# The Role of Communication in Employee Retention and Its Effects on Organizational Performance in Mergers in Kenya: A Case of Quick Mart Limited

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**ABSTRACT**
This research paper investigated the effect of communication on employee retention and its effects on organizational performance in mergers in Kenya. It involved a case study research design. It aimed at providing future merging organization with optimum employee retention strategies that can help in retaining competent, mission-critical, and highly valued employee through the merger process in order to achieve organizational performance after merger. The study's target population included 535 employees of Quick Mart Limited. They included managers, executive staff, supervisors, and subordinate staff of six supermarket branches located in Nairobi. Stratified sampling technique was used in the study. Sample population was 30% of the target population. A total of 161 respondents made up the sample population. Questionnaires were used as the data collection tools. Questionnaires were delivered to the respondent physically at the supermarket branches. The researcher collected qualitative data from the respondents which were analyzed to bring to light the reality of the subject matter. A pilot study was conducted through 10% of the sample population. A total of 16 questionnaires were distributed to a part of the sample population, analyzed, tested for validity and reliability, and then corrected before all the other questionnaires were issued to the sample population. Validity and reliability of this research were realized through eliminating bias and increasing the researcher's trustworthiness using triangulation. Descriptive data analysis was used in this study. Analysis of qualitative data was done through developing and applying codes, identifying themes, patterns, and relationships, and summarizing the data. The findings of the study were clearly presented through narrations, frequency tables, and charts. The researcher provided her conclusions on the study as well as recommendations for future research.

**KEYWORDS:** Communication; Merger; Organization; Organizational Goals; Performance.

## 1. INTRODUCTION

Employee retention is the ability of an organization to hold onto its employees through various strategies in order to enhance their commitment and loyalty to the organization. Organizations face lots of problems relating to employee retention during mergers, which significantly affects organizational performance (Shah, 2014). The success and prosperity of any organization are hidden in its committed and dedicated workforce. Utilization of critical employee retention strategies is now very essential to sustainable competitive advantage of organizations.

Employee retention during a merger may be challenging for the organizations involved as the employees might perceive the merger deal as a threat to their job security. A merger may generate uncertainty around the future of the organization and may disillusion employees, thus creating retention issues (Norbert and Nicola, 2019). Globally, employee retention has become a serious concern to organizations' management. Employee retention has been known to play a key role in ensuring successful continuity of business operations. Research has shown that in more than half of merger failures, the root cause is failing to attend to the people-related factors (Ochieng *et al*., 2020).

In order to retain high-level human resource and create a sustainable competitive advantage, businesses are inventing new ways to ensure their survival, performance, and development as well as retaining their intellectual property. Studies have shown that mergers have been adopted as organizations' survival strategy to remain competitive, ensure organizational growth, improve profitability, improve operational efficiency, and create incremental value (Norbert and Nicola, 2019). Handling change is often problematic for employees, particularly where they are not well involved in decisions that have an impact on their jobs. Organization's ability to retain the right people can be a make or break element in merger deals. Organizations and their shareholders should recognize that achieving the merger strategic goals depends on retaining the right people, with the right skills and in the right places (Jerjawi, 2015).

Provision for human factor during the merger process is very important since mismanagement of the human factor could spell doom for the deal (Weber and Tarba, 2010). In a merger, employees from the merged organizations must work together. In most merger deals, employees' participation in the process is minimal, and employees are left to just accept the decisions made by the management, which in turn negatively impacts their performance and overall organizational performance (Chalikias *et al.*, 2016). Human capital is a very important success factor. Clear communication to all stakeholders before and during the execution of the merger is very important (Laveren, 2017). Mergers generate many changes to the employees, which include work stress, uncertainty, and speculations. Failure of the employees from the involved organizations to cooperate and work together for the benefit of the merged organizations may lead to merger deal failures (Aristos *et al.*, 2018).

