015).

2.3. Work Life Balance and Millennials' Retention

A study was conducted by Baldonado (2013) based on Herzberg's two-factor theory of motivation on motivating generation Y and virtual teams with the purpose of exploring the motivational needs of Generation Y and virtual team members and their impact in the workplace. The sample size consisted of Generation Y members at Lakeland Florida. The researcher developed a written survey which was used as the research methodology. The findings showed that Millennials placed great importance to both hygiene and motivator factors in their motivational needs. Advancement and personal life were also important to the generation. It is therefore important for managers to be flexible in their managerial approach to this generation.

A study by Kellman (2015) focused on work-life and exhaustion in a software company in Ireland. This study sought to establish the link between work-life-balance in the software company. Quantitative research methods were used for the research. Data was collected from 70 participants using self-selection method, and the sample included both males and females upto the age of 36 from all areas of the business. The results presented a clear negative link between work-life balance and burnout, while also demonstrating that work-life balance is only a small factor contributing to burnout.

2.4. Work Environment and Millennials' Retention

Millennials are such a different generation and their aim is to work for an employer who will understand and shares their values and possibly part of their identity (Nolan, 2015). Nolan (2015) states that this is a generation that will want look forward to going to work not only because they enjoy what they are doing but they take pleasure in where they are doing it. Therefore, for organizations to create an attractive work culture there is need to look at their recruiting strategy because it is

better to find a good match for what is already in place than changing the perception of the organization to appeal to potential new employees (Price Waterhouse Coopers, 2011).

A study carried out by Hayati, Charkhabi, and Naami, (2014) on effect of transformational leadership on employee's engagement provides good insight on this topic. The study used descriptive, correlational, cross-sectional design methods. A sample size of 240 nurses were chosen by stratified random sampling method which filled related self-reported scales included Multifactor Leadership Questionnaire (MLQ) and work engagement scale. The findings from this study showed that the effect of this type of leadership on work engagement is positive and significant. Additionally the research demonstrated that transformational leaders transfer their enthusiasm and high power to their subordinates by the way of modelling. This manner can increase the power as a component of work engagement in workers.

A study by Durocher, Bujaki and Brouard (2016) focused on attracting millennials using the legitimacy management strategies and bottom-up socialization processes within Canadian accounting firms in website communication directed at future employees. The study established that accounting firms appeared to devote considerable effort in managing their legitimacy in the eyes of prospective employees. The study further established that these firms actually used website communications to portray a work environment that was in line with values and beliefs of the Millennials. This showed that a bottom-up socialization process was taking place where these accounting firms adjust the workplace in response to future expectations of employees.

3. Methodology

The target population of the study included all employees both male and female of the selected insurance companies that is Invesco Assurance Company Limited, Resolution Insurance Kenya, The Monarch Insurance Company Limited and CIC Insurance Group Limited who were under 36 years of age. The study used random sampling technique to come up with the final sample because of its accurate representation of the larger population. Primary data in this study was collected through a questionnaire. To ensure content validity, the questionnaire was subjected to thorough examination by two randomly selected human resources experts. In this study internal consistency testing was done using Cronbach's Alpha with acceptable level being 0.7. In this study, descriptive analysis involved frequencies in their absolute and relative forms. Standard deviations and mean were used as measures of central tendencies and dispersion respectively. Inferential statistics; regression coefficient and bivariate correlation were used to analyse the relationship of the dependent variable and the independent variables.

4. Analysis

The people who responded were 63 of which 56% were male while 44% were female. The youngest person among the millennials who responded was 22 years while the oldest respondents had 36 years. The average age was 28.55 years. The first objective of the study was to determine how compensation motivates retentions of millennials within the insurance industry in selected companies in Nairobi County. Compensation was measured using, salary, rewards and benefits. The study expected the respondents to indicate to what level the above factors affected the compensation in within the insurance industry in Kenya and specifically in selected companies in Nairobi County.

The study sought to establish whether insurance companies in Nairobi paid competitive salaries to millennials. The results presented in table 4.2 showed that the statement had a mean of 2.59 which implied that majority of the respondents were neutral as shown by 41.1% of the respondents who indicated neutral. The finding further implied that millennials in the insurance firms in Nairobi County felt that they were not paid competitive salaries. The study similarly sought to find out whether insurance firms paid employees from previous generation higher than the millennials. The statement had a mean response of 2.95 which also indicated that most of the respondents were neutral. However, those who agree were 27.4%, 46.6% were neutral, 19.2% disagree and finally 6.8% strongly disagreed.

