Factors Influencing Employee Retention in the Nepalese Hotel Industry: The Pathways to Future Research

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Abstract

Background: Staff retention has always been a significant concern as well as a challenge for all sectors of organizations. This work aims to identify the major factors that serve as determinants of staff retention, specifically in the hotel industry. The work has been solely guided to establish a conceptual framework that could be used for the systematic and objective investigations to be initiated in the future in this particular sector of the specialized economy.

Method: Since this study is entirely thematic desk research-based, the present scribe has used exploratory research by comprehending different influencing factors of staff retention that were assessed through the review of various lead articles, policy guidelines, related published research reports, conceptual perspectives available in other sources, and institutional best practices in the global arena.

Results: The overall findings of the study reveal that the factors including the prevalence of two-way communication, style and quality of leadership, autonomy at the job, motivation level, involvement at work, organizational support, performance management, work-life balance, level of involvement in decision-making, career growth opportunity, availability of training and development opportunities, organizational culture, valuable inputs and constructive feedbacks, trade union and employer agreements, staff recruited from employment agencies and compensation package serve instrumental in the retention of staff. Additionally, this work has established the staff perceived level of glamour and lifestyle, job prestige, social recognition, and opportunity for learning and growth as the industry matched valences.

Conclusions: The study concludes that in addition to several conventional factors affecting staff retention in different sectors, the tradition of scientific inquiry in the hotel industry should also focus on exploration of the shared impact of more innovative constructs, including state of glamour and lifestyle, social recognition, personal branding, opportunities for cross-cultural learning.

Implications: The present work would serve as instrumental for the new generation of researchers to craft more innovative and suitable research areas with a balance of constructs to be observed. Similarly, this work establishes a stock of resources to be used in the academic discourses aimed at exploring determinants of staff retention with a specific focus on the hospitality industry, particularly the hotel sector. Also, the management in the respective industry may find suitable ways forward to adjust their organizational process climate and culture to retain the valuable staff.

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Introduction

Staff retention has been a central concern for many organizations in almost all sectors of the economy (Caplan & Teese, 1997, Sthapit & Shrestha, 2018; Bist, 2015; Masum, Joarder, & Mohammad, 2008). Therefore, employers need to identify and apply all sorts of organizational efforts that create and constitute retention. In Wisconsin State Government 2005, Bangera (2013) defined employee retention as a systematic effort to develop and foster an environment that encourages employees to remain employed by policies and practices addressing their diverse needs. Similarly, Bist (2015) defined employee retention as “retention refers to the methods employed by the management to convince the key employees to stay with the organization for a longer period, minimum for five years. Since key employees are the brain of an organization, retention of employees should be the major concern of the management” (p.3).

Kumar and Mathimaran (2017) have confirmed that staff retention has been a significant and challenging portion of an organization. These lively resources can drive technological advancement in an organization. Therefore, staff satisfaction is a must to survive in this stiff competition. Numerous studies confirm that diverse factors strongly influence staff retention in different industrial sectors globally. For example, Tiwari (2015) observed the employees perceived reasons to continue working in the hospitality sector. Some of these reasons were personal interests, provision for flexible working hours, working needs for students to earn, availability of career advancement opportunities for the graduates, and attractive salary and benefits. In Nyaura and Omwenga (2016), the employee perceived major reasons for retention in the hotel industry included a culture of continuous employee training and development, the effectiveness of institutional compensation plans, conduciveness of the working environment and effectiveness of leadership style.

