FACTORS INFLUENCING EMPLOYEE’S TURNOVER INTENTION: A STUDY ON FIVE STAR HOTEL EMPLOYEES IN THE RIYADH CITY OF SAUDI ARABIA

Alkhaliel Adeeb Abdullah
Tourism and Hotel Management Dept, College of Tourism and Archaeology, King Saud University

ABSTRACT
The employee’s turnover is mostly arise in the hotel industries due to the lack of training, poor remuneration, job stress, and the incapability of the management. It is the decision of the employees to continue with their service by taking into consideration of the factors such as job satisfaction, working atmosphere, training and development, promotional prospects offered by the management. The population of the study includes 266 working staff in five star hotels in Riyadh city. the structural relationship of factors influencing the turnover of hotel employees shows out of the eleven factors, eight of them having the significance value P<0.001, and two of the constructs with the significance value of P<0.05. The study depicts that, the factors such as employee expectation, job stress, remuneration, motivation, promotion, training and development, interpersonal relationship and work atmosphere had significant positive influence on employee turnover.

KEY WORDS: Turnover Intention, Hotel Employees, Job Satisfaction, Saudi Arabia, Employee turnover.

INTRODUCTION
Employee turnover in the hospitality industry is a extensively researched topic, and many researchers have examined the predictors that either positively or negatively effect employee turnover intention: long ‘anti-social’ working hours and work life conflict, emotional tiredness, poor pay, work overload and working situation and career advancement (Kavitha Haldoraia & Balasubramanian, 2019). Turnover is a stage of the process, employees willingly leave their current position, which intention can lead to the organization, the work of negative psychological reactions and external work and employees' personal qualities (Arnoux-Nicolas, Sovet, Lhotellier, Di Fabio, & Bernaud, 2016; Hung, Lee, & Lee, 2018).
Management support is an important factor in the association between employees and the workplace. Management support refers to management appreciation of employee work efforts and concern about employee well-being (Bhui, Dinos, Galant-Miecznikowska, de Jongh, & Stansfeld, 2016; Jun (Justin) Li a, 2017). Employee turnover has long been a key concern of casino management and operators and a main focus of much academic interest because of the high costs related with decreased productivity and reduced efficiency, as well as the costs experienced by having to recruit and train new employees (Jun (Justin) Li a, 2017).

Finding new employees for the organization and training them is expensive for abusiveness and hence the turnover intentions of the employees should be addressed at initial stages, and the effective human resources management is exceptionally important in this process (Yilmaz Akgunduz, 2017). The high turnover rate is the main issue of employee turnover in hotel industries as it averages around 200% to 300% per year (Begüm Dilara Emiroğlu 2015; Narkhede, 2014).

The turnover force the organization to incur a huge costs relating to recruitment and selection, personnel process and induction, training of new personnel and above all, loss of knowledge gained by the employee while on job (Belete, 2018). The relatively high levels of turnover may embody a important loss of investment in human capital, training and also costumer quality (Duarte, Gomes, & Neves, 2015).

The security of the job, incomes, organizational reliability, willingness and job stimulus were the upbringings that triggered the hotel workers to leave their jobs. (Chen & Wu, 2017; Mohsin, Lengler, & Aguzzoli, 2015). The idea of high-performance work practices (HPWP)as and trust in supervisor (TIS) as significant backgrounds of reducing turnover intention (TI) in frontline employees (Afsar, Shahjehan, & Shah, 2018).

As the largest employer in tourism is based on hotel industries, the turnover rate experienced within the industry is a common problem (Santhanam & Dyaram, 2017). The turnover intention has been the point of wider researches in organizational behavior for the past few decades (Mohamad Niza Md Nor, 2017).