### 1.2. ORGANIZATIONAL PERFORMANCE

The overall effective organizations depend on the three basic performance determinants. They include efficiency and process reliability, human resource and relations, innovation, and adaptation to environment (Mokaya, 2014). Efficiency is the utilization of the human capital and resources to perform important operations in a manner that minimizes costs. Where resources are utilized in a proper manner in comparison to the competition, the cost of operations decreases, while the profit margin will increase, enhancing organizational performance. Efficiency is achieved when the competitive approach of the organization offers products and services at lower rates than the competition. Human resource relation is a trust organizational commitment, collective identity, and cooperation among the employees (Mokaya, 2014). Innovative adaption comprises of an increase in market share, sales growth year by year, as well as generating and maintaining loyal customer base.

### 1.3. STATEMENT OF THE PROBLEM

In a merger situation, organizations should strive to retain their competent, mission-critical, and highly valued employees. Currently, employee retention has become a global challenge to organizations especially during the merger process. The loss of mission-critical employees is detrimental to the merging firms. There is a need to evaluate the employee retention strategies to be employed in a merger process. This is necessary since the employee retention strategies that an organization employs during a merger have a great impact on the overall organizational performance after merger (Odetoyinbo, 2020).

Where critical employee retention strategies are ignored, firms are unable to have any sustainable competitive advantage against their competitors after merger. The absence of employee retention often leads to huge costs incurred in attracting, recruiting, training, and developing new employees. Subsequently, too much time and money are spent in trying to ensure flawless transition in merger situations. Most mergers lead to job losses due to duplication of roles. Employees in duplicated roles are at risk of job loss, those whose value to the organization is unclear, change resistors as well as poor performers. In most merger deals, merging organizations normally put their interest first, while employee retention takes a back seat (Martin and Butler, 2015).

This study assessed the communication strategies employed during the merger of Quick Mart Ltd. and Tumaini Self Service with an aim of employee retention. It evaluated whether Quick Mart has been able to increase organizational performance after merger and explored the employee retention strategies employed during the merger process. The study was necessary since mergers have led to many Kenyan workers losing their source of livelihood, employee unrest, and highly qualified employee resigning once they learn that merger plans are underway, while other employees organize riots to oppose the merger (Business Daily, 2019). In the Quick Mart and Tumaini merger, already 40 employees have lost their jobs (Sunday, 2019).

Employee retention problems that occur during the merger process affect both the laid off and retained employees and their families, the management, the entire organization, the community living around the locality where this organization is located, as well as the shareholders of these organizations. The government is also affected especially where merger deals trigger employee unrest which requires government intervention.

This study helped in identifying the favorable employee retention strategies in a merger process, with a focus on organizational performance after merger. It extended previous studies in this area by looking at the importance of communication strategies and these influence employee retention in mergers. Quick Mart currently has 35 branches in the country. The study was conducted in 6 out of the 20 branches that existed in the Nairobi during the merger. Mugenda and Mugenda (2003) argue that a sample size of 30% of the target population is adequate enough to meet the research objective. Quick Mart branches included in this research included Ruaka, Utawala 1, Utawala 2, Ruai, Eastern Bypass 1, and Eastern Bypass 2 branches.

### 1.4. RESEARCH OBJECTIVE

The objective of this study was to determine how communication affects employee retention strategies and organizational performance after merger in Quick Mart Ltd.

## 2. LITERATURE REVIEW

### 2.1. THEORETICAL REVIEW

#### 2.1.1. THE STRATEGIC REALIGNMENT THEORY

The realignment theory was formulated by Thorndike in 1911. It was based on the "law of effect." It states that "over time people learn about the relationship between their actions and consequences, and this understanding guides their future behavior." It holds that behavior is a function of its consequence. Thus, the behaviors of individuals depend on the consequences that they will receive. People are rewarded for engaging in certain behaviors. This theory links consequences to voluntary behavior. Managerial options affect the motivation and retention of employees. Mergers are used as strategies for positive reinforcement by linking the good performance of each of the involved firm with the consequence that the other firm considers to be pleasant (Armstrong and Taylor, 2014).

Strategic realignment helped this study by guiding the management on how to retain their mission-critical employees in the organization for better performance and prosperity of the newly formed merger. Strategic alignment is the substance concept that makes everything else work successfully. Committed, engaged employees as well as effective teams can only produce results when they are fully aligned with the organization's strategy (Amin *et al.*, 2015). Strategic realignment theory suggests that organizations use the merger strategy to quickly adjust to changes in the external environment. The organization may acquire skills needed for increasing the current capabilities through external diversification and aggressively retaining the highly valued and competent employees throughout the merger process (Denise, 2015).