Similarly, in a more recent work Edirisinghe (2019) identified work stress, workload, relationship with the supervisor and other subordinates, job rotation, remuneration, career development, and working conditions as the key variables for staff retention. Similarly, Das and Baruah (2013) highlighted competitive compensation package, proper reward and recognition, high career development opportunities, promotion and opportunity for growth, contribution in the decision-making process, work-life balance, suitable and proper working environment, rigorous training and development programs, leadership effectiveness, and security at the job were determined as the major sources of retention. Masum et al. (2008) studied four organizational factors and four human-resource-related factors which affect employee retention. Human resource factors included compensation package, person-organization fit, challenging opportunity, training and development, and organizational factors included working environment, company culture and policy, leadership behavior and teamwork relationship. Further, two scholars identified attractive compensation plans, the opportunity for career growth, the prevalence of the work-life balance, and the possibility for employees’ branding as motivation points to join and continue the service in this industry (Shapit & Shrestha, 2018). Milka, Kerubo, and Eunicares (2017) studied training and development, work-life balance, superior and subordinate relationships, career development opportunities, and effective two-way communication, resulting in staff retention. Another study confirmed that the prevalence of more effective training and development, work-life balance, reward and recognition, recruitment and selection design, and institutional attraction or glamor were the major reasons for staff retention (Singh, 2017). Personal factors, productivity, emotional factors, organizational politics, nature of the job, communication, talent recognition, family friendliness, satisfaction, health and safety, pay and benefits, fair treatment, performance appraisal, employee empowerment, company standard and ethical behavior, career development, leadership, effective management of talent, clarity of company values, policies and practices, and respectful treatment of employees were studied as the key constructs in another study (Chandani, Mehta, Mall,& Khokhar, 2016).
In Tiwari (2015), reward and recognition, followed by access to training and development opportunities, options for career development, and an organization-specific environment for work-life balance, were identified as the key valences for staff retention. In addition to these inputs, Singh (2017) determined the effectiveness of the recruitment and selection process of the organization and the level of job delivered glamour as the key determinants of staff retention. Another study revealed that rigorous staff training and development programs assisted them in improving their outputs (Dhar, 2015), leading to higher quality services by increasing organizational commitment and trust.

Contributing to this discussion, another study of the entry-level staff in the Nepalese context revealed compensation and reward as crucial drivers (Sthapit & Shrestha, 2018) of staff retention, whereby the higher-level staff considered the opportunity for professional branding as one of the key determinants. This study identified career growth potential as the strongest valence and prevalence of work-life balance as the weakest one to influence the level of staff retention. Similarly, proper training and development, well-structured compensation package, job autonomy, work-life balance, work policies, and structural arrangements as the equally powerful instruments of staff retention, and their 100 percent engagement at the job were reported as the key factors for employee retention (Agrawal & Munish, 2017).

Chandani et al. (2016) observed that the various factors responsible for staff engagement, specifically in the case of new staff, included quality of induction programs, access to training and development, and skill certification programs. However, this study revealed the need for policy revision to retain the employees for a more extended period. The study concluded that implementing different employee engagement factors leads to an increased retention rate with an improved level of organizational outputs. Further, Milka, Kerubo, and Eunicares (2017) observed the potential to receive conventional monetary rewards and benefits as constructive input for staff retention. Confirming the significance of all these constructs, Nyaura and Omwenga (2016) also identified the level of appeal created by the organization’s work environment and leadership style as equally powerful instruments. Maqsood et al. (2015) noted that the level of conduciveness of the organizational culture and competitiveness of the compensation package attributed to staff retention. However, access to training and development opportunities hardly influenced the trained employees; they were not compensated in the desired way. As a result, they sought such an opportunity from other companies and favored leaving the organization.

Similarly, in another study, Bernardeau, Grima, and Paille (2013) concluded that the level of support from the supervisors and trust towards them affected the staff’s intention to stay within an organization. The employees working in the hospitality sector perceived that they had greater scope for career development and attainment of global citizenship (Riley et al., 2002, as cited in Barron, Maxwell, Broadbridge, & Ogden, 2007). This study further suggested that it is “blighted by the confusing complexity of its image. On the one hand, the image of tourism employment is of glamour despite low pay and low status (p.17)”.

Similarly, Mkono (2010, as cited in Partington, 2016) pointed out that the hotel managers preferred their profession and career development opportunities in their current job. They could discover a satisfactory overall working environment to retain in their present organization for a longer tenure. Such general retention factors included challenging and motivating work. However, additional specific hospitality retention factors were contact with different culturally rich people and with their lifestyles, interaction with a diverse workforce, and global languages from various countries, opportunities for growth and development, attractive perks, glamorous lifestyle, glamor and prestige, opportunities to work in an appropriate environment, the global nature of the sector and associated mobility, networking opportunities with various groups of people, dynamic and exciting nature of the sector and freedom to apply individual creativity.

Based on these studies, we conclude that the hotel industry’s conventional reasons for staff retention are multiple. Some of them are level of reward and benefits, opportunities for training and development,
provision for flexible work hours, leadership style, career growth opportunities, the prevalence of work-life balance, the scope for professional branding of the staff, job security, and level of conduciveness of the work environment. These factors may come into action differently in different contexts.