The low wages, poor working conditions, lack of job security and promotion are the reasons for high staff turnover (Santhanam & Dyaram, 2017). The increase of added workload may also influence job turnover due to stressful task and commitment, which may interrupt their motivation level and focus due to poor management control towards the employee in the organization (Hakim & Ibrahim, 2017). The staff turnover has a largely negative effect in a service business such as hospitality service operations (Anneswary Kalidass, 2015).
In today’s world, managers and employers all over the world are continually being faced with an important and crucial managerial problem which is employee motivation and job satisfaction among their employees (Varma & Chandrakant, 2017). Obviously, job satisfaction is good not only for the employee but also for employers of labor; it increases productivity and decreases staff turnover. When measuring employee or job satisfaction there are many components that need to be considered. Job satisfaction is generally defined as an individual’s opinion about their occupation. The hotel employees have to communicate frequently with the customers and thereby it creates interpersonal conflicts, stress and burnout. The employee’s turnover is widely seen in the hotel industries because of the low training, less remuneration, stress, poor working atmosphere, poor management and lack of job opportunities. The quality of service offered by the management will determine the survival and competitiveness of hotel organization (Begüm Dilara Emiroğlu, 2015).

The tourism industry has to retain their staff rather than giving training to the staff to perform their roles effectively. (Emiroğlu, Akova, & Tanriverdi, 2015). The hotel labour market is comprised of dual face, it is difficult to attract the suitable labour on the one hand and other side and it has comparatively high level of turnover which can be a significant loss of investment in human capital, quality and training. (Davidson, Timo, & Wang, 2010). The choice to continue in a job or leave is determined by factors affecting satisfaction in the working environment, including job security, promotion and training opportunities, financial incentives, promotional opportunities and external rewards like organizational prestige (Akgunduz, Adan Gök, & Alkan, 2019). Competitiveness of organizations is concerned in this fast pace era, hence turnover intention of good employees should be reduced because outstanding employees could enhance organizations’ competitiveness (Gan & Yusof, 2019).

Most of the organizations in the hotel industry face difficulties in retaining employees since they are unable to identify the factors that contribute to both employee satisfaction and loyalty (Mohamad Abdullah Hemdi, Fatin Hanani Buang, & Saidmamatom, 2018). This study will focus the factors that affects the turn over intention of employees working in five star hotels in Riyadh City of Saudi Arabia.

BACKGROUND
A certain level of employee empowerment is required to analyze the service failures of hospitality employees (Hewagama, Boxall, Cheung, & Hutchison, 2019). It is a major concern in hotel employee attrition, when the employer is unable to meet the employee’s expectation and remuneration (Verma, 2018). The hotel employees often experience job stress when they cannot able to satisfy the demands from customers, supervisors and managers (Okumus, Chaulagain, & Giritlioglu, 2018). To maintain the employee performance in hotel industry, it is very important to integrate the employee motivation with their work culture (Martini & Sarmawa, 2019). The
performance appraisal is used to determine the pay hike and promotions by the organizations (Moon, 2019).

In US lodging industry, the turnover of employees reduced by giving training about organizational goals, mission, rewards, and employee recognition as well the remuneration (Yao, Qiu, & Wei, 2019). The employees will exhibit a lazy attitude to their work task, if they were not satisfied with their job due to the poor remuneration and job security (Alola, Olugbade, Avci, & Öztüren, 2019). A good working environment comprised with work safety and good air-conditioning can help employees to improve their working interest (Zhang, 2019).

The study of (Huang, Wu, & Zhang, 2018) depicted that emotional intelligence (EI) plays an individual factor for employee turnover in hotel industry. The data collected from 8 luxury hotels working as front line employees, the EI had a direct and indirect effect on employee turnover. In a study to investigate the effect of perception of hotel sustainability with a data of 137 managers working in a 5 star hotels reveals that the employee welfare plays significant predictors of turn over intention to quit the hotels and also highlights that to educate all the employees, the reasons for implementing policies and actions to understand the values of the organization (Biswas & Tinwala, 2019).

The employees are motivated, if there is a positive relation among effort and performance as well as reward and performance (expectancy) and they should agree that it is valuable for them (Valence). At last the employees should feel that the first level had instrumental effect on second with a confirmatory analysis indicate that financial reward has positive effect on turn over intention (Akgunduz et al., 2019). The employees should be granted the autonomy to work in their own style and there should be assured with the security (Abraham, 2019).