Denise (2015) argues that strategic realignment helps organizations define what matters most to them and to create a road map to achieving their purpose. It requires planning, a willingness to reconsider and adjusting regularly, and retaining employees who feel involved and fully responsible for the business in achieving its objectives. Organizations should come up with the best fitting employee retention strategies like communications strategies to employ in ensuring retention of mission-critical employees with an aim of enhancing performance after merger. Synergy in performance should be visible in a merger (Denise, 2015).

#### 2.1.2. THE ATTRIBUTION THEORY

The attribution theory was authored by Weiner in 1958. It seeks to explain the causes of an event or behavior. It involves a three-stage process that includes observations, determination of behavior, and attributing the causes. There are two types of attribution, namely internal and external. Internal attribution assigns the person himself for any behavior, whereas external attribution relates causality to outside agents. Weiner expounds how attribution contributes to high ability, high achievement, and giftedness. He also details that other-perception and self-perception form unity, which influences task persistence and thus actual ability (Armstrong, 2009).

In a merger environment, when employers keep their highly valued employees well informed on current and future plans, the employees can attribute this to the idea that the employer trust and believes in them creating a sense of security well after the merger process (Nishii *et al.*, 2008). Communicating frequently and effectively can enhance employee retention in this environment. The employees will in turn have trust in the employer and shun any idea of jumping ship to the competitors. They will be motivated and put more efforts in their work which may lead to high organizational performance (Armstrong, 2009).

The attribution theory supports this study by looking at how employees attribute what happens to them during mergers. This theory emphasizes that people are on a continuous quest to explain events that they encounter and that the object of the attribution differs in different scenarios (Armstrong, 2009). Attributions that employees develop about retention intentions of management have consequences on employees plans, behaviors, and ultimately on organizational performance (Nishii *et al.*, 2008). The efforts employed by the management while striving to retain their highly valued and competent employees can enhance the employees' retention intentions, which in turn benefit the organizations positively as continuity is achieved.

### 2.2. LITERATURE REVIEW

#### 2.2.1. COMMUNICATION STRATEGIES AND ORGANIZATIONAL PERFORMANCE

In a workplace, communication is the process of exchanging information and ideas, both verbally and nonverbally within the organization. It includes sending/receiving e-mails, text messages, notes, phone calls as well as face-to-face conversations. Effective communication is critical in getting work done, building a sense of trust, and increasing the productivity of employees and the organization. It enhances teamwork and employee job satisfaction, and reduces absenteeism as well as employee retention. The management must be able to communicate with employees and all parties able to express ideas to one another.

Martin and Butler (2015), in their study dubbed, "The Moderating Effects of Executive Political Skill on Employee Uncertainty Post-Acquisition," state that realistic communication can help reduce or even eliminate employee uncertainty and thus aid in employee retention. Retention of key employees is significantly important in merger scenarios. Employers should look for ways to strengthen retention of their highly valued employees. Organizations should measure merger success based on the creation of competitive advantage and real shareholder value brought about by retaining the best employees (Martin and Butler, 2015).

Goecke *et al.* (2018), in their study on "Retention Strategies in M&A Process – An exploratory Case Study on Turnover During Mergers and Acquisitions in German Software Industry," stated that communication should be concise, straight-forward, honest, and respectful. The management should let employees know where they stand. The management should anticipate and focus on key merger decisions and drive every aspect of the merger deal from the top leadership level. The management should be prepared to walk away from a deal that does not show potential and choose strategic moves that strengthen the organization. The human factor should never be ignored at every step of the merger (Goecke *et al.*, 2018). This study was aimed at identifying reasons why employees choose to stay or leave in reactions to mergers and acquisitions.

#### 2.2.2. ORGANIZATIONAL PERFORMANCE

Measuring organizational performance involves analyzing a firm's performance against its set goals and objectives. It comprises actual results compared to the intended outputs. The analysis focuses on three main outcomes which are shareholder value performance, financial performance, and market performance. Performance denotes how well an organization is doing to reach its vision, mission, and goals.