However, these all reasons seem to be quite conventional and ordinarily fitting to almost all sectors of any economy. As part of the hospitality industry, the hotel industry should be some unique reasons for staff retention, which the studies mentioned above might have not yet explored. In this respect, the present scribe happened to interact with an expert in the experience economy. The reasons for staff retention in the hotel industry, specifically in the tourist class hotels, are the opportunity to learn cosmopolitan language and cultures, exposure to a glamorous lifestyle, traditions and values, professional prestige and respect, social recognition, the pleasure of working within the premises of dynamic work-life, mileage for extra earning and global job rotation opportunities (Rijal, C. P., pc on May 30, 2021). The present researcher took this discourse as a point of departure for this exploration.

An increasing rate of staff voluntarily quitting jobs affects the organizational functioning causing unexpected costs. Such a practice hinders the success of both the individual and organizations (Dipietro & Condly, 2007, in Jose, 2015) as the hotel industry experienced a parcel of issues relating to staff maintenance. The hotel industry faced one of the most elevated worker turnover rates (Mullins, 1992, as cited in Singh et al., 2016), making the issue a genuine challenge for the organizations. Most studies confirm that several employees remain in the same institution for a longer period even though the staff turnover has remained exceptionally high within the hotel industry in the last two decades (Paul, 2013).

Since the workers are an organization’s foremost imperative resources and lifeline, it is bound to take suitable measures to look for the driving factors influencing staff retention within the organization (Edirisinghe, 2019). For instance, if we take the illustration of the kitchen office in an accommodating institution, it takes almost six months to accomplish at least one cycle to receive the demand of all services designed. So, the capacity to hold in long-term memory and vitalize the proper cooking of a specific lodging menu card is instrumental. Quite often, the staff productivity may remain at a relatively lower level as most of the cognitive and psychic effort is vested in the process of memorization of the master menu card. In this respect, it is imperative to uphold staff with a maturity of skills and memory of working procedures and recipes (Paul, 2013).

Hospitality is a labor-intense industry (International Labour Organization [ILO], n.d, in Partington, 2016), and workforces are not available as in other industries. So, logically it becomes challenging for the organization to maintain and increase its retention rate (Kumar & Mathimaran, 2017; Sum, 2010, as cited in Jose, 2015) in hospitality. In common, not as it were in Nepal, around the world, the organizations have been confronting staff retention as an enormous challenge (Farrell, 2001, as cited in Khadka, 2013). Considering all these facets, the present scribe intended to empirically confirm a set of innovative drivers strengthening the rate of staff staying within the organizations in the long run, especially in the hotel sector. Thus, the idea of crafting conceptual pathways favoring innovation and behavioral dynamism supporting staff retention studies in the hospitality industry came into materialization.

This paper is organized as follows: Section II critically reviews the relevant literature, and Section III concludes the study.

Review of Literature

As the central piece of work, the researcher substantially reviews related conceptual perspectives, policy documents, empirical studies, and institutional best practices. Further, it examines the case studies to generate suitable and innovative constructs to design appealing pathways to systematic and objective inquiries in the specialized field of investigation.
Review of Conceptual Perspectives

To build a solid conceptual and theoretical foundation supporting the present idea and establishing conceptual pathways of research, systematic reviews of empowerment theory, theory of autonomy, and conventional theories of motivation have been considered.

Empowerment theory: Kanter’s structural empowerment theory addresses linking organizational performance and employee autonomy. According to this theory, staff happens to be a source of influence in an organization if they effectively access information, resources, support, and the occasion to learn and develop (Busara, 2016). The obvious benefits of employee empowerment are that it enhances motivation and job satisfaction resulting in greater commitment and an increased retention rate (Baum, 2006, in Nickson, 2007; Lashley, 2001; Wilkinson, 1998). Staff empowerment is one of the bases at the Ritz-Carlton, where each staff gets empowered from the bottom and encouraged to make their own decision in difficult times in the process of delighting their guests. Such working culture reduces the chain of command (The Ritz-Carlton Hotel Company, 2000). Thus, these incidents confirm the value of staff empowerment in the hospitality industry.

Theory of autonomy: If an organization avails job autonomy to its staff, they feel responsible and accountable for work outcomes, resulting in intrinsic motivation, job satisfaction, increased performance, and ultimately staff retention (Hackman & Oldham 1975, in Gagne & Bhane, 2011). In this respect, Likert (1967, as cited in Rijal, 2002) has suggested that 17 indicators be in practice to empower the staff with functional autonomy, leading to a total quality process climate in an organizational setting. These indicators include -- 1. reward system, 2. standards of performance, 3. warmth and support, 4. leadership, 5. organizational clarity, 6. communication, 7. creativity, 8. job stress, 9. ethics, 10. tolerance, 11. feedback and control, 12. resources, 13. employee growth, 14. physical working conditions, 15. teamwork, 16. employee pride, and 17. employee involvement.