On whether millennials were rewarded for good performance besides their salaries, 41.1% were neutral, 28.8% disagreed, 13.7% strongly disagreed, 12.3% agreed and 4.1% strongly agreed. This implies that insurance industry in Kenya hardly reward millennials for good performance besides their salaries. On the other hand, 32.9% of the respondents disagreed that they received a lot of additional benefits from their company and it is the reason they will not remain loyal to it. Those who agreed and strongly agreed were a total of 22.7% as shown by the results. Finally, the study sought to find out whether respondents would remain loyal to their company provided they are highly compensated, the results indicated that 35.6% and 34.2% of the respondents agreed and strongly agreed respectively with the statements. These finding implied that compensation packages play a significant role in retention of millennials.

The findings of this study concurs with those of Martin, Ottemann and Hall (2016) who found that increase engagement through rewards programs were strongly correlated with the organizations effectiveness in fostering high levels of employee engagement and motivation.

4.1. Correlation Results

To ascertain the relationship between the independent and dependent variable, the study employed correlation analysis. A linearity test was conducted as evidenced by the Pearson correlation coefficient.

		Compensation	Growth Opportunity	Work Life Balance	Work Environment
Compensation	Pearson Correlation				
	Sig. (2-tailed)				
Growth opportunity	Pearson Correlation	0.689			
	Sig. (2-tailed)	0.000			
Work life balance	Pearson Correlation	0.470	0.663		
	Sig. (2-tailed)	0.000	0.000		
Work environment	Pearson Correlation	0.195	0.363	0.595	
	Sig. (2-tailed)	0.100	0.002	0.000	
Millennial Retention	Pearson Correlation	0.352	0.568	0.595	0.591
	Sig. (2-tailed)	0.002	0.000	0.000	0.000
	N	63	63	63	63

Table 1: Correlation Analysis Results

The study used correlation analysis to test the relationship between compensation and millennials retention among insurance firms in Kenya. The results findings in table 1 showed that compensation had a positive and significant relationship with millennials retention in insurance firms. The value of Pearson correlation was $r=0.352$ with a $p=0.002$ which was significant at 0.05 significance level. The findings implied that an increase in compensation would lead to an increase in the millennials retention. The finding concurs with those of Martin, Ottemann and Hall (2016) who investigated the impact of rewards programs on employee engagement. Results obtained showed that 39% to 45% of respondents either agreed or strongly agreed that the efforts to engage employees through total rewards programs had reduced employee complaints about fairness and equity in pay and also reduced turnover, absenteeism and employee conflicts.

The study adopted correlation analysis to test the relationship between growth opportunity and millennials retention. The study result findings in in table 1 also established a positive and significant ($r=0.568$, $p=0.000$) association between growth opportunity and millennials retention. A study conducted by Ferri-Reed (2015) established millennials would want to work for organizations which constantly foster their skills development by trainings, career management, providing opportunities and meaningful challenging assignments, and these are perceived to be more critical to Millennials than long term employment.

Correlation analysis was also used to determine the relationship between work life balance and millennials retention among insurance firms in Kenya. The results findings showed that work life balance had a positive and significant relationship with millennials retention in insurance firms. The value of Pearson correlation was $r=0.591$ with a $p=0.000$ which was significant at 0.05 significance level. The findings implied that an increase in work life balance would lead to an increase in the millennials retention. Baldonado (2013) also established that advancement and personal life were also important to the millennial generation.

The study finally adopted correlation analysis to test the relationship between work environment and millennials retention. The findings showed that work environment had a positive and significant relationship with millennials retention in insurance firms. The value of Pearson correlation was $r=0.595$ with a $p=0.000$ which was significant at 0.05 significance level. The findings implied that an increase in work environment would lead to an increase in the millennials retention

4.2. ANOVA test

ANOVA test was used to further test the nature of relationship between independent variables and dependent. The essence of ANOVA is that the total amount of variation in this case was broken down into two types, that amount which can be attributed to chance and that amount which can be attributed to specified causes while F- test was also used in the context of the analysis of variance (ANOVA) for judging the significance of multiple correlation coefficients. The results are given in the model below which indicates that more than 50% of retention among millennials can be explained by the studied variables. Model Summary

Model	R	R-Square	Adjusted R-Square	Std. Error of the Estimate
1	0.710	0.505	0.475	0.63524

Table 2

4.3. Summary of Major Findings

This study intended to focus on aspects of motivation in terms of compensation, growth opportunity, work life balance and work environment and how they influence millennials retention in within insurance firms in Kenya. Descriptive statistics including the mean and standard deviation were used to capture the characteristics of the variables under study. Inferential statistics; regression coefficient and bivariate correlation were used to analyse the relationship of the dependent variable and the independent variables.