Mergers may lead to increased turnover intentions, decreased employee job satisfaction, and increased absenteeism (Martin and Butler, 2015). Media, such as newspapers, often publish projected negative outcomes of mergers. For instance, a trend toward increased merger activities in Silicon Valley was accompanied with several discussions on layoffs. Nevertheless, another example of the trend in publishing negative outcomes in mergers is an article that discusses merger between H.J. Heinz and Kraft Food that focused on cost-cutting measures of USD 15 billion, much of which was expected to be accomplished through layoffs (Martin and Butler, 2015).

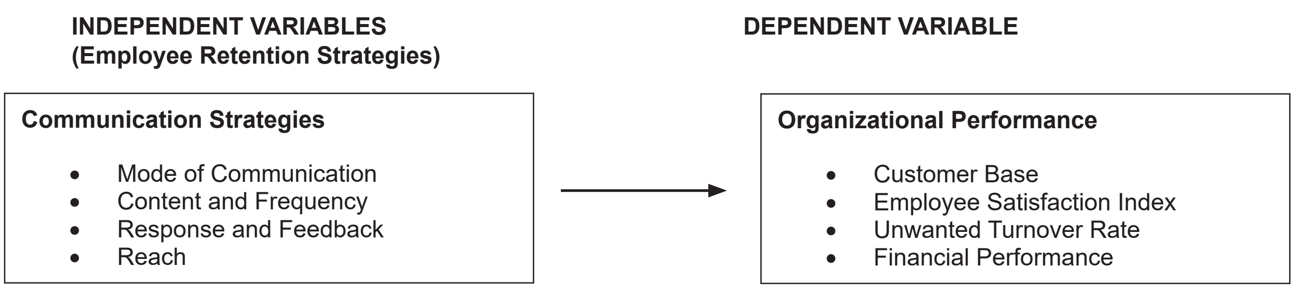
In critical transitions like mergers involving employee-driven organizations, what an organization is acquiring are the people, and if attention is not paid to them and are lost, the acquiring firm will have gained absolutely nothing. Some participating organizations in mergers only focus on top management, forgetting that it may actually be other employees that may be more important, like critical technologists whose retention may be more important than the top management (Martin and Butler, 2015). After the merger process, the formed organization should be in a better position to grow than either of the organizations was before this process. In order to accomplish this, the formed organization needs to retain the best employees and release those that are least likely to support the planned growth, development, and the targeted performance levels (Mugo, 2017). Employee turnover is usually positive when bad performers leave the organization.

The journals reviewed here support this study in that they appreciate organizational performance as every organization's goal in their operation. They agree that the aim of mergers should be to form an organization that would perform better than any of the merging firms and that retention of the highly valued employees should be a priority for organizational performance to be achieved.

### 2.3. CONCEPTUAL FRAMEWORK

The conceptual framework below explains graphically the variables studied, their operationalization, and the relationship between them. The conceptual framework for this study is depicted in the figure below:

**Figure 1. Conceptual framework.**




## 3. RESEARCH METHODOLOGY

Research methodology is the approach taken to study the research topic. It is the framework underlying the strategy of a research. Research design is the plan, structure, and strategy of investigation conceived so as to obtain answers to research questions (Kimencu-Mwenda, 2014). This study involved a case study design. It sought to describe Quick Mart Ltd. in details on employee retention strategies employed during the merger process. The researcher carefully planned the study as well as the data collection instruments.

According to Kimencu-Mwenda (2014), a case study seeks to describe a unit in detail, in context and holistically. A case study design was chosen due to the fact that the unit of analysis is one organization. A case study allows an investigation to retain the holistic and meaningful characteristics of real-life events (Mugenda and Mugenda, 2003). It involves a careful and complete observation of the social unit. This design was applied in the research to achieve the purpose of the study.