The study of (Haldorai, Kim, Pillai, Park, & Balasubramanian, 2019) investigate the turn over intention of hotel employees short, medium and long term using the push-pull-mooring framework. The six push factors were supported among the eight factors out of the 5 pull factors, two factors were supported in short, medium and long term intention. The study of (Prasetio et al., 2018) reveals that work stress and job satisfaction had a significant effect on turn over intention in a hotel. The work stress was positive effect on turn over intention while job satisfaction had a negative effect.

**TURN OVER AND JOB SATISFACTION**

Shamsuzzoha and Shumon (2007) introduce that employee’s turnover is one of main factors affecting the productivity of any organization; and it is one of the challenging issues in different field’s establishments nowadays. Hammerberg (2002) explains that employee turnover has become an important field for both a theoretical and practical researches. Theoretically, it is important to understand the causes of turnover and how to it, practically, it is important to understand how to minimize the turnover of skilled employees and to reduce turnover costs.
Ongori (2007) states that there are several definitions of “turnover” such: Employee turnover is the alternation of employees in the labor market; between corporation and occupations. Also, Nyaga (2015) defines it as the proportion of organization employees who left during a specific period of time divided by the average number of people in that organization during the same period.

Siebert et.al (2006) show that according to several studies the human resource management literature has viewed employee turnover as a negative sign. Shamsuzzoha and Shumon (2007) add that turnover rate differ from company to another, and the highest level of turnover ordinarily be in private sectors than public sectors.

As showed by Zhang (2016) factors that influence employee turnover are divided to many categories: personal factors including; age, gender, education level, marital status, years of working and responsibility. Then, organizational factors such: corporate culture, corporate system, organization size in its business, payment structure, promotion strategies, employee empowerment, overall justice of human resource management strategies. Finally, economic & social factors such: development level of society, labor market circumstance, work & employment laws, number and quality of job opportunities, education and health care facilities, transportation system, and quality of life.

Comparatively, it is rare for employees to leave their jobs when they are happy even offered with perfect work circumstances or higher salary. So, turnover happens because of many such: dissatisfaction in current workplace, a bad relationship with managers, and may be because of lack of efficient training and development (Shamsuzzoha and Shumon, 2007).

On other hand, there are various causes why people leave their jobs such: too much stress, less empowerment; unsatisfied employees’ expectations, unfair performance evaluation results. But in general, large corporations can provide their employees a good work environment and better chances for career development and restructure salaries (Ongori, 2007). Finally, understanding the previous opinions refer that the majority of turnover causes related to the quality degree in human resource management policies and performance, job satisfaction degree, personal reasons, and some other economic factors. Nyaga (2015) summarizes that the main impacts of employees’ turnover on corporation efficiency extremely is low quality of performance and service failure which increases customer dissatisfaction.

Lee and Chen (2013) explain that many professionals last decades discussed employee obligation to work enhancing the service quality and job performance. Employee retention and job satisfaction are considered the most important objectives for human resource management, which related to work motivation and involvement. Moreover, there are many different components of job satisfaction: promotion opportunities, compensation, empowerment, age, health, social life and its attitudes, ambition and self-motivation (Sims, 2004).
Overall, most opinions and practical experiences mention that employees’ satisfaction largely effects business and the success of each company, more satisfied employees don’t leave their jobs. Corporations have significant effects on their employees and how they feel and conduct with their work (Kovačević, et.al, 2012).

**TOURISM AND HOSPITALITY SECTORS**

Nivethitha, et.al (2014) state that tourism the major generator service industry for direct and indirect job opportunities all over the world, Ameliya and Febriansyah (2017) add that the quality of human resource is the key factor in tourism and hospitality industry to provide the best services, which can be decided through customer’s satisfaction. But, at the same time the tourism and hospitality industry is characterized by high employment switch between establishments by experiencing high turnover rate globally which increasing work costs. Abdullah Hemdi and Abdul Rahman (2010) assure that turnover rate in the tourism and hospitality industry estimated annually from 60% to 300% globally, in comparison with 34.7% annual turnover rate registered in other work fields.