Conventional theories of motivation: There are different theories about what constitutes and creates motivation resulting in the long-term retention of staff (Bell, 2012; Gagne & Bhane, 2011). The theories that support this study include; process, content, and equity theory.

Maslow’s hierarchy of needs: Maslow’s hierarchy of needs is a motivational theory in psychology, often depicted as hierarchical levels within a pyramid comprising a five-tier model of human needs. Maslow explains that lower-order needs down in the hierarchy must be satisfied to attend to higher-order needs. Maslow has further described that we can further categorize the needs into psychological and safety needs and the needs for growth. Psychological and safety needs are the bottom-line, basic needs for maintenance of the staff, including salary and benefits, job security, and staff safety. On the other hand, the higher-order needs include the need for belongings, self-actualization, and self-esteem leading the staff’s growth towards the upper tiers of the management system. Failure to provide a proper climate in which the staff not being able to develop to their fullest potential would theoretically decrease satisfaction and result in poor performance, lower job satisfaction, and more likely turnover from the job or organization (Mullins, 2010, in Edirisinghe, 2019; Wangiri, 2015).

Herzberg’s two-factor theory: Fredrick Herzberg, in the late 1950s, formulated the two-factor theory of job satisfaction and postulated that satisfaction and dissatisfaction are two separate and sometimes unrelated phenomena. Extrinsic factors are entitled hygiene factors that involve primarily the context in which the job has been performed. Intrinsic factors are labeled motivators and are believed to affect the job aspects only (Edirisinghe, 2019; Shrestha, 2015; Tan & Waheed, 2011).

According to Herzberg, hygiene factors are also called maintenance factors needed to avoid dissatisfaction among staff in a workplace. These factors must be appropriately injected, such as reasonable salary and wages, staff job security, updated and well-maintained equipment, safe, clean, and hygienic working environment, flexible working hours, work conditions, relationships with peers and boss, adaptable company policies, and health care plans to remove dissatisfaction in a work environment. Unavailability of these factors would result in staff dissatisfaction.
Hygiene factors only eliminate dissatisfaction. However, motivation factors increase satisfaction in the workplace. Motivation factors are needed to motivate staff for higher performance. Motivation factors include work itself, job challenge, power and position, the potential for growth, autonomy, and quality of supervisor and coworkers. Therefore, management must utilize positive reinforcement to minimize staff dissatisfaction and maximize staff retention.

Equity theory: John Stacy Adams developed equity theory in the 1960s. This theory asserts that employees seek to maintain a balance between the inputs. These inputs could be skills, education, training, experience, effort, and time. They contribute to the job and the outcomes they receive in the forms of pay, job security, job satisfaction, status, and promotions, against the perceived inputs and results (Edirisinghe, 2019; Anuj, 2013, in Khadka, 2013).

Adam’s Equity theory posits that people maintain a fair relationship between performance and rewards compared to others. In other words, staff gets de-motivated by the job and employer if there is a perceived difference in inputs and outputs. It shows the level of motivation among the individuals in the given working environment. An individual is said to be highly motivated if perceived to be treated fairly. In contrast, the feeling of de-motivation arises as a result of the perception of being mistreated. If a staff manages to work on the inputs in case of perceived inequity and fortunately gets success, he is more likely to stay in the job. Thus, this theory emphasizes the expected behavior of staff to retain in the organization.

Policy Reviews

This section presents the policy reviews related to the regulation and governance of the workforce. I selected the National Planning Commission ([NPC], 2017) and the Government of Nepal ([GON], 2017) for the review. Article 296 of the Constitution of Nepal 2015 has enacted the Labor Act, 2017 to guarantee the rights, interests, and benefits of the laborers, develop good labor relations by making explicit provisions on the rights and duties of laborers and employers and increase productivity by ending all forms of labor exploitations. The Act applies to any entity regardless of employee headcounts (GON, 2017).

Chapter 7 of the Labor Act, 2017 specifies provisions related to working hours, additional remuneration for overtime, and accessibility of transportation facilities for female workers. No staff shall be compelled to work more than eight hours a day and 48 hours a week. However, the maximum overtime staff can work up to four hours a day and 20 hours a week in some circumstances. The overtime wages also continue to be one and a half times greater than the workers’ ordinary wage rate. The organization must provide its staff working continuously for 5 hours with half an hour rest.