Target population is the specific population about which information is desired. The population for this study consisted of employees from Quick Mart Ltd. They included managers, executive staff, supervisors, and subordinate staff gathered from six Quick Mart supermarket chain outlets within Nairobi, which includes Ruaka, Utawala 1 and 2, Ruai as well as Eastern Bypass 1 and 2 branches. These six branches cover 30% of the 20 branches that existed in Nairobi during the merger process. According to Mugenda and Mugenda (2003), a sample size of 30% of the target population is adequate enough to meet the research objective. Quick Mart Ltd. currently has a total of 35 branches countrywide. The researcher selected the six branches due to their proximity to Nairobi. These branches have a total of 535 employees. The target population consists of the population in Table 1.

**Table 1. Population size.**

| Strata | Target | Percentage (%) |
|---|---|---|
| Managers | 12 | 2 |
| Executives | 176 | 33 |
| Supervisors | 87 | 16 |
| Subordinate staff | 260 | 49 |
| Total | 535 | 100 |

Source: Quick Mart Employee Register, 2020

A sample is a carefully selected subgroup of the accessible population that is a representative of the population with the relevant characteristics. Sampling is the process of selecting a number of individuals for the study. It can be snowball, random, stratified cluster convenience, systematic, or any other sampling process (Trochim, 2006).

Stratified sampling was used in order to get a proportional representation of the targeted respondents. The population was divided in four groups or strata which are the managers, executive staff, supervisors, and subordinate staff. The researcher then used simple probability sampling, which enabled the researcher to obtain a sample population that represented the entire population well.

A total of 161 respondents were used in this research, covering 30% of the target population. Mugenda and Mugenda (2003) argue that a sample size of 30% of the target population is adequate enough to meet the research objective. The sample size was as follows:

$n = {}^{30}/_{100} * N$, where $n$ is the sample population and $N$ is the target population.

**Table 2. Sample size.**

| Strata | Target | Sample Size (30% of Target) | Percentage (%) |
|---|---|---|---|
| Managers | 12 | 4 | 2 |
| Executives | 176 | 53 | 33 |
| Supervisors | 87 | 26 | 16 |
| Subordinate Staff | 260 | 78 | 49 |
| Total | 535 | 161 | 100 |

A questionnaire is an instrument specifically designed to elicit information that is useful for analysis (Babbie, 2007). Questionnaires were delivered to the respondents physically at the supermarket branches for collection of data for this study from managers, executive staff, supervisors, and subordinate staff of Quick Mart Ltd.

## 4. DATA ANALYSIS AND PRESENTATION

### 4.1. RESPONSE RATE OF THE STUDY

Response rate was analyzed to enlighten the researcher on research participants. It was necessary in order to determine whether the participants in the study were a representative sample of the target population. The participants' characteristics also serve as independent variables in the research design. The response rate was 87%. A total of 140 responses were received out of the possible 161.

### 4.2. ANALYSIS OF DEMOGRAPHICS DATA OF RESPONDENTS

Demographics data of the participants in this study were analyzed to enlighten the researcher on research participants' gender, age, job positions as well as the years of service in Quick Mart. It was necessary in order to determine whether the participants in the study were a representative sample of the target population. Forty-seven of respondents were male, while 53% were female, which indicated that each gender was well represented in this study.

An age analysis of the respondents showed that 29% of the respondents ranged between 20 and 30 years, 66% range between 31 and 40 years, while 4% range between 41 and 50 years of age. This showed that each age group was well represented in the research study. The data collected were then analyzed per strata. It indicated that among the respondents in this study, 3% were managers, 32% were executive staff, 17% were supervisors, and 48% were subordinate staff. This outcome indicated that there was a good representation from all ranks of employees in the supermarket chain. An analysis on years of service of the participants was conducted, and the results indicated that 14% of the employees have served Quick Mart for a period of less than 2 years, 29% for a period between 2 and 5 years, 66% for a period between 5 and 10 years, and 10% have served for a period of over 10 years.

### 4.3. COMMUNICATION STRATEGIES RESPONSE ANALYSIS

An analysis of communication strategies-related responses was reviewed as indicated in Table 3 below.