James, (2010) displays that in many cases employee turnover damages the efforts of tourism establishment to keep solidarity in their service standards to achieve the customer retention, which affects directly the profitability of these establishments. In opposite, Al Battat and Som (2014) mention that low employee turnover and satisfied employee’s gives tourism organization a competitive advantage than others.

Nivethitha, et.al (2014) assure that only few studies have searched the relationship between HRM practices and its effect on employee, turnover intention needs further studies to fill this gap. In that context, Kruger (2014) and International Labor Organization (ILO) reports debates that the tourism and hospitality industry is often characterized by poor employment image globally, low compensation especially basic salaries, illegal working hours, and limited opportunities for promotion.

It could be summarized that the major factors that force employees to leave their jobs in tourism or hospitality sector can be divided into the following categories which related to HRM practices: inaccurate recruiting processes; unsuitable work placement; unfair compensation; less promotion opportunities; inappropriate manager’s practices; and exaggerated job stress (Kruger, 2014).

Finally, According to Vasquez (2014) employee retention is vital for the tourism and hospitality organizations, it is very necessary to the organization’s progression by reducing the costs and time of selection and training new employees. The tourism organization needs to give employee retention a priority to enhance job satisfaction and customer service quality. It would be appropriate for tourism and hospitality managers to promote a stable human resource by awareness of ways to influence employees to stay.
METHODOLOGY

Population and Sampling of the Study

The population comprised of employees working in five-star hotels in Riyadh. The sample consists of 266 staff working in a total of ten five-star hotels that were selected conveniently among hotels in Riyadh city of Saudi Arabia.

Method of the Study

A five-point Likert scale was used in the survey form which is listed as follows: (1) strongly Agree, (2) agree, (3) neutral, (4) disagree, (5) strongly disagree. The internal reliability of the scale of turnover intention was found as 0.980. The study used descriptive survey research design. The questionnaire had four parts; the first part used the demographic information such as gender, age, and marital status, and educational qualification, nature of employment and years of experience. The second part consist of intention of turn over using Likert scale option. The third part consists of factors influences the turnover intention of hotel employees. The questionnaire was first written in English and translated to Arabic with the help of bilingual expert.

Data analysis

The data were analyzed using IBM SPSS Statistics for Windows, Version 21.0. Armonk, NY: IBM Corp.)". The structural relationship was performed using IBM SPSS Amos.

RESULTS AND DISCUSSION

Table 1: Demographic characteristics of participants.

<table>
<thead>
<tr>
<th>S.NO</th>
<th>Variable</th>
<th>Males</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Gender</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Male</td>
<td>179</td>
<td>67.3</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>87</td>
<td>32.7</td>
</tr>
<tr>
<td>2</td>
<td>Age</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>≤ 20 years</td>
<td>34</td>
<td>20.3</td>
</tr>
<tr>
<td></td>
<td>21-40 years</td>
<td>82</td>
<td>22.0</td>
</tr>
<tr>
<td></td>
<td>41-50 years</td>
<td>97</td>
<td>36.5</td>
</tr>
<tr>
<td></td>
<td>&gt; 50 years</td>
<td>30</td>
<td>11.3</td>
</tr>
<tr>
<td>3</td>
<td>Marital Status</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Single</td>
<td>74</td>
<td>27.8</td>
</tr>
<tr>
<td></td>
<td>Married</td>
<td>176</td>
<td>66.2</td>
</tr>
<tr>
<td></td>
<td>Others</td>
<td>16</td>
<td>6.0</td>
</tr>
<tr>
<td>4</td>
<td>Educational Qualification</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>High School/Technical</td>
<td>22</td>
<td>8.3</td>
</tr>
<tr>
<td></td>
<td>Under Graduate</td>
<td>60</td>
<td>22.6</td>
</tr>
<tr>
<td></td>
<td>Graduate</td>
<td>82</td>
<td>30.8</td>
</tr>
<tr>
<td></td>
<td>Post Graduate</td>
<td>64</td>
<td>24.1</td>
</tr>
<tr>
<td></td>
<td>Others</td>
<td>38</td>
<td>14.3</td>
</tr>
</tbody>
</table>

The table 1 shows the demographic characteristics of participants and 67.3 % (n=179) were males and 32.7 % (n=87) were female participants. Most of the participants were comes under
the age group of 41-50 i.e. 36.5% (n=97) while the least participants were under the age group of > 50 years 11.3% (n=30). The majority of them 30.8% (n=82) were Graduates and 24.1% (n=64) were having post graduates.