Chapter 8 postulates the provisions relating to remuneration. Staff shall be provided with the remuneration and benefits specified in the employment contract and from the job’s commencement date. Section 37 states that each labor shall be entitled to an amount equal to the basic remuneration of one month for each year, so towards festival allowance.

Chapter 9 addresses provisions relating to the leave. Each worker is granted various kinds of leaves in proportion to the service period. In Labor Act 1991, there was no provision for paternity leave; however, in Labor Act 2017, paternity leave of 15 days is offered and is fully paid. Maternity leave has been extended to 98 days compared to 52 days earlier.

Chapter 10 entails the provisions relating to provident funds, gratuity, and insurance. Each worker must contribute 10 percent of the basic remuneration to the provident fund, and the employer must add 20 percent to that amount and deposit it in the social security fund. Gratuity is applicable from the first day of employment. The employer shall deduct an amount equivalent to 8.33 percent of the basic remuneration and deposit it monthly. An employer shall procure annual medical and accident insurance of at least Rs. 100,000 and 700,000 respectively, for each labor.
The firm engaging ten or more laborers shall have a collective bargaining committee or authorized trade union in case of collective bargaining specified in chapter 19.

**Review of Related Studies**

This section presents an in-depth review of related studies on staff retention focusing on the hospitality-related industry in Nepal. Studies published by Nepali and foreign authors from 2005 to 2019 have been selected.

Edirisinghe (2019) identified work stress, workload, relationship with the supervisor and other subordinates, job rotation, remuneration, career development, and working condition as crucial factors influencing staff retention. The study findings depict that competitive remuneration packages, options for career development, and proper working conditions bear a rich influence on staff retention leading to job satisfaction. Similarly, a recent study identified several strategies such as a well-designed compensation package, job security, opportunities for career planning and development, flexible working schedule and hours, ideal working conditions, leadership and supervision, employee engagement culture, work-life balance, and better labor policies concerning welfare and benefits would lead to employee retention (Swaroopa & Sudhir, 2019). Rahaman et al. (2018) revealed that training and development programs and reward systems played a significant role in retaining the staff with an improved level of skill efficiency which eventually transforms the employees into institutional brand ambassadors. In another study, Sthapit and Shrestha (2018) found the level of attraction to the compensation plan, the opportunity for career growth, the prevalence of work-life balance, and the possibility for personal branding of the staff as points of motivation to join and continue the service in the industry. This study concluded that the rate level of employees determines the rate of retention. Rewards and compensation influence at the entry-level increasing employees’ commitment to the organization and reducing their turnover. However, additionally, this study identified career growth potential as the strongest valence and prevalence of work-life balance as the weakest one to influence the level of staff retention for male staff. Rono and Kiptum (2017) identified a well-designed compensation package and the availability of a comprehensive range of training, skill, and career development opportunities crucial for retention. This study further emphasized that in addition to career-related training and development with compensation packages, the management needs to focus on improving staff commitment for retaining them in the long run. Agrawal and Munish (2017) identified the provision for effective performance appraisal, health and safety, reward, recognition, compensation, opportunities for career development, and training as the key driving factors for staff retention. Similarly, the study emphasized that the management must offer opportunities for promotions, social recognition, and access to training and development opportunities (Milka et al., 2017).

Poor performance, lower motivation level, reduced uniformity in service, monetary loss, low level of productivity, wastage of time and money for recruitment, low rate of guest arrival, lesser guest satisfaction, low rate of coordination among staff, and downfall in the market image result in staff turnover (Singh and Amandeep, 2017). The study concluded that a low level of coordination, low satisfaction of guests, low rate of guest arrival, and reduced organizational performance were considered the significant reasons for staff turnover. Kumar and Mathimaran (2017) perceived flexible working hours, job security, team relationship, nature of work, and remuneration as the key motivational factors. The scholars recommended that the organization focus on mitigating the stress when the employees feel overburdened by the workload. Likewise, the organization must deliver proper remuneration to the employees, and there must be a cordial relationship between employees and management to increase the retention rate.