**Table 3. Communication strategies-related responses.**

| Statement | Strongly Disagree | Disagree | Neutral | Agree | Strongly Agree | Mean | Standard Deviation |
|---|---|---|---|---|---|---|---|
| Quick Mart communicated merger plans to employee well in advance | 0% | 85% | 0% | 15% | 0% | 2.30 | 0.72 |
| Quick Mart's vision and mission are clear and understandable | 0% | 3% | 0% | 96% | 1% | 3.95 | 0.35 |
| Quick Mart communication's content and frequency are satisfactory | 0% | 14% | 11% | 75% | 0% | 3.61 | 0.73 |
| Communication strategies applied by Quick Mart are satisfactory | 0% | 17% | 3% | 80% | 0% | 3.63 | 0.76 |
| I am happy with how Quick Mart keeps me informed | 1% | 11% | 6% | 82% | 1% | 3.71 | 0.69 |
| Quick Mart's response and feedback to employees' queries are satisfactory | 2% | 49% | 6% | 42% | 0% | 2.89 | 1.00 |
| In Quick Mart, information flows easily downward and upward, and it is interactive | 1% | 48% | 4% | 46% | 1% | 2.96 | 1.01 |

Source: Field Data

Responses received regarding the communication strategies employed at Quick Mart were analyzed, and the results exemplified that 93% of the respondents indicated that meetings were employed as the communication strategy to keep employees informed, while 7% indicated that e-mails were used as the communication strategy.

### 4.4. ORGANIZATIONAL PERFORMANCE-RELATED RESPONSES ANALYSIS

An analysis of organizational performance-related responses was reviewed as illustrated in Table 4 below.

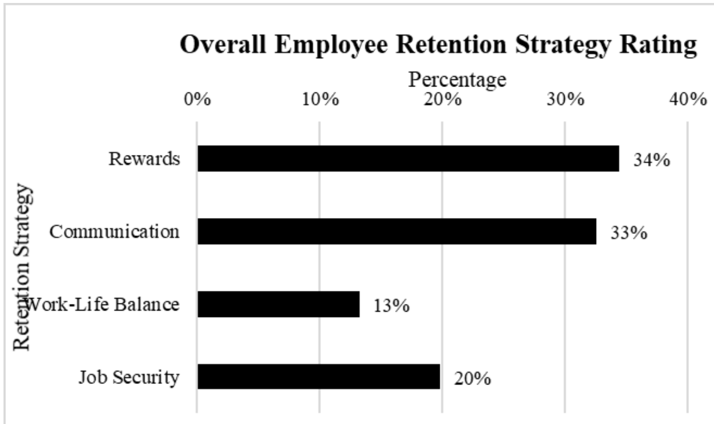
**Table 4. Organizational performance-related responses.**

| Statement | Strongly Disagree | Disagree | Neutral | Agree | Strongly Agree | Mean | Standard Deviation |
|---|---|---|---|---|---|---|---|
| Quick Mart employee retention strategies have helped them to retain their competent and highly skilled employees | 0% | 2% | 3% | 94% | 1% | 3.94 | 0.34 |
| Employee retention after merger has contributed to Quick Mart's performance | 0% | 1% | 0% | 96% | 2% | 3.99 | 0.28 |
| Quick Mart performance goals are SMART (Specific, Measurable, Achievable, Realistic, and Time-bound) | 0% | 1% | 0% | 57% | 42% | 4.41 | 0.54 |
| Quick Mart managed to increase their employee's job satisfaction after merger | 0% | 0% | 1% | 81% | 17% | 4.16 | 0.40 |
| Quick Mart managed to increase its customer base after merger | 0% | 0% | 0% | 61% | 39% | 4.39 | 0.49 |
| Quick Mart's financial performance has increased after merger | 0% | 0% | 0% | 40% | 60% | 4.60 | 0.49 |
| Organizational performance is paramount in Quick Mart | 0% | 0% | 0% | 33% | 67% | 4.67 | 0.47 |

Source: Field Data

Respondents were asked to rate employee retention strategies depending on what they deemed to be least and most important to them on a general level, and the responses were as indicated in Figure 2 below. The respondents rated rewards strategies as the most preferred strategy at 34%, followed by communication strategies at 33%, then job security strategies at 20%, and finally work–life balance strategies at 13%.