<table>
<thead>
<tr>
<th>S.NO</th>
<th>Causes</th>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Neutral</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>The main target of human resource management in hotels is achieving the job satisfaction for their employees</td>
<td>60(22.6)</td>
<td>106(39.8)</td>
<td>46(17.3)</td>
<td>30(11.3)</td>
<td>24(9.0)</td>
</tr>
<tr>
<td>2</td>
<td>Job satisfaction influences directly the employee turnover in hotel industry</td>
<td>113(42.5)</td>
<td>92(34.6)</td>
<td>23(8.6)</td>
<td>14(5.3)</td>
<td>24(9.0)</td>
</tr>
<tr>
<td>3</td>
<td>Nowadays, with the changes and challenges in labor market, achieving Job satisfaction represents a competitive advantage for the hotels</td>
<td>133(50.0)</td>
<td>86(32.3)</td>
<td>23(8.6)</td>
<td>10(3.8)</td>
<td>14(5.3)</td>
</tr>
<tr>
<td>4</td>
<td>Employees turnover affects directly the service quality in hotel industry</td>
<td>97(36.5)</td>
<td>95(35.7)</td>
<td>50(18.8)</td>
<td>8(3.0)</td>
<td>16(6.0)</td>
</tr>
<tr>
<td>5</td>
<td>Employee turnover is the most important indicator for the management performance in hotel</td>
<td>105(39.5)</td>
<td>81(30.5)</td>
<td>34(12.8)</td>
<td>22(8.3)</td>
<td>24(9.0)</td>
</tr>
<tr>
<td>6</td>
<td>Successful selection and recruitment process enables hotels to minimize the turnover rate.</td>
<td>118(44.4)</td>
<td>90(33.8)</td>
<td>20(7.5)</td>
<td>14(5.3)</td>
<td>24(9.0)</td>
</tr>
</tbody>
</table>

Table 2: The causes of employee turnover in hotel industries
In Table 2, most of the participants 39.8% (n=106) agree that the main target of human resource management in hotels is achieving the job satisfaction for their employees. While on the other hand 44.4% (n=118) strongly agreed with the statement that successful selection and recruitment process enables hotel industries to minimize the turnover rate. The n=133 of the participants strongly agree that achieving Job satisfaction represents a competitive advantage for the hotels with the changes and challenges in labor market. The results indicates that majority of them 37%(n=97) feels that employees turnover affects directly the service quality in hotel industries and to support that it is the most important indicator for the management performance in hotel industries 40%(n=105). Most of them suggested that successful selection and recruitment process enables hotels to minimize the turnover rates 44%(n=118).

Figure1: Designation of the respondents.
The figure 1 depicts the designation of the respondents participated in the study. According to it, 15% (n=39) were holding the position of supervisors, the HR staff 14%(n=38), as well Sales/Marketing and front office were 13%(n=35), 10%(n=27) respectively. The figure 2 portrays the age group of the participants and according to it, 33% (n=84) of the participants had 6-9 years’ experience in the hotel industry while 25%(n=67) of them were having 3-6 years’ experience in the hotel industries. The least 12 % (n=31) were having the experience of more than 9 years.

Figure 3 : Structural relationship of the factors influencing the turn over in hotel industries.
Table 3: Regression Weights