Personal factors, productivity, emotional factors, organizational politics, nature of the job, communication, talent recognition, family friendliness, satisfaction, health and safety, pay and benefits, performance appraisal, employee empowerment, company standard and ethical behavior,
career development, leadership, effective management of talent, clarity of company values, policies and practices, and respectful treatment of employees were the crucial constructs for staff retention. Consequently, the various factors responsible for staff engagement, specifically in the case of new staff, included quality of induction, access to training and development, and skill certification programs. However, this study revealed that these factors need a policy revision for employees with a longer tenure. The study concluded that effective implementation of staff engagement leads to an increased retention rate with improved organizational outputs (Chandani, Mehta, Mall, & Khokhar, 2016). Singh et al. (2016) recommended maintaining secrecy for the performance appraisal results; the concerned officers should rightly communicate to the staff. Prominently, these scholars observed that the performance appraisal system is the foundation for the development and evaluation function. The development function focuses on analyzing personal attributes, including training and development, providing performance feedback, attachments for staff transfer, and identifying individual strengths and weaknesses. Whereas promotions, salary administration, retention/termination decisions, recognition of individual performance, and identification of poor performance are the evaluative functions that focus primarily on differentiating between people. Thus, the study concluded that a well-designed performance management system would lead the organizational performance to a new dimension with a holistic approach to staff retention. Hong et al. (2016) revealed employee compensation as the most decisive factor, followed by the ideal performance system. However, opportunities for training and development programs were the weaker measures for staff retention.

Mwilu (2016) examined the different personal and job-related factors influencing staff turnover. In unique characteristics, career aspiration was the primary factor influencing staff turnover. Additionally, in job-related factors, the staff perception revealed that pay packages, leadership style, job clarity, workload, job stress, lack of challenging work, and odd working hours were perceived determinants of retention. The study suggested that a fair number of multicultural background staff with equal gender ratio at the time of hiring, availability of competitive salary and wages, attractive reward scheme, and access to the training and development programs would lead to a higher level of staff retention. Tiwari (2015) identified personal interest, provision for flexible working hours, working needs for students to earn, availability of career advancement opportunities for the graduates, and attractive salary and benefits as the perceived reasons for staff retention. Subsequently, the study noted that lack of inadequate training and development, monetary and non-monetary rewards, social recognition, and work-life balance contribute to high staff turnover. Hughes and Bozionelos (2007) revealed that if an organization fosters a better method favoring its employees to maintain their work-life would result in healthy lives. However, a lack of balance between work and life leads to the emergence of various physical and psychological issues and ultimately leads to burnout with poor performance. This work also supported Kokt and Ramarumo (2015), which revealed that employee turnover was challenging work conditions that could cause increased burnout and job stress. Thus, the organizations need to balance intrinsic and extrinsic sources of staff motivation. Maqsood et al. (2015) the study revealed that the level of conduciveness of the organizational culture and competitiveness of the compensation package attributed to staff retention. However, access to training and development opportunities negatively impacted staff retention as the trained employees perceived that they were not compensated in the desired way. As a result, they sought such an opportunity from other companies and favored leaving the organization. Bista (2015) revealed that the work-life policy factor didn’t impact staff retention. However, opportunities for career advancement, an ideal working environment, and supervisory support were perceived as dominant influences on staff retention. Masum, Azad, and Beh (2015) study result revealed that compensation package, job security and supervisor support, and working conditions result in improved job satisfaction. Dhar (2015) showed that rigorous and comprehensive training and development programs were perceived to have played an essential role in staff organizational commitment.
Isfahani and Boustani (2014) revealed that proper career management, mentoring, coaching, accessibility to training and development opportunities, challenges and experience at the job, and successor planning with these factors in the workplace were dominant factors resulting in staff retention situation. Das and Baruah (2013) confirmed the relationship between job satisfaction and factors of employee retention. The factors that attract new staff and encourage the existing ones to retain in the organization are competitive compensation package, proper reward and recognition, high career development opportunities, promotion and opportunity for growth, participation in the decision-making process, work-life balance, adequate working environment, rigorous training and development programs, leadership effectiveness, and security factors intervention (Das & Baruah, 2013). Nyanjom (2013) identified training and career development, performance appraisal, empowerment, staff commitment, and compensation as key valences for improving staff retention. Likewise, in another study, Khadka (2013) revealed that training and development, employee benefits, recruitment and selection, job assignments and opportunities, performance appraisals, work environment, and leadership support are the key factors affecting staff retention.

Mbwana (2013) emphasized sufficient and rigorous training and development opportunities as the major retention factors. Additionally, controllable managerial factors, such as improved salary and benefits, the opportunity for training and development, and clarity in procedures for promotions as the dominant attributes resulting in staff retention.