**Figure 2. Overall employee retention strategy ratings. *Source*: Field Data**




At strata level, subordinate staff rated job security strategies as the most important to them, while managers rated rewards, communication, and job security as equally important to them. Executive staff rated work–life balance as their most important strategy, while supervisors rated communication as the most important strategies to them.

**Table 5. Correlation analysis.**

| Predictor | Reward Strategies | Communication Strategies | Job Security Strategies | Work–Life Balance Strategies | Organizational Performance |
|---|---|---|---|---|---|
| Reward Strategies | 1 | | | | |
| Communication Strategies | 0.113 | 1 | | | |
| Job Security Strategies | 0.156 | 0.384 | 1 | | |
| Work–Life Balance Strategies | 0.206 | 0.106 | 0.168 | 1 | |
| Organizational Performance | -0.048 | -0.083 | 0.018 | 0.193 | 1 |

Source: Field Data

The above results show that the correlation between communication strategies and organizational performance is -0.083. This shows that there is a weak negative relationship between communication strategies and organizational performance. The researcher can thus conclude that besides communication strategies and the other variables considered in this study, there are other factors that affect organizational performance more.

### 4.5. MULTIPLE REGRESSIONS

In order to establish the relationships between communication strategies and organizational performance, the researcher conducted a multiple regression analysis, and the results are as presented below:

**Table 6. Regression.**

| Regression Statistics | |
|---|---|
| Multiple R | 0.237 |
| R Square | 0.056 |
| Adjusted R Square | 0.028 |
| Standard Error | 1.914 |
| Observations | 140 |

Source: Field Data

R Square ($r^2$) is the coefficient of determination. It is a measure of explained variations. Results show that only 5.6% of the variation in organizational performance is explained by the regression. This means that about 5.6% of the variation in organizational performance is explained by changes in communication strategies. The Standard Error is a measure of unexplained variation.

**Table 7. Analysis of variance.**

| ANOVA | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | df | SS | MS | F | Significance F | | | |
| Regression | 4 | 29.380 | 7.345 | 2.005 | 0.097 | | | |
| Residual | 135 | 494.470 | 3.663 | | | | | |
| Total | 139 | 523.850 | | | | | | |
| | | | | | | | | |
| **Predictor** | | **Coefficients** | | **Standard Error** | **t Stat** | ***P* value** | **Lower 95%** | **Upper 95%** |
| **Intercept** | | 27.652 | | 2.664 | 10.379 | 0.000 | 22.383 | 32.921 |
| Reward Strategies | | -0.067 | | 0.067 | -1.003 | 0.318 | -0.199 | 0.065 |
| Communication Strategies | | -0.066 | | 0.054 | -1.224 | 0.223 | -0.172 | 0.040 |
| Job Security Strategies | | 0.030 | | 0.074 | 0.411 | 0.682 | -0.116 | 0.177 |
| Work–Life Balance Strategies | | 0.198 | | 0.079 | 2.510 | 0.013 | 0.042 | 0.354 |

Source: Field Data

ANOVA or the analysis of valuation table is used for hypothesis testing. F statistic is a test of significance for the entire regression model. In our results above, f-value is 2.005, while f-critical is 0.097. Since the f-critical value is smaller than the f-value, we would therefore reject the null hypothesis if we had one. *P* value and t Stat are used in the hypothesis testing of individual variables and also give the confidence interval for each variable. *P* value tells us whether to accept or reject the null hypothesis ($H_0$). Where there is a variable with a *P* value of less than 0.05, then we reject the null hypothesis and accept the alternate hypothesis.

The confidence level used in this regression is 95% with an alpha value of 0.05. Results show *P* values for each variable in our research. The results indicate that communication strategies have a *P* value of 0.223, which means that communication strategies are statistically significant in predicting organizational performance since their *P* value is greater than 0.05. We should therefore accept the null hypothesis.