4.4. Compensation and Millennials Retention

The first objective of this study was to determine how compensation motivates retention of millennials within the insurance industry in Nairobi County. The correlation was conducted to test the strength of the association between level of compensation and motivates retentions of millennials insurance industry in Kenya. The findings indicated that there existed a positive and insignificant relationship between compensation and millennials retention in insurance firms. The results further showed that coefficient for compensation was also insignificant. The results implied that unit increase of the compensation variable would result to unit decrease in millennials retention. The finding concurs with those of Martin, Ottemann and Hall (2016) who investigated the impact of rewards programs on employee engagement. Results obtained showed that 39% to 45% of respondents either agreed or strongly agreed that the efforts to engage employees through total rewards programs had reduced employee complaints about fairness and equity in pay and also reduced turnover, absenteeism and employee conflicts.

4.5. Growth Opportunity and Millennials Retention

The second objective of the study was to establish how growth opportunity motivates retentions of millennials within the insurance industry in Nairobi County. The findings of correlation analysis indicated that there existed a strong positive and significant association between growth opportunity and millennials retention in insurance firms in Kenya. Regression results revealed that there is a significant positive relationship between growth opportunity and retention of millennials in insurance firms in Kenya. The results implied that unit change in growth opportunity will result in a unit increase in retention of millennials. Similarly, Ferri-Reed (2015) established millennials would want to work for organizations which constantly foster their skills development by trainings, career management, providing opportunities and meaningful challenging assignments, and these are perceived to be more critical to Millennials than long term employment.

4.6. Work Life Balance and Millennials Retention

The third objective of the study was to establish how work life balance motivates retentions of millennials within the insurance industry in Kenya. The study employed correlation and regression analysis to ascertain the relationship. The findings of correlation analysis indicated there existed a strong positive and significant relationship between work life balance and millennials retention in insurance firms in Kenya. On the other hand, regression analysis indicated that coefficient of work life balance was insignificant. This revealed that there is insignificant positive linear relationship between work life balance motivates retentions of millennials within the insurance industry in Nairobi County. The results implied that a unit change in work life balance could result in increase in millennials retention. Baldonado (2013) also established that advancement and personal life were also important to the millennial generation.

4.7. Work Environment and Millennials Retention

The final objective of the study was to determine how work environment motivates retentions of millennials within the insurance industry in Nairobi County. The findings of correlation test indicated there existed a strong a positive and significant relationship with millennials retention in insurance firms in Kenya. Regression results revealed that there is significant positive linear relationship between work environment and retention of millennials in insurance industry in Kenya since the coefficient work environment was also significant. The results implied that unit increase of the work environment would lead to unit increase in millennial retention.

5. Conclusion of the Study

The study established that presence of growth opportunity and working environment had a positive and statistically significant relationship with millennial retention. The study further established that compensation and work life balance had a positive but statistically insignificant relationship with millennial retention. Based on these findings the study concluded that compensation and work life balance are contributing factors to millennial retentions in insurance industry in Kenya. However, the impacts on compensation and work life balance on millennial retention is not as significant as that of growth opportunity and work environment that were found to have positive and significant relationship with millennial retention. The study further concluded that having proper compensation schemes, offering growth opportunity, providing adequate work environment and ensuring a good work life balance can reduce the high level of turnover among millennials who are always on the lookout for better opportunities.

6. Recommendations of the Study

Based on the findings of this study, the following recommendations were made; Insurance companies or any other industry that intend to hire millennials should engage them in coming up with compensation structures for them. The companies should hire millennials who will be satisfy with what the company offers in terms of salaries, rewards and other benefits to increase retention. Companies should also have channels through which millennials can share their view on the type of compensation their company offers.

The study also recommends that insurance companies should foster millennials skills development by trainings, career management, providing opportunities and meaningful challenging assignments, as these are perceived to be more critical to Millennials than long term employment. The study also recommends that companies should have provisions to ensure work life balance among millennial employees.

The companies should have adequate leave days, provision for maternity leave that would go a long way in ensuring people continues with their normal life besides work. Finally the study recommends that companies should provide millennials with appropriate working environment that rhymes with their beliefs and understanding of modern day work life. The study recommends that organization should create an attractive work culture that appeal to potential millennial employees.

6.1. Suggestions for Further Research

This study established that compensation, growth opportunity, work life balance and work environment jointly accounted for 50.5% of the variation in millennials retention in insurance firms in Kenya. Other studies should focus on other factors that account for the remaining 49.5% variation in millennials retention in insurance firms. The study also suggests that a similar study can be conducted in a different sector to find out whether the results concur with this study.

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