Akala (2012) identified career development as a strong factor, followed by performance appraisal, transparency, and fairness in providing training and development opportunities, welfare benefits, and disciplinary procedures as influencing staff retention. Costen and Salazar (2011) showed that the prevalence of training and development programs for its employees was assumed to significantly influence the shared tendency to remain in the organization. Sinha (2013) showed that the staff supportive of the organizational efforts supported work-life balance, maintaining a much higher intent to retain, resounding more incredible pride in their organization, a willingness to recommend it as a place to work higher overall job satisfaction. Further, Kumar (2014) revealed that key constructs were absenteeism, turnover, job satisfaction, and organizational commitment. The findings indicated that work-life imbalance caused mostly female workers to be irregular at work. In such cases, to facilitate the female workers, companies need to amend HR policies with flexible timing, facility for working from home, encouragement to join back after the maternity leave, part-time facilities for married women, and in-house and external training programs.

Wangiri (2015) observed motivation as a highly influencing factor, followed by employee access to training and development, salary and any other sources of income, and organizational change and professional growth for staff turnover. Additionally, this study could discover that proper workloads, two-way and robust communication, staff promotion facilities, attainable performance targets, good working conditions, and better working relationships make the staff highly motivated and increase their retention rate. Bernardeau et al. (2013) study concluded that the staff intention was positive if the supervisors developed trust with the staff. Job security, rigorous training and development opportunities, increased salary amounts, favorable working environments, participatory decision making, availability of allowances, supportive and healthy relationships at the workplace, retirement benefits plans, and promotion opportunities significantly affect the staff retention rate (Shao, 2013). Masum et al. (2008) investigated the factors affecting staff retention by examining the cause and effect relationship among the variables related to human resources factors and organizational factors. The HR factors included compensation package, person-organization fit, challenging opportunity, and training and development. And organizational factors included working environment, company culture and policy, leadership behavior, and teamwork relationship. Culture and policies, dynamic working environment, challenging opportunities as well as teamwork relationship availability of these factors keep staff awakened and motivated to stay for longer in the organization. However, the remaining
four factors, including compensation package, training, and development, person-organization fit, and leadership behavior, make less impact on the staff retention decision.

Achievements, recognition, advancement, work itself, growth, company policy, job security, relationship with peers, money factors, relationship with supervisors, working conditions, love of money, pay satisfaction, and job satisfaction were the key variables in the study. The results exhibited that hygiene factors dominated motivators in terms of job satisfaction of sales personnel. The perceived importance of staff got distributed among working conditions, recognition, company policy, and money (Tan & Waheed, 2011). Noah (2008) emphasized that non-management employees must be enrolled in the two-way communication system during the decision-making process to provide them with a sense of ownership. As resultant employees, they are motivated to perform their level best. A study reported that staff motivated in the hospitality sector were positively affected by satisfaction with higher pay, relationship with their supervisors, and a favorable working environment (Poulson, 2009, as cited in Edirisinghe, 2019). Barron, Maxwell, Broadbridge, and Ogden (2007) discovered weaknesses and, on the other hand, realized opportunities by the working staff in the hospitality industry. The observed weaknesses included poor management or supervisor staff treatment, the disparity between rewards and efforts, low pay, and work-life imbalances, thus creating job dissatisfaction. However, the staff perceived greater scope for career development and attainment of global citizenship in the hospitality industry were the realized opportunities. Lai and Baum (2005) revealed that employment agencies take responsibility for recruitment and selection processes, induction, and training. The staff hired from these agencies have more retention rates with improved organizational performances and quality services. Additionally, the study pointed out that the hotel could promptly evade labor costs in terms of fringe benefits, including sickness cover, pension contributions, maternity leave payments, and holiday entitlements, since the agency covered these costs.

**Review of Case Incidents on Institutional Best Practices**

This section presents an in-depth review of related institutional best practices and contextual case studies of the hospitality industry, focusing on staff retention. For this, I have reviewed the case incidents of London Marriott Marble Arch Hotel, Pontins British Chain Company, Ritz Carlton Hotel, and Australia-based Hotels.

London Marriott Marble Arch Hotel has introduced a cross-training scheme to improve staff recruitment and retention via increased staff skills and facilitation for vertical or horizontal career promotion by developing employee skills in other areas. Using this scheme, the organization could better support the base labor scheduling on a flexible, multi-skilled workforce, allowing the hotel to use its staff most cost-effectively. Likewise, the discovery scheme led to substantial improvements in two performance measures. First, the program improved the balanced scorecard, a tool used for measuring and communicating hotel performance at Marriott hotels. Second, the results of an annual employee survey significantly improved (Lowe, 2002, as cited in Nickson, 2007).