<table>
<thead>
<tr>
<th>DIM</th>
<th>INF</th>
<th>FACTORS</th>
<th>E</th>
<th>SE</th>
<th>S.E.</th>
<th>C.R.</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td>ETO</td>
<td>➔</td>
<td>Employee Expectation</td>
<td>0.374</td>
<td>0.312</td>
<td>0.051</td>
<td>7.295</td>
<td>***</td>
</tr>
<tr>
<td>ETO</td>
<td>➔</td>
<td>Job Stress</td>
<td>0.672</td>
<td>0.526</td>
<td>0.059</td>
<td>11.387</td>
<td>***</td>
</tr>
<tr>
<td>ETO</td>
<td>➔</td>
<td>Remuneration</td>
<td>0.497</td>
<td>0.392</td>
<td>0.048</td>
<td>10.342</td>
<td>***</td>
</tr>
<tr>
<td>ETO</td>
<td>➔</td>
<td>Employee Empowerment</td>
<td>0.123</td>
<td>0.113</td>
<td>0.04</td>
<td>3.08</td>
<td>0.002</td>
</tr>
<tr>
<td>ETO</td>
<td>➔</td>
<td>Motivation</td>
<td>0.722</td>
<td>0.582</td>
<td>0.063</td>
<td>11.409</td>
<td>***</td>
</tr>
<tr>
<td>ETO</td>
<td>➔</td>
<td>Promotion</td>
<td>0.728</td>
<td>0.628</td>
<td>0.065</td>
<td>11.189</td>
<td>***</td>
</tr>
<tr>
<td>ETO</td>
<td>➔</td>
<td>Training &amp; Development</td>
<td>0.497</td>
<td>0.326</td>
<td>0.06</td>
<td>8.266</td>
<td>***</td>
</tr>
<tr>
<td>ETO</td>
<td>➔</td>
<td>Interpersonal Relationship</td>
<td>0.793</td>
<td>0.652</td>
<td>0.068</td>
<td>11.711</td>
<td>***</td>
</tr>
<tr>
<td>ETO</td>
<td>➔</td>
<td>Performance Appraisal</td>
<td>0.153</td>
<td>0.113</td>
<td>0.055</td>
<td>2.763</td>
<td>0.006</td>
</tr>
<tr>
<td>ETO</td>
<td>➔</td>
<td>Work atmosphere</td>
<td>0.159</td>
<td>0.059</td>
<td>0.044</td>
<td>3.608</td>
<td>***</td>
</tr>
<tr>
<td>ETO</td>
<td>➔</td>
<td>Job Opportunity</td>
<td>0.095</td>
<td>0.026</td>
<td>0.043</td>
<td>2.187</td>
<td>NS</td>
</tr>
</tbody>
</table>


The figure 3 displays the structural relationship of factors influencing the turnover of hotel employees. The model fit meet the recommended guidelines and suggested a good model fit (RMSEA = 0.081, CFI = 0.928, GFI = 0.875 and AGFI = 0.820 (Bagozzi, 1991; Hooper, 2008). The CR value ranging from 0.822 to 0.950 and the AVE (Average variance extracted) are all above 0.5 ranging from 0.611 to 0.863 (Cunningham, 2001).

According to the Table 3, out of the eleven factors, eight of them showing the significance value P<0.001, and two of the constructs showing the significance value of P<0.05 and one construct with a p-value > 0.05 and was not significant. Hence it is supported the influence of employee turnover in hotel industries. The construct “motivation” had significant positive influence on employee turnover(β =0.582, t=11.409, p< 0.001) while the construct “promotion” had significant positive influence on employee turnover is (β =0.628, t=11.189, p< 0.001). The constructs such as employee expectation, job stress and remuneration also had a positive significant influence on employee turnover(β =0.312, t=7.295, p< 0.001) (β =0.526, t=11.387, p< 0.001), (β =0.392, t=10.342, p< 0.001).
CONCLUSION
The success of hotel business is directly related to customer satisfaction, which in turn requires the recruitment and retention of qualified employees. To encourage qualified employees to stay, management should implement various strategies. As this study has demonstrated, the factors such as employee expectation, job stress, remuneration, motivation, promotion, training and development, interpersonal relationship and work atmosphere had a significant positive influence on employee turnover. The present study recommends that the main target of human resource management in hotels industries is to achieve the job satisfaction of the employees. The successful selection and recruitment process enables hotel industries to minimize the turnover rate.

Our results propose that more surveys could be conducted from other hotel industries out of Saudi Arabia. Furthermore, future research on this topic might consider using other statistical techniques to know the supporting variables for the turnover of hotel employees.

REFERENCES