The findings on communication strategies concur with the finding of Goecke *et al.* (2018). Their findings were that there was a strong positive relationship between communication strategies and organizational performance. They highlighted that mergers are critical and often painful occasions that highly affect peoples' lives and livelihoods, thus causing uncertainty, anxiety, resistance, and often conflicts among employees and employers. The researcher's opinion is that events like mergers should be communicated to all parties involved in a concise, honest, respectful, and straight-forward manner throughout the merger process. The researcher agrees that communication strategies significantly affect organizational performance after merger.

## 5. DISCUSSION

This study investigated how employee retention strategies, which include communication strategies, have affected organizational performance of Quick Mart Ltd. after merger. It adopted a case study design that targeted the population of Quick Mart branch managers, executive staff, supervisors as well as sub-ordinate staff at Ruaka, Utawala 1 and 2, Ruai as well as Eastern Bypass 1 and 2 branches. The target population for the study was 535 staff, and the sample size was 161 staff employed in the merged organization from the merger of Quick Mart Ltd. and Tumaini Self Service. Stratified sampling was used in order to achieve a proportional representation of the targeted respondents.

The response rate of the research was 87%. Fifty-three percent of the respondents were female, while 47% were male. Twenty-nine percent of the respondents were aged between 20 and 30 years, 66% were aged between 31 and 40 years, and 4% were aged between 41 and 50 years. According to this analysis, Quick Mart Ltd. employees are quite youthful and energetic enough to help the organization thrive in its daily operations. Upon analyzing the positions held by the respondents, 3% were managers, 32% were executive staff, 17% were supervisors, and 48% were subordinate staff. In response to years of service of the respondents, 14% of the respondents have served Quick Mart Ltd. for a period of less than 2 years, 29% for a period between 2 and 5 years, 66% for a period of 5 to 10 years, and 10% have served for a period of over 10 years. Employee commitment to Quick Mart can be clearly seen in their years of service analysis.

### 5.1. COMMUNICATION STRATEGIES

As per the responses received, Quick Mart and Tumaini Self Service merger plans were not well communicated in advance to the employees. However, the organization's vision and mission are clear and understandable. The communications' content and frequency of response were found to be satisfactory. The communication strategies, which include meetings and e-mails, were found to be satisfactory. The respondents were found to be happy about how the organization keeps them informed. However, information does not seem to flow easily upward/downward and is not as interactive as it should be. Utilizing communication strategies well in a merger environment is paramount to the organizational performance after merger.

### 5.2. ORGANIZATIONAL PERFORMANCE

Majority (95%) of respondents agree that employee retention strategies helped Quick Mart to retain their highly skilled and competent employees. They also agree that employee retention after merger has contributed to organizational performance. Many participants agree that Quick Mart has also increased its employee job satisfaction, customer base, and financial performance after merger. Majority of the respondents also agreed that organizational performance is paramount to Quick Mart Ltd. Therefore, employee retention strategies employed before, during as well as after merger determine how an organization performs after merger.

## 6. CONCLUSION

### 6.1. COMMUNICATION STRATEGIES AND ORGANIZATIONAL PERFORMANCE

The second objective of this study was to determine how communication strategies affect organizational performance after merger. The findings show that there is a positive and statistically significant association between communication strategies and organizational performance after merger. According to Goecke *et al.* (2018), mergers are critical and often painful occasions that highly affect peoples' lives and jobs, thus causing uncertainty, anxiety, resistance, and often conflicts among employees and employers. Events like mergers should be communicated to all involved in a concise, honest, respectful, and straight-forward manner throughout the merger process. The findings in this study are consistent with the finding of Goecke *et al.* (2018). The researchers thus conclude that communication strategies significantly affect organizational performance after merger.

### 6.2. RECOMMENDATIONS FOR FUTURE RESEARCH

The researchers recommend a similar research to this one could be undertaken after a period of 3 to 5 years in order to observe the significant changes in the variables. Such results can be compared to the results of this study, and this would aid in understanding the effects of employee retention strategies on organizational performance. This research can take the form of a case study.

This study focused on communication strategies of employee retention. The researcher recommends a future research looking at other employee retention strategies like employee–management relationships, HR policies, working conditions as well as training and development. This research can take the form of a case study. This research will further the knowledge on the employee retention strategies to be employed in retaining competent and highly skilled employees in a merger environment.

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