Pontins is a British company that has multiple chain establishments. The majority of Pontins staff are seasonal. Like any other hotel, they encounter the issue of high staff turnover. This case creates the company’s commitment to the Investors in People (IiP) standard. Concurring to IiP standards, each worker has the opportunity to self-reinforce. He/she can have a private development file with descriptions and aims and access to various opportunities that include National Vocational Qualifications (NVQs), funding for vocational education, help with skilled qualifications, and assessment of aims and goals and pathway achieving them. Unfortunately, there are high turnover rates even though the staff can gain a new qualification even in doing so. If a company seems to deliver needful training and uphold service standards, then the company has more retention rates with greater productivity and reduced costs (Nickson, 2007).
Ritz-Carlton daily reinforces Gold Standards and is the foundation of the organization. On the opening day of new outlets in any country, senior staff personally use the services, and in the process, they are privileged to receive the best services during their stay as a guest. As a result, it generates a premium feeling among them, ultimately resulting in their retention. Moreover, Ritz-Carlton has powerful human resource approaches to ensure their skilled and empowered staff fully operate with pride and joy. Management confirms that they have the finest approaches in these areas for the workforce to keep them motivated and to create a sense of belongingness. The approaches include an iterative selection process, scheduled orientation, proper training certification, line-up and daily training, two-way communication process, development of personal and professional, work/life issue management, job enlargement, career progression, performance management, legal compliance, legally mandated employee rights and duties, resolution of emergent issues, and reward and recognitions (The Ritz-Carlton Hotel Company, 2000).

Additionally, three out of twenty basics of Ritz-Carlton seem to be quite appealing. Firstly, they have designed the costume and their outfits so that employees take it as pride. Secondly, staff exhibits themselves as brand ambassadors after and during their work. And finally, employees themselves act as decision-makers in times of difficulty while delighting their guests (Rijal, C. P., pc, June 10, 2021).

Knox and Nickson (2007, as cited in Nickson, 2007) noted that the hotel staff who get involved in the activities of trade unions has multiple benefits. For example, multiple skills development, quality service, ongoing training, and organizational benefits can minimize costs. Similarly, the organizations can create better-rostering systems with proper communication with the trade union.

**Suggested Conceptual Framework for Continued Research**

Based on comprehensive empirical exploration, I developed a conceptual framework for this study and for the researchers interested in conducting a systematic inquiry in the areas of interest cited in this paper. The conceptual framework in Figure (1) results from various pertinent reviews of related policies, theories, leading articles, and institutional best practices that focus on staff retention in the hospitality industry. The framework incorporates the factors including the prevalence of two-way communication, style and quality of leadership, job autonomy, motivation, work involvement, organizational support, performance management, work-life balance, participation in decision making, career growth opportunity, training and development, organizational culture, valuable inputs and constructive feedback, trade union and employer agreements. Further, the use of employment agencies in the selection process of staff is instrumental in retaining staff.

**Figure 1: A recommended conceptual framework**
However, additional distinct paramount factors, such as perceived level of glamour and lifestyles, job prestige, social recognition, and opportunity for learning and growth, act as improvement valences to staff retention in the context of hotels and the rest of the hospitality industry. When these factors intervene, we feel a vigorous improvement in individual levels, i.e., attainment of rewards and benefits, enhanced level of staff loyalty, improved level of staff motivation, and enhanced level of staff satisfaction. The improvement on the individual-levels results in retention.

**Conclusions**

The existing empirical evidence shows different aspects of staff retention. Based on the findings and discussion, the study concludes several conventional factors affect staff retention in various sectors. Two-way communication, styles and quality of leadership, job autonomy, motivation, work involvement, organizational support, performance management, work-life balance, participation in decision making, career growth opportunity, training and development, corporate culture, valuable inputs and constructive feedback, trade union and employer agreements, use of employment agencies in staff recruitment and selection, and compensation structures are some of these factors. The tradition of scientific inquiry in the hotel industry should also focus on exploring the shared impact of more innovative constructs, including state of glamour and lifestyle, social recognition, personal branding, and opportunities for cross-cultural learning.

**Conflict of Interest**

No conflict of interest prevails in this study.

**References**


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